

DATCHWORTH PARISH COUNCIL

Parish Clerk: Mrs Lesley Chambers

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2nd September 2004

Mike Davey,
Competition Commission,
Mike.Davey@competition-commission.gsi.gov.uk

Dear Mr Davey,

RE : THE ANTICIPATED ACQUISITION BY ARRIVA PLC OF THE HERTFORDSHIRE BUS OPERATIONS OF SOVEREIGN BUS AND COACH COMPANY LTD.

I am responding to your request for Datchworth Parish Council's view of the above proposed merger.

The Parish Council do not have any particular knowledge that relates to this issue and consequently will restrict comments to general points of principle and the bus service we get now and are likely to get in future.

The parish is currently served by three bus routes which it has to be said are at a minimal level.

East Herts District Council are seeking to reduce its 25% contribution for the service to the County Council and we anticipate a reduction in service from the start of the new financial year. The argument used to support this change is economic, based on the low usage level. However, the people who do make use of the service are dependent on it and will be impacted by the loss of service. A reduced service is likely to reduce take-up and make the enterprise even less profitable.

The general point to be made is implicit in your letter - less competition and the consequences that brings. However, as the routes through Datchworth are run by Trustline, there is no direct bearing on the Arriva acquisition. I'm told that if Arriva did try to, for example push prices up, there is enough independent operators around to keep any such increase in check.

The general conclusion I am coming to is that we do not see a problem with the acquisition as such although we are very concerned with the service we will get in the future. I don't wish to be too dogmatic as my knowledge is limited, but as I do not see a link at present between the problems we have and the acquisition we should not oppose what is proposed.

Yours Sincerely,

C.B. Wilkins

Chairman, Datchworth Parish Council.