

GREATER MANCHESTER INTEGRATED TRANSPORT AUTHORITY**REPORT FOR RESOLUTION**

COMMITTEE: Bus Network and PTE Services
DATE: 12 March 2010
SUBJECT: Demand Responsive Services - Update
REPORT OF: Interim Bus and Rail Director, GMPTE

PURPOSE OF REPORT

To inform Members of the latest patronage data for demand responsive 'Local Link' services and to report on and propose a series of actions to improve patronage, network coverage and value for money.

RECOMMENDATIONS

Members are asked to:

- Note the actions being taken to improve patronage and service delivery
- Approve the proposals in the report for amending Salford Local Link
- Note the proposals for new services to address gaps in the bus network as recommended in the 'Forthcoming Changes to the Bus Network' report elsewhere on this agenda

BACKGROUND DOCUMENTS

Report to the Bus Network and PTE Services Committee 13 November 2009:
Monitoring of Demand Responsive Services
Report to Transport Network Committee 22 May 2009: Monitoring of Demand of Responsive Services

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1. EXECUTIVE SUMMARY

- 1.1 This report informs Members of the latest journey trends on Local Link DRT services and of on-going work to improve patronage and minimise cost per trip. When compared with the same period last year, there has been a general decrease in patronage of 4.8%, particularly shopping trips, to a new annual total of 337,343 trips. This period generally coincides with the economic downturn; also the cold snowy weather meant that some DRT services did not run for limited periods and it is likely the weather depressed demand generally. Notwithstanding this, some services have remained stable or improved.
- 1.2 It also seeks to identify the reasons for this improvement and highlights GMPTE's active management of all services to increase patronage. Further, it identifies those services that are of most concern and describes specific actions being taken to promote those services.
- 1.3 Where overall patronage and value for money on DRT is poor and remedial action shows no improvement, officers will recommend the reduction or withdrawal of those services consistently demonstrating unacceptable cost per passenger trip. As an example, this report seeks approval to reduce the service hours of Salford Local Link at times when patronage is extremely poor.
- 1.4 The report also notes proposals elsewhere on this agenda to introduce new Local Link services where bus service provision may not be cost effective.

2. BACKGROUND

- 2.1 Demand responsive service operation falls into two categories: dedicated minibus or people carrier, and taxi, utilising people carriers or cars during their down time from normal taxi work. Some of the former and all of the latter category operate under shared taxi legislation. The remaining dedicated bus services operate as registered flexible buses or under not for profit permit regulations.
- 2.2 Fares are slightly higher than bus fares, but lower than taxi fares. Members approved revisions to fare structures at April 2009 Policy Committee. The services are carefully designed to complement, not compete with, existing conventional bus services in their areas of operation.
- 2.3 Local Link services are booked, scheduled and trip details dispatched to the vehicle either through the GMPTE booking centre or the operators' own facilities. These facilities vary depending on the nature of the service being provided, from sophisticated computerised systems to manual systems with radio control.

3. LOCAL LINK SERVICES

- 3.1 Thirty three Local Link services on twenty seven contracts comprising seventeen dedicated bus and ten shared taxi Local Link contracts are currently in operation, funded either by the Authority or from external funding sources. These include a PCT, Manchester Airport, Section 106 developer contributions and EU funding.

The dedicated bus schemes, including the latest available patronage data, are shown in the table below.

Table 1: Dedicated Bus Schemes

Dedicated Bus Schemes	Oct - Dec 2008	July – Sep 2009 (previous report)	Oct – Dec 2009	Annual Difference
Airport Nightlink	489	686	807	65%
Deeplish	1048	1019	1828	74.4%
East Bolton	5232	5460	6004	14.8%
East Manchester	5969	5203	4791	-19.7%
Hattersley	2456	2524	2843	15.8%
Heywood	4315	3750*	3910	-9.4%
Hindley	5459	4963	5141	-5.8%
Hulme	1877	1764	2075	10.5%
Middleton	3393	3762	4223	24.5%
North Manchester	4297	4312	4457	3.7%
Offerton	n/a	542	687	n/a
Oldham Shopping	3406	3254	3144	-7.7%
Partington	6585	5548	4908	-25.5%
Rochdale Shopping	531(2 mths)	790	1005	n/a
Salford	3620	2919	3015	-16.7%
Uppermill and Mossley	11219	10086	10065	-10.3%
Wythenshawe	11980	9514	9522	-20.5%
Total	71,876	66,096	68,425	-4.8%

