

DEVON FARE CARS



DEVON COUNTY COUNCIL

Report of the Rural Bus Challenge Project April 2003 to March 2004

F6 from an area including Bradworthy, Chilsworthy, Sulcombe, Pannowick, East and West Purford and Abbots Buckingham to and from Holsworthy plus Holsworthy town to hospital and medical centre

fare F6 car

- operates 6 days a week
- for passengers of all ages
- see inside for how and when you can travel

To confirm your journey call:
North Tamar CTA 01409 293160
between 10.00 and 15.30 Monday and Friday
and 10.00 and 13.30 Saturday

A large print version of this leaflet is available. Call 01392 382800

The Car that gives you flexible solutions

Revised Fare and Timetable

F5 From Monkton, Luppitt, Rewridge, Liptree, Marsh, Yarcumbe, Stockland, Cotleigh, Farway & Northleigh to & from Horiton

fare F5 car

- operates every day of the week
- for all passengers
- any single journey £2.00

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The Car that gives you flexible solutions



Revised Service

From an area including Ashwater, Black Torrington, Broadwoodcliff, Claverton, Cockbury, Haveli Junction, Hensell, Hemysside, Holsworthy, Sisson, Lifford, Miles Down, Northcott, Shebbear, Shepperton, St Giles on the Heath, Sessott, Thornbury and Virginstone

fare F8 car

- Public Transport to Holsworthy and Launceston
- Also for travel between Holsworthy and Launceston
- Runs 6 days a week
- For passengers of all ages
- Only £2.50 per single journey
- See inside for details of how and when you can travel

To confirm your journey call:
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Devon Fare Cars Year 2 Report April 2003 to March 2004

1. Introduction

This report outlines the progress made on the Devon Fare Cars project in its second year, April 2003 to March 2004.

The project involves setting up eight experimental Fare Car schemes in selected areas of Devon. The bid was for a total of £471,000 over four years (£75,000 Capital and £396,000 Revenue Expenditure).



Fare Car is a shared private hire car service operating under Section 11 of the Transport Act 1985 enabling passengers to book seats on advertised timetabled journeys. The fare charged is approximately equal to or slightly above the normal bus fare for the distance travelled.

The car operator is refunded the full normal charge for the private hire journey, thereby providing the passenger with a subsidized service which, for the transport authority, may be more cost-effective in some circumstances than subsidizing a bus service.

The Devon Fare Cars project aims to find out in which circumstances, if any, Fare Car is indeed more cost-effective and sustainable than a subsidized bus.

Photo – The Bray Travel club Fare Car leaflet (F15)

2. Work during Year Two

The Year One report set four next steps for the project:

- A further five services to be introduced, thereby having all eight proposed services in operation by March 2004. These and existing schemes to be carefully monitored and reviewed and changes considered in the light of experience.
- To prepare an information pack for other interested local authorities.
- To approach DfT for approval to run all eight services until March 2006 within the total approved level of funding.
- To seek approval from DfT to add during 2004/2005 two further services to the eight originally approved. The successful introduction of these, however, would depend on finding suitable operators and on costs remaining approximately within the range encountered during Year One.

3. Implementation and Review of Services

In summary, work has proceeded as follows:

I. August 2003:

Introduction of Fare Car F10 in the North and Mid Devon (East Anstey) area.
Operated by Adrian's Private Hire of South Molton.
Bookings by Northern Devon Community Transport Association of Barnstaple.
Area as envisaged in the bid, with some adjustments suggested by CTA.
Review carried out in March 2004 with particular focus on the low level of usage in this sparsely populated area.
Proposals for extended area drawn up but no action yet.

II. September 2003:

Introduction of Fare Car F9 in the Mid Devon (Cheriton Fitzpaine / Poughill) area.
Operated by AD Coach Sales of Witheridge.
Bookings by Tiverton & District Community Transport Association of Tiverton.
Area as envisaged with some enlargement and timetable adjustments suggested by operator and CTA.
Early progress has been monitored; usage is low. It is apparent that the locally-based research was not able to reveal reliably which destination - Tiverton or Crediton was likely to be the most popular. The rural Fare Car / bus interchange at Cheriton Fitzpaine has been virtually unused.

