

The Latest Bus Numbers



DfT Quarterly Bus Statistics

- Quarterly publication of data reported by operators throughout Great Britain
- Passenger Journeys
- Fares charged
- Published by DfT by area:
 - English Shires
 - English PTE areas
 - London
 - Scotland
 - Wales

Why they're useful

- Look at what's happening in the wider market
 - Useful to benchmark
 - Your operation against the market you're in
 - Your operation against experience in other markets
- The analysis and interpretation:
 - Set the tone about how the industry is doing
 - Influence perceptions of the industry
 - Provide the industry with the background to arguments it is making, e.g. over congestion

The Headlines - Quarter 1 19/20

(April to June)

Area	Patronage	Up/Down	Percentage
London	546.9	DOWN	-0.6%
PTE Areas	222.1	DOWN	-2.8%
Shires	302.9	DOWN	-0.3%
Scotland	95.0	UP	1.5%
Wales	25.4	DOWN	-0.4%
ALL GB	1,192.2	DOWN	-0.8%

Change compared with the same quarter last year

The Headlines - Year to 30 June

(Rolling Year Totals)

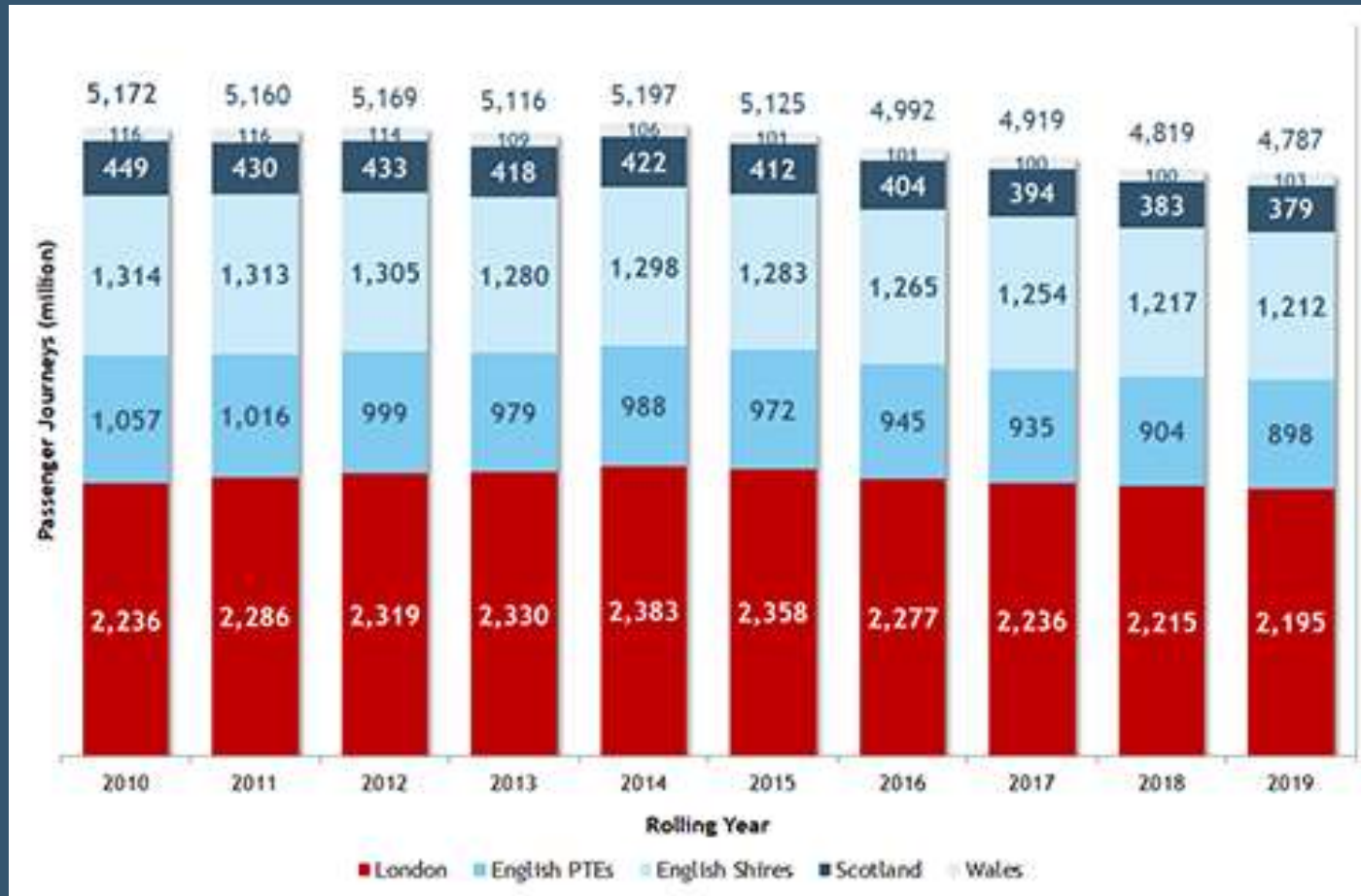
<i>Area</i>	<i>Patronage</i>	<i>Up/Down</i>	<i>Percentage</i>
London	2,195	DOWN	-0.9%
PTE Areas	898	DOWN	-0.7%
Shires	1,212	DOWN	-0.4%
Scotland	379	DOWN	-1.0%
Wales	103	UP	+2.8%
ALL GB	4,787	DOWN	-0.7%

