

**Submission  
No 406**

## **INQUIRY INTO PRIVATISATION OF BUS SERVICES**

**Organisation:** Waverley Council

**Date Received:** 30 March 2022

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Our ref: D2022/027711

30 March 2022

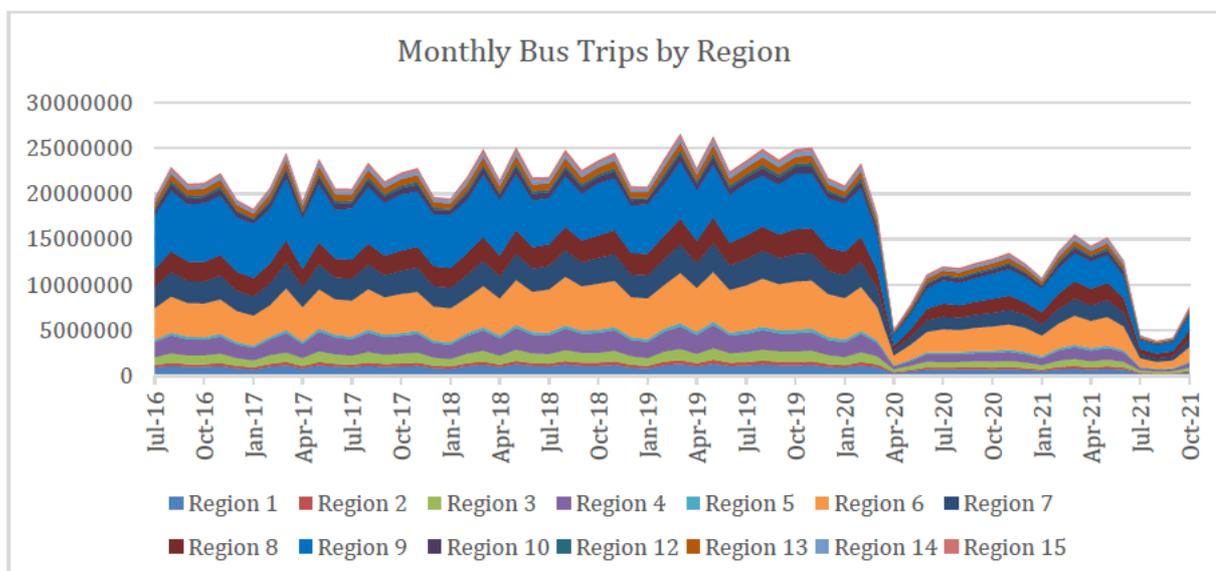
Re: Submission to the Parliamentary Inquiry into the Privatisation of Bus Services

Dear Inquiry Members,

### Introduction

Buses are fundamental to the Waverley Local Government Area and surrounds that form Region 9 of the Sydney Bus Network. The connection between public transport and the livability of the area is critical to the Waverley LGA, with its historically high density and significant cultural and recreational destinations. This area is dependent upon not just basic bus services but a highly functional public transport network to ensure that it can perform its role for both residents and broader Sydney.

Region 9 has the highest patronage of any region in the Sydney Bus network. In 2019 this totaled almost 68M trips, out of a total of 315M trips across the network, or approximately 21% of all network patronage shown in blue below. Region 6 servicing the inner-west is the only comparable bus region with 19% of all trips across the bus network, shown in orange below.



Data from: NSW Open Data Portal - Bus Trip Counts - by month, contract region and card type  
Monthly data, July 2016 to February 2022.

Waverley Council is deeply concerned that the privatization of the operation of Region 9 buses will lead to a reduction in service levels (routes, timetables and number of stops). For comparative purposes, Region 6 – the most comparable in the Sydney Bus Network having an equivalent road network and similar population density – had its operations privatized in April 2018. However the experience of privatization has been less than compelling, with a range of reductions to the breadth and frequency of services without consultation so as to maintain ‘on time running’ of bus services.

Whilst winning a contract to operate an established network, the operator of Region 6 has made numerous small scale and incremental changes to the delivery of bus services in Region 6 that have a significant effect upon the overall level of service provided as discussed below. The overall result is that profitable routes on key corridors that are already well served are maintained whilst indirect routes that are likely the only service in the location are rationalized and reduced in ways that undermine the level of service provided and thus the attractiveness of the greater bus network.