III. September 2003:

Introduction of Fare Car F11 in the East Devon (Hawkchurch) area.
Operated by BW Taxis of Chard.
Bookings by TRIP Community Transport Association of Honiton.
Area as envisaged with some adjustment due to withdrawal of local bus service. Uniquely, this Fare Car provided a replacement for a failed (in terms of subsidy per passenger) flexibus. Fare Car appears to have captured about half of the former bus passengers.

IV. October 2003:

Review of Fare Car F7.
Passenger survey carried out. Service and booking arrangements monitored. Service reviewed in the light of operating experience, feedback from users and non-users.
Implementation of revised service with considerably enlarged area in March 2004. Failures in the booking service were cited as a reason for low passenger take-up. From the results of the first post-revision month, numbers appear to have risen considerably. It is too early to say whether this is due to the improved booking or the enlarged area.

V. November 2003:

Review of Fare Car F6.
Reviewed in the light of operating experience, feedback from users
No action yet.
This is the most successful service in terms of subsidy per passenger, enjoying lower mileage costs attributable to a more compact operating area and shorter distances between passenger origins and the one destination.

VI. November 2003:

Review of Fare Car F8.
Reviewed in the light of operating experience, feedback from users and forthcoming local bus service reductions.
Implementation of revised service pending.
This Fare Car is in the best three in terms of passenger usage but suffers due to long distances, including the operator's dead mileage and demand being split between two distant destinations - Holsworthy and Launceston.

VII. March 2004:

Introduction of Fare Car F14 in the Teign Valley area.

Operated by Orchard Shuttle of Newton Abbot.

Bookings by East Teignbridge Community Transport Association of Dawlish.

Area as envisaged with some enlargement and timetable adjustments as the result of County Council research. Thanks to the additional resources devoted to the project since end-September 2003, the extent and depth of the research towards Fare Car F14 was greater than for most of the others. Marketing was also far more extensive, involving area saturation with leaflets and posters and a free travel offer for an introductory period.

VIII. March 2004:

Fare Car F12 ready for implementation in Torridge and West Devon (Northlew) area but put in abeyance due to legal queries. This area appears likely to suffer from the same operational disadvantages as Fare Car F8.

4. Results and Experience so far

Results so far available (patronage and costs) are shown in the following tables.

SERVICE F6 Bradworthy / Holsworthy

2003/2004	Subsidy paid to operator	Number of passengers	Fares collected	Subsidy per passenger
April	£361.00	107	£95.00	£3.34
May	£491.00	138	£131.50	£3.56
June	£537.00	131	£161.00	£4.10
July	£803.50	192	£242.00	£4.18
August	£432.50	119	£133.00	£3.63
September	£599.00	149	£169.00	£4.02
October	£721.50	190	£189.50	£3.80
November	£456.00	126	£133.50	£3.62
December	£424.00	97	£113.00	£4.37
January	£575.50	126	£140.50	£4.57
February	£758.00	130	£166.00	£5.83
March	£967.11	178	£210.00	£5.43

SERVICE F7 Bigbury-on-Sea

2003/2004	Subsidy paid to operator	Number of passengers	Fares collected	Subsidy per passenger
April	£412.08	39	£46.80	£10.57
May	£481.97	54	£64.80	£8.93
June	£448.38	45	£54.00	£9.96
July	£653.13	71	£85.20	£9.20
August	£558.90	53	£63.60	£10.55
September	£447.38	45	£54.00	£9.94
October	£578.06	57	£68.40	£10.14
November	£327.50	36	£43.20	£9.10
December	£ 368.04	35	£42.00	£10.52
January	£ 316.50	33	£39.60	£9.59
February	£ 398.39	39	£46.80	£10.22
March	£ 710.32	65	£78.00	£10.93

SERVICE F8 Ashwater

2003/2004	Subsidy paid to operator	Number of passengers	Fares collected	Subsidy per passenger
April	£754.00	86	£172.00	£8.77
May	£1,032.00	111	£222.00	£9.30
June	£927.00	101	£202.00	£9.18
July	£1,271.00	145	£290.00	£8.77
August	£1,175.00	107	£214.00	£10.98
September	£1,277.00	143	£286.00	£8.93
October	£975.00	125	£250.00	£7.80
November	£1,266.00	143	£288.00	£8.85
December	£1,234.00	148	£304.00	£8.34
January	£1,338.50	171	£332.00	£7.83
February	£1,691.60	164	£328.00	£10.31
March	£2,275.40	223	£446.00	£10.20

SERVICE F9 Mid Devon

2003/2004	Subsidy paid to operator	Number of passengers	Fares collected	Subsidy per passenger
September	£606.80	27	£54.00	£22.47
October	£1,143.50	56	£110.00	£20.42
November	£1,030.60	54	£104.00	£18.40
December	£619.80	26	£52.00	£11.07
January	£1,106.90	47	£94.00	£19.77
February	£974.50	47	£97.00	£17.40
March	£849.50	41	£82.00	£18.07

SERVICE F10 North Devon

2003/2004	Subsidy paid to operator	Number of passengers	Fares collected	Subsidy per passenger
August	£127.00	6	£11.00	£21.17
September	£197.20	11	£19.50	£17.93
October	£487.10	48	£84.00	£10.15
November	£461.80	41	£75.00	£11.26
December	£458.70	24	£44.00	£19.11
January	£256.90	18	£31.50	£14.27
February	£395.00	44	£71.50	£8.98
March	£457.20	46	£76.50	£9.94

SERVICE F11 East Devon

2003/2004	Subsidy paid to operator	Number of passengers	Fares collected	Subsidy per passenger
September	£1,020.60	168	£168.00	£6.08
October	£1,276.80	168	£168.00	£7.60
November	£1,068.00	148	£148.00	£7.22
December	£1,049.60	148	£148.00	£7.09
January	£1,154.00	123	£153.00	£9.38
February	£1,187.00	166	£136.00	£7.15
March	£1,616.60	236	£283.20	£6.85

5. Revenue Expenditure in 2003/2004

The expenditure in 2003/2004 was as follows:

Payments to operators	£45439.60
Payments to Community Transport Associations for bookings	£31466.76
Publicity and Promotion	£15940.12
Total	£92846.48

6. Capital Expenditure in 2002/2003

The purchase and allocation of one accessible vehicle is about to proceed. Each District Licensing Authority lays down individual and idiosyncratic requirements regarding which vehicle specification may be plated. Furthermore, strong and conflicting views from the operators themselves has required a thorough survey of all available options.

7. General Observations And Conclusions So Far



Fare Car continues to be almost overwhelmingly welcomed by the communities it serves. However, this is not to say that it is entirely without disadvantages and the second year of the project has provided more extensive and deeper insights into both the pluses and minuses of the concept.

It is difficult to set up a standard model for the operation or administration of Fare Cars in Devon. Above all, we continue to be thoroughly dependent on the availability of an efficient and enthusiastic operator. The size of his business determines the amount of resources and flexibility which he can bring to the project.

Booking system

The most significant negative aspect of Fare Car appears to be the requirement to book ahead, and is the reason most commonly quoted for not using the service. Therefore the booking system has been the subject of careful examination.

The reason for imposing a book-ahead requirement was part of the deal struck with each operator. In return for guaranteeing his availability for journeys as booked but without a standby fee, we agreed to ensure that his normal business would never be disrupted by last-minute Fare Car bookings. We accepted that, reasonably, these should not be allowed to detract from more lucrative business.

It is suggested that the need to book is a particular deterrent for young people reluctant to plan ahead and elderly people who are subject to last-minute changes in their fitness to go out or to being put off by the weather. We have identified problems for people who can not book medical appointments until the actual day. However, as with much customer feedback, this comment can not be interpreted straightforwardly. We can not quantify the impact of this but we suspect that it may not be as significant as expected. It may be that anyone with a genuine transport need will overcome the need to book ahead - and generally this is the case. If an alternative means of transport can be resorted to, then there is no need for Fare Car.

