

Introductory Statement from Gerry Murphy, Chief Executive, National Transport Authority

Thank you for the invitation to attend. I understand that there are three particular areas of our activity that the Committee wishes to focus upon. These are the **competitive tendering** of certain subsidised bus services, **rural transport** and the new **local area hackney licence**.

I will deal very briefly with each in turn. To assist me in dealing with your subsequent questions I am joined by two directors- Anne Graham who manages public transport services, and Hugh Creegan who manages transport investment and also taxi regulation.

Firstly, our plan to tender bus services....

The current contracts with Dublin Bus and Bus Éireann expire in December this year. Following a national consultation exercise last year, we recently notified the procurement journal of the European Commission of our intention to do the following:

- (i) enter into further direct award contracts with Dublin Bus and Bus Éireann in 2014 for a period of 5 years;
- (ii) amend those contracts in 2016 to reduce the services within those contracts by approximately 10%; and
- (iii) provide the removed services through separate contracts following various tender competitions.

We plan to start the pre-qualifying stages of the tender competitions in December of this year. The existing operators, Dublin Bus and Bus Éireann will be entitled to bid for their respective 10% routes, alongside other interested providers.

While this means that the existing publicly subsidised bus market will be partially opened to tendering, all the key decisions affecting the public will continue to be made by the Authority.

The Authority will apply the same level of control and centralised planning to the tendered routes as it does to the routes which are at present operated by the two CIE companies. We will pre-determine the routes, the schedules, the vehicle types and standards, the fares and the customer service requirements. A contracted operator will have no say in fares or routes or frequencies.

Customers will be able to use the Leap card, Free Travel passes will be accepted and the services will be included in our Journey Planner and Real time Apps and on the street-side Real Time displays. The branding will also be determined by the Authority as well as accessibility standards and emission standards for pollutants and noise, and compliance will be required with applicable employment law in terms of applicable pay and terms of employment.

This will ensure that the customer's public transport "experience" will be seamless across the country – there should be no discernible quality difference to bus users no matter which operator is

delivering the services. The services will have been designed and will be supervised, in the customer's best interests, by the Authority.

In the case of Dublin Bus services, the routes that will be opened to tender are the orbital routes and some local routes around the city, e.g. *routes 17 from Rialto to Blackrock, 33b Swords to Portrane, 111 Dun Laoghaire to Loughlinstown.*

For Bus Éireann services, the routes for tender will be the city services in Waterford and certain commuter routes into Dublin along the N4 and N7 corridors e.g. *routes 120 from Tullamore and 124 from Portlaoise.*

A full list of the routes to be tendered is set out in the Appendix 1 to this note. We expect to commence the prequalification process in December 2014 for the various contracts. At that time we will advertise the tenders in the Official Journal of the European Union and in a national Irish newspaper.

Regarding the local area hackney licence.....

The Taxi Regulation Review Report, published by the Government in January 2012, recommended the introduction of a local area hackney licence to address transport deficits in some rural areas. Certain areas have no public bus services nor have they taxi or hackney services. To address this need it was decided to introduce a lower cost local hackney licence to service these isolated areas.

In November 2013 the Authority created by statutory regulation a new form of hackney licence with its main features being:

- the vehicle must meet all hackney requirements other than luggage space requirements;
- this includes age rules – the vehicle must be under 10 years;
- the Fee for original licence issue is to be €50;
- a Tax clearance certificate is required;
- the licence is non-transferable;
- the licence would expire after 3 years – a new application could be made for the issue of a subsequent licence

To ensure that the issue of this licence will address a real deficit in services, a licence application must include the following:

- Written confirmation of the need for a local area hackney service from either:
 - an established body representing local businesses; or
 - a community group who has been granted charitable tax status by Revenue;
- An analysis of the need for the proposed local area hackney service, carried out by the relevant local authority; and

- A letter from the relevant local authority confirming need for this service.

Of course, the driver of such vehicle will need to have the appropriate small public sector vehicle licence (a fee of €20 relates to such an application).

We have advised the industry of the new procedure and have written to local authorities explaining their role in validation. All this only occurred last month and we have not yet received any applications.

Finally regarding the rural transport programme.....

I am sure you are aware that a value for money review of the rural transport programme was published by the Department of Transport in 2012. The review identified that the organisational structures were contributing to the high cost of administration. That is not to say that the individual groups managing or directly providing services were not pursuing efficiencies and operating well, rather, that the number of groups was too high at 35, leading to a replication of administrative charges.

The Authority devised a new organisational framework for these services in mid-2013 and decided to reduce the 35 groups to 18 Transport Co-Ordination Units, based on local authority boundaries. In Autumn 2013 we initiated an application process from within the existing groups for the new Units. The applications have been assessed and all the groups have now been advised as to who will comprise the new units. The listing is in Appendix 2 to this note.

Separate from this organisational re-structuring, we also requested the Department of Transport to bring forward amending legislation so that we could enter into services contracts directly with those rural transport groups who own their own fleet. Their fleet contains many wheelchair accessible vehicles and it was vital that we could continue to subsidise those particular service providers.

