

Consultation response form – implementation of Competition Commission bus registration remedies

Part 1 - Information about you

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Company Name or Organisation (if applicable)	RTIG
Please tick one box from the list below that best describes you /your company or organisation.	
<input type="checkbox"/>	Small to Medium Enterprise (up to 50 employees)
<input type="checkbox"/>	Large Company
<input checked="" type="checkbox"/>	Representative Organisation
<input type="checkbox"/>	Trade Union
<input type="checkbox"/>	Interest Group
<input type="checkbox"/>	Local Government
<input type="checkbox"/>	Central Government
<input type="checkbox"/>	Police
<input type="checkbox"/>	Member of the public
<input type="checkbox"/>	Other (please describe):
<p>If you are responding on behalf of an organisation or interest group how many members do you have and how did you obtain the views of your members:</p> <p>We have approx 80 corporate members. Response was developed primarily through the elected Committee, but all members were given the opportunity to contribute by means of a notice in our regular Newsletter.</p>	
<p>If you would like your response or personal details to be treated confidentially please explain why:</p> <p>N/A</p>	

PART 2 - Your comments

<p>1. The impact of the 14 days pre-notification remedy is considered in the impact assessment at Annex A. Is there any further evidence or information (particularly in terms of monetised costs/benefits) that you think should be taken into account? In particular the Department has made various assumptions in calculating the impact and would welcome evidence on:</p> <ul style="list-style-type: none"> • the proportion of routes that can be changed with 70 days' notice (56+14 days) at no extra cost (we implicitly assume that all PTE areas have a code of service stability in place and therefore wouldn't incur any costs from this change in regulation) – is this a fair assumption?). Overall, we assume that 91% of operators are able to give 14 days' notice without any additional costs. If you believe this is not a fair assumption, please tell us what assumption you think should be used and provide us with the evidence; • the proportion of lost commercial kms that is typically replaced by local authorities? We assume an average of 21% is replaced by local authorities. If you believe this is not a fair assumption, please tell us what assumption you think should be used and provide us with the evidence; • the percentage reduction in the cost of emergency tender contracts that an additional 14 day period would allow? We assume that the extra time given to local authorities to engage in the procurement of tenders will reduce costs by 10%. If you believe this is not a fair assumption, please tell us what assumption you think should be used and provide us with the evidence. • it has been assumed that the impact on small and micro businesses as a result of this policy option will be low. If you believe this is not a fair assumption, please tell us what assumption you think should be used and provide us with the evidence. 	Yes <input type="checkbox"/>	No <input type="checkbox"/>
<p>Please provide evidence or information (particularly in terms of monetised costs/benefits):</p> <p>RTIG has not undertaken a study of the kind needed to answer these questions, and accordingly we have no official view on these assumptions.</p>		

<p>2. Do you agree with the Department's proposal to implement a 70 day notice period for all registrations, rather than a 90 day notice period just for variations? If not, what would you propose and why, and how would you address the circumvention risk of an operator cancelling and re-registering a service?</p>	<p>YES <input type="checkbox"/></p>	<p>NO <input type="checkbox"/></p>
<p>Please explain your reasons and add any additional comments you wish to make:</p> <p>This is a policy question which lies outside RTIG's remit.</p>		

<p>3. If you propose that the circumvention risk can be removed through guidance, how would you define what should be registered as a variation and what should be registered as a new service?</p>
<p>Please explain your reasons and add any additional comments you wish to make:</p> <p>N/A</p>

<p>4. The impact of the 90 days remedy is considered in the impact assessment at Annex A. Is there any further evidence or information (particularly in terms of monetised costs/benefits) that you think should be taken into account? In particular the Department has made various assumptions in calculating the impact of the options and would welcome evidence on:</p> <ul style="list-style-type: none"> the percentage reduction in the cost of emergency tender contracts that the additional notice period would allow? We assume that the extra time given to local authorities to engage in the procurement of tenders would reduce costs by 10%. If you believe this is not a fair assumption, please tell us what assumption you think should be used and provide us with the evidence. some local authorities may have a Code of Conduct on Service Stability (CoCSS) that requires operators to notify local authorities 14 days before making an application to the Traffic Commissioner. However, other local authorities may currently have a CoCSS but may decide it is no longer necessary given the new notice period. It is assumed that 20% of local authorities would have a Code of Conduct on Service Stability in addition to a 70-day notification period to TCs. If you believe this is not a fair assumption, please tell us what assumption you think should be used and provide us with the evidence. percentage of operators already giving 14 days' notice 	<p>YES <input type="checkbox"/></p>	<p>NO <input type="checkbox"/></p>
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<p>to local authorities? We assume 56% and implicitly assume that all PTE areas have a code of service stability in place. If you believe this is not a fair assumption, please tell us what assumption you think should be used and provide us with the evidence.</p> <ul style="list-style-type: none"> it has been assumed that the impact on small and micro businesses as a result of this policy option will be low. If you believe this is not a fair assumption, please tell us what assumption you think should be used and provide us with the evidence. 		
<p>Please provide evidence or information (particularly in terms of monetised costs/benefits):</p> <p>RTIG has not undertaken a study of the kind needed to answer these questions, and accordingly we have no official view on these assumptions.</p>		

<p>5. Are there any unintended consequences of delaying acceptance of a further registration until the first notice period has lapsed?</p>	<p>YES <input type="checkbox"/></p>	<p>NO <input type="checkbox"/></p>
<p>If yes, please explain what these are:</p> <p>Possibly, but RTIG has not looked at this question, and accordingly we have no official view on this.</p>		

