

**Affordable Transport**

<b>Recommendation</b>	<b>Merseytravel Response</b>	<b>Audit Work</b>
<b>Cost of Fares</b>		
<p>1. Review supported fares to analyse the costs/benefits of introducing short distance fares on supported services.</p>	<p>The Liverpool City Region Bus Strategy, which was approved by the LCR Combined Authority on 15<sup>th</sup> April 2016, has, as a key priority, value for money and affordable ticketing. An assessment of options (including franchising, enhanced partnerships) available to Combined Authorities with Metro Mayors under the Bus Services Bill will be commenced shortly. This will be a robust, comprehensive and complex piece of work. The review undertaken by the LCR Scrutiny Panel on Affordable Fares will be considered as part of this assessment. Fare modelling will be undertaken to identify the optimal approach to fares (structure and levels) to support the aims of the LCR Bus Strategy and to consider the best approach to achieving their implementation. The approach to assessment of options for bus has previously been endorsed by the Combined Authority. As the assessment will commence shortly and take place over the next two years, it is not proposed to undertake a separate review of supported fares which cover only 15% of the network.</p>	<p>Report on an Alternative Delivery Model Business Case – Strategic Outline Programme (SOP) went to Merseytravel on the 10<sup>th</sup> May 2017 and to the Transport Committee on 29<sup>th</sup> June. Work on the Strategic Outline Case commence shortly . As this assessment is being undertaken it is not proposed to undertake a separate review of supported fares.</p>
<p>2. Continue to develop a range of tickets that includes an ‘all operator’ carnet ticket and other innovations.</p>	<p>The delivery of multi-operator Carnets, along with other innovations such as the introduction of a multi-operator day ticket, are included in Merseytravel’s Walrus Smart Ticketing programme which was approved by Merseytravel Committee in April 2016 for delivery over a three year period linked to the LCR Bus Alliance. A final programme will be brought forward in Autumn 2016.</p>	<p>The Bus Alliance has a number of milestone targets relating to tickets, one of which includes the Introduction of carnet of Solo day tickets on Walrus. The progress of these are reported via the Bus Alliance governance structure.</p>

<p>3. To raise, through the Alliance, a trial at a key centre which incorporates short distance fares as part of the agreement.</p>	<p>A short distance fare has historically been provided on Arriva services in the Southport area. Merseytravel will raise the potential for analysis of the cost and benefit of this approach on a bilateral basis and will seek to bring a report back for further consideration by Members. However, it is important to note that Merseytravel's ability to discuss fares at a multi-operator level through the Alliance (or indeed under any arrangement) is strictly limited by competition law governed by the Competition and Markets Authority.</p>	<p>No further action has yet been taken on this. It is planned to approach Arriva in the near future.</p>
<p><b>Information about Fares</b></p> <p>4. Ensure that the emerging bus strategy includes information on fares as a key element</p>	<p>The LCR's Bus Strategy, approved by the LCR Combined Authority on 15th April 2016 has, as a key priority, "Improving Customer Experience Off-Bus" with the objective of enhancing information provision to improve customer confidence. The Strategy stresses the importance of digital and web development to support this aim including improved fare and journey planning information.</p>	<p>The Bus Strategy has "Improving Customer Experience Off-Bus" as a key priority.</p>
<p>5. Develop the Merseytravel website/apps to incorporate fare information on point to point fares in conjunction with work undertaken by the Bus Alliance.</p>	<p>As part of the Bus Services Bill, 'open data' provisions to third party developers will enable them to have access to relevant information to improve the customer offering. It will enable apps to be developed to meet customer demand on both journey planning and fares. This is an element of the Bill that Merseytravel fully welcome. In addition, a refresh of the Merseytravel website is due to take place during 2016/2017. An element of this refresh is to provide better information on fare options to all transport customers. As part of the Smart Ticketing work stream, linked to the Bus Alliance, the Walrus portal, which is also scheduled to go live in 2017, will enable customers to purchase both operator and Merseytravel pre-paid smart tickets on line. Scoping is currently being undertaken to define how we best support customers to select the correct product from a value for money perspective for the journeys they have planned. As a more consistent fare structure is now in place for the majority of operator single</p>	<p>A refresh of the Merseytravel website did not take place during 2016/2017. The Walrus Portal is unlikely to go ahead in 2017.</p>

	trips the focus in the short term will remain on promoting the flat fare at bus stops/on bus/through where appropriate digital means etc.	
6. The Bus Alliance customer experience workstream develops a strategy with all operators on main routes to publicise fares between key centres by operator. This to include the consideration of publishing fares at shelters and in timetables.	Merseytravel continues to raise the importance of value for money fares with operators. In line with this, and LCR's Bus Strategy, and in support of the Alliance's aims, Arriva and Stagecoach have taken the decision to implement a more consistent fare structure (with differential for river crossing) across the Merseyside area. A more harmonised fare structure by each operator has significantly reduced the cost for such City Region residents (particularly for residents in St Helens/Wirral and parts of Sefton), the volume of available fares and raises the potential for fares to be better promoted including at bus stops and in timetables. This will be taken forward by the Customer Growth workstream of the Alliance.	Arriva and Stagecoach did implement a more consistent fare structure (with differential for river crossing) across the Merseyside area. The Customer Growth workstream of the Alliance has a responsibility for the marketing/promotion of bus.
7. Task the Bus Alliance customer experience workstream to develop point-to-point fares as part of the journey planner as a long term development.	As part of Merseytravel's contribution to the Alliance (and the aims of the LCR Bus Strategy), a refresh of the Merseytravel website/digital presence is due to take place during 2016/2017. An element of this refresh is to provide better information on fare options from all operators to customers (Arriva and Stagecoach have their own apps/journey planners) so that customers can make informed choices. The Walrus portal, linked to the Smart Ticketing workstream of the Bus Alliance, is also scheduled to go live in 2017. This will enable customers to purchase both operators and Merseytravel pre-paid tickets and smart tickets on line. Scoping is currently being undertaken, which will involve operators, to consider how we support customers to select the correct product from a value for money perspective based on the journeys they make. Merseytravel have regularly pressed the issue of a consistent value for money fare structure with operators. This has led to no increases	A refresh of the Merseytravel website did not take place during 2016/2017. The Walrus Portal is unlikely to go ahead in 2017. Promotion of flat fare continues as part of the marketing/promotion of bus under the Customer Growth workstream.

