

STATES OF JERSEY



BUS SERVICE: INTRODUCTION OF THROUGH-FARES (P.19/2020) – COMMENTS

**Presented to the States on 26th June 2020
by the Minister for Infrastructure**

STATES GREFFE

COMMENTS

Ministerial response from the Minister for Infrastructure

Deputy M. Tadier of St. Breilade proposes ([P.19/2020](#)) that the Minister for Infrastructure should require LibertyBus to introduce with immediate effect what the Deputy refers to as a “through-fare”. He does not specify much about it in the accompanying report, other than he envisages the transfer would have to take place within an hour.

I understood from Deputy Tadier that if I brought forward a through-fare myself in conjunction with LibertyBus, then he would withdraw his proposition. However, despite LibertyBus making an announcement that they would be introducing a through-fare, Deputy Tadier has chosen to continue with his proposition.

Subsequently, I met with Deputy Tadier to try to find a way forward. However, it was clear that the Deputy was looking for a through ticket at no extra cost to the passenger, plus other stipulations which he led me to believe would be brought in an amendment. This has not happened.

Under the current Bus Operating Contract, LibertyBus is responsible for setting ticket prices and growing passenger numbers. To do so they must generate sufficient income to generate operational costs and network investment requirement. Reducing income would result in reduced services and lessen the incentives for ongoing improvements set by the Contract.

Providing this degree of commercial freedom has played a significant part in the success of the public transport network in recent years, with passenger numbers increasing 40% between 2013 and 2019. During this period, the fare structure has evolved so that a range of unlimited travel tickets is now offered, carefully priced to be attractive to the regular bus user, while generating adequate receipts for the contractor enabling continued reinvestment in the service and its associated infrastructure. Unlimited travel tickets have also helped to speed up boarding times, increasing the attractiveness of the service.

Thanks to investment in a modern ticket machine system by LibertyBus, a great deal more is now known about passenger demand patterns compared to previous years. However, the percentage of journeys involving a change of bus, whether at Liberation Station or at other locations, is not known. Therefore, the potential impact on revenues cannot be accurately estimated. The proportion of passengers changing bus who currently pay single fares, as opposed to using an unlimited travel season ticket, is also unknown.

This means that the impact on fare revenue if all bus fares incorporated a free transfer ticket cannot be accurately estimated, but would always be negative.

There is also a risk of fraud with passengers selling or donating the unused portion of a transfer ticket to others, depriving LibertyBus of fare income from the recipients. They would also be taking seats away from fare paying customers.

If this offering attracts more customers, it could push buses which are currently nearly full to overcapacity. With no extra income, there is no funding to support relief services

or extra buses. Overcrowding affects the on-bus ambience and potentially reduces the attractiveness of the service to regular users over an extended period, such that they may decide to opt for other modes of transport.

If LibertyBus's income were to be reduced, they would need to take action. To maintain the same level of service, they would have to increase prices. Alternatively, they could reduce services (ceasing services to destinations or at times with lower passenger demand).

The more fundamental question of how Jersey's bus service should evolve in future was addressed within the [2020 Sustainable Transport Policy \(P.128/2019\)](#), adopted by the States Assembly in March 2020, with a commitment to undertake a Bus Service Development Plan: a systematic and whole-system analysis of all aspects of the service including the ticketing and fare structure.

There is potential for further refinement of the bus fare structure to be identified and introduced in the future, particularly as ticket machine systems are being continuously developed and electronic payment methods are becoming more sophisticated. But careful study is required first, and rather than introduce piecemeal changes to the current structure, the work identified as part of the Bus Service Development Plan should be allowed to proceed unhindered.

For the above reasons it is not desirable to implement a free transfer ticket facility. However, a discounted transfer ticket has already been announced by LibertyBus, and will be available from 1st July 2020.

The Minister for Infrastructure is happy to accept this proposition on the basis that it has already been implemented.

Financial and resource implications

Data is not available to determine financial implication to the Bus Service, but will be reviewed as part of the overall Bus Service Development Plan.