



57 High Street, Broseley, Shropshire, TF12 5EY

PROPOSAL TO THE BROSELEY & BARROW LJC 3rd July 2010

FOR THE PROVISION OF A MINI BUS SERVICE TO WILLIAM BROOKES LEISURE FACILITIES, MUCH WENLOCK

The Friendly Transport Service (Shropshire) Ltd has been asked by the LJC to put together a proposal for their consideration. The proposal is for the provision of transport from the Broseley and Barrow area to the new William Brookes Leisure facilities during evenings and weekends as required, and at any other times to be agreed, when the Arriva bus service is not in operation.

It is proposed that the service would commence in September 2010, subject to approval, and would be on-going until further notice.

As this would be a new service, there are a lot of 'unknowns' such as numbers of passengers likely to use the service and how often a bus will need to operate, at what times and on what days of the week. We have therefore put together some basic cost information which can be used to calculate the overall costs of the service once more information becomes available.

The **main variables** we foresee are as follows:

1. Frequency of service through the week/weekends
2. Will the service be term time only or throughout the year
3. Whether journeys and passengers will be 'regular' or vary weekly/monthly/termly
4. Will the service be required at 'unsociable' times of the day
5. What age range will the passengers be – will an escort be required

We don't consider that any of these variables should cause any issue. However if an escort is required then this may need to be given some further consideration, perhaps with parents and the school.

Drivers

It is possible that we will need to employ a driver or drivers so that we can ensure their availability and the provision of the service. The costs outlined below do not include any salary costs for drivers but do cover office administration. Costs for employing a driver are shown separately. This is because our drivers currently work on a purely voluntary basis, each undertaking just one or two journeys each week when they are available.

Costs

We base our fares purely on covering our costs and overheads as we are not for profit.

We charge a rate of 95p per mile for all regular journeys. Costs to individual passengers therefore are calculated as:

$$\frac{\text{mileage} \times 95\text{p}}{\text{number of passengers}} = \text{£cost to each passenger}$$

For the proposed service covering Broseley and Barrow to William Brookes we could estimate that an average return journey would be around 20 miles (this will depend on where we pick up and this figure is based on a variety of pick up locations around the area). As we don't know how many passengers will be travelling we have to make assumptions. Our new bus can carry up to 16 people and if we had a full capacity then the cost would be less for each passenger than if the bus were only half full. It may be that we need to strike an average and here are some figures to show the possible variations on fares:

$$\frac{20 \times 95\text{p}}{8} = \text{£}2.40$$

$$\frac{20 \times 95\text{p}}{12} = \text{£}1.60$$

$$\frac{20 \times 95\text{p}}{16} = \text{£}1.20$$

Although there is not a local Arriva bus that would operate at the times we would be travelling we do need to consider what they currently charge for a trip from Broseley to Much Wenlock. A return journey currently costs £2.80 from the centre of Broseley to the centre of Much Wenlock.

This shows that even at the 'higher' rate of £2.40 based upon 8 passengers we would be competitive in comparison to Arriva (should they operate).

We would recommend that a charge at the rate of **£2.40** for a return journey is made, certainly initially, as we need to make sure that the costs are covered for each journey. If we regularly have a full busload then we can reduce the fares accordingly.

If it is felt that passengers would not be willing to pay this amount then there may be a possibility of applying a subsidy if a grant is available. If less passengers travelled then we would also need to look at possible subsidy to ensure the costs of the bus are covered.

Employing a driver

The Friendly Bus uses voluntary drivers currently and we would therefore need to recruit a new driver or drivers for this service. This should be relatively straight forward and we may well be able to recruit from our current pool of drivers. It will be difficult to advertise for a position until we know in more detail what the service will be in terms of regularity

and frequency. It would be our intention to employ someone on a flexible, hourly rate based contract.

The current market rate for a ring and ride driver is around £8 per hour (plus NI). A decision would need to be made regarding whether this cost is subsumed within the fare or whether it becomes subsidised by a grant or other source of funding. When we know more detail regarding how many hours a driver will be working then we can make this decision.

We feel that this proposal would benefit from having some further discussion with the LJC and any other representatives so that we can firm up some of the costs and details further. Perhaps if the principle of our approach and general costs can be agreed then we can then proceed with the more operational elements.

Marie Monk-Hawksworth, our Project Manager, will be happy to discuss any points as necessary.

Thank you.