

Appendix 3

The Effects of Policy Levers

- a) Demographics: This is the underlying trends in the population which will mean a reduction in bus travel unless there is strong intervention. This is taken as the “base case” along with fares increasing above inflation below.
- b) Fares: Fares increases above inflation in the past and predicted to continue into the future will affect patronage significantly without major intervention. This is included in the base case.
- c) Concessionary fares: The change in concessionary fares for senior citizens and disabled to zero off-peak from 1st April 2006 has been modelled. This modelling should be treated with caution as the effects of this change are hard to predict and therefore the modelling has a low confidence factor.
- d) Real time information: Metro is introducing real time information at stops and by mobile phone and web.
- e) Upgrading of stops: Metro is currently undertaking a programme of shelter upgrades.
- f) Bus Priority: This affects punctuality at peak times in particular and therefore patronage.
- g) Frequency of service changes: This affects consumer confidence and can heighten perceptions of unreliability.
- h) Marketing and Public relations: The perceptions of buses and knowledge of the product influence patronage. The effects are maximised when linked to other confidence building initiatives accompanied by a consistent product.
- i) Branding: This affects customer confidence and conveys the image of an integrated system and is linked to other confidence measures.
- j) Simplification of fares: This affects accessibility to the system for mainly non-users and provides a “marketable” product. IT also quickens boarding times giving improvements in punctuality.

- 1) The table below demonstrates a likely modelled scenario assuming the current mechanisms available through partnership, voluntary agreement and codes of practice (the less radical option):

Policy	2005	2006	2007	2008	2009	2010	2011	2012 onwards
Fares above inflation	yes	yes	yes	yes	yes	yes	yes	yes
Real time information on web and mobile phones	yes	yes	yes	yes	yes	yes	yes	yes
Concessionary fares to zero	no	yes*	yes*	yes*	yes*	yes*	yes*	yes*
Real time information at stops	no	yes 2%	yes 4%	yes 4%	yes 4%	yes 4%	yes 4%	yes 4%
Upgrading of bus stops	yes 10%	yes 25%	yes 40%	yes 55%	yes 70%	yes 85%	yes 100%	yes 100%
Bus priority measures on busy routes	no	no	no	no	yes 1%	yes 2%	yes 2%	yes 2%
Reduce frequency of service changes by two thirds	no	no	no	no	no	no	no	no
Marketing effort accompanying fares changes and branding	no	no	no	no	no	no	no	no
Introduce branding on buses and infrastructure	no	no	no	no	no	no	no	no
Simplify and flatten fares	no	no	no	no	no	no	no	no

* = modelling has a low confidence factor

2) The table and below shows a scenario where Metro can implement more radical policy levers (the more radical option):

Policy	2005	2006	2007	2008	2009	2010	2011	2012 onwards
Fares above inflation	yes	yes	yes	yes	no	no	no	no
Real time information on web and mobile phones	yes	yes	yes	yes	yes	yes	yes	yes
Concessionary fares to zero	no	yes*	yes*	yes*	yes*	yes*	yes*	yes*
Real time information at stops	no	yes 2%	yes 4%	yes 4%	yes 4%	yes 4%	yes 4%	yes 4%
Upgrading of bus stops	yes 10%	yes 25%	yes 40%	yes 55%	yes 70%	yes 85%	yes 100%	yes 100%
Bus priority measures on busy routes	no	no	no	no	yes 1%	yes 2%	yes 2%	yes 2%
Reduce frequency of service changes by two thirds	no	no	no	no	no	yes	yes	yes
Marketing effort accompanying fares changes and branding	no	no	no	no	yes £2m	yes £1m	yes £1m	yes £1m
Introduce branding on buses and infrastructure	no	no	no	no	yes	yes	yes	yes
Simplify and flatten fares	no	no	no	no	yes	yes	yes	yes

* = modelling has a low confidence level

The graphs below demonstrate the difference in both patronage and satisfaction between the less and more radical modelled options:

