

STATES OF JERSEY

COMMITTEE OF INQUIRY INTO TENDER PROCESS AND AWARD OF BUS SERVICE CONTRACT

BLAMPIED ROOM, STATES BUILDING

Committee: **Mr Huw Shephard (President)**
 Mr Christopher Blackstone (Member)
 Mr Trevor Garrett (Member)

In attendance **Mr Mac Spence (Committee Clerk)**

EVIDENCE FROM:

MR I. EVERSON
(Jersey Bus Users Forum)

on

Tuesday, 25th January 2005

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MR SHEPHEARD: Good morning, ladies and gentlemen. This is the second day of public hearings in relation to the bus tendering process and the Committee of Inquiry is now going to begin this day's sittings. Our first witness this morning is Mr Ian Everson of the Jersey Bus Users Forum. As with all the other witnesses, Mr Everson, we are taking evidence on oath. I will proceed to administer that oath to you.

The witness was sworn

MR SHEPHEARD: Thank you, Mr Everson. My colleague, Mr Garrett, has some questions that he wishes to put to you, so I will hand you over to him.

MR GARRETT: Good morning, Mr Everson. Can you, in the first instance, give us your full name and give us your occupation?

MR EVERSON: Ian Everson. I have got a contract based in the finance industry currently with Coutts in Jersey.

MR GARRETT: Right. In what kind of field?

MR EVERSON: In finance.

MR GARRETT: Just broadly in finance?

MR EVERSON: Yes.

MR GARRETT: Right. How long have you been a member of the Jersey Bus Users Forum?

MR EVERSON: Um, I was approached in 2000 to become one of the Committee members at that stage, and the reason for that was because I have got an interest in buses as a subject and in fact edit the Channel Islands Bus Society Newsletter, which is essentially the enthusiasts' organisation which covers the Channel Islands. It was for that reason that I was approached.

MR GARRETT: Okay. Can you describe the actual background to the Jersey Bus Users Forum?

MR EVERSON: Yes. It was formed in 2000 by ... I mean, I was approached by Celia Scott Warren, who was at that stage its President, and she was also a member of the Public Services Committee at that juncture.

MR GARRETT: Right. Are there any sort of formal terms of reference or sort of description of what the Bus Users Forum are supposed to be doing?

MR EVERSON: Yes. It was given terms of reference to work from at that stage. We

developed that into a constitution which I forwarded on.

MR GARRETT: Did the States set the original terms of reference?

MR EVERSON: Yes.

MR GARRETT: That was the Public Services Committee?

MR EVERSON: Yes.

MR GARRETT: Okay. Is there a formal relationship between the Bus Users Forum and the Committee or do you report to, or are your dealings with, the Public Services Department?

MR EVERSON: We ... I mean, I have established a linkage through to them, but they don't formally come to us unless there's formal consultation through, for instance, changes to the level of service that is within the bus timetable.

MR GARRETT: Right.

MR EVERSON: So we are kind of in no man's land in that sense. We are kind of semi-recognised in terms of, for instance, being cited within the Jersey documentation that has been issued on, for instance, the proposals for service changes, but we are independent. Therefore, I've been very keen to maintain that we have got no financial dependence on Public Services. So we are not tied in that way.

MR GARRETT: But you have access to both the Committee, if necessary, both the Committee and the Department?

MR EVERSON: Yes.

MR GARRETT: Okay. Were you involved at all -- or indeed any other member of the Bus Users Forum -- in the Sustainable Transport Strategy, or does that predate you?

MR EVERSON: Not the 1999 one, no.

MR GARRETT: Okay. But you are aware of that document?

MR EVERSON: Yes, and, indeed, our terms of reference make reference to it.

MR GARRETT: I was just wondering, in your experience, do you see that Strategy as an effective instrument which would prompt substantial improvements in key areas connected with transportation, or do you see it as a weak statement which is lacking in any key areas?

MR EVERSON: It is lacking in a major key area, because, although that Strategy was adopted,

there was never any money to implement it, so you have got a strategy without any funding. That was a continuing problem in the development of that.

MR GARRETT: Right. Do you think the will was there though to actually pursue it, or was it just a “We’re putting a tick in a box to say we’ve got a Transport Strategy and that will do”? Do you think the will was there to actually progress it, pursue it, drive it forwards?

MR EVERSON: It’s hard for me to know because, of course, it was adopted before I was involved in the Forum. I mean, it’s like all things, isn’t it? The politicians like to be saying all the right things, but ultimately it’s a question of “Well, have we got the pockets to pay for it”, whether it be a transport strategy, an agricultural strategy, a Timbuktu strategy.

MR GARRETT: Hmm. So what you are saying is that it was a strategy that was doomed to fail?

MR EVERSON: Without funding it was.

MR GARRETT: Without funding, fine. Moving forwards, did you contribute to the production of the Bus Strategy?

MR EVERSON: Yes, because ... I mean, because I’ve had ... because of my interest in the subject, I have followed things like the London Bus tendering situation and, because of my long involvement with buses as a subject, then I had regularly visited to see, for instance, the competitive environment in the UK. Therefore, I was a very strong proponent of bus tendering as the answer of the problems where there was a considerable mistrust in a situation where Jersey Bus were the sole operator and there was no competition locally, particularly given that as tourist numbers there was the likelihood of a requirement for subsidy to keep bus services going at the level that they had historically. Therefore, competition in a competitive tendering environment was the means of demonstrating that we were getting people fighting it out for the right to operate, in broad terms.

MR GARRETT: Right, competitive purely in a tendering sense as opposed to having two operators on the roads of Jersey?

MR EVERSON: I mean, it depends on what was on the agenda at any particular time. Now, obviously as the situation unfolded I needed to react to what was being proposed. A particular

area I had great difficulty with was when Simon Crowcroft had proposed that there be a Hoppa service operated by Pioneer that was operating on routes that were shadowing nearby JMT routes, particularly in the First Tower area. Now, that was never going to work because the Hoppa concept would have involved Pioneer, who was the prospective operator of that, receiving a subsidy to offer a fare of 50 pence. That was less than the comparable fare for First Tower. Therefore, the concerns that Jersey Bus had and its staff in relation to the effect that that would have were legitimate and were bound to cause problems at that stage. We were in discussions with Simon Crowcroft, who was proving a hard man to pin down on a whole number of questions and, you know, I'm a man of the written word, so all of these documents should be in files that you've come across, rather than verbal. That is just my style really.

MR GARRETT: Okay. Dealing with the finished product of the Bus Strategy, do you see it as a strong, effective, visionary document or do you think the finished product is weak, ineffective and setting short term objectives?

MR EVERSON: It should have been effective, but that is presuming that the processes that went with it were efficiently administered.

MR GARRETT: Can you explain that?

MR EVERSON: Yes. I mean, it depends on there, first of all, being a level playing field to assess the various tenderers and that they are all batting on an equal wicket. Now, I am presuming that Halcrow, as the consultants signed up by Public Services to provide that, are competent to do so and that the interaction between them and the Department would deliver something that met what was required. There were a whole range of problems in delivering that, notably the absence of any loading information from Jersey Bus in terms of what the historic position was, particularly in relation to loadings. That was going to make any tenderers job, except the incumbent, very difficult. They were having to take a commercial risk themselves, but as the thing has panned out, the risk appears to be sitting on the States' shoulder at every stage.

MR GARRETT: But do you not accept that, in the tendering process, each of the tenderers were provided with an opportunity to conduct observations of the Jersey Bus operation?