### **The importance of an effective bus service and network**

The provision of bus services in the inner regions of Sydney provides far more than just a cheaper alternative to cars or taxi’s, the provision of mass public transportation as provided by the bus network in region 6 and 9 is a part of the character of these parts of Sydney that were developed prior to mass car ownership. These bus services that still substantially replicate the tram network they replaced are a necessary part of the function of our transportation networks and neighbourhoods that are unable to support higher levels of private car ownership than we currently have due to simple spatial constraints, we don’t have additional space to drive or park more cars.

Reductions to the level of bus service provision will irrevocably damage the functionality of our transport networks and consequently the livability and vibrancy of our local areas. Car ownership rates within Waverley are around 1.1 cars per household, this is less than the inner Sydney average of 1.2 cars per household and the greater Sydney average of 1.5 cars per household, this means that many of our residents don’t own a car and are reliant upon buses as their primary means of mobility. Encouraging residents and visitors to maintain or even increase their use of buses and public transport is critical to maintaining the livability of Waverley and the eastern suburbs more broadly. If bus services are less frequent or less accessible more people will have to seek alternatives that typically mean the purchase of a vehicle. Our congested roads will become more congested increasing travel times and demand for parking where there is effectively no additional space available.

Buses perform a substantial component of the transport task in Waverley, we estimate that during the established pre-Covid movement patterns that key corridors such as Bondi Rd or Old South Head Rd carry the same number of people daily via bus services as by all private vehicles. This region of Sydney has been dependent upon public transport during its development over the last 150 years, this development has evolved with the former tram network that has shaped its buildings and planning.

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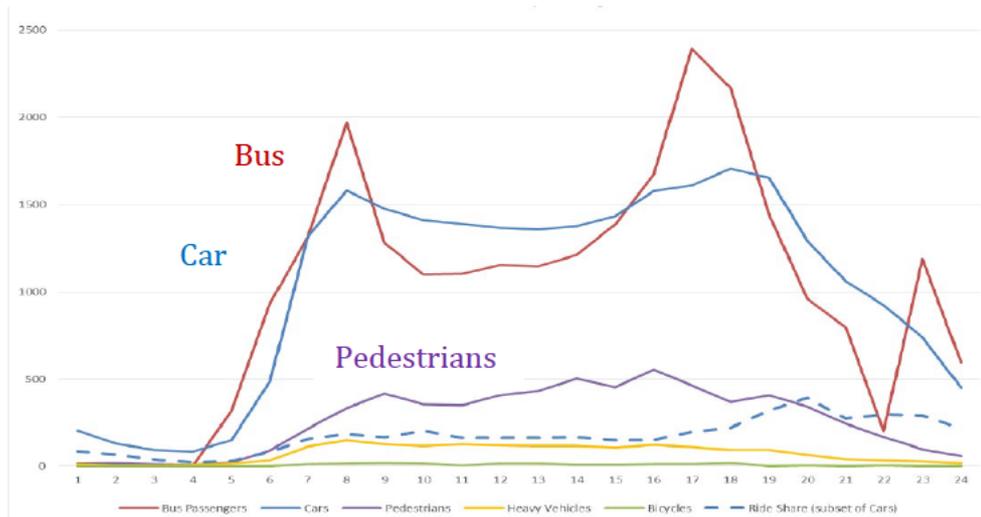
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Number of people by mode on Bondi Rd typical weekday 2019



Data from: multiple sources including bus patronage, road counts, ped and bike counts

### Recent Changes to the Region 9 bus network

Within Waverley the recent review of the Region 9 bus network has resulted in the consolidation of 6 routes along the Bronte Rd corridor into 2 routes, this means that any reduction to these two routes would have an amplified effect upon service levels and will not meet the existing frequency of service nor the breadth of service currently utilized by residents, patrons and visitors to the areas served. Additionally the 390x Route that is one of the replacement services utilizes large 18m articulated buses, these vehicles improve an operators metrics by increasing capacity but this comes at the expense of smaller and more frequent buses that offer a higher service level. It also comes at the expense of passenger comfort as the articulated buses have a significantly lower ride quality, fewer windows and have a negative effect upon the streets in which they operate as they are larger and louder than a typical 12m bus.

The recent review of eastern suburbs bus services was understood to be about the integration of the light rail services and a preparation of the network in advance of privatisation of operations. Whilst the changes to bus routes in the Waverley area were minimal outside of the Bronte Rd corridor it would be a significant frustration to residents to have service provision again modified and further eroded.

### The level of service provision

The likely outcome of privatisation of bus operations is that local routes and limited frequency routes are likely to be affected with either route rationalisation, reduction in the number of services, or reductions in the number of bus stops. These reductions in service

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provision have been experienced in Region 6 and would have a detrimental impact upon the lives of residents and the liveability of neighbourhoods if such changes occurred in Region 9.

