

05 February 2014



Deputy S G Luce
Chairman
Economic Affairs Scrutiny Panel
Scrutiny Office
St Helier
Jersey

Thank you for your letter in regard to the Retail Policy Review. Below I have offered my opinion in the form of a Transport provider rather than a retail outlet, although we do have a retail outlet in the bus station.

The current policy of not allowing shops to open on a Sunday does have a detrimental effect on the bus service. The contract we have with the States of Jersey is one where we take a revenue risk, and therefore we need to generate more patronage all day, everyday.

We have a base level of service as part of our tender requirements to operate each day of the week, however any additional services we put on must be commercially viable for us to operate. For instance during summer 2013 which was our first year of operating, we identified early on that routes No 15 and No 1 both have growth opportunities and we increased the frequency on both routes to every 15 minutes. This in itself created capacity and the ability for people to walk out of the door with confidence that there will always be a bus in 15 minutes and hence no need to look at a timetable.

We appreciate that this cannot be done on every route, and certainly not on a Sunday, however there are opportunities on a Sunday to grow the service level provision if there is more for people to do. We see many tourists visit the Island all year around and especially day visitors from France on a Sunday. Their first point of contact is the bus station as Tourist Information is closed and they ask where the shops are. When they are told they are not open they are disappointed albeit they then purchase tickets for the buses, however we see them back in the bus station many times far too early for their boat.

Therefore as a transport provider Sunday trading is in our interests for two major reasons.



CT Plus Jersey Limited
LibertyBus
La Collette Bus Depot
St Helier
Jersey JE2 3NX

customer services
01534 828555
tel
01534 828550
fax
01534 828569

e-mail
info@libertybus.je
website
www.libertybus.je

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Company registration number 110804. Our registered office address is:
La Collette Bus Depot, St Helier, Jersey JE2 3NX

The first is clearly commercial. If there is a greater need for people to travel then there is also a greater chance that extra passengers will use the service on a day in which they might not do so otherwise which increases overall revenue. The knock-on effect of this extra revenue is that buses that we are obligated to operate to and from town on a Sunday will be busier and therefore more profitable. With these bus services being more profitable it means that services which are currently running at or near to a loss are no longer doing so which means we have capacity on our balance sheet to add to existing services at a potential loss or shortfall which means a better and more frequent service at other times and routes.

Already on a Sunday since we began operating in Jersey, we have provided during the winter a new service No 4A, a new service on the No 12, a new service on the No 1A and a new service on the No 2. Additionally we have enhanced services on route No 16, No 1, and No 25. In order for these services to remain operating we need to grow the patronage significantly to make them pay for themselves. Our cost base for driving staff increases on a Sunday by 50% compared to a Monday – Friday due to the contract we inherited from the previous operator. Although this is high, not all businesses have this increase in costs on the weekends and it is possible to open retail outlets at no increase cost to a weekday.

It is also our opinion that Sunday trading will help the economy in Jersey. Many people impulse buy on the weekend and if they are in shops and they see something that catches their eye they are inclined to purchase it. However if the shops are not open people will find an alternative method in purchasing the items, and in the case of Jersey the only option is off Island via the internet. In order to reduce internet purchasing we need to make goods more cost effective in Jersey and available to purchase 7 days a week.

For instance inviting one of the big 4 supermarket retailers to the Island would also grow the economy. It would focus the smaller retailers to review their pricing strategy as it would encourage competition. Although the profit margins would possibly be different for the smaller retailer, it would also help unemployment in the Island and again stop people from shopping online.

While people are out shopping they also go to cafes/bars/restaurants so by opening the shops it generally improves the Island's economy.

The second benefit for LibertyBus Is that by encouraging people to come into town on a Sunday we will be able to encourage more people to see the bus as truly an "every day service" which will hopefully encourage more passengers and potential users to use the AvanchiCard which again gives us a greater insight into bus use. This ultimately allows us to map bus use far more efficiently and therefore allow us to consistently improve and amend routes and times to manage peaks and troughs. This objective is in line with the Island's Sustainable Transport Policy.

The availability of Sunday shopping will encourage more people to make a day of it in town on a Sunday and combine a day of shopping with perhaps a lunch in town. With high local taxi fares, especially Sunday rates, the bus becomes an increasingly viable option for travel in and out of town thus increasing use, getting people used to using the bus and continuing afterwards to use the service but ultimately working to provide a mutually beneficial existence between town businesses and the bus service.

Yours sincerely

Kevin Hart
General Manager