MR EVERSON: Yes, but the time of the tendering was at the turn of the year 2001-2002. Therefore, none of them would have been able to look at a summer's operation, for instance. Once again, that is their risk if they called it wrongly, in my view.

MR GARRETT: So are you saying that, in your view, the tendering process was too short and didn't provide enough time for each of the tenderers to conduct adequate research?

MR EVERSON: It probably was, but remember that services were being cut, therefore, the pressure was on to get something delivered. Therefore you couldn't wait.

MR GARRETT: Right.

MR EVERSON: Unless the States were prepared to accept some measure of subsidy for the services that were then in place.

MR GARRETT: Right. Just going back to my previous question, are you satisfied that the Bus Strategy as a strategy was sufficiently long-term in its view, or do you think it focused fairly heavily, or too heavily, on the process of change, basically sort of facilitating the tendering process but not actually looking to the distant future, as strategies really should, in terms of provision of a quality bus service for Jersey? Do you think the emphasis was too heavily focused on the change process?

MR EVERSON: Had there been loading information available from Jersey Bus, then a far more realistic view could have been taken about what might work in the future. But in a competitive environment, then Jersey Bus would make a commercial view about whether releasing that information was in their commercial interest or not. Now, I am presuming they took the view that to keep the information would give them a head start in the tendering process, but to not ... sorry, but if they released it they would be at a competitive disadvantage because the competing firms would know far more that would enable them to take a realistic view about what those things might cost. I mean, one of the ironies of this is that, by withholding that information, Connex, I believe, have made an under-bid and are now not living up to the requirements of the contract.

MR GARRETT: That's an issue that we will explore later.

MR EVERSON: And, in fact, by not releasing that information, has sown the seeds of Jersey

Bus's failure to actually win the contract because if everyone knew what was involved they wouldn't have pitched their bid so low in terms of the winning tenderer.

MR GARRETT: Okay.

MR EVERSON: But, I mean, that is something that, in a competitive tendering environment, each competing party needs to take a view on at that point in time, to say "Do we or don't we?" Whether you win or lose is the measure of whether you have done it right or not afterwards if everything else is equal.

MR GARRETT: Clearly there are some commercial pressures involved in that. Can we just move forwards? Currently there is discussion about the production of a new Bus Strategy, which suggests that people aren't happy with the previous Bus Strategy. What are your views on where that Bus Strategy should be going now?

MR EVERSON: Well, I mean, one of the problems was that the level of service that was reinstated was that which was in force in 1999-2000 when there were far more tourists in the Island. The Strategy merely reinstated all of those routes. What was needed was an analysis of what was required to recast the whole thing, but that wasn't feasible. So what was done was stepping back in time to a timetable that had already passed its sell-by date. If you look at the 7B route to Plemont in the summer, I mean, it's crazy reinstating a service to a holiday village that closed in the intervening period, yet the level of service was still that in force in 1999-2000 when the holiday village was open. The timings of those routes to Plemont were geared up for the holiday village fraternity. So to reinstate that is a crazy situation and if no one is on those services it's hardly surprising. If you catch a 20 to midnight journey from Plemont on a Sunday evening in the summer, I would be staggered if anybody is on that journey, but it was still in the timetable in the first year of operation with Connex and it was still in there this last summer. If you look at the timetable you will see. That is an illustration of the need for revision that will free up all of those sold by date services to reinstate and reshape the whole Island's network.

MR GARRETT: But do you see that as a function of Government or do you think that the operator should be gauging in innovation, research and so forth? Do you seriously see that as a function of Government in a strategy?

MR EVERSON: No, no, because it hasn't got the necessary skills in that field. What it is relying on is its operator to come forward with good ideas.

MR GARRETT: I am just sort of baffled about the idea that, you know, the States should develop a new strategy in the world of or dealing with the world of commerce, as opposed to saying to Connex "You've been here now a couple of years. What is the outcome of your research, your market research, surveys and so forth? Bring forward your plans."

MR EVERSON: Well, I am presuming that that is going on beneath the surface. I don't know whether that's the case or not. The only evidence that I've seen of any substantial revisions were the proposals for last winter, and I will say more of that later.

MR GARRETT: Yes, I think we will touch on that later. Okay, can we just move forwards? You will have heard me ask the questions yesterday. During my research, I noticed comments which tend to suggest that some States members were dissatisfied with the performance of Jersey Bus during the latter part of the 1990s through to 2002. In your own words, can you inform us of your experience and perception of the performance of Jersey Bus during that period?

MR EVERSON: Yes. I have brought *JEP* cuttings from 2001 and, I mean, the thing I would say -- these are the originals, so if I could have them back once you've had a look -- is that it was such a fraught time because every five minutes there was one crisis or another. That comes through in the articles that are in there, in the *JEP* principally. But there was widespread dissatisfaction from people generally about whether there would even be a bus service because Jersey Bus axed 11 routes in May 2001 for that summer, citing the lack of a subsidy and the former tourist numbers as the reason, and there were great concerns about whether there would even be a winter bus service that winter. There are various articles there that will give a flavour for what was a general concern out there. I mean, I'm not particularly reflecting my view here. This is a general view at that time of the situation that bus provision in Jersey was faced with.

MR GARRETT: Do you think that was a sort of wilful act on the part of Jersey Bus, or do you think it was a sort of realistic reaction to the falling numbers of passengers and the fact that Jersey Bus had only been granted a one year licence and, therefore, there was reluctance on their part to engage in any kind of investment or take the service forwards?

MR EVERSON: Well, I could understand why there was a problem with a one year licence. I mean, no one is going to invest money on the strength of possibly being pitched out in such a short space of time. That was one of the reasons why there wasn't any investment in the latter years of Jersey Bus's reign in new vehicles. I mean, there were six Isle of Man vehicles bought in 2000, which were Dennis Darts which Chris spoke of yesterday. They were something that was much needed to improve the age range of the fleet. I mean, within the analysis that we have done, there is the average of the Jersey Bus fleet, and it was staggeringly old. I have got figures here. That reflected the situation where we ... let me find it. The average age of the Jersey Bus fleet was over 12 years old in June 2000. that was before the Isle of Man vehicles arrived, which was old

MR GARRETT: Do you think in part that was due to the difficulty in finding buses that matched our legal requirements in terms of width and so forth?

MR EVERSON: Yes, because, you know, Jersey has got an official seven foot six maximum width restriction and, therefore, you can't buy off-the-peg buses at that size.

MR GARRETT: So really, unless there was a firm prospect of a long-term licence, you can understand Jersey Bus's reluctance to go to a manufacturer and say "Please produce those buses"?

MR EVERSON: Yes. Because of my understanding of the situation, the attitude that I took with Jersey Bus was probably more sympathetic than some of the people that we represent, who would say "Well, good grief", you know, and the articles give a flavour there.

MR GARRETT: Hmm. Thank you. Did you or any other representatives from the Jersey Bus Users Forum contribute in any way to the review of the legislation, that is the Motor Traffic (Jersey) Law 1935?

MR EVERSON: No. We made various comments on things that had been missed. For instance, when the Hoppa service started, there seemed to be a complete unawareness by the Department of a revision to the Motor Traffic Law that had gone through in 1988/89, which would have enabled them to start a Hoppa service at short notice. This caused a lot of problems with Mike Dun, who was at the outset a member of the Jersey Bus Users Forum but resigned of

his own volition and was obviously making waves in that respect in terms of how Public Services were reacting at that time.