Such potential changes will affect customer satisfaction and ultimately utilisation of the bus network. A reduction of utilisation of the network has potentially disastrous long term affects to the more highly populated areas of Sydney where these services are currently serving a broad cross section of the community.

The areas served by Region 9 have a broad range of housing types and a broad cross section of community, the bus network is used by a broad range of community members of varying ages, wealth, income, education etc. If the bus network is reduced in its service levels this has the potential to discourage ridership such that those with the means to use private transport will shift modes ultimately resulting in a bus network that serves a narrower section of our community and falling into a spiral of degraded service provision and declining utilisation.

This has significant consequences for Region 9 and the Waverley Council area in particular that has a development pattern that evolved with the tram network and has resulted in low car ownership and dense housing patterns (typically small houses and walk-up apartments) that necessarily limits the space for private vehicles and hence the number of vehicles that can be parked and owned.

The link between the development patterns and access to reliable, frequent and distributed public transport is fundamental to the economic and social function of the eastern suburbs. However the changes to the bus network through reviews of service levels (permitted under clause 16 of the R6BSP Services Contract) would be incrementally implemented under the guise of operational efficiency will adversely affect the utilisation of the existing bus network.

These incremental changes that have been permissible under the R6BSP Services Contract for bus operation contracts include:

- **Reduction in service frequency** (Number of buses serving a route daily)  
Affects the long-term viability of a given route as when the service becomes less available more passengers seek alternatives, this ultimately leads to the demise of a route as its utilisation does not adequately meet its operating costs.
- **Rationalisation of indirect routes** (reducing service to inefficient areas)  
Reduces network coverage as the indirect routes provide breadth of service that is otherwise not provided and thereby serving those members of our community that have limited mobility potions such as the elderly or those unable to drive.
- **Removal of bus stops** (reducing accessibility to services)  
Reduces accessibility to bus routes and has a similar effect to rationalisation of routes by reducing the serviceable catchment to a route. Additionally the availability of 30m of kerb will provide additional parking opportunities and potentially encourage

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additional car ownership. This kerbside space will be difficult to re-acquire once given up.

There are 10 'local' routes in the Waverley Council area that are potentially affected by reductions to Contract Service Levels, these changes that are proposed by an operator and approved by TfNSW are subject to the Operators Stakeholder Engagement Plan that should require 'proactive collaboration and engagement with key stakeholders'. However the operators stakeholder engagement plan is not openly available and the key stakeholders therefore not known, it is likely that this includes TfNSW as required under the Services Contract and potentially councils as the applicable roads authority. There is no public consultation on these matters only a requirement for notification after the change is approved.

Within the R6BSP Services Contract example for Region 6 that is available on the TfNSW website there are redactions of significant clauses relating to Planned Service Phases (Clause 16.1) and Service Variations (Clause 18) that are key concerns regarding the operation of these contracts.

### **Relationship between service provision and On Time Running contractual requirements**

Reductions in service reliability refers to the 'On Time Running' (OTR) of individual bus services, typically this is required to achieve 95% on time running for all bus services in a contract area. The reliability of services at 95% is higher than historic levels and use of such a metric to assess the level of service provision is not characteristic of bus operations in a dense urban area and leads to perverse outcomes under which an operator is effectively encouraged to reduce service levels to maintain this metric.

Region 9 and Region 6 are historically the lowest performing regions for 'on time running' in the Sydney Bus Network although for both regions this reliability has improved to meet the 95% within the last two years, however this is likely related to reduced patronage due to the pandemic restrictions.

That these two bus regions operate at the lowest levels of reliability is symptomatic not of the operator but of the operating environment that is characterised by 2 key factors: congested road environments and high patronage levels. The change of operator for Region 6 from STA to Transit Systems from July 2018 demonstrates a decrease in OTR until September 2019 and in a revealing way similar improvement to OTR is observed for STA operating Region 9 at that time.

This suggests that there is not a significant improvement to OTR when other factors are accounted for, rather there are two alternative trends evident. First that there is a long-term trend towards increased reliability for all Bus Operation Regions in the Bus Network, and second that events outside the transport network have the greatest effect upon bus reliability these being summer holidays and the Covid lockdowns that both result in reduced traffic congestion and reduced patronage.