*Estimate – incomplete data

- 3.2 Overall patronage on dedicated bus schemes is slowly decreasing from 71,876 in the quarter October to December 2008 to 68,425 in the same period in 2009, a 4.8% decrease. The graph at Appendix A shows details for individual services. Wythenshawe figures include Timperley and have included Heald Green since November 2008. Additionally, Salford figures include the Clifton and Moorside service and Uppermill and Mossley includes Denshaw and Pennine Meadows.
- 3.3 When the latest October – December 2009 period is compared to the July - September 2009 period figures, reported in November 2009, more recent trends can be examined, albeit seasonal variations will apply. Airport Nightlink, Deeplish, East Bolton, Hattersley, Hulme, Middleton, Offerton and Rochdale Shopping have all shown significant increases in the latest quarter. Seven of these services have been marketed and promoted as described in Table 3 and Section 6 below. However, seven services, East Manchester, Heywood, Oldham Shopping, Partington, Salford, Uppermill/Mossley and Wythenshawe have declined significantly since the July to September 2009 quarter and five of these were the most in decline in the previous report. All of these services have recently received or are planned to receive marketing and promotional support as also highlighted below. Reductions in patronage are brought to the attention of

operators and joint options for improvements are identified. Specific actions proposed for Salford Local Link are detailed in Section 7.4 below.

- 3.4 Total patronage across all dedicated services in July and August 2009 was particularly low. In September there was a significant increase and then patronage increased in October and November 2009 to levels which had not been achieved since the previous January. Patronage in December 2009 was low. This is thought to be due to the seasonal holidays and the very poor weather which prevented some services from operating for limited periods but is also likely to have depressed demand more generally.
- 3.5 Patronage on the ten long-running shared taxi Local Link services currently in operation is shown in Table 2 below.

Table 2: Shared Taxi Schemes

Shared Taxi Scheme	Oct - Dec 2008	July – Sep 2009 (previous report)	Oct - Dec 2009)	Annual Difference
Dane Bank	1575	1650	1577	0.1%
Daubhill and Deane	2418	1807	1848	-23.6%
Hollinwood and Werneth	982	1169	1546	57.4%
Horwich	5301	4865	4803	-9.39%
Mottram Tame Valley	5495	4657	4459	-18.9%
Marple and Mellor	290	369	319	10%
Standish and Shevington	1310	1081	986	-24.7%
North Bolton	n/a	597	710	n/a
Bury Rural	960*	1469	1176	22.5%
Wrightington Link	n/a	88	40	n/a
Total	18,331	17,752	17,464	-4.7%

*Estimate – incomplete data

- 3.6 Overall patronage on taxi schemes is slowly decreasing from 18,331 in October 2008 to December 2008 to 17,464 in the same period in 2009, a 4.7% decrease. The graph at Appendix A shows details for individual services. Mottram Tame Valley figures include Hyde and Gee Cross.
- 3.7 When the October to December 2009 period is compared to the July to September 2009 period, more recent trends can be examined, albeit as for the dedicated schemes, patronage can be affected by seasonal variations such as the recent poor weather. However, Hollinwood and Werneth has increased by over 57% due to the marketing detailed below. Details of the actions completed, currently underway and planned for the future for the shared taxi schemes, including all those where patronage has reduced, are shown in Table 4 below.

4 EXTRA CALL CENTRE MONITORING AND PERFORMANCE IMPROVEMENT

- 4.1 It is possible to undertake a more detailed analysis of demand responsive transport services where trips are booked through the GMPTE booking centre. The table at Appendix B shows this analysis. Although most of the patterns of trip

purpose seem at first similar, Members will note how some are used more for work education, day-care and health purposes than others. In order to improve and monitor the services, regular surveys are conducted on them by means of telephone surveys and focus groups. An imminent initiative is to have “mystery shoppers” travelling on a number of services to give feedback on the experience.