MR GARRETT: Fine.

MR EVERSON: But those reactions were in his personal capacity, not in the Forum capacity.

MR GARRETT: I've not actually found material relating to Mike Dun, but are you able to give us an insight into his view?

MR EVERSON: He is, I think, cited in one of the articles that is there.

MR GARRETT: Fine.

MR EVERSON: He is essentially lobbying for disabled interests. The lack of low floor accessibility for wheelchair users and the like are his particular concern.

MR GARRETT: Right. How do you view the current legislation? The legislation that came out of the process of review, revision and so forth, how do you see it now? Do you see it as effective or do you think that there are deficiencies in that law?

MR EVERSON: There were deficiencies in it because it did not define "*omnibus and charabanc services*" sufficiently clearly to enable Public Services to decide whether the Easylink was an omnibus or a charabanc service. I mean, that law was as clear as mud. Given that the law was revised to deliver a Transport Strategy which had deemed that the Strategy was to have one operator, then what you had was a service that was purporting to be a charabanc service that was effectively an express bus service, yet no one could actually say with certainty whether it was or not. Now, that required a court case which took from mid-2003 to February 2004 to reach the stage where a court judgment was delivered. That proves that the law was not adequate to even distinguish between an omnibus and charabanc service.

My view there was that Chris Lewis was exploiting that weakness in the law to effectively grab the profitable summer business that should have flowed to Connex, but his ability to do that proved all important, because, at the crunch point, Connex were not satisfying summer demand. So in fact it became the saviour of people that were tourists in the Island that couldn't get a seat on the Jersey Bus -- sorry on a Connex bus. So, I mean, the ironies in this are unbelievable.

What it betrays, when it comes through in the articles there, is complete incompetence on the part of Public Services at a departmental level. That may be ... that is perhaps being fairly hard and I will perhaps want it toned down by any media report of it, because, I mean, ultimately we need to operate, as the Jersey Bus Users Forum, both operators who are currently licensed to operate omnibus services. Therefore, you know, I don't want to queer the pitch with either of those operators, because the verdict of this Committee of Inquiry will perhaps shape whether there's one, two or only one of those two and it could be either of them on the strength of what I know so far. It is essential for us that we can have a good dialogue with the operators, both at an operational level, with the drivers and everyone else. Without that, we're sunk.

MR GARRETT: Okay. If you were looking at that legislation now, do you believe that it should be strengthened totally, or do you believe that there are elements of it that could be relaxed as a way of achieving a better service?

MR EVERSON: Well, ultimately the question at a political level is do they wish to continue with a strategy that says that you have got one sole operator as your preferred operation? Now, that is a political question, but it needs to look at who can operate the cheapest with a workforce under their control. Now, I mean, one of the other ironies in this is that, because the States were obliged to take on the TGWU terms and conditions, that has saddled Connex with terms and conditions that they are lumbered with; whereas Easylink have got a less prescriptive and more flexible workforce that are prepared to have longer driving sessions so a complete line and circle, for instance, is on the cards for them; and whereas the TGWU are looking for essentially a five minute break at the outer turns and a ten minute break at the Weighbridge. That has historically been what they have operated with, which is out of line with what happens in the UK, where you can drive from Dover to Brighton, as an extreme -- long journeys, continuous driving periods, perhaps with driver breaks to catch up on time and things like this. But the luxuries that Jersey have got in terms of regulation of the workforce is something that went out years ago in the UK at deregulation.

MR GARRETT: Have you shared your views on this with members of the Department or the Committee or anybody?

MR EVERSON: Well, I mean, the Committee come and go. In fact, they are probably more frequent than buses at times.

MR GARRETT: So you think it is difficult to actually have continuity?

MR EVERSON: Certainly at a political level because it is a freight business. I mean, if you look at the States members that have been a member of that Committee since, say, 2000, then, you know, there are scores of members that have been, gone and moved on.

MR GARRETT: Fine. Moving forward, were you involved in any way in the selection process?

MR EVERSON: No, because I have lobbied and written to Public Services asking for there to be a public presentation by the tenderers so that the public in general could see who was offering what. It would be a salesman-type presentation no doubt, but at least the public could then see what was involved. Now, that was refused by Public Services and I didn't take it any further. I accepted the reasons for the refusal of that, because essentially the prices at which the tenders were submitted would not be able to be released at that meeting. Therefore, essentially the thing that would sway the decision wouldn't be known to us, which was essentially the price. What I was interested in knowing was things like what their plans for the future were, and I presumed that all of that came through in the presentations of the tenderers to the Committee. I had hoped that might come into the public domain.

MR GARRETT: Do you not think that it could have been staged in two parts, whereby there would be a public aspect to it, where the plans for the future could have been discussed and outlined and then, quite separately, in camera, in the presence of the Committee, the costs could have been discussed?

MR EVERSON: Yes, but it didn't happen though.

MR GARRETT: No.

MR EVERSON: That was perhaps a deficiency on my part in not pushing it further at the time.

MR GARRETT: What was your reaction when Connex was appointed? Were you delighted, overjoyed, disappointed?

MR EVERSON: I was staggered really, because I would not have thought that they would have won. At that point in time, they had just lost the Connex South Central rail franchise, but that

was in the rail environment rather than the bus environment and, at that stage, they were making bids to enter the UK bus tendering market and had in fact done so by then. They had secured London tenders.

MR GARRETT: Just picking up on that, would you not agree that the rail environment, particularly in the area that they were operating, was a little fraught, in so far as the rolling stock that they inherited or that they acquired was ancient, dilapidated and so forth and really it would have been difficult for them to have achieved success in that environment?

MR EVERSON: I mean certainly I have visited their London operations. I say "*visited*", I mean I have travelled on a Connex bus in London -- I mean no more than that -- and had no particular comments one way or the other really on their operations there, which were relatively new at the stage that I sampled them.

MR GARRETT: That was the rail environment?

MR EVERSON: No, that was the bus environment. I mean, I would stress that after that, then I advised Mike Collier at Public Services of this. Their London operation made a 14% loss. They had London contracts that they were signed up to, so there was no get-out clause in terms of ... sorry, I need to phrase this differently. They were watertight from the authority's point of view. Therefore they were obliged to operate everything that they were signed up to do, and that was in fairly specific terms. Eventually they sold those operations because they couldn't make them pay. That is in a gross tendering environment.

MR GARRETT: Just seizing on your words there, by inference, are you suggesting that our contract was not watertight, firm, binding, and that there were some get-out clauses that Connex might have exploited?

MR EVERSON: The problem was that there were no specific loading figures. Therefore, I have cited a document that I sent to Alan Muir by email, that it was one of my concerns at that point in time. That point in time was round about June of the tendering year ... um, so that would be 2002. Because in London then because Transport for London (and before it London Transport) had got a track record of everything that had occurred during that period, they could be very specific about exactly what they wanted, how many reliefs, how many this, that and the

other. That could never happen here because Jersey Bus weren't supplying the information to Public Services, or so I believe.

One of the areas that leaves me feeling very uncomfortable is why Public Services did not buy the information from Jersey Bus which would have made the life of Connex so much easier in knowing what the loading figures were. They were having to go in blind without that information. The result is queues like **that** and people left behind all over the place. Well, that's not surprising because they didn't have any information to go on. Had that information been supplied to them, their job would have been so much easier. It might not have been that easy, in the sense that they had made a fundamental flaw in their choice of vehicle. A 29 seater with 15 standing passengers is not going to please little old ladies at First Tower waiting to get on a bus coming into town when there is only one 15 every 30 minutes in the winter.