The Headlines - Five Year Change

(Rolling Year Totals)

<i>Area</i>	<i>Up/Down</i>	<i>Percentage</i>	<i>CAGR</i>
London	DOWN	-6.9%	-1.4%
PTE Areas	DOWN	-7.6%	-1.6%
Shires	DOWN	-5.5%	-1.1%
Scotland	DOWN	-8.0%	-1.7%
Wales	UP	+2.4%	+0.5%
ALL GB	DOWN	-6.6%	-1.4%

Trends in Annual Totals Last Decade



The Headlines - Real-Term Fares

(June 2019, compared with June 2018)

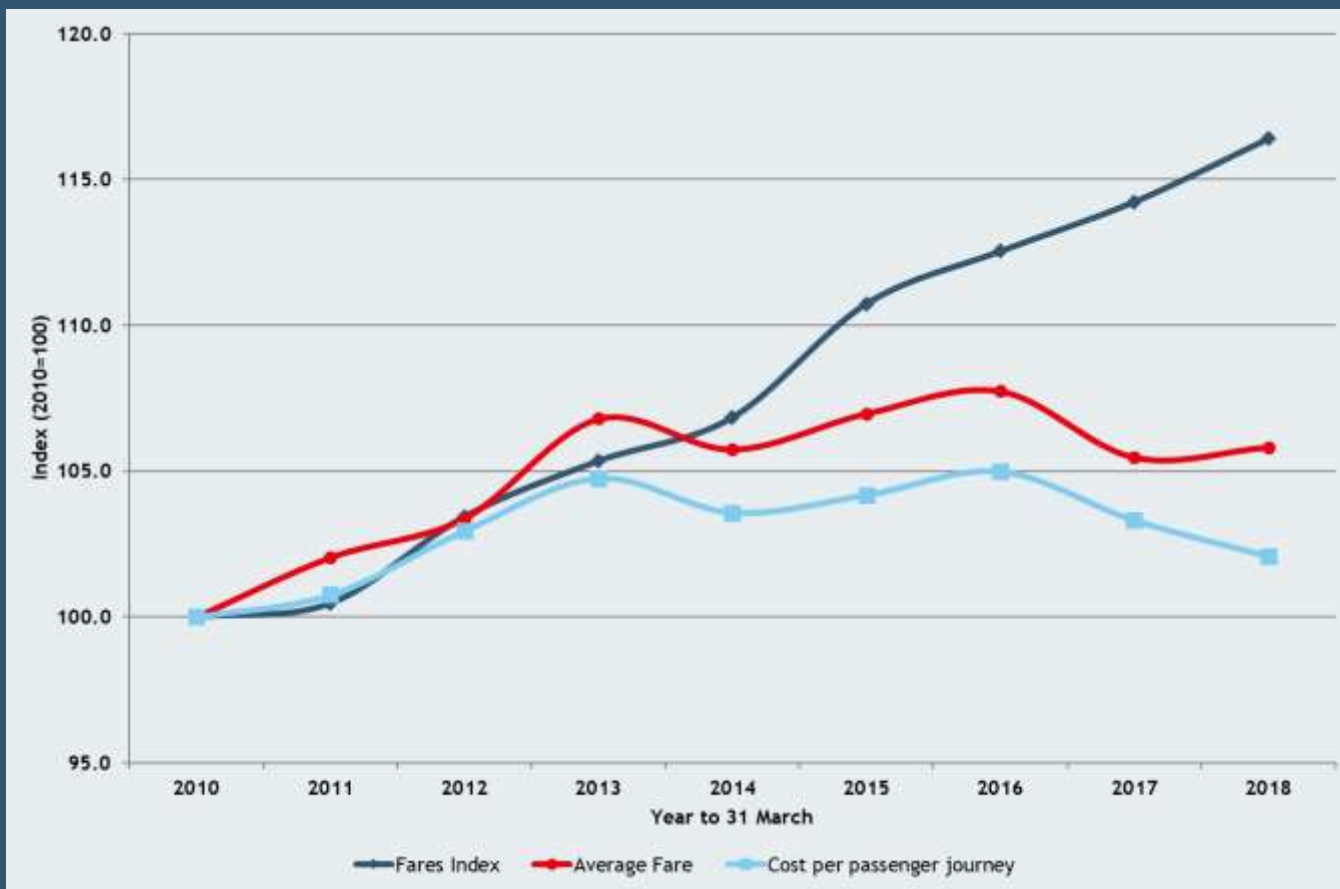
<i>Area</i>	<i>Index (2005=100)</i>	<i>Up/Down</i>	<i>Percentage</i>
London	124.5	UP	+0.5%
PTE Areas	139.9	UP	+1.3%
Shires	121.8	UP	+1.9%
Scotland	127.0	UP	+0.2%
Wales	122.9	UP	+2.5%
ALL GB	127.6	UP	+2.2%

