

8. STAFF BUS TICKET TRIAL PROJECT

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The purpose of this report is to brief the Committee on the situation relating to work on the Staff Bus Ticket Trial project and in particular to seek guidance on the way forward now that it is probable that if the scheme is implemented it will be more successful and cost more than the budget provision.

BACKGROUND

During the Annual Plan process last year, the following resolutions were passed (on 12 July 2001) in relation to a proposal to provide Council staff with free bus tickets:

1. *That as part of the Council's "Sustainable Christchurch Initiatives", the proposal for free bus passes for Council employees who travel to work be endorsed, subject to agreement from bus operators for a discount of 30%.*
2. *That a sum of \$65,000 be included in the Financial Plan and Programme for 2001/02, and \$95,000 for 2002/03 and 2003/04 and these sums be provided in a rates-neutral way and the Director of Finance be authorised to make the appropriate adjustments.*
3. *That urgent representations be made to the Ministers of Finance, Environment and Energy to waive fringe benefit tax on this and similar schemes.*
4. *That discussions be held with other employers to encourage their participation in the scheme.*
5. *That the Council explore initiatives to increase bus patronage by way of family bus subsidy.*
6. *That a report be provided in a year's time to show the staff use of the scheme.*

Since that time work has progressed on implementing this project, including undertaking a staff survey to confirm base data and likely response rates to the proposal, negotiating with the bus companies and establishing a process for operating the system for all permanent staff at all the Council work sites. This has proven to be a lengthy exercise.

EMPLOYER TRAVEL PLANS

Journey-to-work trips comprise a significant proportion of road transport demand, particularly in the peak periods. Initiatives to reduce journey-to-work trips or transfer them to more environmentally acceptable, alternative modes can bring significant environmental and economic benefits for the city through reduced environmental impacts, less traffic congestion and reduced demand for additional roading infrastructure.

In a number of countries (such as England and the USA), there have increasingly been moves to reduce use of single occupant vehicles for journey-to-work trips, and trips made during work hours. In the UK, this has been done voluntarily as part of the national "Don't Choke Britain" campaign, although recently legislation has been passed primarily to reduce commuter private vehicle use. In the USA, many cities and counties have implemented trip reduction ordinances making it mandatory for many workplaces to put programmes in place to reduce single occupancy car trips.

Other workplace initiatives in place overseas include: compressed work week, car pooling, telecommuting, providing information in new employee kits, providing cycling facilities such as showers and lock up cycle parks.

There is increasing overseas evidence emerging that businesses can benefit by encouraging alternative transport use by their employees. For example those who cycle or walk (even part way) to work have been shown to be more productive and have lower rates of absenteeism because they enjoy better health. These companies also gain a reputation for being socially responsible and caring for the environment.

A staff bus pass scheme is another way of reducing the impact of car based staff travel, particularly at peak times in the city. Such a scheme would be supportive of the Sustainable Christchurch project, which promotes sustainability by leading by example (i.e. the City Council getting its own house in order).

THE STAFF BUS TICKET PROPOSAL

The proposal as it is currently developed involves offering to all permanent CCC staff up to one free 20-ride bus ticket per fortnight for commuting to and from work. The two bus companies have agreed that they would supply discounted, specially printed CCC 20-ride bus ticket to the City Council. These tickets would be distributed to staff on request at the work-sites. A condition of their supply would be that the ticket would only be used by the person it was issued to and only for travel to and from work or for work-related travel.

During various discussions on this project with both bus operators, they have expressed good support for the proposal and are very keen to be involved with the trial. They are also keen to learn from it and take advantage of our experiences to promote similar initiatives with other major employers across the city. This type of proposal has been discussed by a number of organisations but to date no-one has committed to actually trying it.

STAFF TRAVEL SURVEY

A general staff travel survey was carried out during April and May 1998, which provided valuable information on staff travel patterns, the reasons for using the modes they do and barriers perceived to using alternatives such as walking, cycling, public transport and car pooling. The survey was targeted at the Council staff based in Tuam Street (Civic Offices, Annex and Parking Unit) to give an initial group in close proximity. This survey was distributed to around 750 staff with a return of 530 completed forms. Some of the key results from the survey have been summarised below:

- 64% of staff travel to work by car, 12% bus, 16% cycle, 5% walk, 3% motorbike or taxi.
- 12% of staff travel by bus every day or almost every day
- An additional 7% bus once a week or more than once a week
- 46% of staff never catch the bus
- The three main reasons given why staff bus were the ease of travel, cheaper than car, and difficulty finding car parks.

This survey did not ask how likely they would be to change modes if offered a 'free ticket'. While the survey was carried out nearly four years ago, the results are still considered relevant as travel patterns are not likely to have changed greatly over that time. The survey results clearly indicate that there is opportunity to influence staff travel patterns away from the single occupant car.

As part of the implementation of this project a Council-wide staff survey was undertaken in 2001 to update the survey referred to above and to find out:

- How many staff would use the free bus tickets
- Whether they were new or existing users
- The frequency of trips and bus routes being used now and later with the free tickets
- The cost of providing free tickets

In summary the key results were as outlined below. An overview of the results can be found on the Council's Intranet site for this project.

702 Respondents - 372 Current Bus Users (53%)
330 Non Bus Users (47%)

(Current Bus User- Use a bus for all or some trips to/from work)
(Non Bus User- does not use a bus for any trips to/from work)

496 Free Ticket Users - **146 New Bus Users (29%)**
350 Current Bus Users (71%)

Current Mode of Travel

There is a high representation of "sustainable modes"- bus, bicycle, walking, car passenger with only 48% travelling to work as car drivers.

