



Independent Pricing and Regulatory Tribunal

CityRail and Metropolitan and Outer Metropolitan Bus Services: Prices and Services Report 2010

Transport — Final Report
December 2010



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1 Introduction

IPART is responsible for determining maximum fares for CityRail and metropolitan and outer metropolitan bus services. In 2008 (CityRail) and 2009 (buses), we determined the maximum fares applicable for each of the subsequent 4 years. We monitor the fares that operators charge to ensure that they don't exceed the amounts we set. We also monitor the level of costs incurred by CityRail and bus operators and the level of service they deliver.

As part of our most recent fare determinations we decided to release an annual prices and services report for both CityRail and metropolitan and outer metropolitan bus service providers at the end of each year so that passengers can see the outcome of this process.

This is the first annual metropolitan and outer metropolitan bus Prices and Services report and the second for CityRail. It sets out fares that will apply in 2011. It also summarises the total cost of providing passenger bus and train services over the past year, and how much of this was paid for by passengers. It then gives an overview of service performance over the past year.¹

1.1 IPART's fare determinations

In December 2008, we released our final report and determination on CityRail fares for 2009-2012.² In December 2009, we released our final report and determination on metropolitan and outer metropolitan bus fares for 2010-2013.³ Key elements of our approach were:

- ▼ Determining maximum fares for a 4-year period, subject to an annual adjustment to reflect the actual change in the Consumer Price Index each year.
- ▼ Establishing the amount of revenue required to provide services in an efficient manner. For train services, we assessed CityRail's cost efficiency over the determination period and its potential to make cost savings. For bus services, we assessed the efficient costs of providing services in the 4 largest regions, which account for three-quarters of bus trips made by fare-paying passengers.

¹ CityRail also provides information on its service levels, particularly service reliability, on its website.

² IPART, *Review of CityRail fares, 2009-2012 - Final Report*, December 2008.

³ IPART, *Review of fares for metropolitan and outer metropolitan bus services from January 2010 - Final Report*, December 2009.

- ▼ Establishing how much of the required revenue should be paid by passengers through fares and how much by taxpayers. We did this by estimating the value of external benefits generated by bus and train services (separately) and considering the potential impacts on fare affordability and patronage levels.
- ▼ Converting the share of the revenue requirement to be paid by passengers into fares by setting the maximum fare for each ticket type.

Under the determinations, the Government is required to calculate new fares every year based on the method in our determination and submit them to us so that we can make sure the fares comply with the determination.

1.2 MyZone

The NSW Government introduced the MyZone fare structure in April 2010.

MyZone combined and replaced a number of train and bus fares under our existing determinations. This reduced the number of train fare bands to 5 'MyTrain' fares and the number of bus fare bands to 3 'MyBus' fares⁴. MyZone also replaced TravelPasses with new multimodal products known as MyMulti. MyMulti products provide for:

- ▼ unlimited travel on private as well as government-operated bus services
- ▼ travel on all Sydney Ferries' services and the Stockton Ferry, and
- ▼ travel on CityRail services in the relevant MyMulti zone.

Under MyZone, TravelTen products can be used for travel in the relevant section band on either private or government operated services. Time-based fare tickets for Newcastle Buses have been maintained and there were no changes to free school passes under the School Student Transport Scheme.

The Government has advised us that under MyZone more than 90% of journeys were the same price or cheaper; however, several fares became more expensive. As an interim measure, an amendment to the *Independent Pricing and Regulatory Tribunal (Passenger Transport Services) Order 1998* was made to remove temporarily our responsibility for determining the maximum prices for a small number of tickets. This includes:

- ▼ MyTrain 28-day RailPass (including concession)
- ▼ MyTrain 365-day RailPass (including concession)
- ▼ MyTrain Child Off-peak Return
- ▼ MyMulti Day Pass.

⁴ 5 Sydney Ferry fare bands were reduced to 2.

The maximum prices for services under these tickets will be determined by the Government until IPART makes a new determination. Under the amended Order, this can not occur before April 2011.

Our current determinations continue to apply except for those tickets that are covered by the amendment to the Order or withdrawn.

1.3 Train and bus fares will not increase in 2011

The Government has decided that they will not increase fares for train and bus tickets in 2011⁵. This is because the new MyZone integrated ticketing system was introduced only 8 months ago. The Government will ask IPART to undertake a new review in an integrated fare determination to be implemented for train, bus and ferry tickets from January 2012.

Fares from January 2011 will remain at their April 2010 levels. This is a reduction in real terms. The fares will continue to comply with our determinations, because fares are currently below the maximum allowable levels.

Based on current patronage levels, keeping fares at the same level as in 2010 (rather than increasing them as permitted by IPART's determinations) will reduce CityRail's farebox revenue by \$33 million in 2011 and reduce the farebox revenue for metro and outer metro buses by \$10 million.⁶

1.3.1 CityRail's costs and revenue are broadly in line with expectations

In 2009/10 CityRail's operating costs were slightly higher than our estimate of efficient costs. However farebox revenue increased less than expected due to lower patronage and the introduction of MyZone which reduced the price of many train tickets. Overall, passengers' fares paid for around 24% of CityRail's costs.

1.3.2 CityRail's service performance has increased

CityRail's service performance has increased or remained at similar levels to 2008/09 across most reported aspects of service in 2009/10. Although patronage fell the number of services and the kilometres trains travel increased in 2009/10. The reported reliability of services also increased.

⁵ See letter from Premier 17 December 2010 – Appendix A.

⁶ Calculated over the 2011 calendar year.

1.3.3 Metropolitan and outer metropolitan bus costs and revenue

Operators across metro and outer metro regions collected \$344.4 million in fare revenue in 2009/10. This is 0.3% more than the amount collected in 2008/09. Fare revenue as a proportion of total cost was 34% in 2009/10, down from 37% in 2008/09, due to higher contract costs.

1.3.4 Metropolitan and outer metropolitan bus services increased

In 2009/10, the number of timetabled bus services increased but patronage declined in both the metropolitan and outer metropolitan bus services. The proportion of buses and bus services that are wheelchair accessible continued to increase in 2009/10. Transport NSW has introduced programs to improve the accuracy of bus performance data.

1.4 Structure of this report

This report is structured as follows:

- ▼ Chapter 2 presents metro and outer metro bus and CityRail fares that will apply in 2011 and confirms that they comply with our determination.
- ▼ Chapter 3 provides an overview of CityRail costs and revenue in 2009/10 and the extent to which fare revenue covers these costs.
- ▼ Chapter 4 reviews the quality and quantity of CityRail performance in 2009/10 and trends in these indicators in recent years.
- ▼ Chapter 5 provides an overview of metro and outer metro bus costs and revenue in 2009/10 and the extent to which fare revenue covers these costs.
- ▼ Chapter 6 reviews the quality and quantity of metro and outer metro bus performance in 2009/10 and trends in these indicators in recent years.

2 Train and bus fares for 2011

The fares in our respective determinations for CityRail and metro and outer metro buses are the maximum allowable fares that may be charged in a given year. The Government may elect to implement fares below the maximum. For 2011 the Government has decided to maintain the MyZone fares at their April 2010 levels.

This chapter outlines the metro and outer metro bus and train fares that will apply in 2011 and confirms that they comply with our determinations.

2.1 Fares for 2011

The Government has written to us to advise that they will not increase fares for train and bus tickets in 2011. The Government advised that this is because the new MyZone integrated ticketing system was introduced only 8 months ago. The Government will ask IPART to undertake an integrated fare determination for train, bus and ferry tickets to be effective from January 2012.

Fares from January 2011 will remain at their April 2010 levels. This is a reduction in real terms. The fares will continue to comply with our determinations, because fares are currently below the maximum allowable levels.

Under our determinations maximum fares for 2011 could have increased in January 2011:

- ▼ By an average of 2.3% for CityRail in real terms. This is an average increase of 5.1% including the effects of inflation.
- ▼ By an average of 1.4% for buses in real terms. This is an average increase of 4.2% including the effects of inflation.

Based on current patronage levels, keeping fares at the same level as in 2010 (rather than increasing them as permitted by IPART's determinations) will reduce CityRail's farebox revenue by \$33 million in 2011 and reduce the farebox revenue for metro and outer metro buses by \$10 million.⁷

⁷ Calculated over the 2011 calendar year.

The prices of MyTrain adult single and weekly tickets are shown in Table 2.1. Return tickets, which are twice the single price and off-peak fares, which are a 30% discount on the normal adult return price, are shown in Table 2.2. Concession fares are half of the full adult fare price.⁸ Fares for other ticket types are available from the CityRail website.

Table 2.1 Adult single and Adult weekly rail tickets

Distance (km)	Adult single		Adult weekly	
	Maximum allowable fare 2011 ^a	MyTrain fare 2011	Maximum allowable fare 2011 ^a	MyTrain fare 2011
0-5	\$3.40	\$3.20	\$26.00	\$25.00
5-10	\$3.80	(MyTrain1)	\$30.00	
10-15	\$4.20	\$4.00	\$33.00	\$31.00
15-20	\$4.60	(MyTrain2)	\$36.00	
20-25	\$4.80	\$4.60	\$39.00	
25-30	\$5.20	(MyTrain3)	\$42.00	\$37.00
30-35	\$5.60		\$45.00	
35-45	\$6.40	\$6.00	\$50.00	
45-55	\$7.20	(MyTrain4)	\$52.00	\$47.00
55-65	\$8.00		\$56.00	
65-75	\$8.80		\$59.00	
75-85	\$9.60		\$62.00	
85-95	\$10.60		\$64.00	
95-105	\$11.20		\$67.00	
105-115	\$12.20	\$7.80	\$69.00	\$56.00
115-125	\$13.60	(MyTrain5)	\$72.00	
125-135	\$13.80		\$78.00	
135-155	\$15.80		\$83.00	
155-175	\$18.00		\$88.00	
175+	\$22.00		\$96.00	

^a Under IPART's 2008 CityRail determination.

Note: Prices include GST.

Source: IPART and <http://myzone.nsw.gov.au>

⁸ IPART does not determine concession fares, the fare for pensioner excursion ticket (PET) or the School Student Transport Scheme. However, concession fares cannot be more than half of the full fare.

Table 2.2 Adult return and Adult off-peak return rail tickets

Distance (km)	Adult return		Adult off-peak return	
	Maximum allowable fare 2011 ^a	MyTrain fare 2011	Maximum allowable fare 2011 ^a	MyTrain fare 2011
0-5	\$6.80		\$4.60	
5-10	\$7.60	\$6.40	\$5.20	\$4.40
10-15	\$8.40		\$5.80	
15-20	\$9.20	\$8.00	\$6.40	\$5.40
20-25	\$9.60		\$6.80	
25-30	\$10.40	\$9.20	\$7.40	\$6.40
30-35	\$11.20		\$8.00	
35-45	\$12.80		\$9.00	
45-55	\$14.40	\$12.00	\$10.20	\$8.20
55-65	\$16.00		\$11.20	
65-75	\$17.60		\$12.40	
75-85	\$19.20		\$13.40	
85-95	\$21.00		\$14.80	
95-105	\$22.00		\$15.60	
105-115	\$24.00		\$17.00	
115-125	\$27.00	\$15.60	\$19.00	\$10.80
125-135	\$28.00		\$19.20	
135-155	\$32.00		\$22.00	
155-175	\$36.00		\$25.00	
175+	\$44.00		\$31.00	

^a Under IPART's 2008 CityRail determination.

Note: Prices include GST.

Source: IPART and <http://myzone.nsw.gov.au>

The price of MyBus adult single and TravelTen tickets are shown in Table 2.3. Return tickets are twice the single price and concession fares are half of the full adult fare price.⁹

⁹ IPART does not determine concession fares, the fare for pensioner excursion ticket (PET) or the School Student Transport Scheme. However, concession fares cannot be more than half of the full fare.

Table 2.3 Adult single and TravelTen bus tickets

Section	Adult single		Adult TravelTen	
	Maximum allowable fare 2011 ^a	MyBus fare 2011	Maximum allowable fare 2011 ^a	MyBus fare 2011
1 to 2	\$2.00	\$2.00 (MyBus1)	\$16.00	\$16.00
3 to 5	\$3.40	\$3.30 (MyBus2)	\$27.20	\$26.40
6 to 9	\$4.50		\$36.00	
10 to 15	\$5.40	\$4.30 (MyBus3)	\$43.20	\$34.40
16+	\$6.50		\$52.00	

^a Under IPART's 2009 metro and outer metro bus determination.

Note: Prices include GST.

Source: IPART and <http://myzone.nsw.gov.au>

The price of Newcastle time-based fares are shown in Table 2.4.

Table 2.4 Newcastle time-based fares

Sections	Maximum allowable fare 2011 ^a	Actual fare 2011
1 Hour	3.40	3.30
4 Hours	6.60	6.40
TimeTen 1 Hour	28.00	26.80
All Day	10.20	9.80

^a Under IPART's 2009 metro and outer metro bus determination.

