

An Roinn Iompair Turasóireachta agus Spóirt

Department of Transport, Tourism and Sport

Date: 18/10/2016



Item No. 2

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Our Ref: SR/16/14281

Mr Stephen Hickey Senior Staff Officer **Dublin City Council Environment and Transportation Department** Civic Offices, Wood Quay, Dublin 8

Dear Mr Hickey

Environment & Transportation Department 1 9 OCT 2016 DUBLIN CITY COUNCIL

Thank you for your letter regarding Dublin Bus fares. As Minister for Transport, Tourism and Sport I have responsibility for policy and overall funding in relation to public transport. However, I am not involved in the day to day operations of public transport, nor decisions on fares. Following the establishment of the National Transport Authority (NTA) in December 2009, the NTA is the statutory body with responsibility for the regulation of fares charged by Dublin Bus. I have forwarded your letter to the NTA and I have asked them to respond to your particular query within three weeks. If you do not receive a response within this timeframe please contact me again.

Yours sincerely,

Minister Shane Ross

Minister for Transport Tourism and Sport

The Minister is a Designated Public Official under the Regulation of Lobbying Act, 2015 (details available on www.lobbying.ie)

Ref: 1615532



Mr Stephen Hickey **Senior Staff Officer Dublin City Council Environment and Transportation Department Civic Offices Wood Quay Dublin 8**

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7th November 2016

Dear Mr Hickey

I refer to your letter dated 13 October last to the Minister for Transport, Tourism and Sport concerning public transport fares. Your letter has been passed to the National Transport Authority (NTA) for reply.

The NTA has statutory responsibility for securing the provision of public transport services by way of public transport services contracts. Those contracts must, among other things, provide for the "fares to be charged and provision for the variation, including increase or decrease, of fares". The NTA has concluded contracts with the three CIÉ companies and Transport Infrastructure Ireland (in respect of Luas). Details of the NTA's determinations on fares are available on our website¹ and these determinations outline the factors taken into consideration in the determination process.

The fares as outlined in the determinations issued in late October each year are determined by the NTA following an application from the public transport operators, discussions with these operators and analysis of financial and operational data from the operators by the NTA.

Fares for the year ahead are set with the aim of maintaining customer support and passenger numbers while ensuring financial stability for the operators. In addition, the NTA has used the fares determinations process over a number of years to simplify the fares structures making it easier for people to understand the fares and the best vale offering available.

Leap card offers many incentives to the public to use Dublin Bus services. For example discounts in excess of 20% are available on Dublin Bus if one uses a Leap card to pay for a single trip as compared to paying with cash. There is also the Leap 90-discount which is available on public transport services in Dublin. This automatically applies a saving of up to €1 on a second trip when using Leap if the second trip is within 90 minutes of the start of the first trip. Weekly and daily Leap caps limit the total spend in any one day or week regardless of the number of times one travels on public transport

 $^{^{1}\} https://www.national transport.ie/public-transport-services/fares/fares-determinations/$

when paying by Leap. Over 1.5 million public transport passengers use Leap e-purse each week to avail of these discounts.

Other incentives include the taxsaver tickets which offer excellent value. The Dublin Bus annual taxsaver ticket has not increased in price since December 2014. For example the Dublin Bus annual taxsaver ticket works out at less than €2 per day over a year for someone paying the highest tax PRSI and USC rates. This €2 per day allows unlimited travel on Dublin Bus each day.

The NTA recently announced details of the fares determination for 2017. For the second year in a row we have kept adult Leap singles and the annual and monthly taxsaver tickets at their December 2014 fare level. The Leap single and annual taxsaver tickets generally offer the best value to passengers travelling on Dublin Bus.

Cash fares have also been held at their current levels for 2017.

Additional subvention funding received by the NTA in 2016 has been used to provide additional services and improve services provided by Dublin Bus and we expect additional subvention funding in 2017 will also be used to make further improvements to services across the city.

Our fares strategy over the past few years has seen public transport passenger numbers on Dublin Bus grow by 3.4% in 2014, 3.1% in 2015 and passenger journey growth in 2016 is expected to be even stronger.

Dublin Bus fares compare favourably with other public transport fares across the EU with the minimum adult Leap fare of \leq 1.50 being among the lowest short distance fares available.

In conclusion, the NTA's use of subvention funding represents an appropriate balance between a contribution on the part of public transport operators in continuing to increase efficiency and reduce costs as important elements that contribute towards the provision of a wide range of quality bus services.

Yours sincerely

Anne Graham Chief Executive