Safety in the deregulated bus industry

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INTRODUCTION
The spur for the first investigation of the public regulation of omnibuses in the 1920s was concern for safety. This concern was due to two problems which had emerged in the competitive industry. First, road races had developed, in order to exploit lucrative queues of passengers, which had led to many accidents. Secondly, bad maintenance standards resulted as excess capacity in the industry reduced financial returns. The 1930 Traffic Act extended previous powers to deal with the latter problem, whilst the issue of monopoly route licences obviously removed the former problem. Both the 1980 Transport Act and the 1984 White Paper* actually (or will) strengthen the regulation of the quality of operators, drivers and vehicles. Nevertheless, it is feared that the reintroduction of legalised competition "on the road" between bus operators will result in increased danger both to bus passengers and other road-users. This paper considers firstly, the question of road safety; and secondly, how competition might affect the quality of operators.

ROAD SAFETY
Observation of competitive practices in this industry indicates that in a deregulated market there is a strong tendency for polarisation of timings. In these circumstances firms will attempt to operate their buses just ahead of their rival's in order to obtain a higher share of the available traffic. As both operators will have the same objectives, a process of 'leapfrogging' or road races will result. Tactics which a firm could use to advantage include using buses to block a rival's bus-stop and driving in such a way as to prevent

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the opposition from overtaking. These problems have been observed in the limited amount of competition allowed under the 1980 Transport Act both in Cardiff, where there was a collision between rival buses (Motor Transport, 17 June 1981), and in Rugeley (Motor Transport, 1 June 1983). This will not only be a danger to the users of the competing bus services, but there may be increased danger to other road-users, e.g. as a result of 'double-banking' of buses at stops whilst passengers board and alight.

**QUALITY OF OPERATORS**

The issue is whether, if a competitive régime shifts stage operations from large to small- or medium-sized operators (an analysis of entrants to the industry since 1980 indicates that over 60 per cent of entrants have fleets of 6 to 19 vehicles), the safety records would be inherently inferior. This section attempts to analyse this by looking at two areas. The first is the number of accidents (taken as a measure of driver skill) and the second the quality of maintenance. A further area where competition could affect maintenance standards is if competition reduced financial returns to operators who would then be forced to make economies on maintenance. As fierce competition has not been witnessed since the 1920s, this point could not be investigated.

**Accidents**

Hunt conducted a study of all Public Service Vehicle (PSV) accidents in the second half of 1977. Whilst primarily looking for differences in the accident rate between full- and part-time drivers, he concluded that on stage services, when differences in operating conditions were taken into account, there was no suggestion of any difference in accident rates between large publicly-owned bus companies and small independent ones.

**Maintenance**

The Traffic Commissioners monitor operators' maintenance by means of annual testing of vehicles and also spot checks made at operators' premises and at the roadside. As a result of these checks any faults are found, the vehicle examiners can take the following actions:

(a) For a serious fault they issue a 'prohibition' which bars the vehicle from service until the fault is rectified to the satisfaction of the examiner. The prohibitions can either take effect immediately or, if the fault is found at the roadside, be delayed until the vehicle reaches its operating base.

(b) For minor faults a 'defect notice' is issued, which informs an operator of a fault but does not prohibit the vehicle from service.

Providing that vehicle inspections are undertaken at random, then an investigation of prohibitions and defect notices issued would be a good indication of the quality of maintenance of vehicles. Whilst it is likely that the vehicle examiners will tend to give more attention to firms with known maintenance problems, there is still a significant random element in the testing and thus the analysis will have some meaning.

The survey of the issue of prohibitions and defect notices was undertaken for all operators in the (former) Yorkshire Traffic Area for the calendar year 1983. The information collected was the number of prohibitions and defect notices, tabulated according to operator fleet size, and also the distribution of all operators in the Traffic Area by vehicle fleet size. During the survey three points became apparent:

1. The distribution of operators by fleet size in the (former) Yorkshire Traffic Area was similar to the national distribution, except that there were more larger operators (on account of the two Passenger Transport Executives operating in the area) and less medium-sized municipal operators than in other Traffic Areas.

2. On some vehicle examinations both prohibitions and defect notices were issued. In these cases, only the prohibition has been recorded.

3. The very large urban stage operators received some prohibitions as a result of road traffic accidents which do not reflect on the maintenance standards of the operator. However, due to the necessity of confidentiality (which meant that individual prohibitions could not be investigated) it was impossible to exclude these from the study.

The results of the analysis are shown in Table I. The number of faults (defined as prohibitions plus defect) per hundred vehicles is shown for each category of operator size. This has been further refined by calculating the number of faults per million vehicle-kilometres, by using national figures on average mileage per vehicle, listed by fleet size.

The figures indicate that a typical one-vehicle firm has over nine times as many faults per vehicle-kilometre as compared with a large operator, whilst a comparable figure for a 10 to 14-vehicle fleet operator is about 3.5 times as many as the large operator. What becomes clear is that there is a continual decline in the number of faults as fleet size increases. In general this decline is found to be statistically significant at the 5 per cent level, using difference-of-means techniques. Apart from the 20 to 49 fleet size group, where the small number of observations makes any deductions dubious, there was no statistically significant divergence from this downward trend.

Therefore, it would appear that in the event of a more competitive market structure, which would see small and medium-sized operators playing a greater role in the provision of stage services, there would be a need for greater vigilance on the part of regulators with regard to the 'quality' of vehicles and operators; in addition to taking strong action to stop unacceptable driving practices.

**ACKNOWLEDGMENT**

The author would like to thank Major-General V. H. J. Carpenter, Chairman of the Traffic Commissioners for the North-Eastern Traffic Area, for making data on operator's maintenance records available. The work is part of a PhD thesis, 'Economic evaluation of competition on stage carriage routes', submitted to the University of Leeds in September 1984.

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November 1984