- 4.2 This analysis also shows that the average percentage of trips refused due to lack of capacity or non-operation at/in the desired times or area remains low at 2.2%, with no service reaching over 7%.
- 4.3 On services scheduled through the call centre further emphasis can be placed on improving service performance to enhance passengers' experiences. Officers now have the ability to monitor operations in real time and by daily or weekly reports. This has helped to identify performance issues, such as late pick-ups or service failures (cases where drivers do not turn up), which can be raised immediately and addressed with the operator, enabling call centre staff to build passenger confidence. A new DRT contract compliance annex to the standard conditions of contract has been developed, which stipulates penalties for the various breaches. This has been agreed in principle with operators for early implementation.

5 COMPARISON OF COSTS

- 5.1 The total net annual operating costs for DRT services for the year to the end of December 2009 have increased, when compared with year to the end of December 2008, from £1.651m to £1.859m, an increase of just over 12%. This increase reflects the introduction of new services to cover areas where bus services have been withdrawn but is a slight decrease from the year to the end of September 2009 detailed in the previous monitoring report.
- 5.2 When combined with the total patronage for the year to December 2009, the average operating cost per passenger journey across all services has increased to £5.38 overall (£3.54 for taxi services; £5.88 for dedicated minibus services) from £4.71 overall (£2.97 for taxis; £5.29 for dedicated minibuses) over the year to December 2008. This again reflects the introduction of new services as well as some contract cost increases in comparison to the previous year. In addition, the recent bad weather has depressed patronage on all services.
- 5.3 Two services in particular, Wrightington and Offerton, contribute to this increase in cost, despite marketing. These are discussed in Section 7.7 below. However, most of the costs of this latter service are covered by European funding for the use of new technology.
- 5.4 A number of services benefit from such external funding contributions. If these are excluded, the cost to GMITA per passenger, for the year to December 2009, reduces to £5.13 overall (£3.42 for taxis and £5.60 for dedicated vehicles).

6 MARKETING AND PROMOTION

- 6.1 Regular marketing of services is necessary to maintain visibility of the services and to retain and expand passenger volumes. In some cases, marketing has been followed by a significant increase in patronage. The total annual cost of the

comprehensive marketing and publicity currently underway and planned for the 2009/10 year, as shown in Tables 3 and 4 below, will be in the order of £35,000. A budget of £50,000 is allocated for 2010/11 and officers plan to increase spend to this level. This will facilitate increased promotional activity to support the maintenance and improvement of patronage.

Table 3: Marketing and Promotion on Dedicated Bus Schemes

	Leaflets to Business and Community Facilities	Household Leaflet Distribution	Posters to Local Businesses and Amenities	Community Outreach	Local Radio	Local Press
Airport Nightlink	Late Feb 2010					Planned Apr 2010
East Bolton	July 2009	July 2009	July 2009	July 2009		
Deeplish	Oct 2009	Oct 2009		Aug 2009	Aug 2009	
East Manchester	Feb 2010				Radio Regen - Mar 2010	
Hattersley	Oct 2009 Mar 2010		Oct 2009			
Heywood	Aug 2009	Aug 2009	Planned		Planned	
Hindley	Feb 2010					
Hulme	Feb 2010				Radio Regen – Mar 2010	
Middleton	Sep 2009	Sep 2009			Planned	
Offerton	Apr 2009	Apr 2009		Apr and Jul 2009		
Partington	Mar/Apr 2010	Mar/Apr 2010				
Rochdale Shopping	Feb 2010	Feb 2010		Ongoing	Aug 2009	Local Matters – 4 adverts per annum from Feb 2010
Uppermill and Mossley	Jan 2010	Jan 2010				
Wythenshawe	Feb 2010	Partial area, Feb 2010			Feb 2010	Feb 2010

6.2 In addition the Offerton service is also being used to promote web booking by directly contacting the most regular users. If successful, this will be made available for other services which will increase the capacity at the call centre for new services. Also contracts for North Manchester and Salford will shortly be renewed, with the latter amended as described below. This will be combined with a relaunch to attract new passengers, including press releases, distribution of

leaflets to households and businesses and posters. It will also involve liaison with community groups, local businesses and leaflets being handed out in the areas.

