



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

April 2011

At the beginning of 2011, the National Transport Authority agreed to increase Dublin Bus fares broadly by 3%. This increase was substantially below that sought by the operator and the Authority stated that, depending on economic circumstances, it may be necessary to re-examine the issue later in the year.

"It is clear that general economic conditions in 2011 and 2012 will be challenging. With an extended national budgetary plan of fiscal austerity up to 2014, consumption is expected to continue to contract over the coming years. This will place considerable pressure on Dublin Bus' passenger numbers. The analysis below assumes constant passenger numbers in 2011 compared to 2010. If significant passenger declines are experienced in 2011, it is acknowledged that the approved fare levels may require revision or some service reductions may be required."

Details underlying the Authority's decision of February 7th 2011 including consideration of efficiencies achieved by Dublin Bus can be accessed at

http://www.nationaltransport.ie/downloads/NTA_Consideration_of_Dublin_Bus_Fare_Increase.pdf

The assumption above, in relation to constant passenger numbers, has not been realised. Overall passenger numbers on Dublin Bus have fallen by approximately 5% in the first quarter of 2011. As such it is necessary to revisit prepaid fares rather than risk reducing services. The proposal from Dublin Bus to increase fares is estimated to yield in the order of €0.75m in a calendar year.

The Authority recognises that requiring the company to absorb the additional costs caused by reduced subvention and increased fuel costs in addition to falling passenger numbers could have a significant detrimental impact on services.

Since the increase in cash fares, sanctioned at the beginning of the year, the differential between cash and prepaid fares has increased. Given the challenging environment faced by Dublin Bus, this is no longer sustainable. The Authority has agreed to sanction an average increase in prepaid adult fares of 3.3% (see Table 1, below). Child and

schoolchild prepaid tickets will not be increased. This leaves an average increase across all ticket types of 2.5% and is in broadly line with the increase in cash fares agreed at the beginning of the year.

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 €3.66 per day. This is available for non consecutive days over two years. For students, this cost is discounted by a further 25%, to €2.73 per day. Ten Journey Travel 90 Adult tickets will cost €19 or €1.90 per 90 minute journey.

Table 1: Approved prepaid price increase 2011

	Current price	New price	€ Increase	% Increase
1-Day Adult Rambler	€6.00	€6.20	€0.20	3.3%
3-Day Adult Rambler	€13.30	€13.50	€0.20	1.5%
5 Day Adult Rambler	€21.00	€22.00	€1.00	4.8%
Rambler 30 Day Adult	€105.00	€110.00	€5.00	4.8%
Rambler 5 Day Student	€15.70	€16.50	€0.80	5.1%
Rambler 30 Day Student	€78.00	€82.00	€4.00	5.1%
Travel 90 - Adult - 10 Journey	€18.50	€19.00	€0.50	2.7%
Adult Travelwide Monthly	€98.00	€100.00	€2.00	2.0%
Bus Only Travelwide Annual	€980.00	€1,000.00	€20.00	2.0%
Student 30 Day Bus/Luas	€86.00	€88.00	€2.00	2.3%
Adult Monthly Bus/Luas	€113.00	€118.00	€5.00	4.4%
Annual Bus/Luas	€1,130.00	€1,180.00	€50.00	4.4%
Average adult increase				3.3%
Child/school child				
Child 5 Day Rambler (u16yrs)	€7.00	€7.00	€0.00	0.0%
10 Journey Travel 90 Schoolchild Ticket (u16yrs)	€6.50	€6.50	€0.00	0.0%
10 Journey Travel 90 Scholar Ticket (16-18yrs)	€10.00	€10.00	€0.00	0.0%
Child 1 Day Bus and Luas (u16yrs)	€3.10	€3.10	€0.00	0.0%
Child 7 Day Bus and Luas (u16yrs)	€8.00	€8.00	€0.00	0.0%
Average increase (all tickets)				2.5%