Note: Prices include GST.

Source: IPART and <http://myzone.nsw.gov.au>

Under MyZone, the Government replaced all multi-mode TravelPasses with 3 new 'MyMulti' tickets. These tickets include unlimited travel on bus (including private buses) and ferry plus train travel in 3 zones. In addition, the DayTripper ticket (\$18.20) was replaced with the MyMulti Day ticket (\$20).¹⁰ An approximate comparison of former TravelPass and MyMulti prices for 2011 is shown in Table 2.5. Prices for other ticket types are shown in Table 2.6.

¹⁰ IPART's responsibility for determining the maximum allowable price for the MyMulti Day ticket has been temporarily removed.

Table 2.5 MyMulti adult ticket prices (single)

Zone	Maximum allowable fare 2011	MyMulti fare 2011
Blue ^b	\$36.40	
Orange ^b	\$46.10	\$41
Pittwater ^b	\$62.10	(MyMulti1)
2-zone ^b	\$36.40	
Red ^a	\$44.00	
Green ^a	\$51.00	\$48
Yellow ^a	\$55.00	(MyMulti2)
Pink ^a	\$61.00	\$57
Purple ^a	\$67.00	(MyMulti3)
Daytripper ^a	\$19.40	\$20
		(MyMulti Day)

^a Under IPART's 2008 CityRail determination. These products are no longer available.

^b Under IPART's 2009 metro and outer metro bus determination. These products are no longer available.

Note: Prices include GST.

Source: IPART and <http://myzone.nsw.gov.au>

Table 2.6 Other ticket types

Ticket	Maximum fare 2011^a	MyZone fare 2011
Sports special single	\$3.40	\$3.30
Sports special return	\$6.00	\$5.80
School term pass	\$48.30	\$46.30

^a Under IPART's 2009 metro and outer metro bus determination.

Note: Prices include GST.

Source: IPART.

3 Costs of providing CityRail services and cost recovery

Our 2008 final report set out our view on the efficient level of operating and capital costs for providing CityRail's services – this was the basis for our decision on how much revenue CityRail requires each year.¹¹ The report also sets out what share of CityRail's revenue should be paid by passengers and what share by taxpayers – this was the basis for our decision on the level of fares. This chapter provides an overview of CityRail's actual costs and revenue in 2009/10 and the level of cost recovery from fares.

3.1 CityRail's costs over the past year

Overall, CityRail's costs were broadly consistent with the efficient level of costs we included in our determination (Table 3.1).

Table 3.1 CityRail forecast and actual costs 2009/10 (nominal \$ millions)

2009/10	Forecast in determination	Actual
operating costs	2091	2,135
depreciation (regulatory)	294	290
return on assets (regulatory)	567	539
Total costs	2,952	2,964

Source: IPART forecasts and RailCorp.

CityRail's operating costs were \$2,135 million in 2009/10. This is slightly higher (2%) than the estimate of the efficient level of these costs for CityRail (\$2,091 million) in our determination. CityRail realised some operating cost savings in 2009/10 including crew efficiency savings of \$7 million per annum.

CityRail's capital expenditure in 2009/10 of \$1,199 million is around 12% lower than expected (Table 3.2).

¹¹ IPART, *Review of CityRail fares, 2009-2012 – Final Report*, December 2008.

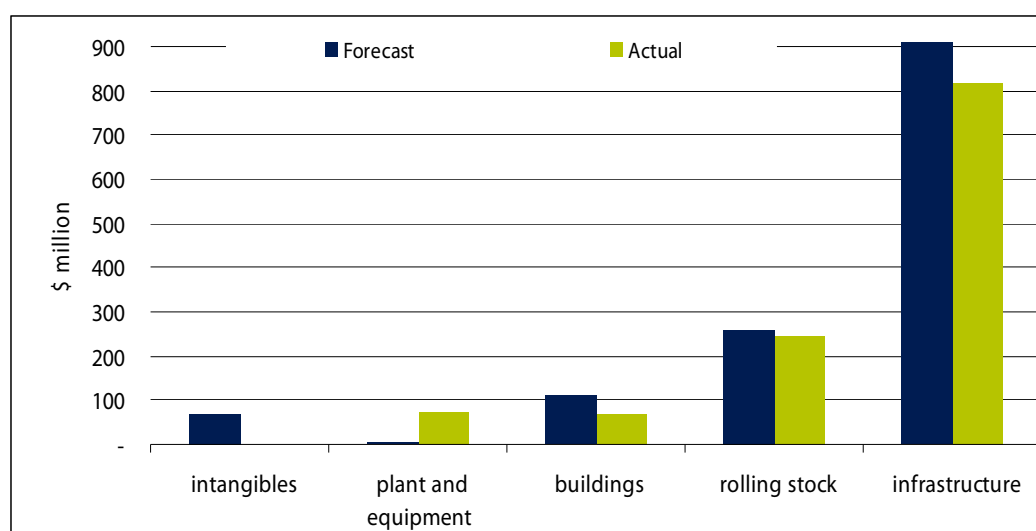
Table 3.2 IPART forecast and CityRail actual capital expenditure (nominal \$million)

	2008/09		2009/10		2010/11	2011/12
	forecast	actual	forecast	actual	forecast	forecast
Epping Chatswood Rail Link	2,350	2,347	-	-	-	-
Other	1,087	870	1,369	1,199	1,276	1,048
Total	3,437	3,217	1,369	1,199	1,276	1,048

Note: Inflation of 2.5% per annum was assumed from 2010/11.

Source: IPART forecasts and RailCorp.

Figure 3.1 shows CityRail's forecast and actual capital expenditure in 2009/10.

Figure 3.1 CityRail forecast and actual capital expenditure 2009/10 (\$million)

Data source: IPART forecasts and RailCorp.

3.2 Revenue and cost recovery

In our 2008 determination, maximum fares were determined so that, on average across the 4-year period, around 28% of the revenue we assessed as being required to efficiently provide CityRail services would be recovered through fares.¹²

In 2009/10, CityRail collected \$652 million in fare revenue. This is slightly higher (2%) than the level of fare revenue collected in 2008/09 (Table 3.3). However, fare revenue only accounted for around 24% of CityRail's net revenue requirement. RailCorp advised that fare revenue was lower than expected due to a decline in the number of passenger journeys and the removal of a revenue sharing arrangement between the STA, Sydney Ferries and RailCorp for distributing funds from the sale of

¹² IPART, *Review of CityRail fares 2009-2012 - Final Report*, December 2008, p 106.

multi-modal tickets. The downturn in patronage was a direct result of the global financial crisis and its effect on employment, particularly in the CBD where CityRail has a 50% mode share of journeys to work. Further, RailCorp advised the Auditor-General¹³ that the introduction of MyZone fares, which reduced the price of many rail tickets, resulted in an estimated reduction of \$9.2 million in ticket sales revenue in the last quarter of 2009/10.¹⁴

Table 3.3 CityRail revenue and cost recovery 2008/09 and 2009/10 (nominal \$ millions)

	2008/09	2009/10
Total costs	2,611	2,964
concession funding and other revenue	285 ^a	293 ^a
Net costs	2,325	2,672
revenue from fares	638	652
% net costs recovered from fares	27%	24%

^a Forecast used as actual not available.

Source: RailCorp.

¹³ Auditor-General, *Auditor-General's Report to Parliament 2010*, Volume Nine, December 2010, p 142.

¹⁴ This does not account for the effects of any offset from increased patronage due to lower ticket prices.

4 CityRail performance

Regular service performance reporting is necessary because it improves transparency and provides transparency about services levels. Last year we reported on CityRail's performance against a number of indicators of service outcomes, based on the recommendations in our 2008 report 'Improving CityRail's accountability and incentives through an effective service contract'. This chapter reviews CityRail's performance in 2009/10 on the same indicators. It analyses trends in the quantity and quality of CityRail services and compares performance to targets where they have been set.

CityRail's performance benchmarks and targets are set out in RailCorp's Statement of Business Intent and Rail Services Contract.¹⁵ The Statement of Business Intent and Rail Services Contract are not publicly available however some of these targets were included in the CityRail Customer Charter, released in December 2008 which sets out goals and commitments for CityRail services. We consider that the service contract should be made publicly available at the time that it is signed and whenever it is updated and that RailCorp should report publicly on CityRail's performance against the targets in the service contract, as recommended in our 2008 report.¹⁶

As there are differences in performance in peak and off peak periods and on different lines, we recommended that service performance reporting and targets should identify performance by time of day or by line. RailCorp advises that in some cases information by line or separately identifying peak and off peak periods is not available as it has not been collected historically or where collected has been insufficiently verified to report publicly. CityRail is developing systems to provide more information about off peak performance and expects these system changes to be completed in 2011. Information on CityRail's performance is also available from the CityRail (www.cityrail.info) and Transport NSW (www.transport.nsw.gov.au) websites.

¹⁵ Until 31 December 2008, RailCorp was a state owned corporation with benchmarks and targets set in a Statement of Corporate Intent and in the Rail Performance Agreement which was agreed to by the board and the portfolio Minister. On 1 January 2009 RailCorp became a statutory authority subject to the direction and control of the Minister for Transport. From 1 July 2009 the Statement of Business Intent and Rail Services contract are the relevant agreements with Treasury and Transport NSW.

¹⁶ IPART, *Improving CityRail's accountability and incentives through an effective service contract - Final Report*, December 2008.

In our 2008 report we recommended that RailCorp, the Ministry of Transport (now Transport NSW) and the Independent Transport Safety and Reliability Regulator (ITSRR)¹⁷ should consider improving service quality performance targets by:

- ▼ considering the feasibility of measuring on-time running at major centres as well as the CBD
- ▼ considering developing a more sophisticated indicator for journey delays that takes into account the number of passengers affected for inclusion in future service contracts
- ▼ considering developing an improved indicator for journey time for inclusion in future service contracts
- ▼ reviewing the definition of the morning and afternoon peak periods included in the service contract with a view to aligning this definition with the periods of peak use of the system and IPART's fare determination.

Transport NSW is working on these recommendations.

4.1 Overview

In 2009/10, CityRail performance improved or remained at similar levels to 2008/09 across most reported aspects of service. Although patronage fell the quantity of service in terms of number of services and the kilometres trains travel increased in 2009/10. Services were also more reliable:

- ▼ The percentage of peak hour trains running on time increased overall. On-time running improved on some lines, including those which had previously been the poorer performing lines, but fell on other lines.
- ▼ The percentages of peak hour trains that were cancelled fell slightly and the percentage of trains skipping stops remained at the same level as 2008/09.
- ▼ The total number of minutes (per year) that trains were delayed continued to fall but the rate of improvement has slowed.

Other aspects of the quality of service also improved or remained at similar levels to 2008/09:

- ▼ There was less crowding on peak hour trains however CityRail patronage fell by 0.8% to 302.3 million passenger journeys, a reduction of 2.5 million passenger journeys over the previous year.
- ▼ Indicators of passenger comfort remained at the same level as 2008/09.

However there was a decline in the measure of security (offences against persons per million passenger journeys).

¹⁷ ITSRR's reliability functions are now undertaken by Transport NSW.

From 2004 to 2009/10 ITSRR carried out an annual survey of CityRail passengers. In 2010/11 responsibility for reporting on the survey moved to Transport NSW. This survey provides information on passenger satisfaction and experiences and usefully complements CityRail performance data collected by RailCorp. It is unfortunate that at the time of writing this report the 2010 survey of CityRail passengers has not been released.

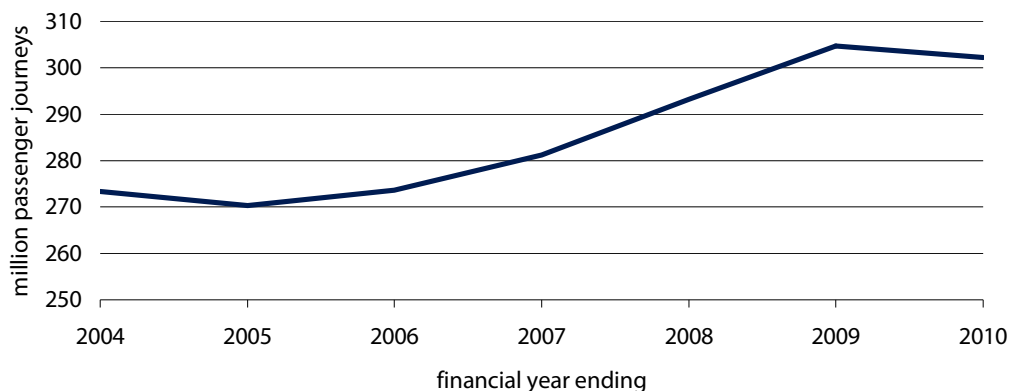
4.2 Quantity of services

There are a number of indicators of service quantity. This section considers patronage (number of passenger journeys), number of services and kilometres of services. CityRail's performance in 2009/10 using these indicators is discussed in the following sections.