Movement in Real Fares since 2005

30 June each year, 03/2005=100



Movements in Fares, Costs & Revenue England outside London

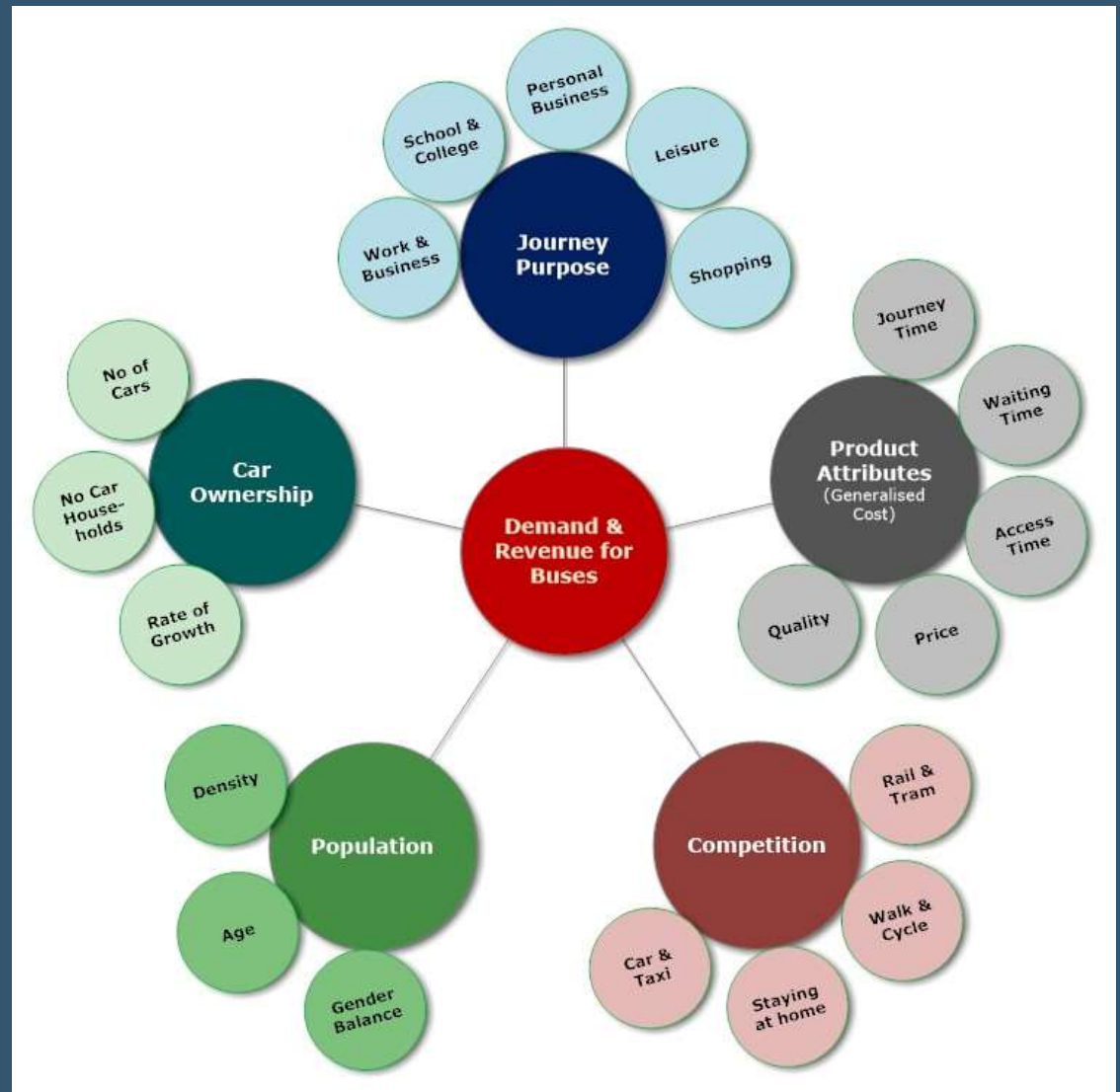


Explaining changes

- These statistics give us a picture of what has happened
- Reasons why
 - We need to understand the reasons, in order to:
 - Manage stakeholder expectations
 - Understand our own businesses better
 - Know what to expect in future
 - Be able to influence the future where we can
 - Directly through our appeal to the market
 - Indirectly through influencing policies of others