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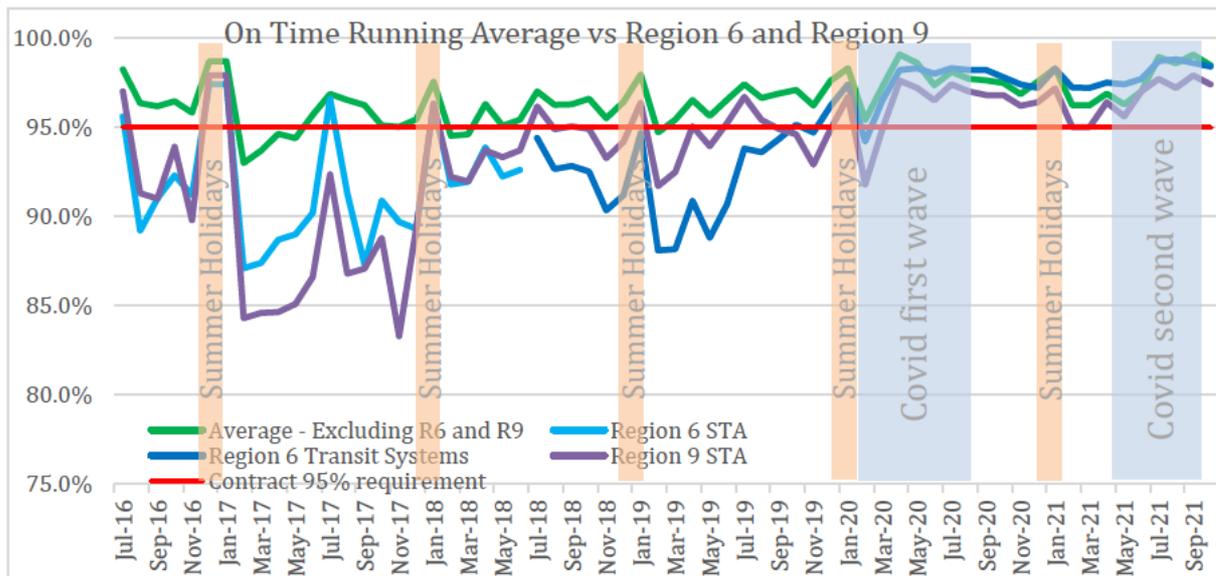
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Given the similarities in operating environment and patronage across Region 6 and 9 this shows that there are structural factors affecting the reliability of the bus network and it cannot be expected that a change of operator would deliver any significant change to the on time running performance.



Data from: NSW Open Data Portal - Sydney Metropolitan Bus Service Contracts on-time running results Monthly data - February 2010 to January 2022

The chart above shows three data sets: the on time running (OTR) average for All Regions (excluding 6 and 9), the monthly OTR for Region 6 and the monthly OTR for Region 9. It is clear that there is a long-term trend of below 95% OTR for Regions 6 and 9 has been relatively consistent until the decline of patronage and general road traffic as a result of Covid measures in early 2020. The improvement of both operators to above 95% OTR is now more likely a reflection of reduced patronage rather than any other change as the improvements are seen across Region 6 and 9 in an equivalent amount.

The reliance upon OTR as a key performance metric over breadth of service provision should not be taken as a blanket measure for all routes. The recent changes to Region 9 identified ‘frequent’ and ‘local’ routes, where frequent routes are typically direct and on arterial roads the local routes are indirect and disperse into local roads. Thus the frequency of service is complimented by a breadth of service however these should have different operating parameters, where a high frequency route on an arterial road should have a high reliability (OTR) a local route that provides breadth of coverage should not be required to perform to the same reliability (OTR).

An OTR measurement that distinguishes between frequent and local routes could alleviate the need to reduce service provision on local routes, such as 95% for frequent routes but 90% for local routes.



## **Conclusion**

The eastern suburbs of Sydney have a high reliance upon buses to perform a substantial component of the transport task. On key corridors in Waverley before Covid, buses carried approximately half the people moving through the road corridor. Waverley and the eastern suburbs need a functional bus network that caters to a diverse range of users including workers, school children, retirees and elderly, visitors and those who don't have space to park a car.

The experience of incrementally diminished service levels in other Bus Regions has a significant and detrimental impact upon the mobility options for many people. That the erosion of service levels that occurs through route rationalisation, reductions in frequency or removal of bus stops – which can occur after an operator has procured a contract, without community consultation and as a response to maintaining a 95% on time running metric – is not an acceptable way of providing a necessary public service.

Diminishing the level of service provided by our buses incrementally under the provisions of a contract has a significant and compounding impact upon the liveability of our neighbourhoods and places as it forces people away from public transport to private transport with its accompanying impacts upon parking and congestion.

Regards,

Clint Yabuka  
Manager Strategic Transport

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