I am very pleased that the amending legislative provision was included in the Taxi Regulation Act 2013 which has now cleared the way for us to offer bus service contracts to Bantry Rural Transport, Comharchumann Chléire Teo, Clare Accessible Transport, Meath Accessible Transport Project, North Fingal Rural Transport Company, Community of Lougharrow Social project, and Carlow Kilkenny & South Tipperary Rural Transport Company (known as Ring a Link).

Alongside these major changes we have been moving ahead with other important developments.

We have identified the appropriate Transport Management IT system for planning the day to day dispatch of bus services. Sligo Leader Partnership, funded by the Department of Transport, had successfully developed and is using the suitable system. Within the last few weeks Sligo Leader has novated their contract with Cora Systems, the IT developer, to the Authority and we have commenced further development of the system for multiple organisation use. When finalised we will introduce it as standard across all the new Units.

We are piloting new rural transport services, which co-ordinate with existing school transport services in County Roscommon, Tramore in County Waterford and the Copper Coast service also in

County Waterford. These started in December 2013 and avail of the empty return leg of school services.

In 2014 we will start the retendering of all rural transport services provided by private bus operators. Currently there is in the region of 290 contracts in place which now need to be refreshed – gradually over the coming 18 months these will be tendered by the Authority.

In summary, the overall re-structuring has been necessary in order to protect the level of services in rural areas. As with all state funded transport services, savings have been required. Our ambition has been to reduce administration but protect services. There are challenges remaining but a strong efficient foundation will be created this year that will enable expansion in services in the future on foot of economic growth.

That concludes my introductory presentation. I trust that we can answer any queries that arise.

Appendix 1

Bus services outside Dublin City that will be competitively tendered

Waterford City and Tramore	601	Ballybeg - The Quay
	602	St Johns Pk - Patrick St
	603	WIT - The Quay
	604	Carrickphierish Rd - The Quay
	605	Oakwood - The Quay - Waterford Regional Hospital
	360/360A	Waterford - WIT - Tramore
Dublin Commuter	120	Dublin- Celbridge – Clane - Edenderry- Tullamore
	123	Dublin – Celbridge – Clane – Naas - Newbridge
	124	Dublin – Naas – Newbridge - Portlaoise
	126	Dublin – Kill – Naas – Newbridge - Kildare
	130	Dublin – Naas – Kilcullen - Athy

Bus services in Dublin that will be competitively tendered

Route	Description
	Orbital Routes
17	Rialto - Blackrock
17a	Blanchardstown Centre - Kilbarrack
18	Palmerstown (Old Lucan Rd.) - Sandymount
75	The Square Tallaght - Dun Laoghaire
76	Chapelizod - Tallaght (The Square)
76a	Blanchardstown Centre - Tallaght
102	Sutton Station - Dublin Airport
104	Clontarf Rd (Conquer Hill) - Santry (Shanard Road)
	Local Routes
33a	Dublin Airport - Skerries
33b	Swords - Portrane
45a	Dún Laoghaire (DART Station) - Ballywaltrim
59	Dún Laoghaire - Mackintosh Park
63	Dun Laoghaire - Kilternan
111	Loughlinstown Park - Dún Laoghaire
114	Ticknock - Blackrock Station
161	Dundrum Luas Station - Rockbrook/Tibradden
184	Bray Rail Station - Newtownmountkennedy
185	Bray Rail Station - Shop River
220	Ballymun (Shangan Rd.) - Lady's Well Rd.
236	Blanchardstown Centre - Ballycoolin
238	Lady's Well Rd. - Tyrrelstown
239	Blanchardstown Centre - Liffey Valley Shopping Centre
270	Blanchardstown Centre - Dunboyne

Appendix 2

List of groups who will form the new transport Co-ordination Units

New Transport Co-Ordination Unit	
Clare	Clare Accessible Transport Ltd
Cork	Bantry Rural Transport Partnership Ltd.
Cavan /Monaghan	Kilnaleck and District Community Co-op Society Ltd.
Donegal	Seirbhís Iompair Tuaithe Teoranta
Galway	Bealach - Páirtnéireacht Iompair Áitiúil Chonamara Teoranta, Galway Rural Development Company Ltd. and South East Galway Integrated Rural Development Ltd. Joint submission.
Carlow/Kilkenny	Carlow, Kilkenny and South Tipperary Rural Transport Company Ltd.
Kildare/ South Dublin	South Kildare Community Transport Ltd. and Offaly and Kildare Community Transport Ltd. Joint submission
Kerry	Kerry Community Transport Ltd
Limerick	County Limerick and North Cork Transport Group Ltd.
Laois/Offaly	Laois Transport for Rural Integration Programme Ltd.
Longford/ Westmeath	Westmeath Rural Community Transport Association Ltd.
Meath/Louth/ Fingal	Meath Accessible Transport Project Ltd.
Mayo	Mayo North East Leader Partnership Company Teoranta
Sligo/Leitrim/ Roscommon	County Sligo Leader Partnership Company Ltd.,Rural Lift Ltd. and Ardcarne Kilmore Roscommon Rural Transport Ltd. Joint submission
Tipperary	North Tipperary Leader Partnership
Waterford	Déise Link Ltd
Wexford	South West Wexford Community Development Group and Wexford Local Development. Joint submission
Wicklow/ Dun Laoghaire Rathdown	Wicklow Rural Partnership Ltd.