MR GARRETT: Do you also think that, bearing in mind the date on which the Bus Strategy was approved, and indeed the determination of Public Services to progress it anyway prior to that, that in the summer prior to going out to tender, Public Services could have commissioned some kind of survey, retained some students or whatever to actually go out there and compile a report as part of some kind of either A Level project or university project?

MR EVERSON: Yes. I mean, that would have made what users faced when the event happened so much easier. It didn't happen though.

MR GARRETT: You heard Mike Cotillard yesterday say, in response to one of my questions, that if Connex had agreed to his proposal, which admittedly was after the tendering process had been completed, he would have shared information on loading with Connex, but in the event they didn't do so. Do you think, at that stage, it was too late anyway because Connex had pitched their tender on the provision of X number of buses, providing Y number of seats and, in reality, that was inadequate. Do you think it was too late by then?

MR EVERSON: I mean, one of the ... sorry, I will answer the question first. Yes, it was, because, you know, Connex learned that they had won on 1st May. They had to start on 29th September. To rustle up 33 vehicles in that kind of time span is an amazing feat in fact.

MR GARRETT: So what you're saying ----

MR EVERSON: Admittedly, they didn't get 33 here by then, but to get, say, the 25 or so that they actually managed to get here, licensed and on the road by then -- I think it was 22 by the 29th.

MR GARRETT: Are you saying that the tendering process was actually flawed by virtue of the absence of that loading material and that it was doomed to fail, doomed to produce a poor service unless Jersey Bus got that contract?

MR EVERSON: Yes. I mean, in that sense, the incumbent operator knows everything. In the competitive bidding process, he's going to exploit that. I mean, information is everything in this kind of situation. Therefore, the incumbent operator tends to pitch his bid higher, in terms of percentage profit. With Mick being prepared to admit yesterday that his bid was with a 12% profit, then, you know, he had the information that Connex didn't. But if the Connex were pitching in with 8.8% profit, then ultimately it is probably someone saying "Well, grief, you know, the percentage figures stack up in Connex's favour, we'll give it to them." The fact that they don't know anything about the local environment should be their risk because they have got the obligation to assess the demand and, if they get it wrong, it is them that have to meet the consequences.

MR GARRETT: Again, a question I put to Mick Cotillard yesterday was focussed on the provision of service. Deputy Hacquoil, you will recall, was asked whether Connex would be providing a service which was compatible with all the obligations contained in the formal tender process and, in his response, Deputy Hacquoil said "yes" essentially. How would you describe the performance of Connex on day one of their operation? Did they meet the requirements set out in the tender documents?

MR EVERSON: No, and the photo will illustrate what I mean on the first day. I mean, on day one, they did not provide anything other than the timetabled journeys. Now, that's because they only could get access to ... remember that the workforce were working with Jersey Bus until the Saturday. They started with Connex on the Sunday. Therefore, for any operator coming in, it was going to be murder to actually get something together in the way that you would hope to, given that you've got new vehicles, you've got no garage and you've got ... and it goes on and

on and on in terms of the problems that Connex were facing at that point in time. I've got sympathy for them in those circumstances and the attitude I took with them was probably more relaxed than it ought to have been at that stage. I have should have been jumping up and down, but because I understand the industry I could see the pressure that everyone was under, given that they had new ticket machines, new vehicles, you know, not enough of them and that photo illustrates a queue as long as your arm and an awful lot of very aggrieved people that were complaining on that particular day. I mean, Dennis Ord may give you more feel for this.

MR GARRETT: If you run the clock forwards to, say, Christmas time of that year, how was the performance of Connex at that stage in terms of matching the requirements set out in the tender documents?

MR EVERSON: I mean, in the winter spell, then that is the slack time of year. The number of riders at that time of the year is low compared with particularly once Easter comes.

MR GARRETT: Okay, roll the clock forwards to the following Easter?

MR EVERSON: Yes.

MR GARRETT: How was Connex performing then?

MR EVERSON: On Good Friday was the day ... I mean, the crunch comes as summer numbers build up, so the first pressure point is Good Friday. Well, on Good Friday it was chaos because Connex were not running reliefs. Therefore, for instance, the route 1 to Gorey is every one hour 15 minutes. There were no reliefs and they were 29 seaters only. In previous eras there would be a requirement for a 40 seater and there would probably have been a relief requirement on it as well, which, because of Jersey Bus operating and retaining the revenue, they would be happy to meet because they were collecting the revenue. In Connex's era, because all the revenue is being passed to Public Services, they have got no incentive to worry about relief provisions. All it means for them is extra costs. They don't keep any of that fare revenue. That in itself means that, you know, they are not fussed if they get left behind. The worse that they can face is people phoning up and complaining. They know the chances of me complaining are probably fairly low because I have to cycle out to Gorey and see if anyone is left behind, and that is what I did on that Easter; and I wasn't the only one doing monitoring that day. I know lots of people that were

either in the Connex camp, or the Easylink camp, or the TGWU camp were also out there looking on that day. I am not quite sure who they were.

MR GARRETT: So, again, going back, would you say the tendering process or the proposals of the Public Services Committee were flawed in the way in which the revenue was collected? There was no real incentive for Connex to provide the services? Was it simply a case that the tendering process or the contract was flawed, or was it that Connex was exploiting the situation? What went wrong? Who was to blame?

MR EVERSON: The problem was that in a tendering environment you can either do it as gross tendering or net tendering. Sorry, do you understand the difference between those?

MR GARRETT: Hmm.

MR EVERSON: If it is a net tendering, then the operator has got an incentive for meeting the demand that's there, because, if it's a gross tendering, he's got no incentive to do that. One of the flaws in the contract was that there was no incentive to meet demand in the first year because incentives to increase ridership only kicked in in the second year, relative to the difference between then and the first year. So in fact to keep numbers as low as possible in terms of usage in year one would be in Connex's interest. Now, I'm not inferring that they aimed to do that, but it is merely a result of the terms of the contract.

Now, once again, had there been Jersey Bus loading information available, you could then have measured Connex's first year of operation against the last year of Jersey Bus and made a comparison of the two to see how it stacked up. Without that loading information, that was never going to be possible, so no one would ever know whether Connex had got more or less people other than by judging what was in the estimates of what the subsidy required would be against what was actually going to be the case. As soon as you had ... Easylink started its operations on Easter Sunday, so as soon as that happened, then the whole dynamics of the tender were shot to pieces because you had the profitable elements of the service not being catered for and Easylink were taking them. They were on a £5 day ticket fare, compared with slightly more, though not much, on the Connex network, where the fares were set by Public Services. So Easylink were undercutting Connex, therefore tourists that couldn't get a seat on Connex were

hardly likely to choose to use Connex if there was an Easylink service that had seats available.

Now, one of the other ironies was because Easylink was purporting to be a charabanc service at that time, it wasn't licensed to carry standing passengers. So that meant that every passenger did get a seat. With smaller vehicles -- 29 seaters compared with 40 -- then Connex were bound to be suffering a savage of custom because of people standing at the Weighbridge seeing countless vehicles going out with full standing loads at peak summer time, at the busiest time, compared with Easylink vehicles which had capacity.

MR GARRETT: Again, I go back to my question, who was to blame?

