

London Bus Network

TfL Business Plan 2009/10 – 2017/18

London Travelwatch Transport Committee

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Beverley Hall

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Transport

TfL Business Plan 2009/10 – 2017/18

The Plan assumes that demand for travel will recover and continue to grow strongly as London's employment and population increase.

The Mayor's Transport Strategy contains plans to increase rail capacity and to increase levels of cycling and walking in the context of this growth.

The Plan forecasts increased capacity on the Underground network of some 26%, and overall capacity increased by 10% when Crossrail opens.

The Plan envisages that the size of the bus network will remain broadly stable, with 478m km forecast for 2017/18, around 1% lower than now.

The aim to ensure that the cost of providing the bus network remains affordable. The Plan allows for the achievements of the bus network to be maintained while reducing the overall level of bus subsidy.

Key numbers

RPI + 11% (approx) fares rise in January 2010 and a commitment to RPI + 2% in future years up to 2017/18.

The service provision is aligned with forecast demand, which depends on population, employment and the expected impact of the fares policy.

Summary:

	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Service (m Km)	482	482	484	480	478	478	478	478
Fares Rise	RPI + 11%	RPI + 2%	RPI + 2%	RPI + 2%	RPI + 2%	RPI + 2%	RPI + 2%	RPI + 2%
Resultant net subsidy (£m)	507	513	532	498	479	462	448	442
Passenger Journeys (m)	2,183	2,181	2,204	2,227	2,252	2,268	2,277	2,278

Planning the Bus Network

TfL will continue to keep all bus services under review in the usual way, taking account of actual usage and the results of liaison, consultation and market research.

The Independent Review carried out by KPMG in 2009 found that this process was well-managed and fit for purpose.

Changing travel needs and a bus network kept under regular review means that proposals for change will come forward in the usual way.

As always, the review will take account of the relevant benefits or disbenefits, the costs and the overall amount of money available.

Where changes are proposed they will continue to be subject to the outcome of consultation.

Service Planning Criteria

The Service Planning Criteria continue to guide the development of proposals to ensure that the bus network continues to meet passenger demand and remains: comprehensive, frequent, simple and reliable.

Nevertheless, there will be a need to prioritise service provision. There are likely to be some reductions to accommodate increases elsewhere.

Making the most effective use of assets has always been a priority. On the bus network, service capacity is considered in detail, route by route and corridor by corridor as part of the ongoing review process.

TfL will continue to take account of the demand for travel in the peak and the need for value for money within every review.

Bottom line: TfL must prioritise its activities within the money available.

Subsidy

In 2009/10 the bus network required a subsidy of £570 million compared to £41 million in 1999/00.

The independent review of the bus network by KPMG examined the key drivers of this increase in the subsidy for the bus network. At a high level these drivers can be classed as related to quality, quantity and fares.

The Mayor agreed to remove specific budgets for further quality enhancements and unidentified service increases. The impact of this is to reduce the growth in bus subsidy but not to eliminate it.

More may need to be done: the pressure across all public spending is significant and the Spending Review later this year is likely to require further consideration of the balance between provision, subsidy and fares.

Background Journeys and Fares

