

Joint Oireachtas Committee on Transport and Communications

23rd July 2013

The Rural Transport Programme

Introduction

Chairman, Committee members, I'd like to thank you for the invitation to address you here today, and to discuss the planned restructuring of the Rural Transport Programme. My name is Gerry Murphy, I am the Chief Executive Officer of the National Transport Authority, and I am joined by Anne Graham, who is the Authority's Director of Public Transport Services and who chairs the National Committee for integrating local and rural transport.

We circulated committee members with a copy of our recent report – *"Strengthening the Connections in Rural Ireland"*, along with its accompanying Questions and Answers material, and my statement this morning will therefore focus on the key issues raised in order to allow more time for your questions.

Origin of the Programme

Briefly, the Rural Transport Programme was launched in 2007, building on the outcomes of the pilot Rural Transport Initiative of 2002. The Initiative had been established to address unmet transport needs from a social inclusion and community-based perspective.

The Rural Transport Programme has a specific focus on responding to rural isolation and enhancing the mobility, accessibility and community participation of local people, particularly those at risk of social exclusion. While services are open to the general public, older people and people with disabilities have to date formed the core customer base of the Programme.

The Programme operates through 35 RTP Groups covering the country, managed in the main by voluntary committees, with subsidy funding to individual RTP Groups provided by now by the

National Transport Authority. Individual Groups are responsible for identifying the specific services to be provided locally.

The level of services provided under the Programme increased rapidly over the years, rising from **40,000 services in 2003**, to **217,686 services in 2012**. The number of passenger journeys recorded on those services also increased from 151,000 in 2003, to 1.73 million in 2012. Funding for the pilot Rural Transport Initiative and its successor, the Rural Transport Programme, increased from €3 million in 2003, to €11 million in 2010, however, in common with many other government-supported services and initiatives throughout Ireland, funding levels fell back in recent years as a result of the on-going pressure on the public finances.

Value for Money Review

The Government commissioned a Value for Money review of the Programme in line with a commitment given at its launch in 2007, and in line with the Government-wide evaluation of public expenditure. This review looked at the period from the pilot Programme's inception in 2002, up to 2009, with specific focus on the period after 2007, when the Programme was mainstreamed. The Report was published early 2012, following submission to Government, and raised concerns about the overall value for money delivered by the programme, the cost of the organisational structures (in 2009, 22% of total Group expenditure went on administration), inconsistency in fare levels and cost per service across the country, absence of data to measure the benefits or positive impacts of the scheme and a range of other issues.

Plans for the future

In January 2012, the Government decided to give the National Transport Authority responsibility for the national integration of local and rural transport – including the Rural Transport Programme. This decision took effect from 1st April 2012, and we have been working on the details of the plans since that time, in order to improve integration and also to address the findings of the Value for Money review.

Our plans for restructuring the Rural Transport Programme were launched on July 9th 2013, by the Minister for Public and Commuter Transport, Alan Kelly TD. As a result of this restructuring Rural Transport Services will be better protected through lower administration costs and will be more

closely woven into local authority transport planning and the Authority's mainstream national transport provision. There will be no reduction in transport services offered locally as a consequence of this re-structuring; in fact, users will benefit from better integration with other state-funded and licenced transport services, also under the remit of the National Transport Authority.

What's in the new plan?

New administrative structures

A new national administrative structure for the rural transport service will be established, consisting of 18 "Transport Co-ordination Units" who will work with the National Transport Authority and the local authorities to provide a co-ordinated and informed response to the local transports needs in the ground. The Units will be grant-aided by the Authority.

These new Units will retain much of the experience and local links and knowledge of the current service providers; only existing Rural Transport Programme Groups can apply to form the new Units, and Voluntary Boards will be part of the new structures. The administrative savings achieved by this restructuring will protect the on-going provision of transport services to the end-user.

Clearly, some administrative amalgamations and mergers will have to take place to deliver 18 new Transport Co-ordination Units from the current pool of 35 Rural Transport Programme Groups. The Authority is engaging in a consultation process with the sector at the moment, and is actively encouraging existing Groups to talk to each other, to form plans together and to come to us with their proposals for amalgamated or multi-county Units for the future.

In September we will formally seek submissions for the new Units and by Christmas we hope to have confirmed the details of those Units.

Relationships with local authorities

The National Transport Authority works in partnership with regional and local authorities right across Ireland to ensure that national policy is reflected in regional and local transport plans and that these national policies and regional plans reflect local requirements and demands.

Local authorities will, in the future, prepare local transport plans for their areas and their plans will identify areas that need to be better served by public transport. These plans will thereby inform the Authority of the gaps and needs throughout the counties. The Units, through their detailed knowledge of local and rural transport needs, will be particularly well positioned to detail out the individual routes and stopping points.

Where feasible, we are also interested in assistance from the local authorities in housing the Transport Co-ordination Units in any available office space they may have.

Bus Services

The bus services will be provided by bus operators contracted by the National Transport Authority. All the scheduled and demand-responsive services that are currently provided under the programme will be incorporated into various Public Transport Services Contracts, as set out in national legislation, with the Authority.

The contracts will take two forms:

1) Contract by Direct Award

A number of Rural Transport Groups provide the majority of their services by using their own fleets, with many vehicles being wheelchair accessible. We propose to directly award contracts to those Groups in accordance with EU Regulations.

2) Contract following Public Procurement

The remainder of the services will be procured in an open tender procedure by the Authority, with a focus on improving accessibility levels.

In relation to the services being delivered throughout rural areas, the Units will:

- take bookings and handle dispatch for the services
- check the performance of operators on behalf of the Authority
- report on monies collected by the contracted operators
- identify potential route changes to the Authority for contract variations in order to facilitate particular customers/groups;

Other Transport Services in Rural Areas

There are two other areas of transport provision with which the Units will be involved.

Community car schemes are where volunteers offer to use their car or a car provided by an organisation to drive individuals in cases where the person has no means of transport.

The Units will have a strong role in this initiative. Units can confirm the needs for such services, identify the pool of volunteer drivers and generally advise the National Transport Authority which will be exercising the exemption from taxi/hackney regulations.

The Authority proposes to introduce a “Local Area Hackney Licence” for certain rural locations. The objective of the Local Area Hackney Licence is to facilitate a low cost entry to the hackney market for transport provision in rural areas that, otherwise, would be unlikely to have such services. A typical example would be an isolated village or town where people may have no options at night-time to return home from community or social activities. The Units will play an important role in giving specialist local advice to the Authority on the suitability of areas for such a licence.

That, Chairman, is a brief summary of the Rural Transport Programme, its history and its future plans. There is much to be done in serving rural areas better and a key step is to get the right framework in place to enable integration and to ensure cost-effective delivery. I would like to conclude by thanking everyone involved in the Rural Transport Groups over the years. Their hard work, local expertise and enthusiasm has taken the scheme from a standing start ten years ago to the national network of services which exists today.

Between Anne Graham and myself, we would be delighted to answer any questions that members might have.

Gerry Murphy
Chief Executive

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