Patronage

In 2009/10, CityRail patronage fell by 0.8% to 302.3 million passenger journeys, a reduction of 2.5 million passenger journeys over the previous year.¹⁸ This is the first time the number of passenger journeys has actually fallen since 2004/05 (Figure 4.1). CityRail advises that this trend is a direct result of the global financial crisis and its effect on employment, particularly in the CBD, where 50% of journeys to work are by train.¹⁹ It means that patronage is less than the forecast we used in determining fares for 2009 to 2012 (we assumed an annual growth of 4.9% in 2009/10). This has had an effect on the revenue CityRail collects from fares (see Chapter 3).

Figure 4.1 CityRail passenger journeys 2003/04 to 2009/10



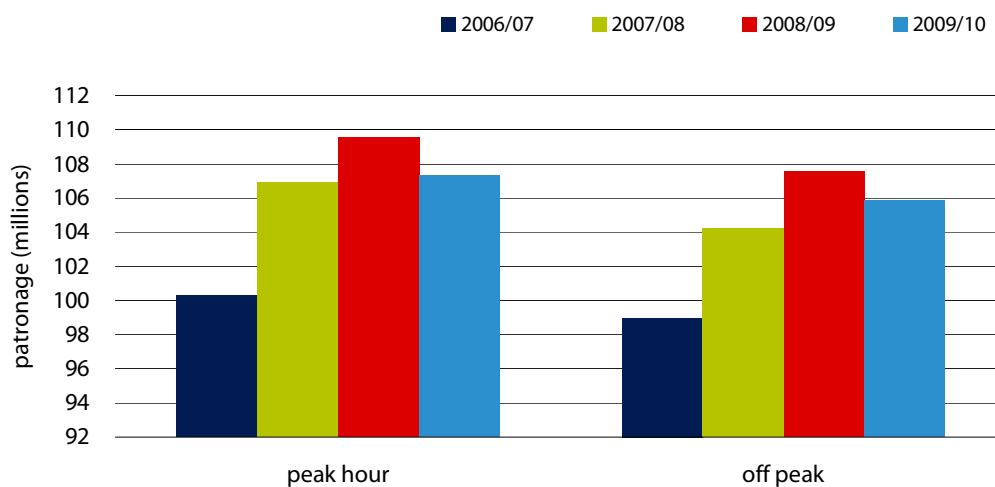
Data source: RailCorp.

¹⁸ RailCorp Annual Report 2009-10, p 31.

¹⁹ CityRail website, Quarterly performance summary April –June 2010 and correspondence with CityRail, 27 October 2010.

Figure 4.2 illustrates trends in CityRail peak and off peak patronage since 2006/07. Following 3 years of consistent growth in peak and off peak patronage, in 2009/10 peak hour and off peak patronage fell by 2.1 % and 1.6% respectively. The greater rate of decline in peak hour passenger journeys in 2009/10 is consistent with the explanation that the global financial crisis and consequent fall in CBD employment has impacted CityRail patronage.

Figure 4.2 CityRail weekday peak and off peak patronage 2006/07 to 2009/10



Note: Peak is 6:00 – 8:59 am and 4:00 to 5:59 pm. Off peak is all other times. Data is based on exits and entries to stations by time and ticket type.

Data source: RailCorp.

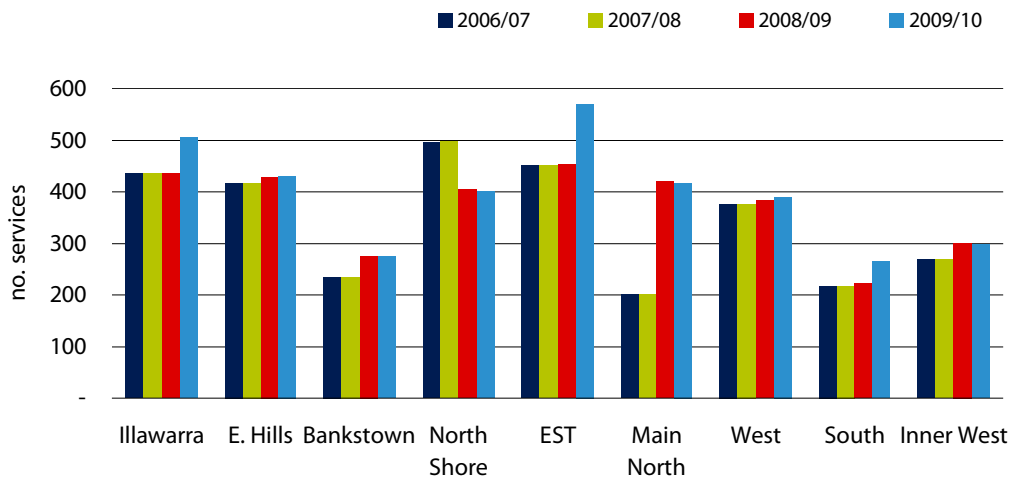
Number of services

The number of timetabled CityRail services per week continued to increase in 2010, growing by 6.1%. Increases in weekend service levels on the Eastern Suburbs, Illawarra and Southern lines accounted for most of this growth.

Figure 4.3 to Figure 4.6 illustrate growth in the number of total, weekday and weekend timetabled services to the city by line since 2006/7.²⁰ In 2010 CityRail increased services on the Illawarra line by providing an extra 2 services per hour on weekends between 9 am and 8 pm and some additional services on weekdays around the ends of the peak. On the Eastern Suburbs line CityRail increased the number of services per hour on weekdays during peak hour and at night, and on weekends across most time bands. Between 8 am and 9 pm weekend services on the Eastern suburbs line increased from 4 to 7 services per hour, a 75% increase in services per hour. On the Southern line weekend services between 8 am and 6 pm doubled with CityRail now providing 4 services per hour.

²⁰ The trends in timetabled services from the city are broadly the same.

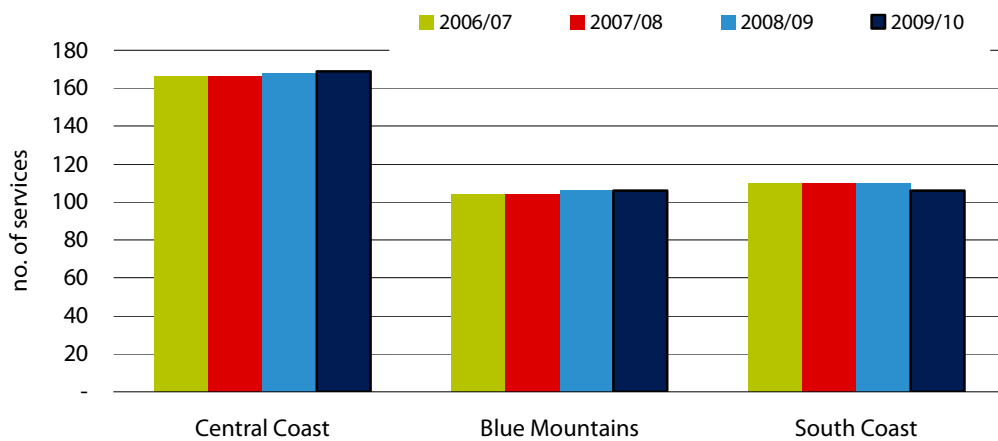
Figure 4.3 CityRail number of services by suburban line, 2006/07-2009/10



Note: The apparent sharp decline in trips in 2008/09 on the North Shore line and increase on the Main North line reflect the integration of the Epping Chatswood Rail Link into the timetable. This meant that some services previously classified as North Shore line are now classified as Main North line services travelling between Hornsby and the City via Macquarie Park. These services continue to operate on the North Shore line south of Chatswood.

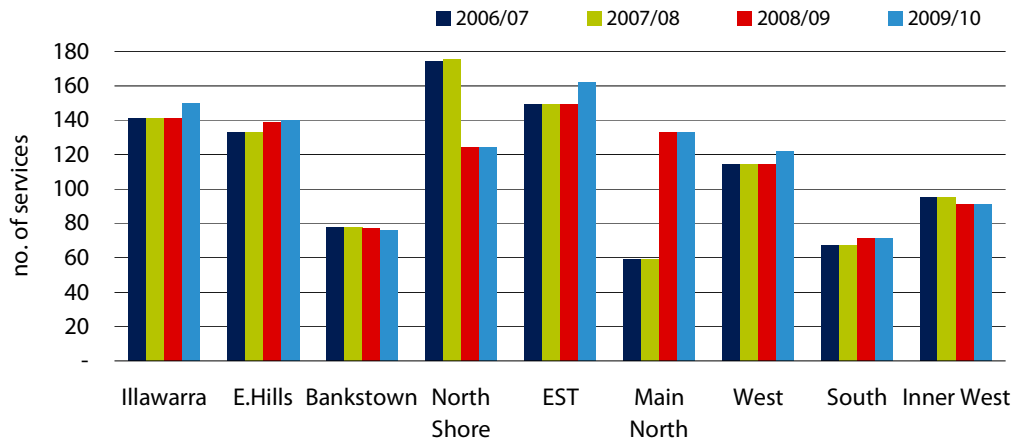
Data source: RailCorp.

Figure 4.4 CityRail number of services by intercity line, 2006/07-2009/10



Data source: RailCorp.

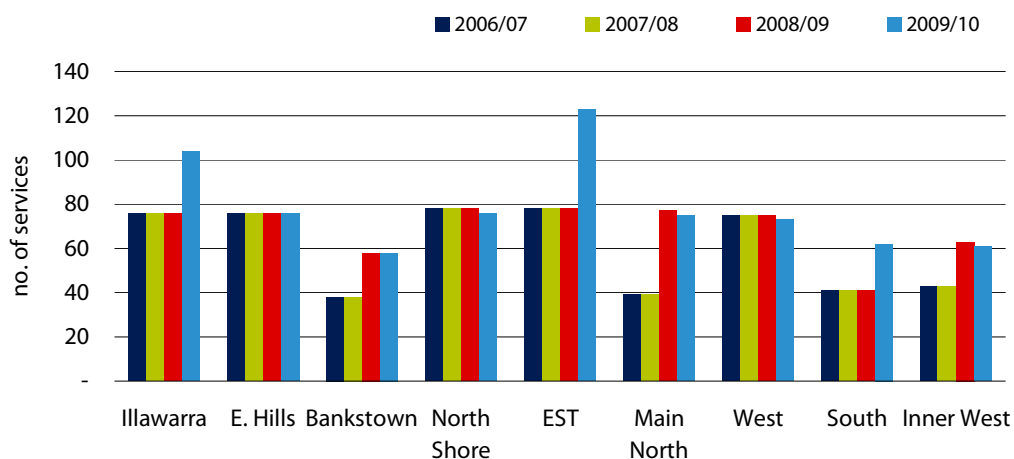
Figure 4.5 CityRail number of weekday services to the city, suburban lines, 2006/07-2009/10



Data source: RailCorp.

Note: The apparent sharp decline in trips in 2008/09 on the North Shore line and increase on the Main North line reflect the integration of the Epping Chatswood Rail Link into the timetable. This meant that some services previously classified as North Shore line are now classified as Main North line services travelling between Hornsby and the City via Macquarie Park. These services continue to operate on the North Shore line south of Chatswood.

Figure 4.6 CityRail number of weekend services to the city, suburban lines, 2006/07 -2009/10



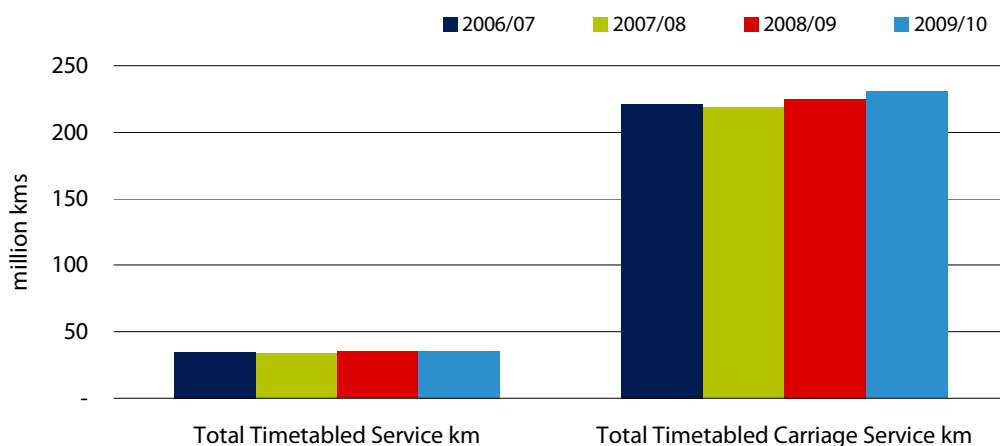
Data source: RailCorp.