However, the picture is not the same across all Council work sites, for example the Service Centres have almost double the proportion of car-drivers as the Central City locations.

Many respondents do use a bus sometimes for travelling to and from work but only 28% of car drivers use a bus as an alternative at any time.

Responses about the Free Tickets proposal

71% of respondents indicated they will take up the free bus tickets

- of that: 146 (29%) do not use buses for any trips at the moment
- of that: 110 (76%) new users currently travel as car-drivers

Of the 76% who are currently car-drivers:

- 34% would travel 7-10 times per week
- 42% would travel 3-6 times per week
- 24% would travel once a week or less

If applied across the c.1800 (full/part time Council employees) then this amounts to about 50,000 fewer commuter car journeys per year from new bus users alone.

Current Bus Users

Those who currently use the bus and indicated that they will make use of the free fares are also likely to significantly increase their frequency of bus use. The table below indicates that the biggest change will be a decrease in the number of infrequent users and a substantial increase in the number of regular users.

| Frequency of use | Surveyed Current Users Now | Surveyed Current Users After |
|--------------------|----------------------------|------------------------------|
| 7-10 time per week | 90 | 145 |
| 3-6 | 88 | 123 |
| 1 | 38 | 27 |
| Fortnightly | 18 | 15 |
| Monthly | 50 | 21 |
| Less Often | 65 | 18 |

Current bus users make some 54,000 trips per year by bus, but after the introduction of the trial indicate that they would make some 80,000 trips per year. If the difference is spread proportionately across other modes of transport according to the remaining modal split and factored up to all staff, this represents **a reduction of over 30,000 car driver trips per year.**

Care should be taken in interpreting the above results, as real world response will not necessarily match the preferences stated in a survey (it is likely that fewer will change modes than the survey reports).

BENEFITS AND ADVANTAGES OF THE PROJECT

- 80,000+ commuting car trips by Council staff would be removed per year.
- About 310,000 car-based commuting trips would be removed if the largest 10 central city employers adopted the scheme. (Note that there are about 325,000 private vehicle peak hour trips per day (2 hour morning and 2 hour evening peak hours per day or about 78.2M private trips per year during the commuter peaks).)
- For the current CCC proposal alone, this equates to about 145 tonnes of CO₂ per year.
- For the current CCC proposal alone, this equates to about 69,600 litres of fuel per year.
- For the current CCC proposal alone, this equates to over 150 fewer parking spaces required by CCC staff.
- On overseas experience an expected improvement in staff health and well-being.
- The project is consistent with the Sustainable Christchurch project, being socially responsible and caring for the environment.
- The project is consistent with the directions being developed in transport strategies and projects across the Council, country and around the world in developed countries.
- The trial would provide a real world example of a project which if successful other organisations could be willing to adopt and operate. Widespread adoption would reduce peak hour congestion.

CURRENT FUNDING AND ESTIMATED COSTS

This project has the following budget allocated to it.

| 2001/02 | 2002/03 | 2003/04 |
|----------|----------|----------|
| \$65,000 | \$95,000 | \$95,000 |

The report to the Annual Plan Working Party on this project was compiled by Councillor Close, derived from staff reports. A number of assumptions related to the likely uptake of the scheme appear in hindsight to have been unduly pessimistic. The costs presented were at least in part derived from the survey of Civic Offices staff transport patterns undertaken in May 1998, which included questions enquiring of likely staff response to discounted bus tickets being provided with 20% and 40% discounts. That survey's data is considered to be reasonably reliable insofar as there was no travel related incentive for any respondent to respond and there was a large response. However the survey did not canvass the provision of free bus tickets as an option.

From the survey work undertaken in October last year, the estimates of cost are considerably in excess to the budgeted amounts irrespective of the assumptions which affect the outcome. The cost of this project could vary considerably depending upon the assumptions made.

In the Council-wide survey of staff related to the staff bus ticket project just over 700 self-initiated responses were received, with some 400+ from the Civic Offices. About half respondents are current bus users of some regularity (about consistent with previous surveys, but inclusion of other work-sites would indicate a likely over-representation of bus users in those sites answering the survey).

Estimating the actual uptake rates from the survey data is very difficult but based on the same assumptions used to estimate the trip reductions given above the estimated costs for a trial period starting in June 2002 and running to the end of June 2003 are \$225,000-\$250,000, that is \$60,000 to \$90,000 in excess of the \$160,000 budgeted for the 2001/02 and 2002/03 years. While this shortfall could be funded in a rates-neutral way for this period there is not at this stage a source of funds for extending the scheme into the 2003/04 financial year.

SUMMARY

Further refinement of the best estimates of the costs of the scheme to provide council staff with free bus travel to and from work shows that it is likely to cost well in excess of the amounts budgeted. The Council therefore has a clear choice either to decide to progress no further with the scheme and stop it before it starts; or to decide that its benefits in terms of staff well-being, encouraging bus use, reducing peak hour commuter trips, and as an example to other employers of what could be done to encourage public transport use still make it worthwhile to proceed on a limited time trial.

Recommendation: That the Committee recommend to the Council:

1. That the staff free bus ticket scheme proceed for a fixed term trial ending on 30 June 2003, with the costs to be met from existing budgeted funds.
2. That, to determine the scheme's future, the success of the scheme be evaluated as at March 2003.

Chair's

Recommendation: That the above recommendation be adopted.