6.3 Actions are also being developed to further market the Airport Nightlink, East Bolton and Oldham Shopping services.

6.4 As mentioned above, marketing has already given us some successes on dedicated bus services:

- Rochdale Shopping was a concern. While patronage for the service was initially steady it then dipped after the first few months. The rise in patronage from December directly followed marketing efforts in the area to engage with the local community.
- Patronage on the Hattersley service has increased and been sustained since marketing in October.
- In Deepdish, the operator has worked with GMPTE to find a new market in providing education transport and an accompanying leaflet and radio campaign has significantly increased patronage.
- Consistent promotion of the Airport Nightlink service by the Airport and leaflet campaigns by GMPTE has almost doubled the patronage in comparison to the previous year.
- Marketing at the inception of the Offerton Local Link has led to it developing a stable and increasing patronage base.

6.5 Additionally, more general marketing is being undertaken at community events. At present officers are working with Tameside Third Sector and have recently attended Age Concern events and over 50 groups.

Table 4: Marketing and Promotion on Taxi Schemes

	Leaflets to Business & Community Facilities	Household Leaflet Distribution	Posters to Local Businesses & Amenities
Dane Bank	Mar 2010	Mar 2010	
Daubhill and Deane	Mar 2010	Mar 2010	
Horwich	Dec 2009 & Feb 2010	Dec 2009	
Hollinwood & Werneth	Apr/Mar 2010	Apr/Mar 2010	
Marple and Mellor	Nov 2009	Nov 2009	
Mottram Tame Valley	Mar/Apr 2010	Mar/Apr 2010	
North Bolton	Mar/Apr 2010	Mar/Apr 2010	
Standish & Shevington	Dec 2009 and Jan 2010	Dec 2009	
Bury Rural	Apr 2010	Apr 2010	Apr 2010

- 6.6 The Hollinwood and Werneth service is a particular marketing success. Patronage had markedly reduced, but leafleting in this area led to a rapid increase from November 2008 which continued into 2009. Further marketing in July 2009 has maintained this increase and now this service is showing an improved patronage figure. This work demonstrates that good targeted marketing can improve service results.
- 6.7 Where services have been marketed, encouraging patronage increases have been recorded. Officers, therefore, believe that this activity represents good value for money and believe that it will achieve the following outcomes:
- Helping to stabilise or improve patronage
 - Giving a new or renewed contract a publicity “push”
 - Ensuring that customers are aware of any changes in contract details
- 6.8 Services operated by taxis generally utilise the operators’ booking facilities and telephone lines. While this is cost-effective, difficulties can be faced upon change of operator. To address this issue, officers have confirmed that GMPTE can introduce its own telephone numbers at minimal cost. These will attach to all new services and be phased in on existing services as contracts change operator at renewal and publicity material is re-issued, then remain with the service; transferring from one operator to the next.
- 6.9 For the future, the aim is to help to maintain and increase patronage across the whole DRT network by marketing and promoting all services, including the stronger services. Within this general activity, less successful services will be intensively promoted with targeted marketing to local people.

7 PROPOSALS FOR NEW AND AMENDED SERVICES

- 7.1 This section summarises officers’ proposals for new and amended existing Local Link services arising both from changes in the bus network and on-going review of service performance.
- 7.2 Examples of changes in DRT services due to bus network changes are proposals for introduction of two new services, in Shawfield and Caldershaw, Norden and in the Radcliffe area.
- 7.3 Proposals for other new DRT services, such as the Tameside Shopping Link, arise from members aspirations to maximise external funding opportunities to develop targeted services. This service, which is fully funded by Tameside Partnership for Older People Project, builds on the successful Oldham and Rochdale Shopping Links introduced in 2005 and 2008. At the 6th July 2007 TNC, Members asked officers to explore other Shopping Link opportunities elsewhere in the county. These are unique and valuable services which take elderly and disabled passengers to and from local supermarkets.

