Regional Bus

We operate commercial bus businesses, predominantly in the south of England. Outside London, we have operations in Brighton, Oxford, East Yorkshire, Plymouth, East Anglia, on the south coast and in north east England. We own 100% of these businesses.

Key market features

- Services operated on a largely commercial basis
- Accountable to the traffic commissioner and other industry bodies
- Work in partnership with local authorities to meet the needs of our communities
- Comprises local markets with unique features
- Mainly private operators, some local authority owned operations
- Operators largely make their own decisions, such as setting bus fares, routes and service frequencies
- Some tendered services are run on behalf of councils, such as school contracts
- Operators have a relatively flexible cost base which can be adapted to mitigate external factors

Divisional revenue

70%: Fare paying passengers

By offering high quality services and value for money fares we are able to grow passenger numbers.

20%: Reimbursement for concessionary travel

Government policy entitles anyone of pensionable age to free travel on local bus services in England. Bus operators are reimbursed a percentage of the full fare for revenue forgone. This is paid by local authorities from a fund allocated by central government, based on a principle of the operator being 'no better and no worse off'. Our typical reimbursement rates are around 50%.

10%: Tendered contracts

Services which are not commercially viable, such as rural routes and school buses, are tendered by local authorities. We also operate commercial contracts for universities and other third parties.

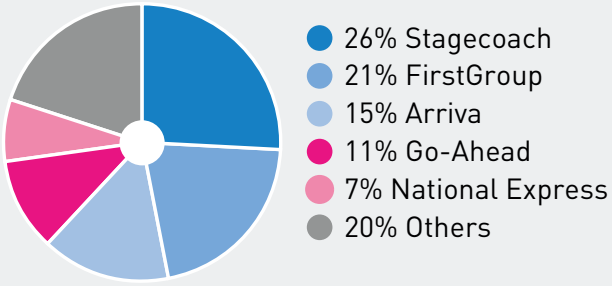
2018 in numbers

7,500
Employees

2,800
Buses

Regional bus market share

11%

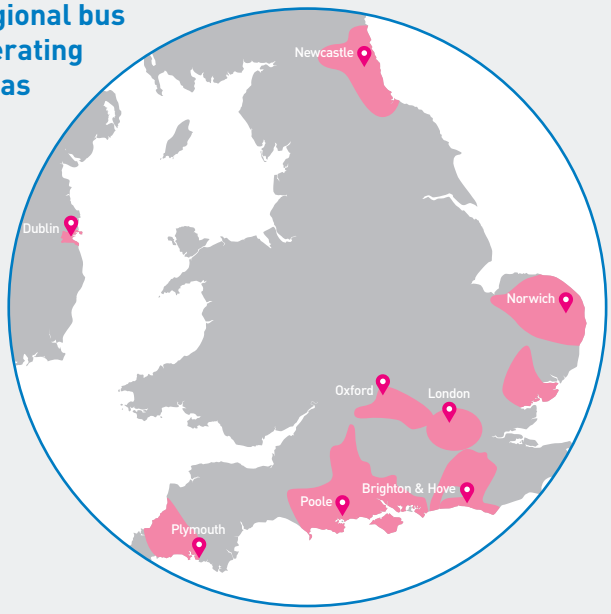


Regional bus financial review

	2018	2017	Increase/ decrease £m	Increase/ decrease %
Revenue (£m)	383.7	376.6	7.1	1.9
Operating profit (£m)	45.8*	47.1	[1.3]	[2.8]
Operating profit margin	11.9%*	12.5%	n/a	[0.6ppts]

*Pre-exceptional items

Regional bus operating areas



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