

Anne Jolly
Inquiry Secretary (Scottish Citylink)
Competition Commission
Victoria House
Southampton Row
LONDON
WC1B 4AD

Invergowrie
Dundee

14 February 2007

Dear Ms Jolly

Megabus and Scottish Citylink

I write as a Transport Professional of 12 years experience. My roles have seen me involved in the full range of bus services from heavily subsidised rural to high intensity commercial bus market.

Currently I am the Team Leader of Sustainable Transport at Dundee City Council, however, this response is **not** on behalf of the City Council but a professional and personal statement.

To date I have not become involved in the investigation as I felt that this was a wholly commercial environment and to date Megabus and Scottish Citylink have met the needs of local travellers through their own innovation and service delivery.

The coming together of Megabus and Scottish Citylink brought greatly improved co-ordination of services to long distance travellers in the Dundee City Region, with regular scheduled departures from the one departure point – Dundee Seagate Bus Station. This addressed the only negative feedback previously received from "Dundee" bus users, where they complained about the inadequate facilities that were available from the Megabus departure points, initially Yeaman's Shore and laterally Discovery Point, prior to the transfer to Seagate Bus Station.

My mission in Dundee is to encourage more use of Public Transport and through nationally recognised good practice we have a growing public transport market with both Travel Dundee and Stagecoach Strathtay operating very successful and profitable businesses. In terms of financial support I estimate that less than 5% of bus services receive financial support and much is delivered by working in partnership with these highly commercial operations; namely modern accessible bus fleets, the highest possible quality passenger waiting and information systems and innovative marketing. From this stand off position I feel that Megabus and Scottish Citylink provide a quality, reliable and very well used bus service which people are choosing to use in large numbers. I am unaware of any particular adverse community feedback. In fact, Megabus and Citylink dovetail nicely into the high end product being developed in Dundee and have met local requests such as making Megabus and Citylink timetable data available to our journey planning software.

I understand your reasons for conducting a competition assessment, however, the suggestion that Megabus or Citylink are divested is absurd, as surely in an open competitive market why would you buy into a service, when so long as they met thresholds, any bus operator could commence operation along the corridors under investigation. There are already niche operations offering some competition for the day

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tripper market locally and National Express have been ever present. Would the CC be seeking any guarantees from any new operator that they would continue to serve the Dundee City Region as frequently and with the appropriate quality of vehicle?

To bring my comments to a focus, may I suggest that you consider the following as ways of mitigating competition concerns:

- allow the incumbents to continue operating the Saltire Cross, with undertakings to maintain hours of operation and minimum frequencies, similar to the PSR issued to rail franchisees, for a period of 3-5 years;
- allow the incumbents to continue operating the Saltire Cross, with undertakings to maintain proportion of discounted tickets, for a period of 3-5 years;
- allow the incumbents to continue operating the Saltire Cross, with undertakings to only operate modern accessible coaches for the benefit of disabled users within a period of 3 years;
- allow the incumbents to continue operating the Saltire Cross, with undertakings to operate only coaches with Euro 4 or Euro 5 engines within a period of 3 years;
- allow the incumbents to continue operating the Saltire Cross, with undertakings to facilitate integrated ticketing as part of Scottish Executive's National Entitlement Card within a period of 3 years; and
- allow the incumbents to continue operating the Saltire Cross, with undertakings to investigate, develop and integrate the services into the various Real Time Passenger Information Systems operating across Scotland within a period of 3 years.
- allow the incumbents to continue operating the Saltire Cross, with undertakings to work with Regional Transport Partnership's to encourage staff travel planning initiatives for inter urban commuters.

If, however, the decision to divest is insisted upon, then I would request that the new operator is required to undertake a minimum service level for a period of 3-5 years to ensure that Dundee City Region residents can continue to gain access to a quality, reliable and frequent long distance coach network. Included must be availability of integrated ticketing to ensure ease of connectivity, ie at the Perth hub.

Yours sincerely

Neil Gellatly
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