MR EVERSON: Who was to blame was the fact that ... that is really what the Committee is charged to give a view on. I mean, my view would be that it's a conspiracy of so many different things that you can't put your finger on it. It's Easylink exploiting a weakness in the law to deliver a Transport Strategy; it's Connex taking advantage of the terms and conditions that they've been given; and so on. I mean, you can't put your finger on any one thing, but, in combination, the whole thing has been a shambles.

MR GARRETT: If you take it back. If Public Services -- Committee or Department, I won't differentiate -- had got the legislation right; if Public Services had got the tender process right; and if they had got the contract right, would you say that none of these situations would have arisen?

MR EVERSON: Yes. I mean, I would feel comfortable with tendering being an effective way of going forward had that tendering been effectively administered; and by "*effectively administered*", I do mean getting the law right, getting the tender spec right and a whole range of things. I mean, looking in the wider world, then tendering was essentially developed in the Tory era in the UK, but it has been continued in the Labour dominated era that has come through now. I mean, the main area where tendering is occurring on a regular basis is London, with Ken Livingstone as Mayor, but, you know, with Congestion Charging providing a lot of the funding for the improvements that there's been in the London level of service. It is very expensive there.

MR GARRETT: Okay. Coming forwards, how would you assess the performance of Connex today in terms of by comparison with the tender spec, the contract and so forth? Are they

providing a better service now? Does it match the tender?

MR EVERSON: Once they'd lived through a year they could see what the loadings were day to day and they could then buy vehicles of a sufficient size to cater for those journeys that required them. So I feel that they are doing what they need to in terms of the vehicles they have got. For instance, they bought five long SLFs, not disabled accessible, but they have got 41 seats, so they could use them on the busier routes. There are still going to be pressure points because of them choosing fundamentally 29 seaters.

Now, over all, it depends what transport structure you've got. For instance you could have smaller vehicles running more frequently, but you have got to pay the drivers to provide those extra journeys and that is a knotty problem in an Island with high wage costs. Although, therefore, there may be the minibus concept and a fair number of proponents of that, I would not share that view. That is a very contentious issue and ultimately it needs to be battled out to say "Well, do you go for minibuses or do you go for full sized vehicles on a less frequent basis?" The key elements are do you satisfy the maximum demand when it's there or, if you don't, what are you going to do with the people that get left behind? Well, what happened with the people that got left behind is that Public Services didn't get the fare revenue for them.

MR GARRETT: Do you think that those people will ever come back to the bus service? I mean, if you had been left at the bus stop for two or three mornings, do you give up with the idea of riding on public transport and start using your car?

MR EVERSON: It depends if people have got the choice. If you have got the choice, you would probably take the choice anyway. Therefore, one of the key areas that's missing is the ridership in Jersey Bus last year compared with the current year and a mixed year so hopefully he will be prepared to supply that to Public Services so they can measure one against the other.

MR GARRETT: But, from your perspective, you don't know whether ... you have feedback from members of the public saying they have given up using public transport?

MR EVERSON: Yes. There are one or two cited in articles that are in **there**. Of course, it very much depends on the person and how they are affected by it. I think something that will be of interest is citing how I react to it. For instance, I usually take the summer period off because I

work on a contract basis during winter essentially. Now, in 2003, I went down to St. Ouen's a couple of times for swims. It was the hot summer. Now, on one occasion I went on a Connex 12A. On that occasion, I caught the quarter past two, which I was one of 14 standing passengers when I left the Weighbridge. I got a final seat at Red Houses, going out to the Five Mile Road. Two people were left behind along the St. Aubins area. One person was standing by the stop at St. Aubins, with shopping bags and who saw the standing passengers and decided to wait for the next bus, probably going to Red Houses area. Now, the trouble for me is that I don't get feedback from those people saying "I'm fed up." I just don't hear anything from anybody sometimes. That makes my life very difficult to judge what's going on unless I'm out there sampling it.

Now, one of the problems that we had as the Bus Users Forum is that, you know, if we go out there sampling, we have to fork out the cost of the fare to do sampling which we do reports on and feedback to Public Services. Now, I don't want to take fares from ... I don't want to be in the pay of Public Services in doing that, but, you know, because I would be using the bus anyway, it doesn't give me a particular problem. But other members of the Committee feel aggrieved that they have to do monitoring -- well, they don't have to, but they voluntarily do monitoring -- but the feedback I get through monitoring of that kind is something that they are doing from their own pocket in terms of meeting the cost.

MR GARRETT: That leads me on nicely to my next question. Do you know if an audit has ever been conducted on the performance of Connex, where a company has been retained to actually review their performance and produce some kind of report for the information of Public Services?

MR EVERSON: Well, I'm not aware of one, but I'm not sure that I would have been anyway. Whether it would have been shared with the Bus Users Forum, for instance, who knows? I am certainly not aware of any.

MR GARRETT: Going back to the ----

MR EVERSON: Sorry, but Connex did conduct a survey during the summer, where they were asking for feedback from passengers, which they used to plan the future essentially and we were

involved with that, in terms of seeing what the questions were and getting our elements of feedback in terms of what the results were showing.

MR GARRETT: That is slightly different to what I had in mind.

MR EVERSON: Yes. Not anything like that, no.

MR GARRETT: What I was thinking about was an independent scrutiny of the performance of Connex to assess their performance against what they were contracted to provide. You are not aware of any kind of that sort of study being conducted?

MR EVERSON: No, and there have been people like Carolyn Cahm from the National Bus Users' Consultative Committee, who has done ... who did a report which I hold in the Jersey Bus era, which I think Chris referred to yesterday.

MR GARRETT: Referring to the Bus Strategy again, it set out a number of aims, including improving the quality of the service provided to all residents of and visitors to Jersey by achieving a reliable, timely, more accessible, safe and good value service. Did Connex achieve that, do you think?

MR EVERSON: If you just go through them one by one?

MR GARRETT: Improving the quality of service provided to all residents of and visitors to Jersey?

MR EVERSON: Well, in terms of quality, then new vehicles. That stemmed from the fact that the tender required it. So, whoever had won the tender would have had to have delivered buses within a 10 year age frame.

MR GARRETT: But quality is not simply about new vehicles ----

MR EVERSON: No.

MR GARRETT: ---- it's about the number of vehicles, the number of seats available and so forth. So do you think they achieved that goal?

MR EVERSON: I think it depends at what time of day you're travelling. I think if you asked the commuters, they would probably universally say no, because they are more likely to be standing up. If you ask someone who is travelling to a remote area at a quiet time of day, they would probably say yes.

MR GARRETT: Okay, just taking the next aspect of it, how about achieving a reliable, timely, more accessible, safe and good value service?

MR EVERSON: I mean, certainly at the outset there were great problems in timekeeping. For instance, they would be probably around about 10 to 15 minutes late during the first month, but that was because the drivers had to deliver the vehicles, their operation and everything else, the new ticketing equipment and so on. Once things settled down, then things are on an even keel now.

MR GARRETT: There was another goal set in the Strategy about improving the environment -- a bit of a green one, that one -- by reducing traffic congestion, presumably by encouraging people to give up their cars and move to public transport. Have they achieved anything along those lines?

MR EVERSON: Well, Public Services produced on the 18th of this month the report that summarised what will be in the full Transport Review, which is not yet published, for the second year of Connex's operation, so it is probably too early to see the official figures. What that report shows is that summer loadings are well down, but winter loadings are up. I think it is 2%. I have got a copy of the report which I can let you have.

