



**The Future of Student Transportation:
Innovations and Trends
(Three University Case Studies)
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Introduction

- The Higher Education Sector has recognised student transportation as a service that is important in the provision of “complete” student life experience. This is a service that is intrinsically linked to the day to day operations of higher education institutions in our country.
- It therefore suffices that the management of student transportation, and its related services, is critical in improving organisational efficiency, saving costs, introducing new and advanced ways of managing this service and ESG.
- This presentation delves into the three most used methods of providing this service in the Higher Education Sector, including the pros and cons of each method.



Transportation Models

- Model 1 – Fully Outsource Model (with or without outsourced vehicle tracking and telematics)
- Model 2 - Fully Insource Model
- Model 3 – Hybrid Model
- Model 4 – All-Inclusive Fleet Maintenance Leasing



Model 1 – Fully Outsourced

- This model is where the University fully outsources its student transportation services to qualified and compliant bus operator(s). The bus operator provides the fleet on a leasing model and fully manages the bus transport service, by taking responsibility for all scheduling requirements, employing and management of the drivers and related staff, driver training, replacement of buses repair, and maintenance of fleet as well as the provision of relief drivers as and when required.
- Low to Medium-risk model - The bus operator is to provide a full-risk contract that ensures the service is delivered as per the University scope and service level agreement.



Model 2 – Fully Insourced

- This model is where the University fully insource its student transportation services and management by the University. The University outright purchases and maintains its fleet. The university takes responsibility for compliance and all road traffic regulations (includes amongst others licenses, route permits, and Member of relevant Associations).
- High Risk model - The University takes on a full-risk contract to ensure the service is delivered as per the legislation. The University takes ownership of the fleet and all related services and compliances that's including all relevant insurances (public liability, vehicle insurance, labour litigations, break-downs & replacements, and other relevant costs. Despite the insourcing model offering control, and flexibility it can be expensive, limit access to specialised expertise, and present potential capacity constraints within the University.

A photograph of a large, multi-story university building with a red-tiled roof and many windows, set against a backdrop of green hills and mountains under a clear blue sky. The building is the central focus of the top portion of the slide.

Model 3 - Hybrid

- With this model, the University appoints a bus operating company to provide and manage its fleet but the University employs the driver and manages all related labour requirements. The appointed bus operator also provides the fleet that is licensed with route permits, servicing/maintenance and support. Training drivers and providing of relief drivers.
- Medium to High Risk model - The University to manage and mitigate all possible operational and financial risks. In addition to the cost exclusions, the University needs to budget for other major expenses. The University will need to require new skills and expertise to provide management of the service.

Model 4 – All-Inclusive Fleet Maintenance Leasing

- With this model, the University appoints an experienced, qualified financial and vehicle leasing lessors, for the provision of an all-Inclusive Fleet Maintenance Leasing solution for passenger transport vehicles, including, but not limited to buses.
- The leasing contracts provides for Capital Costs, Maintenance and Service, Fleet Accident/ Incident Management, Fuel Card, Motor Vehicle Administration, Tracking service, Vehicle Branding.
- For all Transport Vehicles supplied, its is the Lessor's responsibility to ensure provision for maintenance, repair, servicing, and warranty for all maintenance and replacement of consumable wear and tear parts, i.e. repair work done due to accidents, misuse, and damage; routine service (Minor/ Major); warranty replacement of parts due to a design and / or manufacturing fault.

Costs Considerations

	A	B	C	D	E	F	G	H	I	J	K
	Route	Number of Buses	Estimated Average Monthly Kilometers	*Variable Cost Rate per Kilometre	Total Variable Cost per Month	Fixed Cost per Bus per Month	Total Fixed Cost per Month	Total Cost per Month	Total Variable Cost per Annum	Total Fixed Cost per Annum	Total Cost per Annum (Year 1)
No											
1											

Q&A

