

NEW FOREST NATIONAL PARK AUTHORITY

AUTHORITY MEETING – 11 DECEMBER 2008

NEW FOREST TOUR: 2008 REVIEW AND FUTURE FUNDING ARRANGEMENTS

Report by: Chris Gregory, Transport and Tourism Officer

Summary:

The New Forest Tour is a recreational open top bus tour which operates for 100 days during the summer. Together with Hampshire County Council and New Forest District Council, the Authority contributes funding to support the operation of the service. The 2008 summer season was the final year of a three year funding agreement to support the New Forest Tour.

This report provides a review of the New Forest Tour during 2008 and outlines the position for 2009.

Recommendation:

To note the content of this report.

Resources and Corporate Plan:

Included in 2008 – 2009 budget

- £15,000 revenue support funding
- £2,000 marketing
- Officer time.

Corporate Plan U2: Review strategies and develop proposals to reduce the impact of traffic on the special environment of the National Park and promote alternatives to private car use, working jointly with relevant authorities.

Papers:

NFNPA 277/08:	Cover Paper
NFNPA 277/08 Annex 1:	New Forest Tour Marketing Plan 2008
NFNPA 277/08 Annex 2:	New Forest Tour Marketing Action Plan 2008
NFNPA 277/08 Annex 3:	Analysis of 2008 customer feedback
NFNPA 221/07:	New Forest Tour 2007 review
NFNPA 59/06:	New Forest Tour funding arrangements

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1 Introduction

- 1.1 The New Forest Tour is an open top bus experience following a circular route within the New Forest National Park. The route includes key settlements and visitor attractions and seeks to provide a diverse New Forest car free experience.
- 1.2 The service is provided as a partnership between the Authority, Hampshire County Council, New Forest District Council, and the bus operator Bluestar.
- 1.3 The Authority agreed to contribute £15,000 revenue support funding towards the New Forest Tour, for three years, starting in April 2006. This revenue funding arrangement was mirrored by New Forest District Council. At the start of the 2006 season, Hampshire County Council made a one off capital contribution of £100,000 to Solent Blue Line, to secure the use of the two nearly new buses for a period of three years. Authority Paper NFNPA 59/06 refers.
- 1.4 The 100 day season between 24 May and 31 August 2008 was the final year of the Authority's agreed three year funding contribution.
- 1.5 There are clear links between the New Forest Tour and the National Park second purpose, for example in both 2007 and 2008 93% of customer feedback responses stated that the New Forest Tour improved understanding and enjoyment of the New Forest. The service also contributes to the first purpose by encouraging people to explore the New Forest without a car.

2 Background

- 2.1 The New Forest Tour was first introduced in 2004, and despite the use of older buses, the service proved popular with the public and received national recognition as a leading car free tourism initiative. The same buses remained for the 2005 season, and patronage continued to grow. However, feedback suggested that customers were becoming increasingly disappointed with the reliability and comfort of the buses used.
- 2.2 A new operating model was developed for 2006, which included securing the use of two nearly new buses, increasing the service frequency to hourly and improvements to the route. The Authority, together with Hampshire County

Council, and New Forest District Council, agreed to subsidise the service for a period of three years, with the buses being operated by Solent Blue Line.

- 2.3 In the first year of this new operation, the 2006 summer season, the buses operated under the '[City Sightseeing](#)' brand, using a red and blue livery. 9016 passenger journeys were recorded in 2006 which represented a 100% increase over the previous year.
- 2.4 A review of the 2006 season concluded that the City Sightseeing branding should be dropped for 2007 and that marketing actions should be developed and implemented by core funding partners, which would allow the service to be developed in a way which was appropriate for the New Forest destination.
- 2.5 Revenue and passenger journey numbers increased slightly in 2007, despite it being the wettest summer on record.