MR GARRETT: Is that two ----

MR EVERSON: It is 2% up in the winter and 6% down in the summer.

MR GARRETT: That is 2% up against?

MR EVERSON: Compared with the first year.

MR GARRETT: Yes, but we have already discussed the difficulties and problems that they faced in the first year, so is that something to be celebrated or is that just a fact of life, because inevitably, through the provision of better buses or larger buses, larger capacity buses, it was inevitable that they were going to achieve that increase anyway?

MR EVERSON: There are other factors coming into here, because Easylink, during its first year of operation, was operating by undercutting Connex's fares. However, when they were granted a licence for the second year of operation as a bus service rather than a coach service, then the fares were then at a premium. Because they were at a premium compared with the

Connex ones, then that in itself would mean that there would be a natural shift from Easylink on to Connex by way of the fare differential. Now, you have got an awful lot of things pulling in different directions here. So in fact you would need to look at the whole picture to see what the situation is. It is only Public Services who can do that, because they can gather information that is being obtained from the Connex operations and now being provided by Easylink as well to look at the whole picture. I don't know yet because the report hasn't been published.

MR GARRETT: What you are saying is treat the statistics with an element of caution?

MR EVERSON: Yes, yes, because you would need to conduct an awful lot of analysis to actually get to the bottom of it. I mean, that is one of the things that I lack. I lack ... I mean, what I am interested to do is to see things like well what's the maximum load on a route 5, for instance, because what you can do with the bus service hinges on where the people on that No. 5 are going to and getting off and what is the maximum numbers that you're looking at. What you can do is governed really by what the maximum loadings are on that journey over a whole year. If you've got to satisfy that demand on the busiest day, then you need a vehicle that can do it or else you need two vehicles on that day. Well, what do you do with the vehicles on the other days then becomes an issue and it is that kind of detailed analysis that I'm interested in. But, as an outsider, it's very difficult for me to get into it because all the people can see is that I'm trying to rock the boat. Well, it's not that I'm trying to rock the boat. What I'm trying to get is a decent service. Now, there's lots of views about how that might be provided, and they surface in discussions we have within the Bus Users Forum.

MR GARRETT: Do you know of any evidence to suggest that Public Services are conducting that kind of research, that detailed research, the analysis of statistics and so forth to actually come up with the answers and to set out the appropriate requirements for Connex to provide a good service to the Island?

MR EVERSON: I mean, I'm not aware of it if it's going on. Therefore, I presume that it's not. I mean, one would like to hope that we might get involved if it was going on, because, I mean, members within the Committee would probably say "Yeah, I'll help out on that. I'll go for a few rides round to see and to ask questions of people that are travelling and, indeed, people who are

not travelling to find out why that is.”

MR GARRETT: Okay. I have just about fairly well come to the end of the questions that I had prepared. I have one or two closing ones. If the States were embarking on a bus project again, what do you think they should do differently?

MR EVERSON: It would have been nice if there had been the ability to get a net tendering situation, but the problem then is that, had there been a net tendering position, the operator would have been taking more of the risk. Therefore, the cost of getting those bids in would be more expensive, because they would be priced having regard to the risk element that the operator would then take. Here we have had the States taking the whole of the revenue risk and it costing far more than they thought that it would. You know, the States have got to live with that over a total of a seven year contract of Connex.

MR GARRETT: Okay, before closing, are there any issues that you want to draw our attention to that I've not covered?

MR EVERSON: Yes. One of the things that I'm keen to see is that, because the level of service required was made, was set, relative to the 2000 level of service, I would see that there is a dire need for a formula that takes account of changes to that and how there would be an adjustment in terms of the cost to the States for the provision of a differing service. Now, I have spoken occasionally to Public Services on this, but, from their reaction -- it is a very off-the-cuff reaction -- I get the feeling that there is no such formula. Now, that's staggering to me because, by reinstating services in 2000, everyone realised that they were passed their sell-by date and would need to be revised, but it is then a question of how they are revised and how is the difference that then occurs accounted for in terms of costs to the States for the provision of that differing level of service.

Now, already that has occurred, because when the service started there was an element of deep winter route 15 service to the airport put in and elements of the route 20 taken out. Now, there needs to be some measure ... I mean, they are broadly comparable, so I suspect that probably that was just the basic tender price. But looking into the future, there needs to be some way of calculating the difference. I mean, that is particularly important now, where you have got

Easylink and Connex competing for similar markets -- tourists -- and duplicating areas of service. I mean, that's particularly important in a couple of weeks' time when the shoulder month timetable starts and Easter services run to, for instance, Corbiere.

Now, at the moment of course no announcements have been made about even what's contemplated by Easter, and I don't know what is likely there because, of course, the indication that you've given is that your report will be issued towards the end of March. Well, Easter will have come and gone by then. So, in terms of the future of the Transport Strategy, then the thing that the tourist industry wants to know is, well, will there be an Easylink service from Easter. It is an early Easter this year. That in itself means that Mick will need to weigh up whether he even wants to be operating from that time, and I don't know the answer to that. But these are all things that the Public Services Committee need to get to grips with.

MR GARRETT: Thank you.

MR EVERSON: I just wanted to make reference to Andium Limited, to make sure that you had ... I had made comments ... they made comments on a review of the law and I did have the opportunity of casting my eye over the report, and I see that they weren't cited in those giving evidence, but I did feel somewhat misled by reading their report, shall we say. It was a consultancy firm that were involved.

MR SHEPHEARD: Can I jump in here, Mr Everson? We know exactly what rôle Andium played and basically it was the consultancy company that advised on three possible regulatory options and then provided drafting instructions to the law draftsmen to implement the option that the Public Services Committee resolved to implement. Now, I don't know that Andium did any more than examine the legal advice that the Department had received and, drawing on Andium's principal employees' experience of drafting or preparing instructions for the legislation to be drafted and its experiences in drafting another regulatory law, put forward a model based on that. Now ----

MR EVERSON: I feel comfortable with that. I just wanted to make sure really that you were aware of it.

MR SHEPHEARD: I think we have copies of all the relevant documents and we may or may

not express a view on that in our final report. It seems from the research that we have undertaken so far that it seems an entirely reasonable way for Public Services to address that aspect of the matter.

MR EVERSON: These are cuttings relating to the start of Connex's operations, which I think will give a flavour for the high hopes that I think were reflected right through the community at that stage, particularly given that there was investment in the Transport Strategy as a result being demonstrated really through the high hopes that were there on the time. I mean, overall, it is probably that people always hope for the best that fear the worst.

One matter that is of concern to me in relation to Connex's view is whether they are contending that there is a requirement for the States to pay for reliefs. Now, I was fairly reassured by comments that were made yesterday within the Committee of Inquiry Members, indicating that there was contractual certainty that they were obliged to provide those reliefs. However, I would point out that some of the comments that Connex representatives made near the beginning do infer that they may be contending that there is an obligation to pay for things that are not within the ... well, for things that are outside of the contract.

Now, because I haven't been able to see the contract, I can't give a view one way or the other on that. But, ultimately, it is a question of whether they consider the payment that they're getting is enough or whether they take it to law and contend that they want to be paid for the reliefs, if they are even asserting that. But I think they need to be pressed to say one way or the other whether they are contending that relief provisions are going to cost extra or not.

MR GARRETT: It is certainly an issue that we will be exploring. We have a couple of their representatives later this week who will be interviewing and it is one of the issues which falls directly within our terms of reference.