	<p>for a number of years in single fares by the main operators and cuts in fare for parts of the LCR, with the introduction of a more consistent fare structure. Merseytravel will continue to stress the importance of value for money fares to operators on behalf of the LCR Combined Authority. As a simplified fare structure is in place, the focus in the short term will remain on promoting the flat fare at bus stops/on bus and where appropriate through digital means to improve fare information.</p>	
<p><b>Improved Bus Flow across the LCR</b></p> <p>8. Work with Local authority partners to encourage improved traffic management arrangements to improve punctuality/reliability. The Better Bus Area evaluation should help inform this.</p>	<p>The Better Bus Area remains in place with a remit to address issues affecting punctuality and reliability within its area of the east of Merseyside. NB. The scope of the BBA doesn't cover the whole City Region. The Alliance also has a Punctuality and Reliability workstream which is tasked with identifying issues relating to bus punctuality, coordinating the potential for improvement with the relevant highway authority, and delivering agreed schemes in conjunction with districts. The approved Key Route Network has been developed to align with busier bus routes and the lead officer for the KRN sits on the Alliance's programme board, providing a vital link between these two cross-cutting pieces of work.</p>	<p>The Bus Alliance has a Punctuality and Reliability workstream which deals with the issues identified.</p>
<p><b>Future opportunities, including legislative background and Buses Bill</b></p> <p>9. Continue to work with Transport Focus to influence their work in relation to ticketing and user/non user perceptions re 'value for money' and distance.</p>	<p>Transport Focus will be part of the Alliance, with a seat on the Joint Alliance Board taken by their Passenger Director, David Sidebottom. The first formal meeting is scheduled for November 2016. The Value for Money indicators as part of the annual Bus Survey are used as independent measures of progress.</p>	<p>Transport Focus have a seat on the Joint Bus Alliance Board. Meetings have taken place in November 2016, January 2017 and April 2017. It was confirmed that Value for Money from the Bus Survey is used as an independent measure of progress. Overall satisfaction with VFM has increased over 4 years (2013-2016) from 62% to 73%</p> <p>For 16-34 year olds it has increased by 13%</p>

		<p>For 35-59 year olds it has increased by 10%</p> <p>For commuters it has increased by 12%</p> <p>For non-commuters it has increased by 10%</p>
<p>10. Smaller operators should be encouraged to join the Bus Alliance.</p>	<p>The Voluntary Partnership Agreement for the Alliance makes specific reference to other operators joining the Alliance and this is being encouraged through bilateral and group meetings between Merseytravel and other operators. Provision has been made within the Alliance's legal agreement to ensure that barriers to entry for smaller operators are not prohibitive.</p>	<p>It was confirmed that this had been raised at bilateral meetings with smaller operators and group meetings.</p>
<p>11. Progress on short distance trials to be shared amongst Alliance members, provided it does not breach commercial confidentiality or competition legalities with a view to expand the trials, if successful, across the network.</p>	<p>A short distance fare has historically been provided on Arriva services in the Southport area. Merseytravel will raise the potential for analysis of the cost and benefit of this approach on a bilateral basis. However, it is important to note that Merseytravel's ability to discuss fares at a multi-operator level and sharing information with operators is strictly limited by competition law governed by the Competition and Markets Authority which prevents sharing commercially sensitive information on activities such as fare trials through an Alliance structure.</p>	<p>No further action has yet been taken on this. The reason is that Merseytravel need to be very careful about facilitating or promoting anti-competitive action amongst operators, which this could be. We, therefore, don't have conversations about individual operator fares with other operators present as a general rule, and this would fall into that category.</p>
<p>12. The progress of the Bus Bill is kept under review and relevant consultations responded to. If enacted the relevant powers be used regarding affordable fares.</p>	<p>Merseytravel, both directly and as a member of the Urban Transport Group, has worked closely with the Department for Transport as the Bus Services Bill has been developed and this work continues. Merseytravel will also be submitting evidence to the Transport Select Committee's review of the Bus Services Bill and will be representing the Urban Transport Group at the oral evidence sessions. The options that the BSB will give the Liverpool City Region Combined Authority around bus will be fully assessed during 2016-18 in line with the requirements for business case outlined in the</p>	<p>Frank Rogers represented UTG at the oral evidence sessions. The options available will be in the Business Case.</p>

	draft Bill and further recommendations will be made to the Combined Authority.	
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