Note: The apparent sharp increase in trips in 2008/09 on the Main North line reflects the integration of the Epping Chatswood Rail Link into the timetable. This meant that some services previously classified as North Shore line are now classified as Main North line services travelling between Hornsby and the City via Macquarie Park. These services continue to operate on the North Shore line south of Chatswood.

Service kilometres

The quantity of CityRail services measured as the number of timetabled train and carriage service kilometres²¹ also increased in 2009/10 (see Figure 4.7). Train service kilometres increased 1.8% and carriage service kilometres increased 2.6% in 2009/10.

Figure 4.7 CityRail annual train and carriage service kilometres, 2006/07-2009/10



Note: Last year we reported that between 2007/08 and 2008/09 CityRail timetabled service kilometres and timetabled carriage service kilometres increased by 6.1% and 6.7% respectively. RailCorp has revised 2008/09 figures down from those reported last year. The adjusted figures for 2008/09 indicate growth rates of 3.5% in service kilometres and 2.8% in carriage service kilometres over 2008/09.

Data source: RailCorp.

4.3 Quality of services

The following sections review the quality of CityRail services in 2009/10 - their reliability, crowding, safety and comfort. Not all information is collected or can be reliably disaggregated by line or by time of day (peak versus off peak). The indicators of service quality include:

- ▼ Reliability of services measured by on-time running, skipped stops, and cancelled services.
- ▼ Journey delays and journey time, based on average timetabled train speed and total annual delay minutes.
- ▼ Crowding on trains in peak periods for each line of the CityRail network.
- ▼ Passenger security estimated by offences against the person per million passenger journeys²², derived from the Bureau of Crime Statistics and Research data.

²¹ Service kilometres refer to the total kilometres that timetabled revenue generating services travel. Carriage service kilometres are the total kilometres travelled by all carriages on timetabled revenue generating CityRail services.

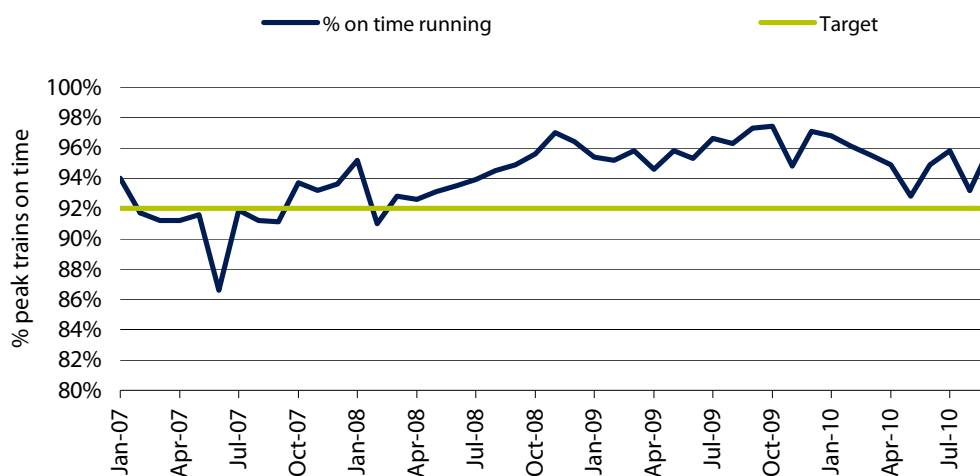
- ▼ Passenger comfort – estimated by the percentage of fleet less than 10 years old.

Reliability of services – on time running, skipped stops and train cancellations

In 2009/10, CityRail peak hour on time running²³ improved across the network as whole, from 95.4% of trains running on time in 2008/09 to 95.9% in 2009/10. On time running performance can vary widely – throughout the year and on different lines. Monthly on time running across the network was over 96% from July 2009 to March 2010 (except November) but from April to June 2010 fell below that level. In October 2009 97.4% of peak hour trains ran on time – the best result since before 2007. However May 2010 saw the lowest level of trains running on time (92.8%) since April 2008, although this remained above CityRail’s target of 92% of trains running on time (see Figure 4.8).

Outside the peak, on time running also improved, and was generally better than the performance in peak hour. CityRail does not publicly release on time running data for off-peak periods because it is not verified or audited.

Figure 4.8 CityRail peak on time running, 2006/07 -2009/10



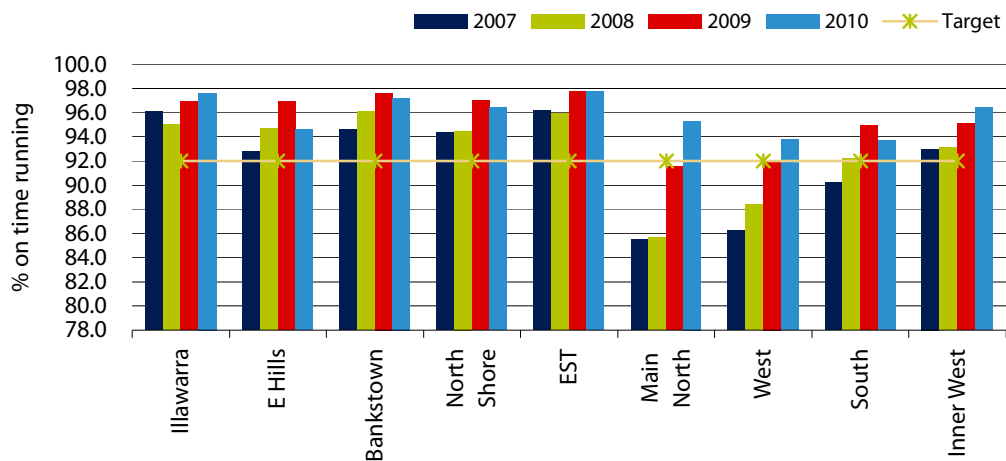
Data source: RailCorp.

²² ‘Offences against the person’ includes assault, robbery, sexual offences and stealing from a person which occurs on or next to railway property. Statistics reflect incidents reported and recorded by NSW Police.

²³ On time is defined as the percentage of CityRail trains passing through Central station that run on time at their destination. ‘On time’ is defined as within 5 minutes of the timetabled time for suburban services and within 6 minutes of the timetabled time for intercity services.

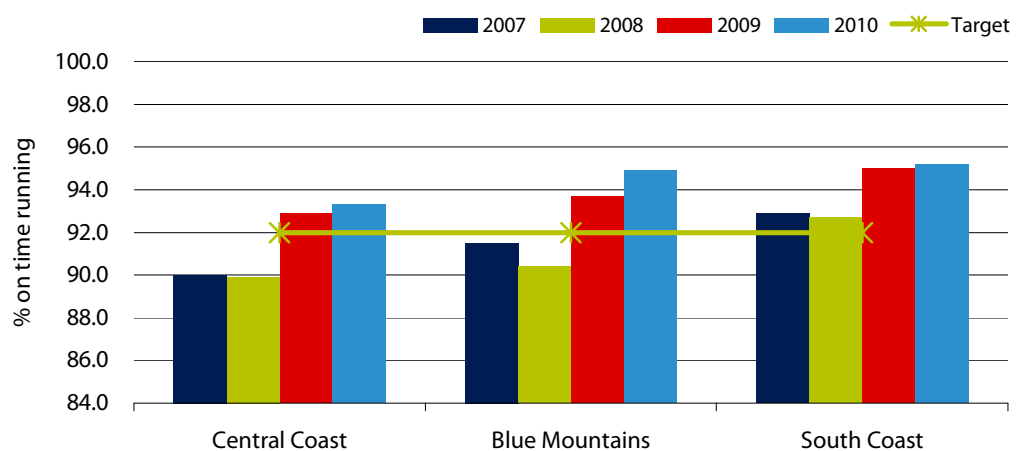
On time running varies across the network (Figure 4.9 and Figure 4.10), but in 2009/10 on time running in peak hours was at or above CityRail’s target of 92% on all lines. Figure 4.9 and Figure 4.10 indicate that this is the first time CityRail has achieved this target on each line since before 2007. Although on time running performance fell on some lines in 2009/10 (East Hills, Bankstown, North Shore and Southern lines), it improved on other lines including those which have been the poorest performing lines in recent years (Main North, Western and Central coast lines).

Figure 4.9 CityRail peak hour on time running by suburban line, 2006/07-2009/10



Data source: RailCorp.

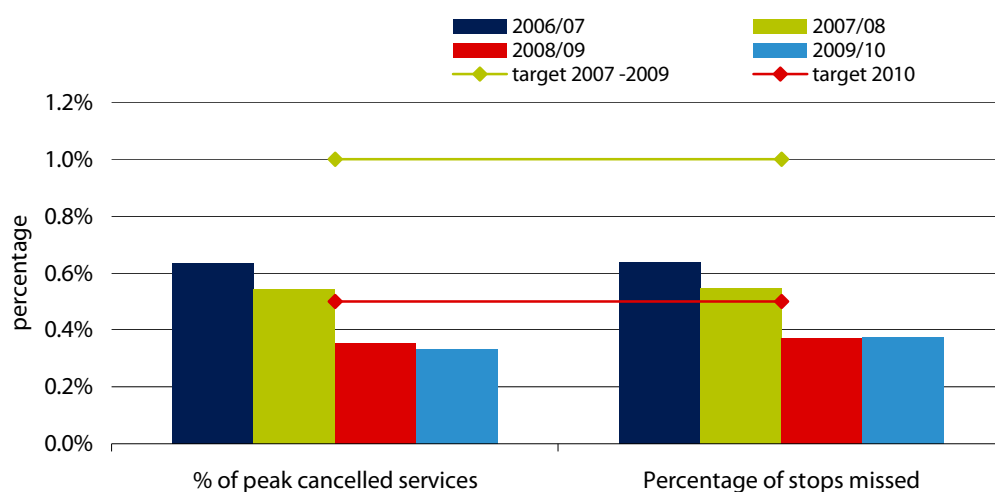
Figure 4.10 CityRail peak hour on time running by intercity line, 2006/07-2009/10



Data source: RailCorp.

In 2009/10, 0.33% of peak hour services were cancelled and 0.37% of scheduled peak hour train stops were skipped. CityRail has revised its targets for these measures and in 2010 set a more stringent target of a maximum of 0.5% of peak hour train services cancelled and 0.5% peak hour stops skipped. In previous years the target has been a maximum of 1% of peak hour trains cancelled or stops skipped. CityRail services have performed better than the relevant target for the previous 4 years. The percentages of peak hour stops skipped remained at the same level as in 2008/09 while the percentage of peak hour services cancelled declined slightly in 2009/10 (Figure 4.11). CityRail does not publicly release cancellation and skipped stop data for off peak periods and information about cancellations and skipped stops is only reported for the network as a whole. We consider this more detailed information should be publicly released, as recommended in our 2008 report.²⁴

Figure 4.11 CityRail peak hour service cancellations and skipped stops, 2006/07-2009/10



Data source: RailCorp.

Journey delays and journey time

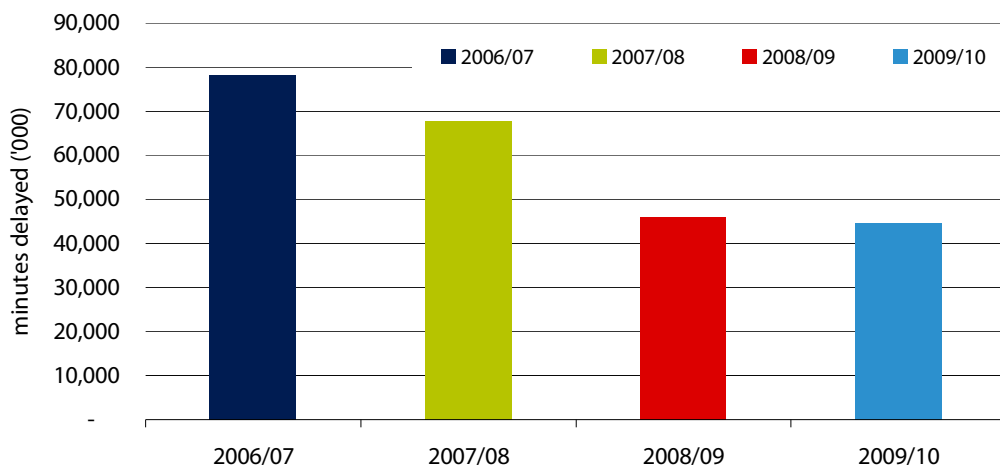
Total minutes of delay during peak periods (excluding events outside CityRail's control) and average speed of trains as scheduled in the timetable can be used as proxy measures of journey delays and journey times.

