

Minibus usage charges

A note by the Deputy President (Finance & Services)

The Union's Transport Policy dictates that charges for the use of minibuses are determined by the Executive Committee. After consideration of the operating costs of the minibus fleet going forward into the 2011/12 financial year this paper proposes a 5% increase (rounded to the nearest whole pound) of the current fees. These fees would be effective from 01/08/11 until 31/07/12, the detailed information being:

Time	Current charges		Proposed 5% increase	
	9 seater	15 seater	9 seater	15 seater
Up to 2 hours	£16	£21	£17	£22
2-4 hours	£27.50	£40	£29	£42
4-6 hours	£44	£61	£46	£64
6-12 hours	£56	£78	£59	£82
12-24 (weekdays)	£76	£99	£80	£104
12-24 (weekends)	£95	£110	£100	£115
Weekend	£190	£220	£200	£230
Extra days	£32	£44	£34	£46

There are several factors which have been considered in suggesting this increase. This financial year is the third in which the fees have not been increased. During this time the expenditure required to operate the minibus fleet has increased with inflation, for example staff costs, servicing, insurance and items of equipment. Furthermore the cost of fuel has increased well beyond inflation during this time, meaning the minimal costs of moving vehicles are now becoming more considerable.

The plan for the next financial year includes replacing one vehicle; this is in line with the replacement strategy that the Executive approved in March 2008. The corresponding depreciation costs of a vehicle purchased now are also in turn higher than one purchased five years ago.

The proposed increase to minibus usage charges is essentially driven by inflation, the Executive are invited to approve the proposal of a 5% increase, effective from 01/08/11.