Influences on Bus Demand

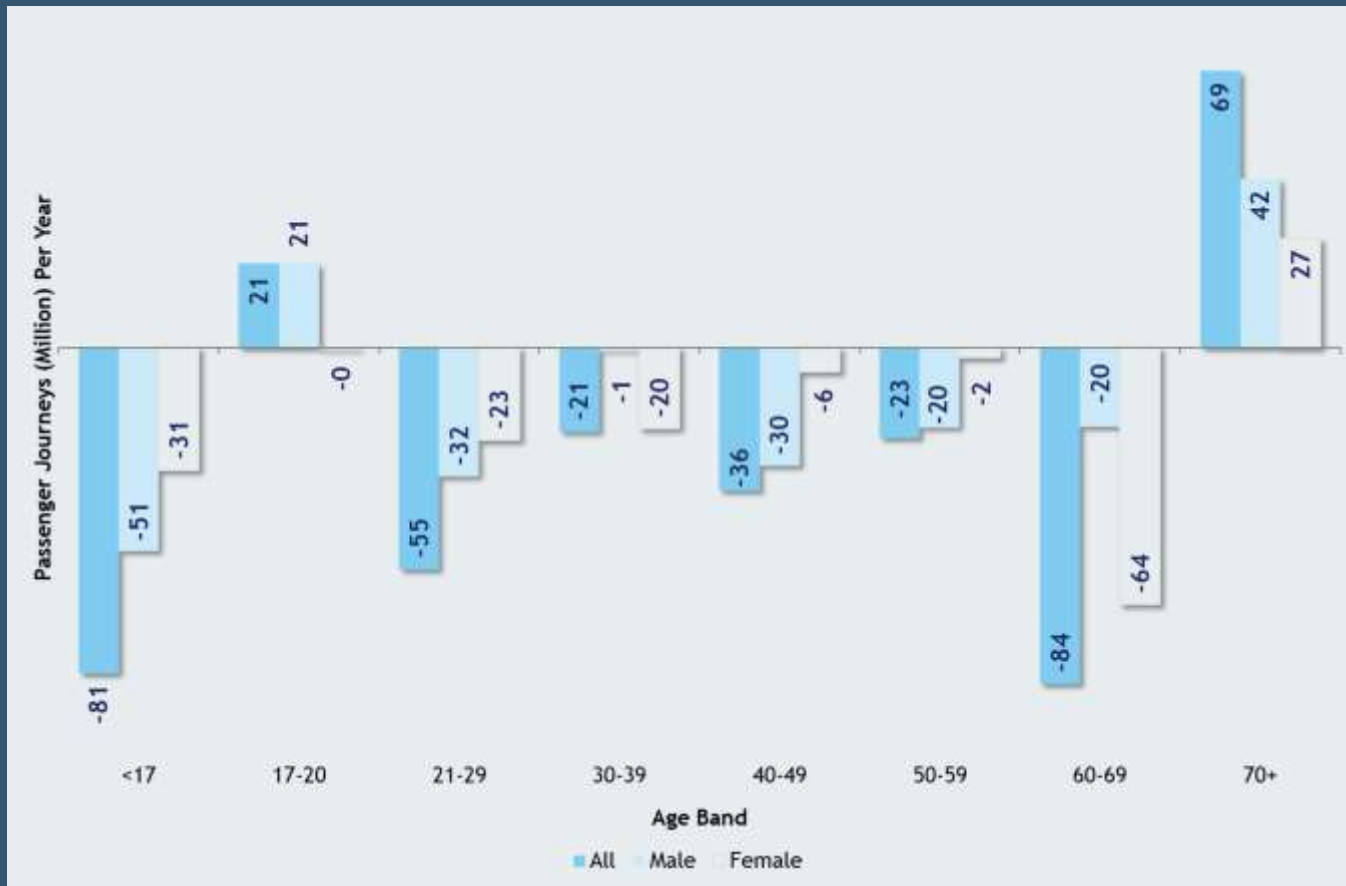
- Journey Purpose
 - Product Attributes
 - Generalised Cost
- Competition
- Population
 - Size
 - Age/Gender Profile
 - Density
- Car Ownership