The total minutes of peak hour delays fell by 3% in 2009/10 compared to 2008/09, a slower rate of improvement than occurred over the previous year (where total annual minutes of delay in peak periods fell by 32% compared to 2007/08 (see Figure

²⁴ IPART, *Improving CityRail's accountability and incentives through an effective service contract - Final Report*, December 2008.

4.12). The information currently available for off peak periods suggests that off peak delay minutes also fell in 2009/10.

Figure 4.12 CityRail total annual minutes of delay, peak services, 2006/07-2009/10



Data source: RailCorp.

Average timetabled train speeds fell from 41.4 in 2009/10 to 41.3 kilometres per hour in 2009/10 suggesting a slight increase in journey times.²⁵

Crowding on trains

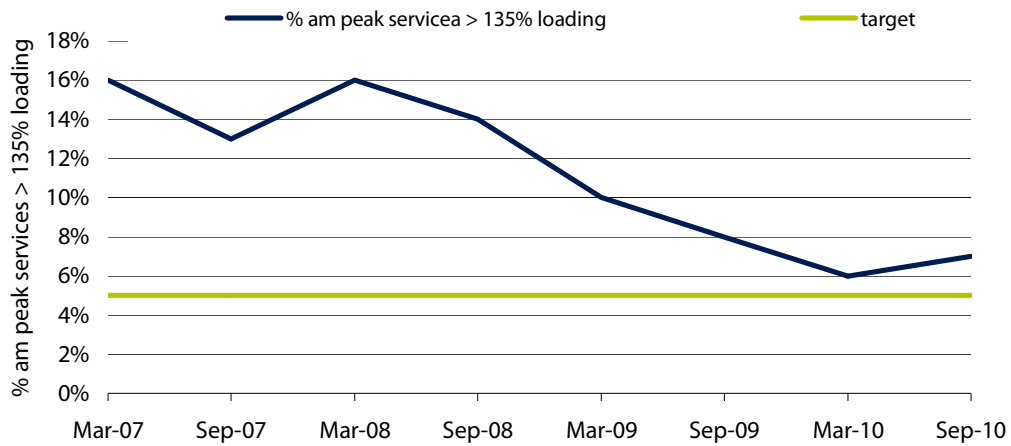
CityRail reports on crowded services that exceed 135% of passenger seating capacity, which is equivalent to just under 2 people standing per square metre of standing space. CityRail's target for crowding of peak services is a maximum of 5% of peak hour services exceeding 135% of capacity²⁶ and advises that this standard compares well with the global benchmark of no more than 4 passengers standing per square metre. Over the past year the percentage of crowded trains in peak hours has been lower than it has been for a number of years. The decline in CityRail patronage (see section 4.2) has likely been a significant contributor to this result. On average in March 2010 6% of morning peak hour services were crowded (that is exceeded 135% capacity), compared with 10% in March 2009 and 16% in March 2008. Figure 4.13 and Figure 4.14 indicate that morning peak services have not achieved the target in the last 4 years. Crowding is less frequent in afternoon peak hours and overall the afternoon peak achieves the 5% target, although between 5 pm and 6 pm 10% of trains exceeded 135% loading (in March 2010). The highest incidence of crowded trains occurs between 8 and 9 am, when at March 2010 15% of trains exceeded 135%

²⁵ Last year we reported that CityRail average timetable train speeds fell from 41.4 kilometres per hour in 2007/08 to 41.1 kilometres per hour in 2008/09. RailCorp has now advised there was an error in the data supplied last year and the correct figure for 2008/09 is 41.4 kilometres per hour.

²⁶ Set previously under the Rail Performance Agreement.

loading. The incidence of crowding between 8 and 9 am rose in September 2010 to 17%.

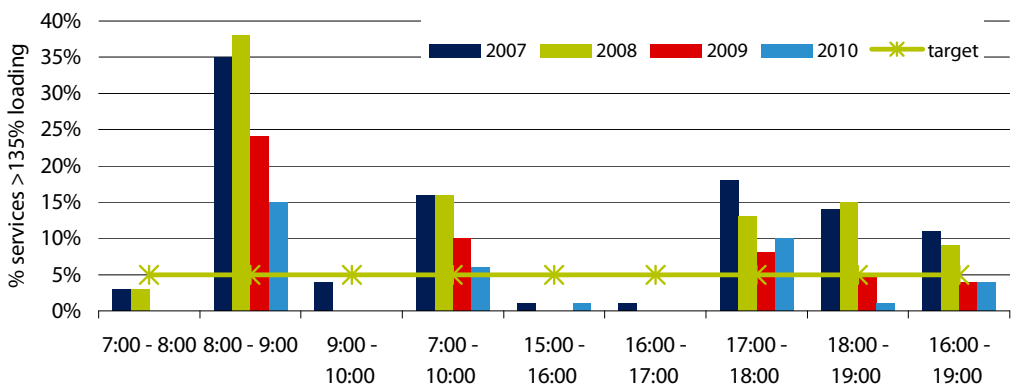
Figure 4.13 Crowding of CityRail services in the am peak



Note: AM peak services above 135% loading measured in March and September.

Data source: Rail Corp.

Figure 4.14 CityRail crowding of services by time of day 2006/07-2009/10



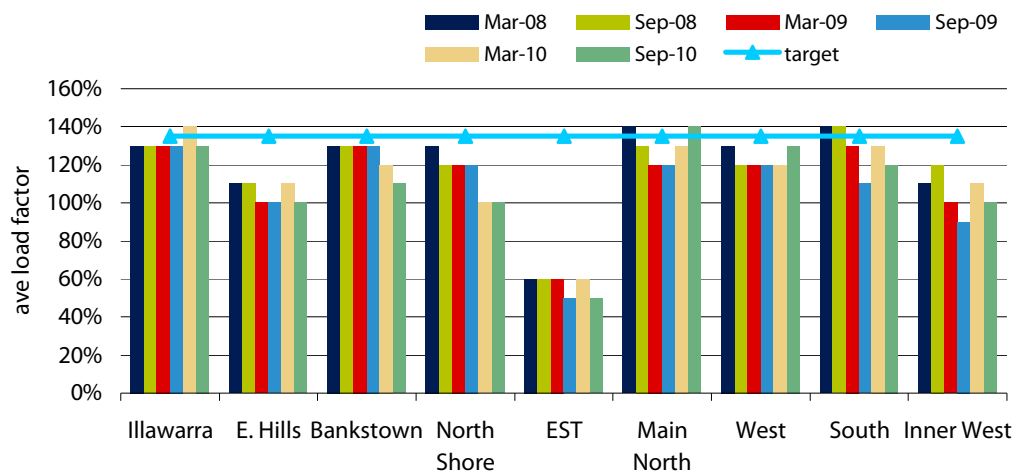
Note: Crowding is measured twice per year, in March and September. This graph is based on March data.

Data source: RailCorp.

Crowding by line

Figure 4.15 and Figure 4.16 illustrate that there is wide variation in crowding across the network. The Illawarra (in March 2010) and Main North (in September 2010) lines experienced average load factors in the morning peak that exceeded CityRail's target. In 2010 the degree of crowding on the North Shore and Bankstown lines fell (comparing crowding for the same month the previous year), but it has been increasing on the Main North line (in the morning peak) and Inner West line in both morning and afternoon peaks.

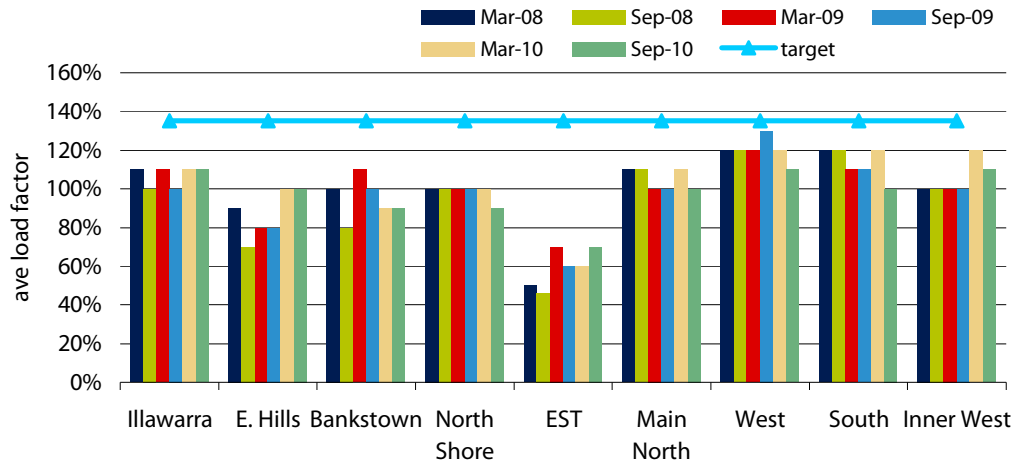
Figure 4.15 Average load factors by suburban line in busiest am peak hour



Data source: RailCorp.

In the busiest afternoon peak hour, the average load factor did not exceed the target on any lines in March or September 2010 (see Figure 4.16).

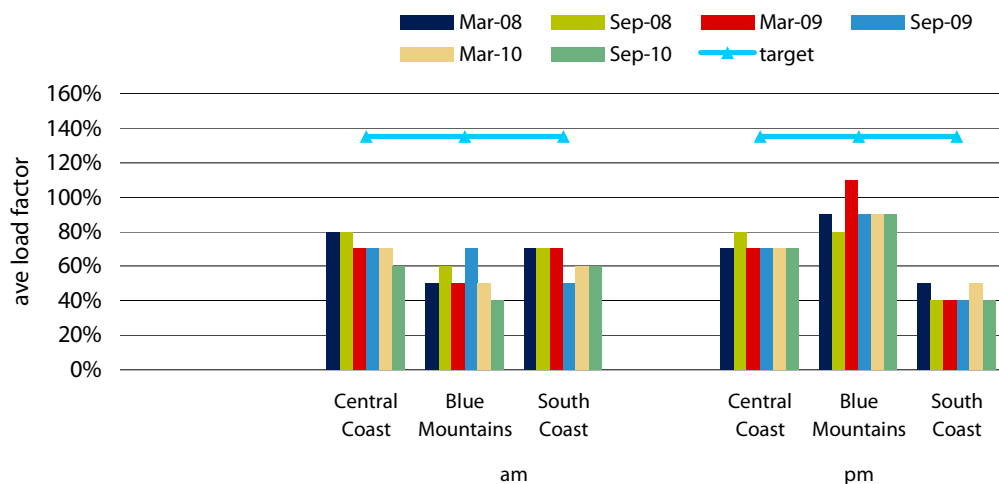
Figure 4.16 Average load factors by suburban line in busiest pm peak hour



Data source: RailCorp.

Average load factors on intercity lines in the morning peak are lower than on all the suburban lines except the Eastern suburbs line. In the afternoon peak average load factors on the Blue Mountains line are similar to those experienced on the Bankstown and North Shore lines. All are well below the target of 135% (Figure 4.17).

Figure 4.17 Average load factors by intercity line in busiest am and pm peak hours

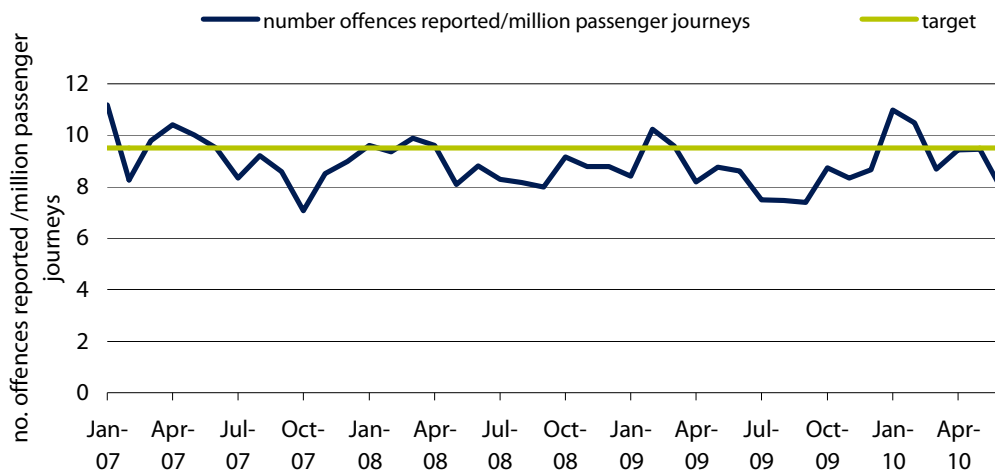


Data source: RailCorp.

Passenger security

CityRail reports on the average monthly number of offences against persons occurring on or adjacent to railway property per million passenger journeys. CityRail's target is for there to be less than 9.5 offences per million passenger journeys.²⁷ There has been a small increase in the reported incidences of these offences, from 8.49 per million passenger journeys in 2008/09 to 8.69 per million passenger journeys in 2009/10.²⁸

Figure 4.18 CityRail reported offences against persons, 2006/07-2009/10



Note: Offences against persons includes assault, robbery, sexual offences and stealing from a person which occurs on or next to railway property. Statistics reflect incidents reported and recorded by NSW Police.