MR EVERSON: And I think that is vital for the future Public Services Committee because ultimately the choice Connex has got is either to meet what the contract requires of them, even if it means making a loss, or walking. I would say that, on the strength of what they did in Western Australia, they might be walking.

MR GARRETT: I don't think that's an issue ----

MR EVERSON: Like they did in London.

MR GARRETT: I don't think that's an issue on which we would speculate.

MR EVERSON: No, but it is something that the current Public Services Committee do need to grapple with.

MR GARRETT: Thank you.

MR EVERSON: Because, if they did walk, you would then have a sole operator, which I think, from my point of view, I feel comfortable with having two operators from the point of view that everyone can choose between them and there would be variations between them perhaps by the wage rates they're paying their drivers and by the fares they're charging their customers, although Public Services of course control the fares on both networks. I mean, there are a whole lot of knotty problems for the future within that which, of course, I need to be involved in in the future, always assuming that I want to stay on. I mean, it's a freight business and it's not going to get any less fraught in the future.

MR GARRETT: I understand your concern. Is there anything else that you want to draw attention to?

MR EVERSON: No.

MR GARRETT: Okay.

MR SHEPHEARD: Mr Blackstone?

MR BLACKSTONE: Yes, I have got a few original questions and quite a lot arising out of what we have heard already. Going back to the Sustainable Island Transport Policy in 1999, you were not on the Bus Users Forum then, but, as a bus enthusiast, I presume you were fairly aware of what the service was like?

MR EVERSON: Yeah.

MR BLACKSTONE: What was your opinion of what the service was like in 1999 up till then?

MR EVERSON: Well, I mean, certainly I felt fairly comfortable with what was going on. I think, in any operation, there are always going to be difficulties arising, for instance, when a driver doesn't turn up, where you can't perhaps provide the relief that you would normally. That has occurred in any business.

MR BLACKSTONE: Any business has those problems, yes.

MR EVERSON: So I wouldn't be critical in general terms.

MR BLACKSTONE: No, because the actual document, the Transport Policy, states "*The existing privately run service serves certain parts of the Island well, especially routes along the south coast with regular and reliable services.*" That is a fair comment, in your opinion?

MR EVERSON: Yes.

MR BLACKSTONE: During the following period, 1999 down to 2001, would you say there was a falling off in the service by Jersey Bus in any way?

MR EVERSON: No, because they were still operating their timetable.

MR BLACKSTONE: But they did have old equipment and they couldn't really replace it because of the one year contracts.

MR EVERSON: Yes. I mean, that was as a result of the regulatory pressures more than anything else.

MR BLACKSTONE: Hmm hmm, yes. Since Connex's service commenced, I believe there have been a number of route cuts. Have you made representations to Connex or the PSD about those?

MR EVERSON: Yes.

MR BLACKSTONE: And what response did you get?

MR EVERSON: Well, the main proposals were for the winter revisions of this time last year, and the revisions were refused.

MR BLACKSTONE: Hmm.

MR EVERSON: I have got particular comments on the nature of those proposals ---

MR BLACKSTONE: So Connex were trying to cut ----

MR EVERSON: ---- which I put in written form. I think you can probably see where I'm going with that.

MR BLACKSTONE: So Connex were trying to cut services, but PSD said "No, stick to your contract"?

MR EVERSON: Yes. Whether they should have put that out for consultation is where I would have problems with Public Services in that respect, because I would not have put that in the

public domain because it was just a try-on by Connex.

MR BLACKSTONE: Yes.

MR EVERSON: And if that had not been realised by Public Services, then what it betrays is their incompetence. They weren't looking at what the contract said, therefore, to claim that the extra costs which I think I've put in written form -- I did, didn't I?

MR SHEPHEARD: I think they are in your submissions, Mr Everson.

MR EVERSON: Yes.

MR BLACKSTONE: Going back to your terms of reference, as you say, as set by PSD, do those preclude you from taking any political stance?

MR EVERSON: Um, I don't think so. I think it obliges us to follow the Sustainable Transport Policy. I mean, there have been comments by Simon Crowcroft that we were overstepping the marks in terms of what we were doing at that point in time.

MR BLACKSTONE: And what point in time was that?

MR EVERSON: That was when Jersey Bus were threatening to pull out and not put through the autumn timetable in 2001. At that stage, I was talking to Southern Vectis, who were prepared to step in as a contingency to cover ----

MR BLACKSTONE: How did they come on the scene in 2001?

MR EVERSON: They came in because ... looking back, what happened then, at that stage, was when Jersey Bus said "We're throwing in the towel" and sacked the staff. Then it was touch and go whether Public Services would appoint someone to replace Jersey Bus, but, at the eleventh hour, Jersey Bus continued. But it went to the brink.

MR BLACKSTONE: Yeah.

MR EVERSON: And I had held discussions with Stuart Linn, who was the Managing Director.

MR BLACKSTONE: But he didn't come here at your instigation. You didn't sort of go over and ----

MR EVERSON: No, he did visit Public Services and it was fairly close to the mark in terms of ... I mean, there are press reports which I've got that go into the closeness of that situation, which I could let you have if you want.

MR BLACKSTONE: On your funding, how much funding does your Committee get and where does it come from?

MR EVERSON: We don't get any funding ----

MR BLACKSTONE: You don't get any funding at all?

MR EVERSON: ---- therefore, all of our Executive Committee members voluntarily pay any expenses. I mean, that might be the odd hire of a hall and that is one of the reasons why we don't hold meetings very often.

MR BLACKSTONE: So you are purely a pro bono organisation; you do it for the good of the public, the travelling public?

MR EVERSON: Yes. I would have problems in terms of taking any funds from ... probably from anybody really because it would have a bearing on our view of things.

MR BLACKSTONE: I'm just a little surprised because, again, I can't quote chapter and verse on this, but I'm sure I saw somewhere a statement of Mr Crowcroft, where he had said that Jersey Bus Users' funding should be cut because they had stepped over the mark and entered the political field.

MR EVERSON: Well, we never received any.

MR BLACKSTONE: You have never received any funding.

MR EVERSON: He may have been perhaps under a misapprehension that we were at that stage. At various stages when Celia Scott Warren was involved there was talk of whether we would seek it or have funding for it, but we never did have.

MR BLACKSTONE: You made a comment that the Transport Policy was lacking because there was never any money to implement the country routes. Well, obviously there are two extremes: you serve everybody on the Island to the furthest cottage with a bus and ignore the costs, which would be a huge expense to the taxpayer; or you serve as many people as you reasonably can at a reasonable cost. You understand, obviously.

MR EVERSON: Yeah.

MR BLACKSTONE: This is the equation this whole thing is played out on.

MR EVERSON: Yes, and that's essentially a political point, of course.

MR BLACKSTONE: Yes, how far you get to. You made a comment that there was considerable mistrust in Jersey Bus. Mistrust in what way and by whom?

MR EVERSON: I think it comes through in the flavour of those reports really, because, I mean, you sit there in your armchair on a Sunday reading the paper, don't you, and you're affected by the tone of those articles that you're reading. That, I think, permeates society really. It comes through in statements. For instance, Stuart Syvret's comments in the States' debates at that time were the kind of thing that strike me, for instance.

MR BLACKSTONE: But he wasn't on any of the Committees involved.

MR EVERSON: No.

MR BLACKSTONE: So he ----

MR EVERSON: But I'm taking him as being a States member with no particular slant on the bus situation.