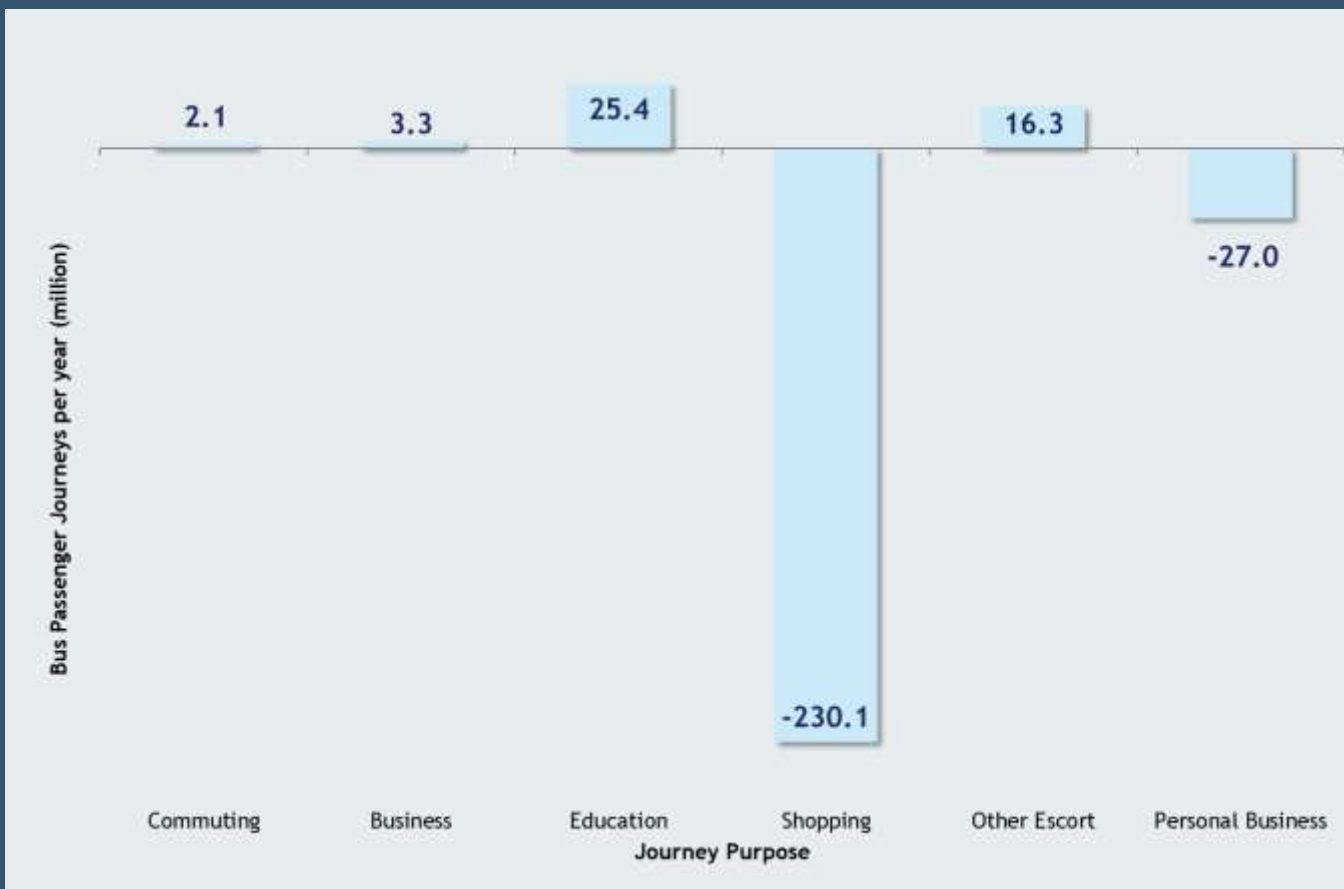
National Travel Survey

- Annual survey of travel patterns in England
 - 6,000 households, 14,100 individuals
 - Very large sample, valuable data
 - Survey first done in 1965, consistent data set since 2002
- Latest (2018) survey published this summer
- Tells us about age profile, income profile and journey purpose of travellers
- Comparative data enables trend analysis - 16 years
- Big changes in age/gender and journey purpose