Data source: RailCorp, based on Bureau of Crime Statistics and Research data.

Customer perceptions of security, train cleanliness and provision of information to passengers

CityRail translates the results of ITSRR annual surveys of CityRail passengers into customer perception indexes for security, quality of information provided by CityRail and train cleanliness. It is disappointing that we are unable to report on these this year as results of the 2010 survey are not publicly available at the time of writing.

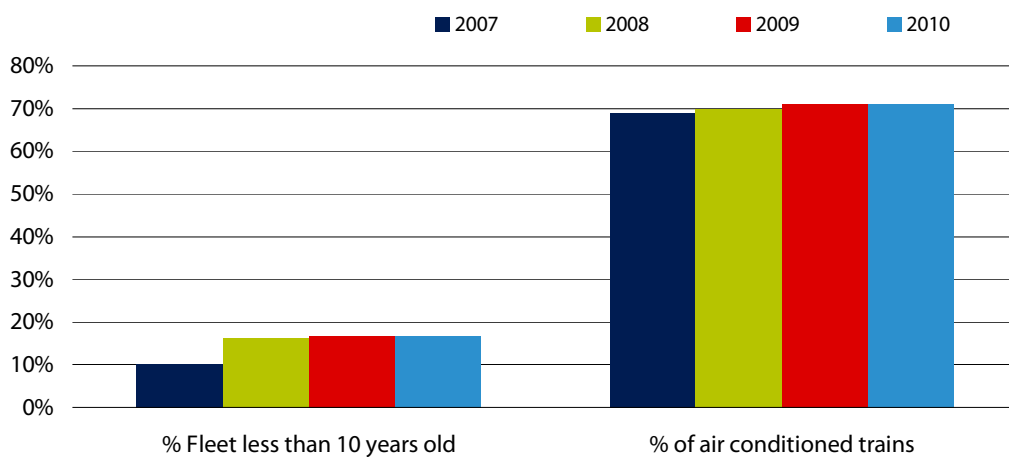
²⁷ RailCorp, Annual Report 2009-10, p 19.

²⁸ These statistics are based on Bureau of Crime Statistics and Research (BOCSAR) data. In 2008 the NSW Police changed the method of recording 'doubtful' incidents. As a consequence, BOCSAR have retrospectively adjusted figures in order to present a continuous series of data. Consequently the incidence of reported offences against persons for 2007/08 and 2008/09 differs to that reported last year.

Passenger comfort

In the absence of a more targeted indicator, we used the percentage of the fleet less than 10 years old as an indicator of trends in passenger comfort as more modern carriages are air conditioned and more comfortable than older carriages. CityRail has also provided information about the proportion of the fleet which is air-conditioned. Figure 4.19 indicates no change in these indicators in 2009/10.

Figure 4.19 CityRail age of fleet 2006/07-2009/10



Data source: RailCorp.

5 Costs of providing metro and outer metro bus services and cost recovery

Our 2009 report determined the maximum fares that may be applied to ensure passengers make a fair contribution to the efficient costs of providing bus services and encouraging the optimal use of bus services, while also complying with the Government's fare harmonisation policy.

Maximum fares were established based on estimates of the efficient costs of providing contracted bus services to fare-paying passengers in the 4 largest regions. The Government's fare harmonisation policy means there is no scope for us to set different fares in different regions. Therefore, we decided to base fares on detailed analysis of the efficient costs in the 4 largest regions (rather than all regions or a larger sample of regions) as this approach is most likely to result in fares that ensure the majority of passengers make a fair contribution to costs, and encourage the optimal use of bus services. This is because the 4 largest regions account for three-quarters of all bus trips made by fare-paying passengers and most of the bus routes in the 25 regions.

Our 2009 report also set out what share of these costs should be paid by passengers and what share should be paid by taxpayers – this was the basis for our decision on the maximum level of fares.

This chapter provides an overview of the actual costs and revenue in 2009/10 for all bus regions and the level of cost recovery from fares and compares these outcomes with those from 2008/09.

5.1 Revenue and cost recovery

In 2009/10, operators across metro and outer metro regions collected \$344.4 million in fare revenue, which is 0.3% more than that collected in 2008/09. Fare revenue as a proportion of total cost was 34% in 2009/10, down from 37% in 2008/09, due to higher contract costs, (Table 5.1).

Table 5.1 Revenue and cost recovery 2008/09 and 2009/10 (nominal \$ millions)

	2008/09	2009/10
Metro		
Total cost (\$'000)	\$781.2	\$843.5
Farebox revenue (\$'000)	\$320.8	\$322.5
Farebox as a % of total cost	41%	38%
Outer metro		
Total cost (\$'000)	\$156.3	\$165.0
Farebox revenue (\$'000)	\$22.6	\$21.9
Farebox as a % of total cost	14%	13%
Total		
Total cost (\$'000)	\$937.6	\$1,008.5
Farebox revenue (\$'000)	\$343.4	\$344.4
Farebox as a % of total cost	37%	34%

Source: Transport NSW.

6 Metropolitan and outer metropolitan bus performance

While bus operators' incentives for maintaining or improving service quality are not directly affected by our determinations we are reporting on bus service performance to improve transparency and accountability and to ascertain trends in service quality. The quantity and quality of bus services operators are required to meet are established in their contracts with Transport NSW.

We consider it is particularly important that the performance information provided from year to year be standardised across operators and be consistent so a time series can be constructed. This will allow for an analysis of trends in service quality over time.

In undertaking our review in 2009 we were disappointed to find that performance information against a number of KPIs was still not available for all regions, despite the fact that operators are required in their contracts to provide this information to NSWTI.

We are still disappointed that this appears to remain the case and that inconsistencies in the data leave us with concerns about the reliability of reported statistics. However, we note that Transport NSW is taking steps to improve operational and performance data.²⁹ For example it now conducts regular meetings with contract managers and bus operators to review and follow up performance issues and operators' monthly reports. Transport NSW is also undertaking a number of projects to improve operational information including the Operational and Spatial Data base project (providing route, timetable and spatial information about each contract region) and has completed a pilot On Time Running Program where independent checks are made of on time running performance at key departure points and major transport hubs across the Sydney metropolitan area.

²⁹ Correspondence with Transport NSW.

6.1 Operators performance against key performance indicators

6.1.1 Overview of performance

In 2009/10:

- ▼ Patronage on metropolitan and outer metropolitan bus services declined.
- ▼ The number of timetabled services increased in both metropolitan and outer metropolitan contract areas.
- ▼ On time running varies considerably month by month and across metropolitan contract regions. A new more independent method of measuring on time running in metropolitan contract regions means it is not possible to make comparisons with previous years' data.
- ▼ On-time running in the outer metropolitan regions has declined but remains above the contract target level (95% buses depart on time).
- ▼ The proportion of buses that are wheelchair accessible has continued to increase. In 2009/10 59% of metropolitan buses and 32% of outer metropolitan buses are reported to be wheelchair accessible.

6.1.2 Patronage

In 2009/10 there were declines in patronage on both metropolitan and outer metropolitan buses. There were

- ▼ 194.8 million passenger journeys³⁰ on metropolitan buses, a decline of 1.3% on 2008/09, and
- ▼ 15.3 million passenger journeys³¹ on outer metropolitan buses, a decline of 2.2% compared with 2008/09
- ▼ Patronage fell by 2.1% in the metropolitan regions served by Sydney Buses (metropolitan regions 6, 7, 8 and 9).

This decline may be accounted for by the combined effects of a downturn in employment, lower fuel prices and, in the Sydney Bus regions, a shift to rail journeys following the opening of the Epping – Chatswood rail link and subsequent reduction to bus services in the area.

93% of all bus trips made by fare paying passengers in 2009/10 were made in the metropolitan bus regions and 76% of all bus trips by fare paying passengers were made in the 4 contract regions serviced by Sydney Buses.

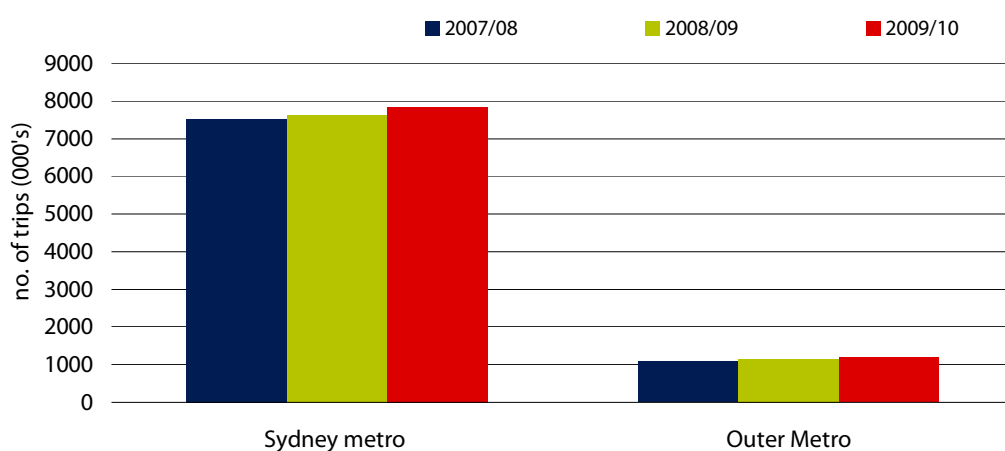
³⁰ Excluding travel under the school student transportation scheme.

³¹ Excluding travel under the school student transportation scheme.

6.1.3 Quantity of services

Figure 6.1 and Figure 6.2 set out the number of timetabled trips and service kilometres in the metropolitan and outer metropolitan regions. There has been growth in timetabled trips and service kilometres over the last 3 years in both of these regions.

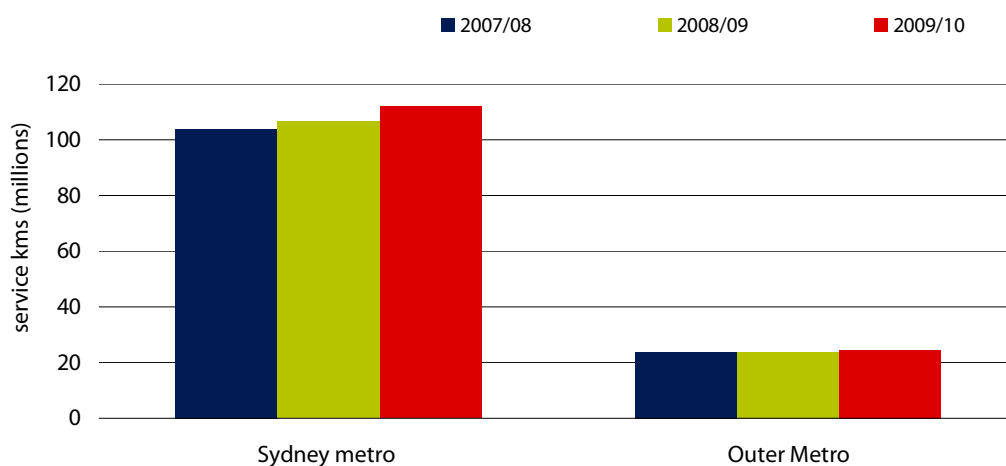
Figure 6.1 Timetabled trips 2007/08 to 2009/10



Data source: Transport NSW.

Transport NSW advises the metropolitan regions have ‘implemented an Integrated Network, streamlining routes, updating services and extending service coverage’ and that integrated networks are progressively being rolled out across the outer metropolitan regions.³² In 2009/10 the total number of timetabled trips increased 2.9% across the metropolitan region and 2.8% across the outer metropolitan region. The kilometres of timetabled bus services also increased in 2009/10, by 5.1% in the metropolitan region, and 2.7% in the outer metropolitan region.

³² Transport NSW letter to IPART, 21 November 2010, pp 2, 4.

Figure 6.2 Timetabled bus service kilometres, 2007/08 to 2009/10

Data source: Transport NSW.

6.2 Quality of services

The sections below presents data on the reliability of bus services - on-time running, trip cancellations and incomplete routes.