7.4 A review of Salford Local Link has shown the following usage across all areas:

Sundays – Between 07:30 and 08:30, only six trips have been made in the past six months, this represents an average of one trip every four Sundays.

Daily – Very few passengers, only thirteen in the last six months representing an average of one every two weeks, have used the service between 22:00 and 23:00 hours.

As a result officers recommend a slightly reduced operating period from the start of the new service contract on 16 May 2010, as follows:-

Sundays: To start one hour later (30 minutes later for Moorside) at 08:30

Daily: To finish one hour earlier at 22:00

The new operating hours would be:

- Salford & Ellesmere Park – Monday to Saturday from 07:30; Sunday from 08:30 (currently 07:30) to 22:00 (currently 23:00)
- Moorside – Monday to Saturday from 18:00; Sunday from 08:30 (currently 08:00) to 22:00 (currently 23:00).
- Clifton – daily evenings only from 18:00 to 22:00 (currently 23:00)

7.5 Subject to these changes, officers recommend that Salford Local Link be continued for an initial period of twelve months from 16 May 2010 and that, subject to satisfactory review, this arrangement should continue thereafter.

7.6 Further information and recommendations on all of these services are included in the 'Forthcoming Changes to Bus Services' report elsewhere on this agenda, with costs detailed in the 'Forthcoming Changes to Bus Services - Financial Issues' report in Part B of this agenda.

7.7 In addition, officers are also considering the future of the Wrightington Link, where patronage is decreasing. Given that many of the passengers would still be carried by the Standish Local Link if this service did not exist, this service will be urgently reviewed. Costs for the recently introduced Offerton Local Link also remain high, despite patronage increasing in November and December. Discussions are taking place to review the operating hours, in order to better meet demand, and, for the second year of the service from April, a revised service level agreement will be used.

8 CONCLUSION

8.1 Overall, there have been some recent decreases in patronage which coincide with the economic situation. This report demonstrates the promotion and service review work being undertaken to reverse reductions and to maintain and increase patronage on strong services. There have been some encouraging increases as a result of marketing work but where this does not succeed, officers may need to recommend that services be withdrawn or reduced. It is anticipated that this may

become necessary by the date of the next meeting cycle. In general, most DRT services still provide good value for money and work will continue to improve the situation further. A further progress report will be submitted to an early meeting of this committee.

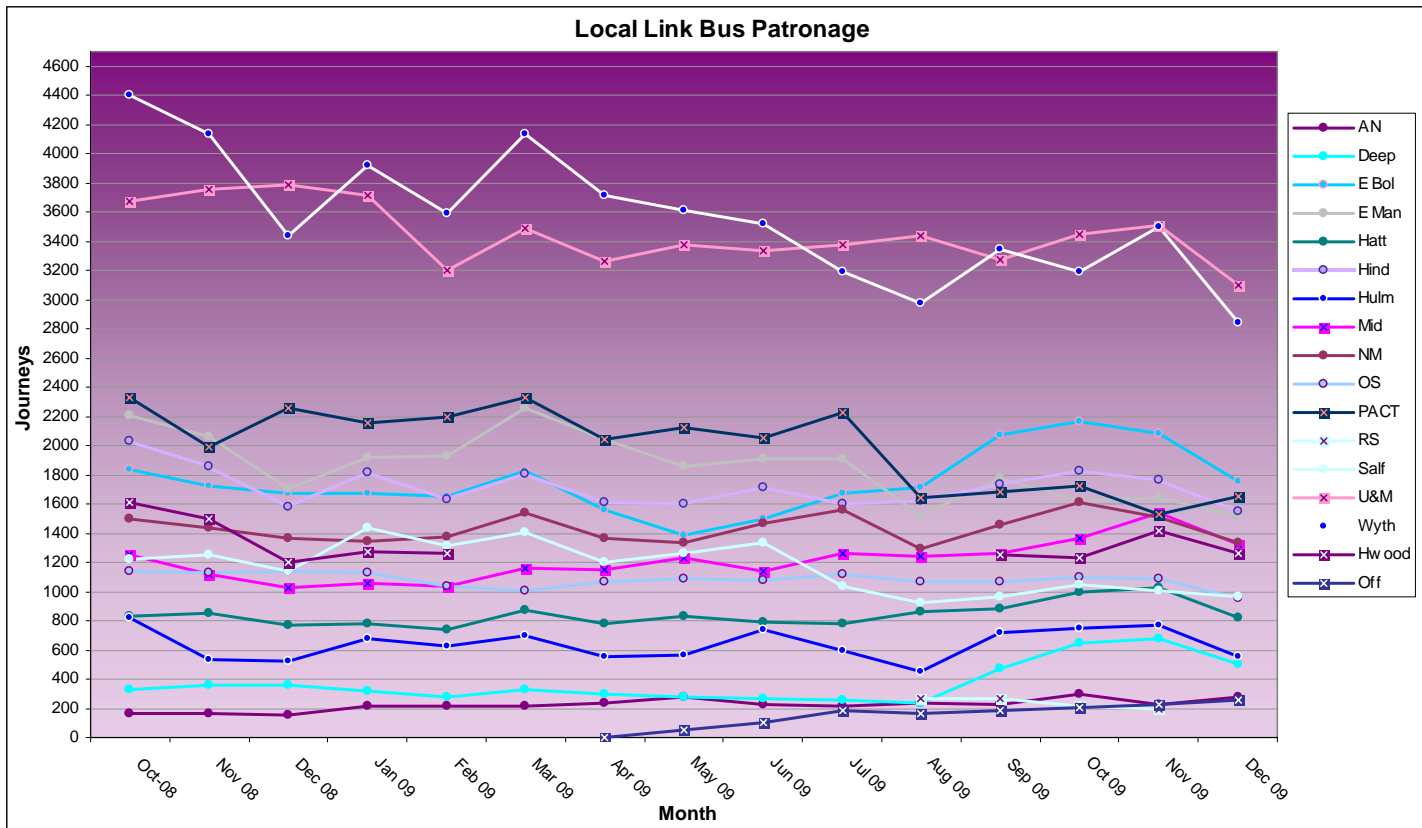
9 RECOMMENDATIONS

9.1 See front sheet for recommendations.

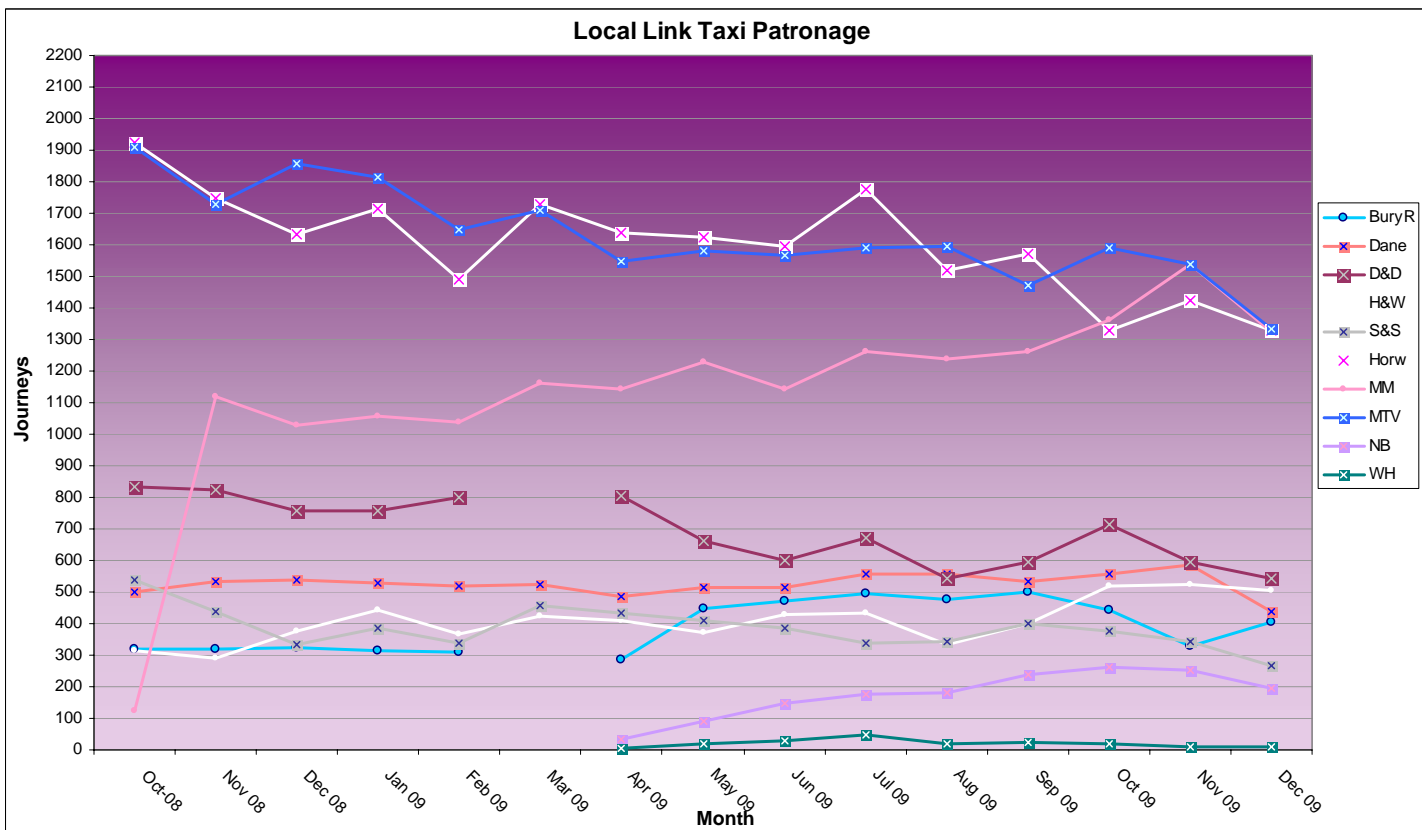
Michael Renshaw
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Summary of Local Link services:

Dedicated Bus Services



Shared Taxi Services



Extra analysis of services booked through GMPTE Booking centre; October to December 2009

APPENDIX B

	Number of Trips in Quarter	% Daycar e	% Educatio n	% Employme nt	% Non Specific or to Further Destination	% Healt h	% Leisur e	% Shoppin g	% of trips refused in Jan ¹	Passenger s making at least one trip in those months ²	Current Quarterly Cost of Service
Airport	807	0	0	100	0	0	<1	0	4.5	40	8,623 ³
Deeplish	1,828	0	57	6	<1	0	21	16	0.5	40	8,053
East Manchester	4791	2	4	34	1	15	32	12	1.5	263	34,354
Hattersley	2843	<1	0	11	0	4	66	19	2.7	100	25,000 ⁴
Hindley	3910	0	3	69	1	8	15	4	1	150	21,549
Hulme	5141	<1	<1	2	1	6	73	18	2.7	233	16,490
Heywood	1877	5	6	11	0	9	44	25	0.7	72	26,220
Middleton	4223	0	2	80	2	7	8	1	6.8	155	30,000
North Manchester	4457	4	<1	2	4	6	59	25	1.6	288	13,508
Salford	3015	<1	3	80	<1	3	56	31	0.9	119	37,661
Wythenshawe	9522	<1	4	30	1	5	44	16	1.4	395	52,229
Total or Average	42,414	1	7.2	38.6	0.9	5.7	38	15.2	2.2	1855	273,687

¹This is the percentage of trips, as recorded by the booking centre, refused when booking is attempted either because the vehicle is full or the trip is not catered for by the service. This excludes calls not answered.

²This statistic is designed to give a view of the number of individuals who use the service on a regular basis.

³ 50% of this cost is met by Manchester airport PLC

⁴ 25% of this cost is met by Hattersley Regeneration Partnership