Changes in Bus Trips by Age and Gender 2010-2018



Changes in Bus Trips by Journey Purpose 2010-2018



Financial Performance



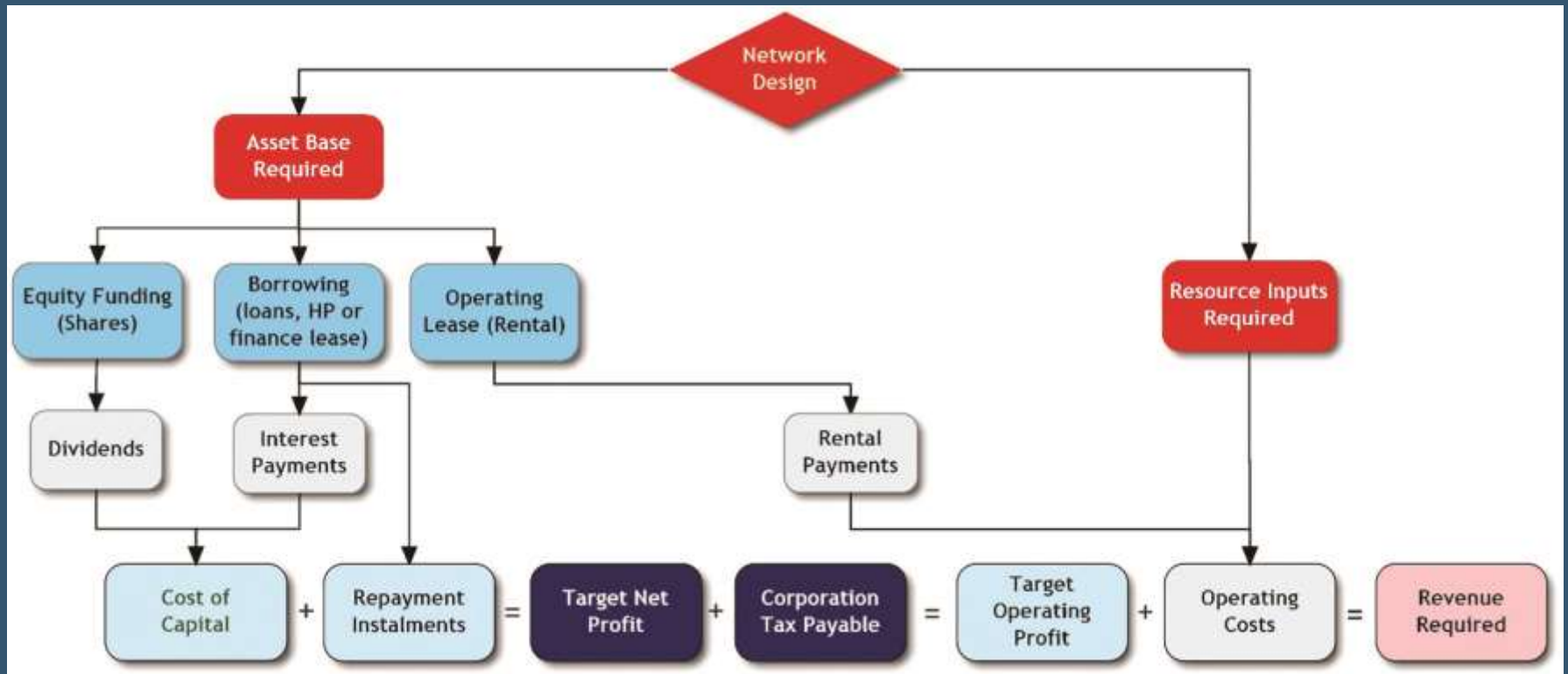
- Operators need to generate a surplus of income over expenditure
- Surplus needs to provide for
 - Renewal of assets
 - Building reserves to survive bad times
 - Business improvement & expansion
 - Funding the cost of capital
 - Making repayments as they fall due

How much profit?



- Driven by resources required
 - Buses
 - Depot
 - Other Equipment
- Money to fund these = capital
 - borrowed from shareholders and lenders
- Borrowing creates obligations
 - Pay interest
 - Reward shareholders (dividends)
 - = cost of capital