6.2.1 On time running

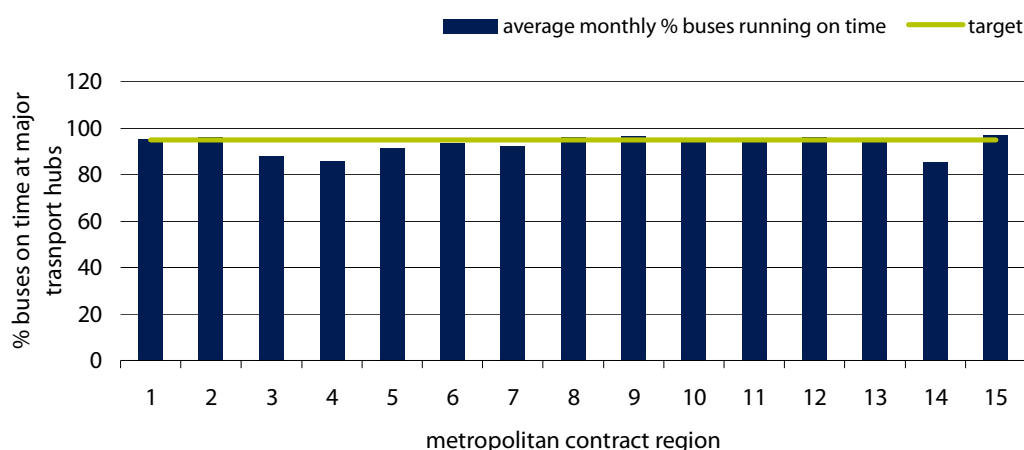
Until this year measures of on time running have been largely limited to the operator recording whether the bus leaves the terminus on time. However, Transport NSW advises that it has now completed an 18 month pilot in metropolitan bus contract regions of an On Time Running Program aimed at improving data quality and accuracy. The program involves independent surveyors carrying out checks of metropolitan bus service departures at major transport hubs across the Sydney Region and operators' reviewing and signing off on monthly data. Transport NSW advises that it will continue to monitor on time running this way and proposes to publish monthly results in the future.

Early data from the On Time Running Program, suggests a lower level of performance than was suggested by the on time running measure used in previous years. However, due to the different collection methods, this year it is not possible to draw conclusions about actual trends in on time running in the metropolitan contract regions over the last few years.

As we have previously noted, we don't consider on time running measured solely at the trip's origin to be a good indicator of the bus network's actual on time running performance or the level of service actually experienced by passengers.³³ We note that buses can run early and late at different points throughout a journey but that this goes largely unreported. In our view, the inadequacies of this measure make it difficult for anyone to form a reasonable view of the change in on time running performance.

Figure 6.3 graphs the average monthly percentage of buses on time³⁴ by metropolitan contract region for the 6 months to July 2010.³⁵ It demonstrates that on time running performance varies across metropolitan regions and that about half of the metropolitan regions averaged above the target (95% of buses on time) during that period. Monthly data by region varies widely with 2 regions recording under 80% on time running one month but over 95% 1 or 2 months later.

Figure 6.3 On Time Running by metropolitan contract regions (average monthly performance, February – July 2010)



Data source: Transport NSW.

Transport NSW has not changed the method of measuring on time running in outer metropolitan regions. Although we have reservations about placing too much reliance on the data we consider there is value in reporting this information as this sheds some light on performance.

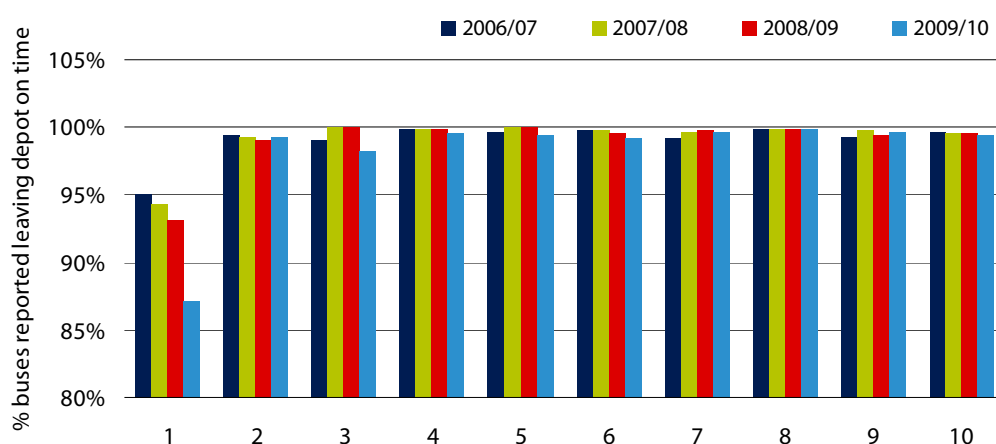
³³ IPART, *Review of fares for metropolitan and outer metropolitan bus services from 2 January 2008, December 2007* and IPART, *Review of fares for metropolitan and outer metropolitan services from January 2010 - Final Report*, December 2009.

³⁴ A bus is considered to be on time if it departs from its starting point no more than 5 minutes after or 1 minute before its scheduled time.

³⁵ Data collected under the On time Running program, Transport NSW letter to IPART, 21 November 2010.

In 2009/10 the number of services leaving the terminus on time in outer metropolitan regions decreased significantly. This is the third consecutive year in which on time running performance based on this measure has declined. However the proportion of late services is still very small relative to the total number of services – over 99% of services were reported to have left the depot on time, comfortably above the Transport NSW's target of 95% across the network.

Figure 6.4 Buses reported leaving the terminus on time in Sydney outer metropolitan contract regions 2006/07 - 2009/10



Note: Transport NSW has identified that Region 1 has applied a different definition of this measure to other regions and its results are not able to be compared to other regions. Transport NSW has now clarified the definition of the measure with all operators.

Data source: Transport NSW.

6.2.2 Incomplete and cancelled trips

Information on incomplete and cancelled trips appears not to have been reported across all 25 contract regions and inconsistencies in the way that data has been reported make it difficult to reliably report on these aspects of service over time.³⁶ Table 6.1 indicates that there is variation in the proportions of bus trips reported as cancelled.

³⁶ Some regions have consistently reported zero trips cancelled or zero trips incomplete for a number of years. We consider this unlikely to reflect reality and assume that the zeros indicate non-reporting on that measure.

Table 6.1 Service reliability outcomes across metropolitan bus contract regions for selected KPIs

	Minimum	Maximum	Median
% trips cancelled			
2007/08	0.0	0.47	0.01
2008/09 ^a	0.0	0.19	0.02
2009/10	0.0	0.45	0.01
% buses leaving terminus late			
2007/08	0.1	1.5	0.3
2008/09	0.0	1.1	0.3
2009/10	0.2	6.9	0.3

^a Some figures do not match those reported last year for 2008/09. Transport NSW identified some irregularities in the previously provided 2008/09 data and sought corrections from operators which are reflected in this table.

Note: Zero entries do not necessarily mean zero buses were cancelled etc. A zero entry may indicate that the operator did not report on this indicator.

6.2.3 Wheelchair accessibility

The Accessible Transport Action Plan for NSW Transport³⁷ states that:

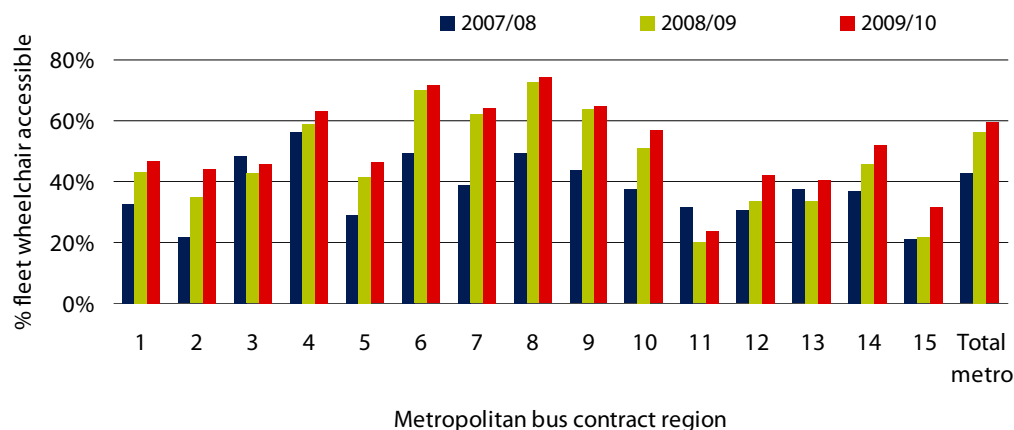
- ▼ the NSW Government is funding the purchase of wheelchair accessible buses
- ▼ bus contracting arrangements require operators to comply with disability legislation and produce action plans of their own
- ▼ bus operators are committed to timetabling wheelchair buses on at least 25% of services.

This section reviews the proportion of the bus fleet that is wheelchair accessible, the proportion of trips that are timetabled as wheelchair accessible and information about the extent of cancellations of wheelchair accessible trips.

In 2009/10, 59% of buses in the metropolitan contract areas were reported to be wheelchair accessible (up from 57% in 2008/09). In 2009/10, 32% of buses in the outer metropolitan regions were wheelchair accessible (up from 28% in 2008/09).

³⁷ NSWTL, *Accessible Transport Action Plan for NSW Transport, Roads and Maritime Agencies*, December 2007.

Figure 6.5 Proportion of bus fleet that is wheelchair accessible by metropolitan contract regions, 2007/08 to 2009/10

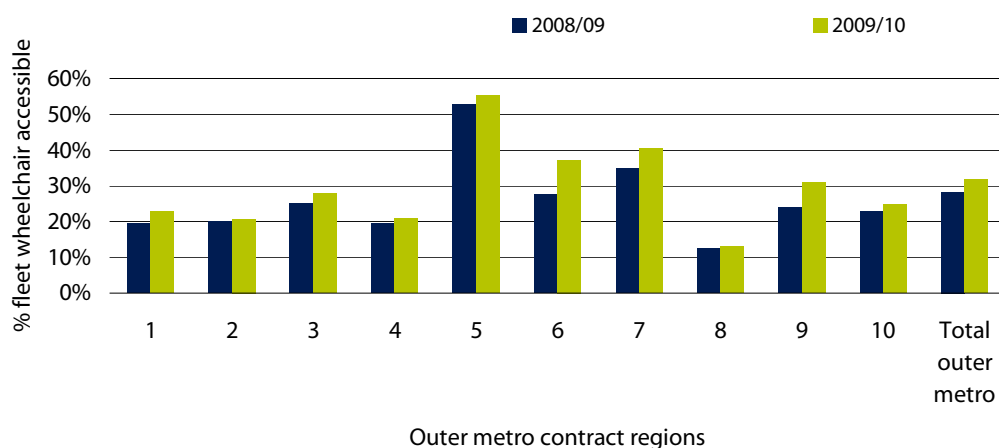


Note: Transport NSW advises that it has reviewed bus fleet data. As a result data for 2008/09 may differ from that published in our 2009 report, *Review of fares for metropolitan and outer metropolitan bus services from January 2010*.

Data source: Transport NSW.

The Sydney Buses fleet (metropolitan regions 6 to 9) has the highest concentration of wheelchair accessible buses with over 60% of buses being wheelchair accessible (Figure 6.5). The concentration of wheelchair accessible buses is much lower in the outer metropolitan regions - in the range of 20% and 30% for 6 out of the 10 outer metropolitan regions (Figure 6.6). Outer metropolitan region 8 has the lowest concentration of wheelchair accessible buses with just 13% of the fleet wheelchair accessible and little change in this figure over the last 3 years.

Figure 6.6 Proportion of bus fleet that is wheelchair accessible by non metropolitan contract regions, 2008/09 to 2009/10

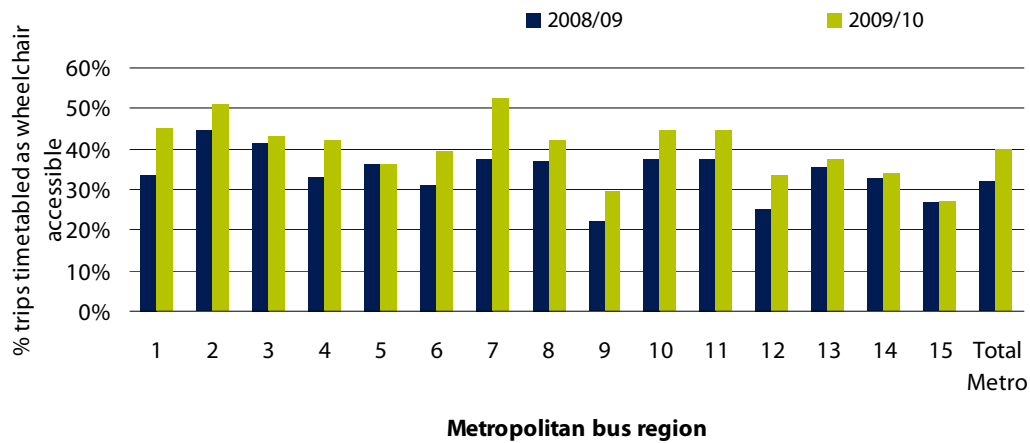


Note: TransportNSW advises that it has reviewed bus fleet data. As a result data for 2008/09 may differ from that published in our 2009 report 'Review of fares for metropolitan and outer metropolitan bus services from January 2010.

