CPT Cost Index

Summary of results: change in bus & coach industry costs for the 12 months to June 30, 2007

	Overall national result	Regional indices: London & Home Counties	Midlands	Northern England	South West England	Wales	Scotland
Overall change in operating costs	5.2%	4.2%	4.0%	5.9%	3.1%	5.8%	7.8%
Change in individual cost categories:							
1 Drivers wages and on costs	3.7%	2.4%	5.3%	3.9%	3.1%	4.7%	6.0%
2 Other labour and staff costs	5.7%	5.2%	3.4%	6.0%	9.6%	3.3%	5.6%
3 Insurance and claims	5.6%	10.2%	5.8%	0.4%	9.3%	-6.1%	16.4%
4 Fuel	15.1%	13.3%	11.5%	15.5%	16.3%	13.5%	18.8%
5 Maintenance materials	-3.4%	-2.7%	-9.6%	-0.1%	-7.2%	17.2%	-10.7%
6 Vehicle depreciation	8.8%	8.7%	4.7%	7.2%	15.3%	4.8%	12.2%
7 Other operating costs	4.5%	4.1%	0.9%	8.8%	-14.7%	6.6%	13.3%
Sample size:							
Number of respondents	73	19	8	21	11	4	10
Representing operating costs of:	£2,744,100,000	£934,400,000	£218,700,000	£846,200,000	£239,800,000	£114,200,000	£390,500,000

All data are weighted by the size of each respondent's cost base and by the relative spend in each cost category.

Compiled by an independent consultant using data supplied directly to the consultant by a representative selection of bus and coach operators who are members of CPT.

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Summary of previous results:
In each case, covering the 12 months to:

June 2004	7.7%
December 2004	7.8%
June 2005	8.7%
December 2005	8.2%
June 2006	7.8%
December 2006	7.1%

Comments on fuel costs

The figures shown above represent the weighted average of the actual experiences of the operators contributing data. In the case of fuel however, there has been a wide range of experiences, both in this period and in earlier periods. The actual position of individual operators can vary from the "average" experience for a number of reasons:

- whether the operator has used hedging programmes to protect against anticipated fuel prices;
- the impact of hedges expiring and not being replaced or being replaced at significantly higher prices;
- changes in the fuel efficiency of vehicles - in some cases, new buses/coaches acquired have worse consumption rates than the vehicles they have replaced.

The effect of hedging means that the impact of the dramatic rises in diesel prices seen in the past couple of years has affected different operators at different times.
In the current period (year to June 2007), the range of experiences for fuel costs on a pence per mile basis was from a slight *reduction* to a 47% increase.

Breakdown of bus & coach industry operating costs for the 12 months to June 30, 2007

In response to requests, we are now also showing how much each cost category represents as a percentage of the overall total.

	Overall national result	Regional indices:					
		London & Home Counties	Midlands	Northern England	South West England	Wales	Scotland
Percentage that each cost category represents:							
1 Drivers wages and on costs	48.5%	53.2%	45.3%	46.2%	45.2%	46.0%	47.0%
2 Other labour and staff costs	15.0%	14.0%	14.4%	14.7%	16.8%	16.6%	16.9%
3 Insurance and claims	3.2%	2.7%	2.9%	4.3%	2.9%	3.4%	2.2%
4 Fuel	9.5%	7.8%	10.1%	10.9%	8.8%	9.3%	10.8%
5 Maintenance materials	5.4%	4.6%	7.3%	5.5%	5.8%	5.0%	5.6%
6 Vehicle depreciation	6.4%	6.0%	7.2%	6.6%	6.1%	6.6%	6.5%
7 Other operating costs	12.1%	11.9%	12.9%	11.8%	14.3%	13.1%	11.1%