Unfortunately, the third-party (community-based transport office) booking process has not always gone as smoothly as envisaged. In two areas, service failures have occurred either because of errors at the booking stage or incorrect information being passed on to the operator. There also appears to be some difficulty in guaranteeing office cover for the agreed booking hours. We have re-examined the possibility of contracting the operator to take bookings. When the project bid was assembled, the decision was taken not to use the operator for bookings for three reasons. First, from an audit point of view, it was considered unwise to permit operators to potentially submit big-value invoices for unverified journeys. Second, our unfamiliarity with the Private Hire sector led us to question whether bookings would be conducted in the required spirit of community service. Thirdly, community transport offices existed as local transport brokerages and Fare Cars fitted into this pattern. With experience, we have no audit concerns which could not be addressed by means of sample checks on bookings. The low volume of business would enable, if necessary, a checking back to the actual customer at a lower cost to us than the booking fee being paid at present or the amount at risk via the operator. With regard to the quality of service, we now have no doubts whatsoever that the operators engaged have given the service a degree of commitment which has contributed to its success.

We are also obliged to consider whether the booking fees paid to community organizations are justified in relation to the volume of business. Total booking fees in 2003/2004 were £35,498 for 5,574 passenger journeys equal to £6.37 per journey. Fees cover not only direct administrative costs and reasonable overheads, but also - depending on the organization's staffing situation - the taking on of dedicated staff. The latter element becomes highly disproportionate where the number of daily passenger bookings is very low.

In response to unsatisfactory carrying out of the booking function, the bookings for Fare Car F7 (Bigbury-on-Sea) was transferred to the established Fare Car operator. Not only was he able to offer longer booking hours, but, since the booking function simply fitted into a well-staffed office set-up, he requested no booking fee. We can not expect to find this favourable situation with every operator but this new set-up (commencing in March 2004) will prove to be a useful test of this way of working.

We are examining a second area - Fare Cars F6, F8 and the pending F12 - for possibly using the operator for bookings, following a monitoring exercise which has identified occasional lapses on the part of the community-based organization.

Passenger usage

The more detailed study of passenger usage made possible by the additional monitoring and promotion resource (as agreed for Year Two) has identified some useful and illuminating features.

Fare Car Membership and Regular Travel

Service	Eligible population (approx.)	Number of Members (= % of eligible population)	Number regularly travelling (= % of eligible population)
F6	2,350	202 (8.5%)	50 (2%)
F7 (pre-re-launch)	2,880	135 (4.5%)	12 (0.5%)
F8	5,250	187 (3.5%)	50 (1%)
F9	2,675	66 (2.5%)	21 (1%)
F10	2,160	69 (3%)	12 (0.5%)
F11	2,320	132 (5.5%)	35 (1.5%)

There are wild variations between and within services. Whilst making the point that subsidy per passenger is not the only measure of a service's usefulness or social value, this statistic is a reflection of the volume and distribution of demand in relation to the resources devoted to operating the service. Average subsidy per passenger per service (see above tables) is £4.20; £7.34; £9.10;

£9.57; £14.10 and £18.25 - making a project average of £10.43. Month-by-month figures by service have ranged from £3.34 (F6 in April 2003) to £22.47 (F9 in September 2003). Individual bookings show an even wider variation, ranging from an almost commercially viable journey to a passenger subsidy of £30.00.

As pointed out in the Year One report, Fare Cars illustrate the very low level of demand for public transport in deep rural areas which local research and public comment, in some cases very extensive, appears to have over-estimated. From an analysis of operator's returns and booking confirmations, it is clear that not only are the number of passenger trips low, but that the customer base consists of a small proportion of the eligible population - ranging from 2.5% to 8.5%, with around 3% in three of the service areas. An even smaller number of individuals - at most 2% of the eligible population - are making fairly regular trips. (A careful perusal of the booking records reveals the same passengers' names appearing again and again.)

In the extreme, in December 2003, the number of passenger trips on Fare Car F9 dropped by 50% when a regular passenger was on holiday. Fare Car F10 has less than ten regular passengers accounting for virtually all passenger trips and only twelve people ever making trips. It follows that only five people each making a daily return journey to and from work adds up to two hundred trips a month, so even passenger trip totals of several hundred a month may represent only a minute percentage of the local population. During 2003/2004, the busiest of our Fare Cars only once exceeded two hundred passenger trips a month. An analysis of usage figures reveals that only about two hundred individuals are using Fare Car services. Leaving aside possible reasons for non-usage, to which we are devoting some research effort, this appears to add up to a picture of the small and generally declining public transport-dependent minority.

