

Consideration of application from Dublin Bus for an increase in prepaid fares

January 2012

Introduction

In January 2012, Dublin Bus wrote to the National Transport Authority seeking an increase in fares across the range of its prepaid products. These products offer to the transport customer varying discounts from the schedule of standard cash fares. The recently approved increase in cash fares and the launch of the Leap card, with its associated discount fares, require an upwards adjustment to prepaid products to maintain an alignment between product discounts and standard cash fares.

Determination

In December 2011, the National Transport Authority approved increases in Dublin Bus fares by an average of 15% across all cash fares with discounting for those choosing to use the new Leap Card. For Leap Card users, the increase was significantly less, at an average of 5%. Details underlying the Authority's decision are available <u>here</u> on the Authority's website www.nationaltransport.ie.

The December fares approval provided Leap Card customers with a 9% discount on cash fares. This differential is in place to incentivise the use of this card, which speeds up boarding time for all customers. Similar journey time benefits occur with the use of the prepaid products. As such the Authority is prepared to approve fare increases at a level in line with Leap rather than cash fare increases.

Prepaid fare products will continue to provide customers with flexibility and value for money. The 30 day Adult Rambler product, for example, allows customers to avail of the total Dublin Bus Commuter network for €3.83 per day. This is available for non-consecutive days over two years. For students, this cost is discounted by a further 25%, to €2.87 per day.

The Travel 90 products are the only prepaid products for which increases have been sanctioned which are not in line with the 5% Leap Card increase. The new 10 journey Travel 90 price works out at an increase of 13.2%. The average increase across all other fare types is 4.8%.

Traditionally, the 10 Journey Travel 90 product has matched or been slightly above the 8- 13 stage fare. The product was designed so that customers who had to take more than one bus to get to work got their cheapest fare free. However, in practise many customers paying €1.85 cash use the product as a convenience product, together with a large group of customers travelling 13 stages or over where it offers excellent value. The proposed new Travel 90 Adult 10 journey fare is €21.50 which is equivalent to €2.15 per journey, the same as the new cash fare for 8 – 13 stages of €2.15.

The following table outlines the approved increases:

Proposed Prepaid Increase 2012	2011	2012	% Change
	C 0.00	6 6 60	4.00/
1 Day Rambler Adult	€ 6.20	€ 6.50	4.8%
1 Day Rambler Family	€ 10.50	€ 11.00	4.8%
3 Day Rambler Adult	€ 13.50	€ 14.20	5.2%
5 Day Rambler Adult	€ 22.00	€ 23.00	4.6%
30 Day Rambler Adult	€ 110.00	€ 115.00	4.6%
5 Day Rambler Student	€ 16.50	€ 17.20	4.2%
30 Day Rambler Student	€ 82.00	€ 86.00	4.9%
5 Day Rambler Child	€ 7.00	€ 7.30	4.3%
Travel 90 - Adult - 10 Journey	€ 19.00	€ 21.50	13.2%
Travel 90 - Schoolchild - 10 Journey	€ 6.50	€ 7.00	7.7%
Travel 90 - Scholar - 10 Journey	€ 10.00	€ 10.50	5.0%
Travelwide Monthly	€ 100.00	€ 105.00	5.0%
Travelwide Annual	€1,000.00	€1,050.00	5.0%
Average % change			5.6%

Table 1: Approved prepaid price increase 2012