<p>6. The impact of the short notice remedy is considered in the impact assessment at Annex B. Is there any further evidence or information (particularly in terms of monetised costs/benefits) that you think should be taken into account? In particular the Department would welcome evidence on:</p> <ul style="list-style-type: none"> the number of successful short notice applications that are made annually, and the percentage of those that are currently for changes of no more than 10 minutes earlier or later. We have made no assumptions in the IA on the questions above and we would welcome evidence in order to monetise the impacts of this recommendation. Please tell us what assumptions you think should be used and provide us with the evidence. it has been assumed that the impact on small and micro businesses as a result of this policy option will be low. If you believe this is not a fair assumption, please tell us what assumption you think should be used and provide us with the evidence. 	<p>YES <input type="checkbox"/></p>	<p>NO <input type="checkbox"/></p>
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Please provide evidence or information (particularly in terms of monetised costs/benefits):

RTIG has not undertaken a study of the kind needed to answer these questions, and accordingly we have no official view on these assumptions.

7. Do you agree with the Department's proposal to introduce fixed bands? If not, please explain what is your preferred option and why?

YES

NO

Please explain your reasons and add any additional comments you wish to make:

This is a policy question which lies outside RTIG's remit. We note that there would be systems consequences, as DfT has recognised.

8. The impact of the frequent service remedy is considered in the impact assessment at Annex C. Is there any further evidence or information (particularly in terms of monetised costs/benefits) that you think should be taken into account? In particular the Department would welcome evidence on:

YES

NO

- the monetised costs to operators of identifying their frequent services and informing DVSA of which ones fall outside of the default band and which band they fall in (see paragraphs 1.33 to 1.35);
- the monetised costs of a software upgrade for EBSR users (see paragraphs 1.36 to 1.39);
- the cost for operators that do not use EBSR to upgrade their IT system to comply with the new definition of frequent services. We have not currently monetised this as we didn't have enough data to include monetisation, please tell us what assumption you think should be used and provide us with the evidence.
- for each of the three policy options - how often do you think operators would have to change their frequency band annually as a proportion of total frequent services? We currently assume that under policy option 1, 3% of total frequent services would have to be re-registered into a different band annually. Under policy option 2 and 3 it is assumed that 7.5% of total frequent services would have to be re-registered into a different band annually. If you believe this is not a fair assumption, please tell us what assumption you think should be used and provide us with the evidence.

<ul style="list-style-type: none"> the total number of frequent services in England? We currently assume that there are 518 frequent services in England (from the CC report). If you believe this is not a fair assumption, please tell us what assumption you think should be used and provide us with the evidence. it has been assumed that the change in frequency registrations will have little impact on small and micro businesses as medium and large businesses run the majority of frequent bus services. If you believe this is not a fair assumption, please tell us what assumption you think should be used and provide us with the evidence. 		
<p>Please provide evidence or information (particularly in terms of monetised costs/benefits):</p> <p>RTIG has not undertaken a study of the kind needed to answer these questions, and accordingly we have no official view on what appropriate values might be.</p>		

<p>9. Do you agree that operators are best placed to identify their services that are frequent services? If not, please explain why.</p>	<p>YES <input type="checkbox"/></p>	<p>NO <input type="checkbox"/></p>
<p>Please explain your reasons and add any additional comments you wish to make:</p> <p>This is a policy question which lies outside RTIG's remit.</p>		

<p>10. Do you agree with the Department's proposal to adopt a workaround to the EBSR system to record the frequency? If not, please explain how you think the issue should be resolved.</p>	<p>YES <input type="checkbox"/></p>	<p>NO <input type="checkbox"/></p>
<p>Please explain your reasons and add any additional comments you wish to make:</p> <p>If the purpose is solely to ensure that the registration contains a record of the level of "frequency" (ie with respect to the banding), then the workaround of an existing freetext box should be sufficient. Any use of the banding information would then be a manual process.</p> <p>The concept of an "attachment" sounds much less efficient and prone to problems.</p> <p>If the intention goes beyond this (for example, to allow automated timetable printing which includes frequency band) then the freetext solution may be inadequate.</p>		

<p>11. In relation to encouraging the uptake of EBSR, views are also being sought on:</p> <ul style="list-style-type: none"> potential barriers to the full roll out of EBSR in the next 2-3 years and how those barriers might be addressed;
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- potential solutions to make the software accessible to small and medium operators; and
- whether Traveline acting as an agent for operators without TransXChange-compliant scheduling equipment is worth exploring.

Please explain your views and add any additional comments you wish to make:

As indicated in the foregoing, RTIG has not looked at the questions that DfT is asking and cannot therefore offer any evidence either for or against DfT's proposals. We have therefore to take it on trust that DfT has attempted to use a reasonable and robust model for the impact assessments.

However DfT has clearly identified that there would be some substantive changes required in the systems used to plan, notify, update and reference schedules. There would certainly be a cost to this, both in terms of the development and deployment of upgraded systems, and in the agreement and implementation of suitable processes to exploit them. These costs are unlikely to fall equally across all stakeholders, and will be significantly affected by policy decisions such as whether (and how) a central bureau service is made available for non-EBSR operators.

Clearly DfT needs to make a substantive response to the Competition Commission's challenges, and we respect its attempt to develop a practical approach. We can only suggest that – whatever the final regulatory position – DfT will need to monitor closely the deployment of systems as it happens, and have tools available to address any major problems that arise.