



**Consideration of application for the introduction of
Bus Éireann's Leap card fares in Cork city**

Determination No. 1 – 2014

February 2014

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1. Introduction

The National Transport Authority (the Authority) entered into a Public Service Contract with Bus Éireann in December 2009 for the provision of passenger and ancillary services. The services Bus Éireann provides under this contract are not commercial and attract a public service obligation payment in line with EU regulation 1370/07. Bus Éireann is 100% owned by Córas Iompair Éireann (CIÉ) and CIÉ is a statutory body with ownership vested in the Minister for Transport, Tourism & Sport.

As part of a process of improving public transport service quality the Authority has been developing a number of initiatives such as the real time information at bus stops, the Authority's National Journey Planner, investment in the bus and rail fleet, station improvements, the reconfiguration of city bus services and the Leap card. The Leap card has already been rolled out on a number of bus and rail operators and 2013 saw the gradual introduction of the Leap card on Bus Éireann services in the eastern part of the country. The Leap card will now be rolled out on Bus Éireann services in the Greater Cork Area on a phased basis starting with Cork City where the Leap card will be available by the end of February 2014.

There are a number of benefits to using the Leap card for both the customer and the operator and these include:

- Increased overall passenger journeys arising from the convenience of using the Leap card
- No need for the passengers to carry coins
- Time savings resulting from faster vehicle boarding
- Improved transferring to other forms of public transport that use Leap
- Enhanced opportunities to reduce fraudulent travel
- Greater use of public transport by tourists and visitors

2. Proposal by Operator

Bus Éireann has proposed the phased introduction of Leap card services in the Greater Cork Area. Similar to what is already introduced in the Eastern Region; Bus Éireann will introduce a number of Leap card zones emanating out from Cork City.

The first phase of this roll out will see the Leap card introduced in the Red Zone in Cork city. This current request is seeking approval for Bus Éireann proposed fares for the red zone which will initially

cover the current city network zone in Cork. The following table lists the routes which are included in the red zone.

Table 1.- Cork City bus routes included in the Leap card red zone

<u>Route</u>	<u>Comment</u>
201	All within the Red Zone
202	All within the Red Zone
203	All within the Red Zone
205	All within the Red Zone
206	All within the Red Zone
207	All within the Red Zone
207A	All within the Red Zone
208	All within the Red Zone
209	All within the Red Zone
209A	All within the Red Zone
214	All within the Red Zone
215	Within the Red Zone except the portion between Blackpool and Cloghroe
216	All within the Red Zone
219	All within the Red Zone

Route 215 included in the table above goes from Jacobs Island through the city center and then on through Blackpool to Cloghroe. However as part of this route extends outside of Cork city the full route is not included in the red zone.

The request from Bus Éireann involves the introduction of adult Single fares on the Leap card e-Purse that will operate just like cash fares and adult red zone 1-day rolling and adult red zone 7-day rolling tickets on the Leap card. The Leap fares as proposed by Bus Éireann are outlined in the tables below.

Table 2 - Cork red zone adult single fare, cash and Leap

<u>Adult Single Fare</u>	<u>Current cash fare</u>	<u>Proposed Leap fare</u>	<u>Proposed discount when using Leap</u>
Cork city Zone A	€1.90	€1.71	10% or €0.19
Cork city Zone B	€2.20	€1.98	10% or €0.22

Table 3 - Cork red zone adult 1-day and 7-day fares

<u>1-day & 7-day products</u>	<u>1-Day</u>	<u>7-day</u>
Current paper ticket	€5.00	€21.00
Proposed Leap card rolling tickets	€5.00	€21.00

3. Determination by the Authority

As referred to above, 2013 saw the introduction of the Leap card on Bus Éireann services in the eastern part of the country. The Leap card is now to be introduced in the Greater Cork Area on a phased basis and the first phase of this process is to introduce the Leap card in the red zone in Cork city which will initially cover the current city network zone in Cork. The Leap card will be introduced in the red zone from the end of February 2014.

This determination is setting the fares for:

- Adult single Leap fares for Cork city zones A and B and
- Adult red zone 1-day rolling ticket and 7-day rolling ticket.