Working out the targets

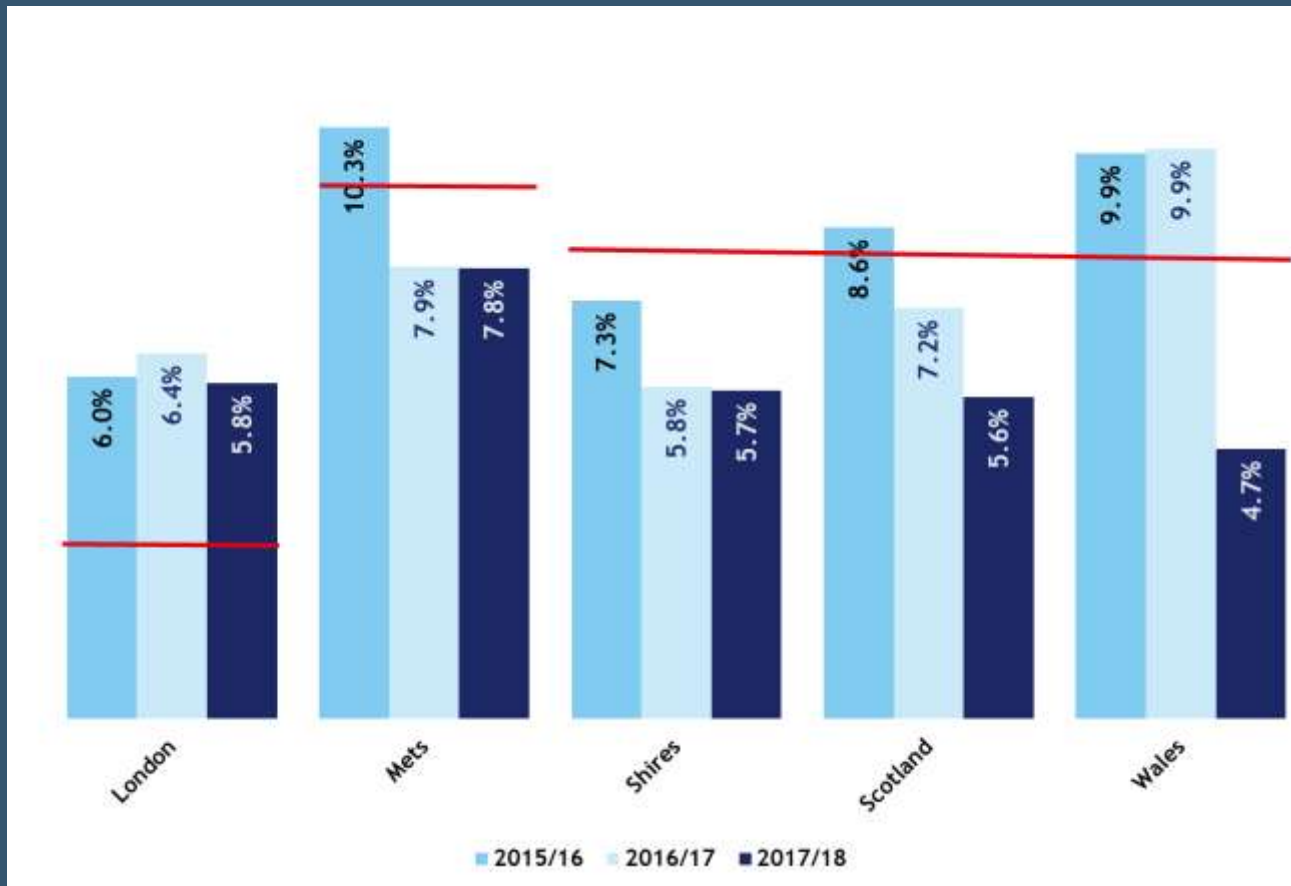


Latest Headlines

- Whole Country:
 - Revenue unchanged at £5,750m
 - Operating profit down by 7.4%
 - Operating Margin 6.2% (6.7%)
- Outside London:
 - Revenue down 0.5% at £3,751m
 - Operating profit down by 7.5%
 - Average Operating Margin 6.3% (target 8.2%-9.3%)
- Market Share by turnover
 - Stagecoach biggest on 21.5%
 - Go-Ahead second on 15.4%



Operating Profit Levels Last 3 Years



Understanding Buses



- Published in February 2019
- Designed to be
 - Clear
 - Non-technical
 - Jargon-free
- Chapters cover
 - Costs
 - Revenue
 - Profits
 - Drivers of Demand
 - Product attributes
 - Competition
 - Customer Relations
 - Fares and Ticketing
 - Public Spending

Want to know more?

- Visit DfT Website and follow the links to statistics
 - Download the Zip file and explore the sheets
- Get our reports - regular discounts for YBMN members
 - Link from the Benefits page on the YBMN website
 - Get a copy of today's slides
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