Evening services have been very poorly used, in spite of evening travel often being cited as a major area of need, especially for the young. Again, whilst advance booking may be a deterrent for some, we would have thought that, if needs were so great, the level of usage recorded would have been much higher than has been the case. Our research of likely destinations for evening use, such as evening classes, youth clubs and the like, reveals a spread of start and finish times which makes it hard to devise a timetable which will be convenient for any significant number of people. Sunday services have attracted virtually no usage at all.

We intend to go on investigating reasons for non-usage.

Fare Car F8 distribution of passenger usage

(Showing: H = Holsworthy arrival; L = Launceston arrival)

Arrivals	0655 H	0850 H	1100 H	1425 H	1715 H	1845 H	0945 L	1305 L	1545 L	Total
March	0	3	3	1	0	0	1	1	0	9
April	1	4	15	2	0	0	6	6	0	34
May	1	12	14	4	2	1	10	11	0	55
June	0	7	14	4	1	0	21	5	0	52
July	0	10	10	11	0	0	24	13	1	69
August	0	10	11	2	0	0	16	12	2	53
September	0	6	11	4	1	2	8	18	2	52
October	0	14	20	4	0	2	17	4	1	62
November	0	22	17	1	1	4	15	17	0	77
December	0	37	19	0	0	1	24	3	1	85
January	0	32	17	0	5	6	19	15	1	95

(Showing: H = Holsworthy departure; L = Launceston departure)

Departures	0700	0850	1105	1430	1730	2000	2200	0945 L	1310 L	1550 L	1915 L	Total
March	0	0	1	4	2	0	0	0	2	0	2	11
April	0	3	8	14	5	1	0	8	6	4	0	49
May	0	2	6	16	14	0	0	0	7	9	0	54
June	0	1	7	12	7	0	1	0	14	5	0	47
July	1	2	7	9	8	0	0	0	18	20	0	65
August	1	1	4	14	3	0	2	0	18	15	0	58
September	0	16	13	12	8	0	0	4	22	15	1	91
October	0	1	5	25	4	0	0	0	24	4	0	63
November	0	3	3	22	2	0	0	0	19	17	0	66
December	0	0	10	20	0	0	0	0	28	5	0	63
January	0	2	4	23	0	1	0	2	20	21	2	75

We have not yet fully addressed the issue of fares, preferring to retain attractive prices so as not to be accused of deterring those in real need and somehow undermining the experiment. However, as reported at the end of Year One, there is evidence to suggest that passengers are able and willing to pay more in order to preserve their service. The fare level also has a direct and significant impact on the subsidy per passenger. This will have to be resolved as part of the continuation strategy of the project.

To date, we have not sought to discriminate in any way according to journey purpose. This approach mirrors Devon County Council's current policy on bus service support, whereby subsidy per passenger limits are consistently imposed, regardless of the category of service - e.g. work-time, school, leisure etc. The Fare Car concept was intended as a public transport facility along the same lines. However, when costs are so much more than buses, the question is bound to be asked whether it is sustainable to not differentiate between, say, a weekday trip to the nearest health centre as opposed to a Sunday morning outing to a different supermarket from the usual. This immediately becomes a value judgement of people's "needs," but there is bound to be some comment if Fare Cars demands high levels of support in rural areas at the same time as busier bus services in other areas are being withdrawn on grounds of cost. To date, we can think of no equitable, anomaly-free way of judging or means-testing people's entitlement to use Fare Cars. Therefore, if this issue needs to be addressed, it may be done by means of specifically timing journeys to be useful for certain purposes at designated locations.

Given the high subsidy per passenger, we feel prompted to give very careful and early consideration to the exit strategy. Whilst Fare Cars in places and at certain times are producing potentially sustainable cost figures, the position overall appears to be disappointingly stabilized at a level which, is at best twice and at worst nine times Devon County Council's normal subsidy per passenger limit for daily bus services. On the face of it, the number of passengers per trip could be improved by reducing the number of journeys on offer, but unfortunately, the effect of withdrawing journeys, rather than concentrating demand is just as likely to be the loss of the passengers affected. We begin to suspect that once a Fare Car service has reached its optimum position peculiar to its area of operation, the subsidy per passenger may be roughly the same, however frequently or infrequently the service runs - this being a product of the level of need and the distance travelled and subsequent operating cost. There may already be as much concentration of demand as there will ever be. This concentration eventually tends to reflect the same patterns as on the traditional local bus service network, namely work-time and morning or afternoon shopping periods, especially on market days.