Adult single Leap fares for Cork city zones A and B

In Determination number 4 - 2013 which the Authority issued last October we determined that in 2014 when the Leap card would be introduced to Cork that the discount for passengers using their leap card compared to those paying cash would be 18.2% or 18.4% depending which fare was purchased. We also determined that the Leap card discount for stage carriage would be between 13.9% and 15.9%. Following the determination Bus Éireann indicated to us that their ticketing system is designed to apply a consistent fare differential on all adult single stage carriage fares. The Authority then decided to consolidate the Leap card discounts across the Bus Éireann network and determined that the Leap card discount for both stage carriage and Cork city services will be 16%. While this discount is marginally lower than the 18.4% previously determined for Cork city services it is significantly higher than the 10% differential proposed by Bus Éireann in this application.

While this higher level of discount will have a slight adverse effect on Bus Éireann revenues the Authority expect that the growth in passenger numbers attracted by the lower Leap fares will help mitigate any effect on revenues.

Set out in the table below are the adult single fares as determined by the Authority which will be available in the red zone in Cork from the end of February. It should be noted that there is no change to the cash fares.

In order to avoid confusion with zone A and zone B within the Red Zone we will refer to zone A as stages 0 to 11 and refer to zone B as stages 12+.

Table 4 - Cork red zone adult single fare, cash and Leap

	<u>Cash Fare</u>	<u>Leap Fare</u>	<u>Discount available when using Leap instead of cash</u>
Cork city stages 0-11	€1.90	€1.60	16% or €0.30
Cork city stages 12+	€2.20	€1.85	16% or €0.35

Adult red zone 1-day rolling ticket and 7-day rolling ticket

The Authority has determined that the Bus Éireann proposed fares for the adult red zone 1-day rolling Leap tickets and 7-day rolling Leap tickets are appropriate and will be available from a number of payzone outlets in selected shops from the end of February.

The current 1-day and 7-day fares already offer a reasonable level of discount to the frequent public transport user. The Leap card 1-day rolling ticket will be for 24 hours rather than for one calendar day and this will offer greater flexibility to the public transport passenger who uses the Leap card.

It is expected that the current paper day saver ticket and paper weekly tickets will be phased out over time as passengers become familiar with the Leap card products. The table below gives a summary of the fares for 1-day and 7-day fares.

Table 5 - Cork red zone adult 1-day and 7-day fares

	<u>1-day fare</u>	<u>7-day fare</u>
Current paper ticket	€5.00	€21.00
Leap card rolling tickets	€5.00	€21.00

The Authority has determined that Bus Éireann can implement the red zone Leap card fares from the 20th February 2013 and must implement them by the 20th March 2014, unless there are technical reasons why this cannot be done.

It is expected that the Leap card will be rolled out to the Greater Cork Area later in 2014 and that child fares will also be available on the Leap card before the end of this year.

There are a number of benefits to the new Bus Éireann Leap card proposals, including:

- Leap card single tickets are 16% cheaper than cash tickets.
- The 1-day Rolling Leap card tickets are valid for 24 hour instead of one calendar day.
- The 1-day & 7-day rolling Leap tickets will be available to purchase at a number of payzone outlets in selected shops throughout the city and passengers will not need to go to their local bus station to purchase a weekly ticket.
- No need for the Leap card user to carry coins.
- Customers can continue to buy their existing cash tickets at the same price.

4. Conclusion

The introduction and expansion of Bus Éireann's Leap card to Cork city is a positive development for customers. It will see cheaper fares for a number of customers migrating to the Leap card, there will be added functionality with 24 hours tickets instead of day tickets and weekly tickets will be more readily available to purchase at selected shops rather than only at the bus station.

The extension of the Leap card to Bus Éireann customers in Cork will ensure that they can reap the benefits of the existing scheme, as well as the specific new features of the Bus Éireann Leap card tickets. In providing cheaper tickets, better value and additional outlets to purchase your tickets, the introduction and expansion of Bus Éireann's Leap card tickets will provide a better service and one that's easier to use.

Bus Éireann Cork City Services