MR BLACKSTONE: I'm just wondering, you said yourself that the service provided by Jersey Bus was quite acceptable and you are the expert in this field as the President of the Bus Users Forum.

MR EVERSON: Yes, I hope I do ----

MR BLACKSTONE: What is this mistrust? It is not a mistrust about the quality of service.

MR EVERSON: It is probably at a political level that I'm really hinting.

MR BLACKSTONE: What's the mistrust on?

MR EVERSON: I think it stems from a belief that Jersey Bus wouldn't adapt more than anything else. As an illustration of that, we had proposed revisions to the summer services that would have linked in the route 8A with the route 8B to provide a round-the-Island service. Now, that was actually submitted to Public Services as an idea. It didn't get anywhere. The irony was that Easylink adopted that when they came up with their Easylink service, which was essentially doing what we had proposed in that era.

MR BLACKSTONE: Well you proposed it and you say you took it to Public Services.

MR EVERSON: Well, what happened was that some of the principal tourist attractions moved. For instance, Jersey Gold moved from the Five Mile Road to St. Lawrence, and Jersey Pearl,

which was at St. John's, moved to the Five Mile Road. Now, the Easylink service was essentially adapting what was within the concept that we had had in delivering what was essentially a viable proposition.

MR BLACKSTONE: You said you took your ideas, which sound quite well thought through, to Public Services. Did you also go to Jersey Bus with them?

MR EVERSON: Yes.

MR BLACKSTONE: And what as the reaction there?

MR EVERSON: Well, they didn't adopt them at the time. But, to my way of thinking, I have found that ... what I was after was acceptance that the idea would work, so, in that sense, I felt very happy when Easylink started up, because it had proved that what I was proposing was a viable proposition. The tragedy was that the profits that flowed through from it weren't going to the public purse, they were going into the Easylink pocket.

MR BLACKSTONE: Going back to the time of your original proposal though, this change in the route, would it have increased the profitability or would it have increased the strategic transport element of a better service, or either, or both, or you're not sure?

MR EVERSON: Remember that Easylink is operating as an additional service to what Connex are providing.

MR BLACKSTONE: I'm not talking about Easylink, I'm talking about your ideas back in 1999, I think you said.

MR EVERSON: No, it would have been probably 2000 or 2001, I can't remember.

MR BLACKSTONE: I can see if you take it to Jersey Bus, their prime interest in looking at it is yes, will it provide a better service, but can we make it pay?

MR EVERSON: Yes. No, was the answer to that.

MR BLACKSTONE: So if they had thought this was really a very good service for the Island, then they would have gone to Public Services and said "Well, you know, how about a subsidy?" although the reactions on subsidies at that time were not particularly encouraging, were they?

MR EVERSON: No.

MR BLACKSTONE: You mentioned a disagreement that was with Deputy Crowcroft probably

about the Hoppa. Do you want to elaborate a little bit more on that, that you had a disagreement with him?

MR EVERSON (after a pause): Well, what was the context I mentioned it in? One of the things that was contentious was the fact that ----

MR BLACKSTONE: Your actual words were “*disagreement with Mr Crowcroft*”.

MR EVERSON: The fact that the Hoppa concept wasn’t injected into the requirements in the tender specification. That was something that had been operated but wasn’t installed in the requirements placed on the operator, but the view being taken was that he ... well, I don’t doubt that people wanted to see what the bottom line was within the whole shebang to see if you could get it for free, in essence, with the rest of the network.

MR BLACKSTONE: Now, moving on to the tender process, I think you made a very valid comment that the routing should have been thought out much more carefully rather than just slam in the existing 2000 routes, some of which were extremely unprofitable and probably hardly used at all. We do take that point very much. Generally, do you think that the whole tender process, from starting in July 2001 and expecting to finalise the bidder by March originally and then in operation by September, do you think that was too rushed and was that the cause of part of the problems?

MR EVERSON: Yes, it was certainly too rushed, but, given that the option for users was to see an ever shrinking service. That comes through in the newspaper articles in 2001. Therefore, given the choice which was faced, then the choice I had to go for was “Grief, how long can we put this off if the States are saying they are not going to fund any requirement until there is tendering?”

MR BLACKSTONE: Yes, right. I take your point on that.

MR EVERSON: Only that reflected the fact that people were saying “Grief, we’re not going to have a bus service”, which was literally on the cards when Jersey Bus sacked the drivers.

MR BLACKSTONE: Well, we will be asking other people about the details of that particular unhappy period, because the actual public perception may be rather different to what actually happened. Now, PSD or PSC did appoint Halcrow, who, as far as we know, are experienced

transportation people. Yet they still came up with tender documents which you feel were unsatisfactory, particularly as far as routing is concerned. Do you know whether that was a PSC requirement that Halcrow had to follow or they picked that out themselves or?

MR EVERSON: My guess is that at a political level they wanted to say “We will put back what has been lost” and they needed a simple way of doing it, which was merely to reinstate things that had passed their sell-by date.

MR BLACKSTONE: But a proper evaluation of useful routes might have been rather better? This, I think, probably covers the point that you made that the tendering was not effectively administered.

MR EVERSON: Well, it was shot full of holes.

MR BLACKSTONE: And, again, you can’t yourself say -- you simply make a guess and you can’t really say -- whether that is attributable to PSD or to Halcrow?

MR EVERSON: No.

MR BLACKSTONE: We will be asking both of those questions on that matter. You did also make a point about changing the routes under the Connex régime. Yes, there is provision in the contract for specific amounts payable for extra or cut routes. Whether they have been applied we have yet to find out. Finally, you made a comment about Connex having “*walked in Western Australia*”. What happened there? Did they have a bus contract?

MR EVERSON: It may be in the 2002 folder.

MR BLACKSTONE: All right, we will see that later.

MR EVERSON: I think it is. But it is a copy that was in fact provided by members of staff locally. I have been to Western Australia ... sorry, not Western Australia, but I have been to Australia around about that time, although it wasn’t Western Australia I was in, and there is a copy of the article there.

MR BLACKSTONE: Yes, because you say ... your words were “*Connex have a choice. They either meet the contracts or walk*”. From what we have heard, we seem to be in the middle ground at the moment. If the contracts were enforced and Connex decided they could not make a profit under the conditions which they contracted, that would leave your bus users in a bit of a

quandary, wouldn't it?

MR EVERSON: Well, it would depend on what happened to that contract, because I am taking it that the obligation to fulfil the remaining years of the contract would have to be sold by Connex to someone who was prepared to take it on at that price. Now ----

MR BLACKSTONE: You haven't seen the contract?

MR EVERSON: No. I am merely presuming that that is there. If, for instance, they would have to walk and no one would be there to pick it up, then Public Services would have a severe problem, but Connex would have to decide with a fleet of 33 vehicles where they have got no operations in the UK and, therefore, I don't doubt that Chris Lewis, who is here today, might be reckoning on picking them up along with the whole contract.

MR BLACKSTONE: We are entering the field of speculation and that is dangerous. Thank you very much, Mr Everson.

MR SHEPHEARD: Thank you for giving us your time this morning, Mr Everson. I have no questions that I need to put to you. The things that I wanted to ask have been adequately put by my colleagues. Thank you very much.

MR EVERSON: I will leave this as well. The Channel Island Bus Society is an enthusiast newsletter, but it has got an article here on the Strategy being in crisis, which was written fairly near the beginning which I have flagged.