Legal issues

A number of legal queries have been raised which have caused significant disruption in terms of time allocated to progressing the project. As outlined in the original bid, Fare Car is a shared Private Hire car service operating under Section 11 of the Transport Act 1985 enabling passengers to book seats on advertised timetabled journeys. The operation is carried out entirely according to the Private Hire regulations as administered by the relevant District Council. The queries have only recently been raised with regard to the booking arrangements. As they affect existing and intended Fare Car services, the queries are:

- Passenger bookings may not be accepted by a third party. The booking office must hold a Private Hire Operator's Licence. This affects all Devon Fare Cars, with the exception of Fare Car F7, bookings for which, for other reasons, were transferred to the operator's office;
- Passenger bookings may not be taken by an office located outside the District in which the operator is licensed. This affects Fare Car F11 (bookings taken in Honiton, East Devon District, for an operator in Chard, South Somerset District) and intended Fare Car F12 (bookings intended to be taken in Okehampton, West Devon District, for an operator in Holsworthy, Torridge District).

At the time of writing, we are awaiting or seeking clarification and definitive and consistent interpretations of the relevant legislation both from the District Licensing Officers and the Department for Transport, since statements hitherto have been neither consistent between Districts nor final.

The Future

Concerning Fare Car's future role in the public transport network, we are still satisfied that Fare Car is likely to be a more cost-effective way than the conventional bus of providing a frequent all-day daily public transport service in a deep rural area. However, there are no examples to date of Fare Car being a cost-effective like-for-like replacement for any bus service being withdrawn. This is because most existing bus services at least carry a few passengers on most journeys - which is the worst-case situation for Fare Car. In comparison with the bus, Fare Car is cost-effective when usage is sporadic - the very situation where an all-day bus is extremely expensive to provide because of wage and vehicle overheads. Not entirely unlike the bus, Fare Car's best-case usage pattern is a large (but, in the case of Fare Car, not too large) number of passengers on each of a number of journeys. However, once on the road, the direct operating costs (wages, vehicle costs, fuel) of a Fare Car are not automatically lower than a small bus - so Fare Car invites the ironic conclusion that it is appropriate only when a conventional bus would be a financial disaster; it may be unsustainable on grounds of absolute cost when usage is modest and it may offer no cost advantages at all when usage is consistently good. Indeed, if usage builds up, the Fare Car vehicle will be too small, but no cheaper to run than a bus.

At this half-way point, we may tentatively forecast the final outcome of the project. Unless there is a major injection of new revenue support funding, it is inevitable that no services will survive with their present timetables and fares. With existing funding or even some new funding, there will have to be very significant weighting of support in favour of deep rural areas - perhaps at the expense of other areas - to justify the cost of sustaining Fare Cars on a daily basis. We propose to set out options which will outline various levels of service - with fare increases as an important consideration - which may be sustainable according to the prevailing budgetary situation. We also await the outcome of accessibility planning work which may indicate a way forward. It may be that a minimum level of provision to certain local facilities will be required which will be funded irrespective of the level of usage or per-passenger cost. If so, it would be sensible to test all transport modes, not just Fare Car, as a way of providing this.

8. Next Steps for Services

- We shall seek clarification on the legal position from the District Councils and Department for Transport. Following this, we shall reorganize Fare Car services in order to comply fully with legal requirements.
- Assuming the legal queries are resolved, we shall implement the eighth Fare Car service.
- We shall aim to set up two further services, in line with the agreement secured from DfT.
- We shall continue to employ additional resources for planning, monitoring and promotion as agreed by DfT.

9. Financial Summary So Far

Total actual expenditure 2002/2003:	£5,000
Total actual expenditure 2003/2004:	£93,000
Planned expenditure 2004/2005:	£162,000
Total planned project expenditure as at 31st March 2005:	£260,000
Grant received in 2002/2003:	£80,000
Grant received in 2003/2004:	£80,000
Additional grant requested for 2004/2005:	£120,000

10. Conclusion

The Devon Fare Cars project continues to be a useful and informative experiment in innovative rural public transport. We envisage a successful completion of the project.