3 2008 season marketing

- 3.1 As in 2007, the Authority led on the development of a product marketing plan (**Annex 1**) to ensure a joined up and consistent approach to marketing. The content of the product marketing plan and associated marketing action plan (**Annex 2**) was agreed by partners for implementation.
- 3.2 Specific marketing actions in 2008 included:
- joined up marketing with accommodation providers, including ticket sales
 - using one New Forest Tour bus as a static display at the New Forest Show, as part of the Authority stand
 - the introduction of a professionally recorded commentary
 - the production of the New Forest Tour Official Guide, which was offered to customers as they boarded the bus and included a written commentary, together with discount vouchers for attractions and other services along the route
 - dedicated [New Forest Tour](#) website, with the ability to offer online ticket sales
 - product leaflet with a print run of 80 000, distributed to over 300 locations in and around the New Forest
 - the promotion of car free tourism opportunities arising from the New Forest Tour, in particular it's ability to carry cycles
 - entering the UK Bus Awards and being shortlisted and 'highly commended' in the Bus in the Countryside category
 - commissioning of professional photography of the New Forest Tour, for use in marketing campaigns and press releases.
- 3.3 The effectiveness of the marketing campaign relied on close partnership working between the funding partners and other stakeholders such as accommodation providers and the wider New Forest Tourism Association.
- 3.4 A steering group was introduced to oversee the marketing campaign, operation and management of the New Forest Tour during 2008.

4 2008 season performance

4.1 In 2008 the service operated for 100 consecutive days between 24 May and 31 August. 14103 passenger journeys were recorded during this period, a 43% rise of 4224 over the previous year. Factors influencing this increase include a more coordinated marketing campaign and better weather.

4.2 Ticket sales generated £53,845 in revenue in 2008, a 33% increase of £13,263 over 2007. Details are provided in Table 1.

Table 1: Summary

		2006	2007	2008	Explanatory notes
A	No of passenger journeys	9015	9879	14103	
B	Operating costs	£48,000	£59,400*	£59,400*	*Estimated figure
C	Marketing costs	£8,000	£11,000	£11,000	Estimated marketing contribution from all partners
D	Level of public subsidy	£30,000	£30,000	£30,000	£15,000 from the Authority and £15,000 from New Forest District Council.
E	Revenue from ticket sales	£36,118	£40,582	£53,845	Includes tickets sold on bus, through Visitor Information Centres and Concessionary Fares
F	Margin = B+C - (D+E)	£10,118	£182	£13,445	
G	Subsidy per passenger journey	£3.32	£3.04	£2.13	
H	Authority contribution per passenger journey	£1.66	£1.52	£1.06	

4.3 Concessionary Fares were again eligible on the New Forest Tour in 2008, but were restricted to residents of the New Forest District only. This contrasts to the 2007 season when Concessionary Fares were permitted for residents of most Hampshire Districts and Boroughs. The numbers of concessionary fare passenger journeys were 1548 in 2007 and 1346 in 2008.

5 2008 season customer feedback

5.1 The New Forest Tour Official Guide, provided to all customers as they boarded the bus, included a feedback form which customers were

encouraged to complete and return. 334 customers (representing a 2.4% response) completed the form in 2008.

5.2 **Annex 3** provides a detailed analysis of the feedback received, comparing the feedback received in 2008 with that of 2007. The key findings are as follows:

- 93% of respondents 'agreed' or 'strongly agreed' that the New Forest Tour improved their understanding and enjoyment of the New Forest
- 79% of respondents 'agreed' or 'strongly agreed' that the New Forest Tour will help to reduce the impacts of traffic in the New Forest
- over half of respondents followed, or planned to follow, one of the four walking or cycle routes offered in the Official Guide
- 32% of respondents stopped at Beaulieu National Motor Museum or Exbury Gardens and Steam Railway, before continuing their journey on the bus
- nearly half of all respondents were overnight staying visitors, staying one night or more in accommodation within or near the National Park
- 50% of respondents did not use the car to access the New Forest Tour.

6 Future operation of the New Forest Tour

6.1 The 2008 season was the final year of the three year funding commitment. Operating models for 2009 are currently being explored.

6.2 The current bus operator has indicated that ticket sales alone do not cover the cost of operation based on the current route, timetable and frequency. In order to mirror the 2008 operation in 2009, using the current bus operator, and without a substantial increase in usage, revenue subsidy would be required.

6.3 In order to determine the level of any revenue subsidy required, a tender exercise is currently being progressed by Hampshire County Council for the future procurement of the service. This will also allow other bus operators to tender for the New Forest Tour. The tender exercise will invite responses based on the following options:

- mirroring the frequency, timetable and route of the 2008 service
- operating a reduced tour between Wednesdays and Sundays
- operating a reduced tour on weekends and Bank Holidays only
- above options using a single bus
- increasing passenger numbers and revenue per trip with any of the above options.

6.4 Options arising from the tender exercise will be reported to members, and potential funding partners, in early 2009.

Recommendation

To note the content of this report.