Data source: Transport NSW.

Figure 6.7 and Figure 6.8 set out proportion of services that are timetabled as wheelchair accessible by contract region. Over the metropolitan regions 40% of trips were reported to be timetabled as wheelchair accessible (the Accessible Transport Action Plan targets 25%). In the outer metropolitan area higher percentages of trips are reported to be timetabled as wheelchair accessible than in the metropolitan region. We have reservations about this finding as there is a lower percentage of wheelchair accessible buses in outer metropolitan regions than in metropolitan regions. For example outer metropolitan regions 1, 2 and 4 report 70% or more trips as being timetabled wheelchair accessible although in these regions less than 25% of the fleet is reported as being wheelchair accessible.

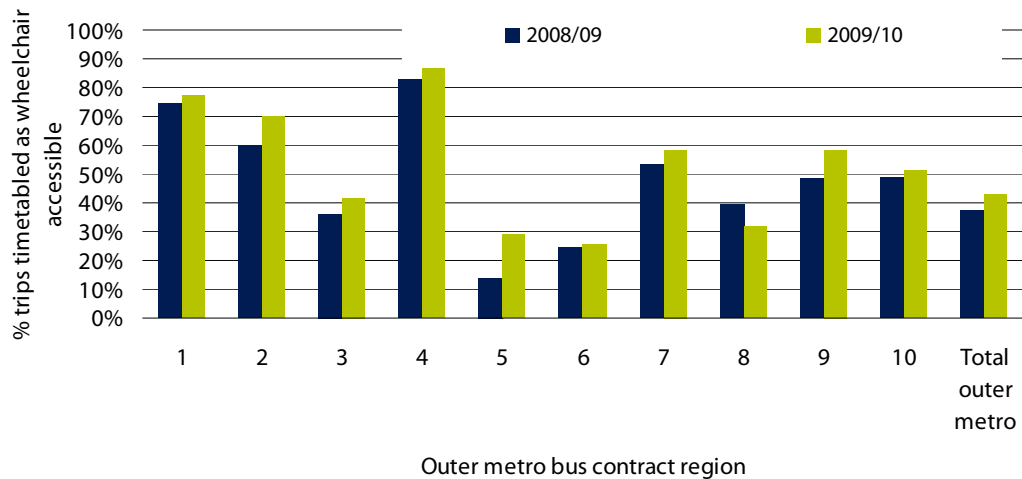
Figure 6.7 Trips timetabled to be wheelchair accessible in metropolitan regions, 2008/09 to 2009/10



Note: 2007/08 is not included as it was incorrectly reported and is not comparable with data for later years.

Data source: Transport NSW.

Figure 6.8 Trips timetabled to be wheelchair accessible in outer metropolitan regions, 2008/09 to 2009/10



Data source: Transport NSW.

Operators are also required to report on the number of services that are timetabled as wheelchair accessible but are not operated or incomplete. We consider this measure important in assessing service. Unfortunately the data does not distinguish between non reports and a zero entry³⁸. In addition only 4 of the 15 metropolitan bus operators and 3 of the 10 outer metropolitan bus operators have reported on this for 2009/10.

6.3 Customer feedback data

In 2009/10, feedback calls³⁹ increased by 22% in the metropolitan area and fell by 10% in the outer metropolitan area. Feedback includes both complaints and compliments. Only a small proportion of all feedback calls were positive. The main concerns raised in negative feedback calls included:

- ▼ bus was late
- ▼ bus failed to stop
- ▼ staff were rude
- ▼ dangerous driving.

Almost half of all feedback (44%) in the metropolitan area and a third (32%) in the outer metropolitan region concerned bus reliability (bus late, missed stop and bus early).

³⁸ That means no trips timetabled as wheelchair accessible were run with a non-wheelchair accessible bus.

³⁹ Measured as calls per 100,000 passengers.



Appendices

A Premier's letter



Premier of New South Wales

Mr Rod Sims
Chairman
Independent Pricing and Regulatory Tribunal
PO Box Q290
QVB POST OFFICE NSW 1230

17 DEC 2010

Dear Mr Sims *Rod,*

As you are aware, in April the NSW Government implemented a new public transport fare structure called *MyZone*.

The *MyZone* fare structure provides a simpler, easier and, in many cases, cheaper fare system for public transport passengers. Importantly, it provides an integrated ticketing system that allows passengers to move from trains, ferries and public & private buses with one ticket, *MyMulti*,

Whilst integrated ticketing has been introduced, we have not yet moved to integrated fare determination. Currently fares are determined under different price paths and different time frames for different services. The NSW Government consider it desirable for future fare increases for all public transport services covered by the *MyZone* structure to commence at the same time.

Consequently, the Government has resolved to provide IPART with Terms of Reference to undertake new price path reviews for rail, bus and ferry fares. I will write to you shortly to outline these Terms. I anticipate that IPART would conduct its investigations in 2011, with the new determinations for all public transport modes to come into effect in January 2012. The benefits of this approach are:

- It allows IPART to determine new price paths for each mode, based on the *MyZone* fare structure.
- It avoids likely public confusion arising from fares for CityRail and metropolitan/outer metropolitan bus services increasing less than 8 months after the introduction of *MyZone*, while fares for Sydney Ferries and the products covered by the Amendment Order made at the time of the *MyZone* implementation would stay the same.
- It allows for the new price paths to take account of the likely changes in fares policy which will be required in order to commence the roll-out of the electronic ticketing system in late 2012.

In order to support the new Terms of Reference and price path reviews, the Government will defer the price increases for CityRail and metropolitan and outer-metropolitan bus services that were due to come into effect from January 2011.

I have requested the Department of Premier and Cabinet and Transport NSW to consult with IPART as soon as possible regarding the development of appropriate terms.

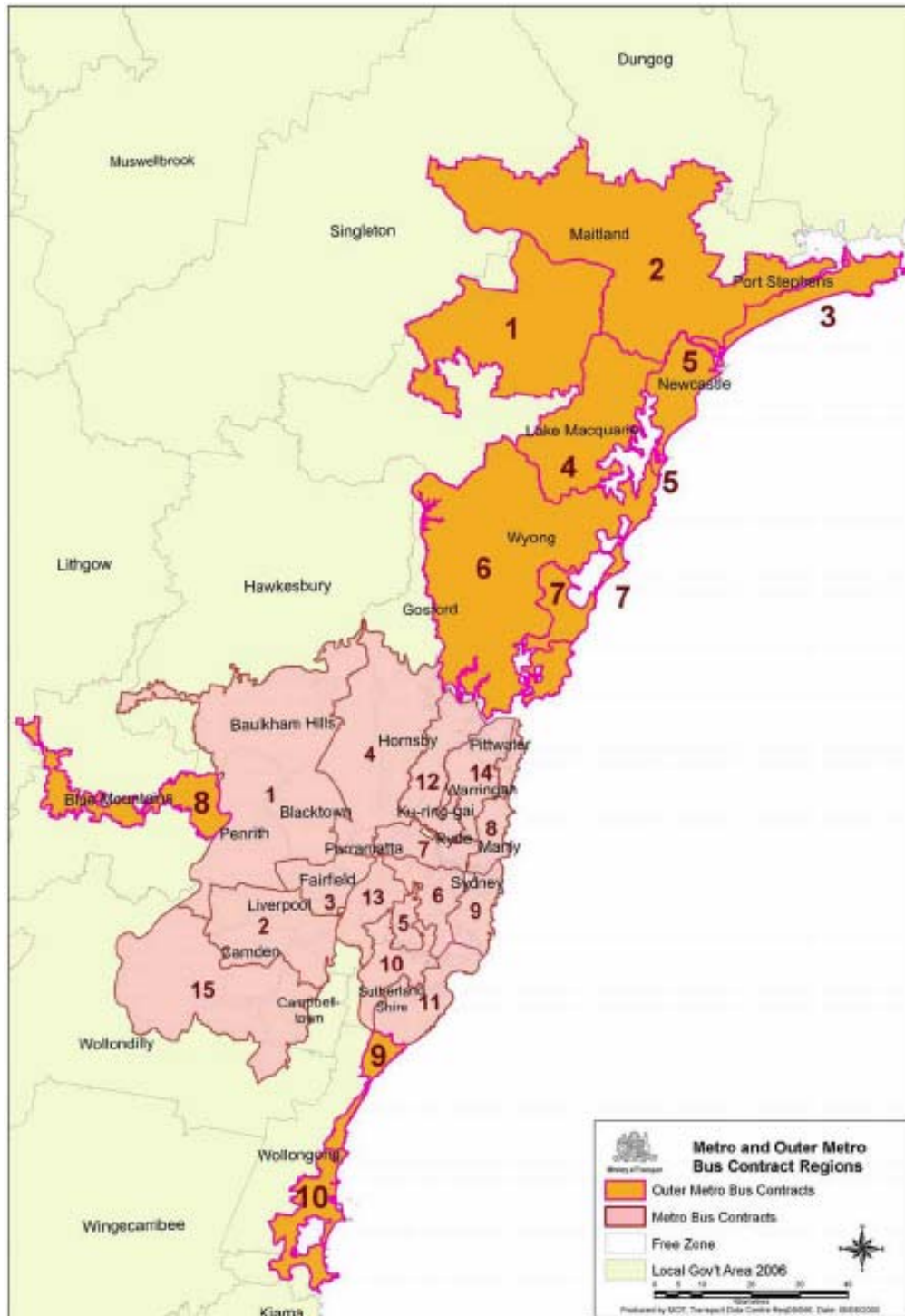
Yours sincerely

A handwritten signature in black ink, appearing to read 'Kristina Keneally', written in a cursive style.

Kristina Keneally MP
Premier

B | Bus contract regions and operators

Figure B.1 Metropolitan and outer metropolitan contract regions



Data source: Transport NSW.

Table B.1 Metropolitan bus contract regions and operators

Contract region	Operator	Regional centres serviced
1	Busways Blacktown, Hawkesbury Valley Buses	Penrith, Richmond, Mt Druitt, St Marys, Blacktown and Rouse Hill
2	Interline Buses, Busabout	Liverpool, Minto, Campbelltown, Macquarie Fields, Glenfield and Hoxton Park.
3	Hopkinsons, Oliveri's Metrolink Buses, Westbus	Bonnyrigg, Cabramatta, Liverpool, Fairfield, Parramatta, Westmead, Prairiewood and Wetherill Park.
4	Hillsbus	Rouse Hill, Kellyville, Castle Hill, Pennant Hills, Baulkham Hills, Parklea, Glenwood, Blacktown, Seven Hills, Epping and Parramatta and the CBD.
5	Punchbowl Buses	Hurstville, Bankstown, Penshurst, Beverley Hills and Strathfield.
6	Sydney Buses (STA) – Southern Region	Lidcombe, Strathfield, Burwood, Five Dock, Ashfield, Marrickville, Kogarah, Leichhardt, Newtown, Balmain, Glebe, Pyrmont and the CBD.
7	Sydney Buses (STA) – Western Region	Services the regional centres of Crows Nest, Chatswood, Ryde, Epping, Macquarie Park, Eastwood, Artarmon and the CBD.
8	Sydney Buses (STA) – Northern Region	North Sydney, Neutral Bay, Mosman, Manly, Dee Why, Brookvale, Mona Vale, Palm Beach and the CBD.
9	Sydney Buses (STA) – Eastern Region	Kings Cross, Paddington, the Airport, Botany, Maroubra, Coogee, Bondi Beach, Bondi Junction, Randwick, Double Bay and Redfern and the CBD.
10	Veolia Transport NSW	Hurstville, Miranda and Bankstown, and covers Miranda, Sylvania, Engadine, Sutherland, Menai, Illawong, East Hills, Revesby, Bankstown.
11	Veolia Transport South, Caringbah Buses, Maianbar and Bundeena Bus Service	Miranda, Caringbah, Woolooware and Cronulla.
12	Shorelink	Turramurra, Pymble, Gordon, Hornsby, Berowra and Roseville, Chatswood and CBD.
13	Veolia Transport NSW	Parramatta and Bankstown and covers Parramatta, Auburn, Granville, Fairfield East, Liverpool, Georges Hall, University Of Western Sydney, Regents Park, Bankstown.
14	Forest Coaches	Chatswood, North Turramurra, Belrose and the CBD.
15	Busways Campbelltown	Campbelltown, Minto and Camden.

Source: Transport NSW.

Table B.2 Outer metropolitan bus contract regions and operators

Contract Region	Operator
1	Rover Motors
2	Hunter Valley Buses
3	Port Stephens Coaches
4	Hunter Valley Buses
5	Newcastle Buses (STA)
6	Busways
7	Red Bus Services
8	Pearce Omnibus
9	North Wollongong Area Management (Dions Buses & Greens Buses)
10	Premier Illawarra

Source: Transport NSW.

