Competitive Tendering Process for Contracted Bus Services – Pre-Qualification Questionnaires issued

January 23, 2015

The National Transport Authority has commenced the competitive tendering process for approximately 10% of the market for contracted scheduled bus services in Ireland. These services are currently operated by Dublin Bus and Bus Éireann under direct award contracts with the Authority.

In 2012 and 2013, the Authority engaged in consultations with the bus industry, stakeholders and the general public in relation to the contracts for scheduled bus services awarded by the Authority operated by Dublin Bus and Bus Éireann and the potential competitive tendering of some or all of these services.

In December 2013, the Authority re-awarded PSO contracts to Dublin Bus and Bus Éireann covering the period up to December 2019, and decided that 10% of the services in each contract would be put out to competitive tender, to commence operations in 2016.

Information Memoranda and Tender Prequalification Questionnaires are published and available to interested parties on the government’s e-tenders website and in the Official Journal of the European Union.

All tender prequalification submissions received will be evaluated by the Authority and shortlists of candidates who meet the qualifying criteria to tender for the bus contracts will then be drawn up.

Later this year, invitations to tender will be issued to the candidates shortlisted in this prequalification process.

The Authority intends to invite tenders for three separate contracts:

(1) Dublin metropolitan area– local and orbital bus routes currently operated by Dublin Bus
(2) Kildare –Dublin commuter corridor - routes currently operated by Bus Éireann
(3) Waterford city - routes currently operated by Bus Éireann

The contracts will specify the hours of operation and level of service to be provided on each route and contractual requirements in each case will be set to meet or exceed the current requirements for the services.
Fares for the tendered services will continue to be regulated by the Authority, and will be set in a manner consistent with other regulated fares. The Leap Card will be accepted on board for services operating in areas currently covered by the Leap Card ticket.

Dublin Bus will be permitted to tender for the Dublin metropolitan area contract. Bus Éireann will be permitted to tender for the Kildare-Dublin and Waterford city contracts.

It is anticipated that operation of bus services by the successful tenderers will commence in late 2016 or early 2017.

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Background
In December 2013, the National Transport Authority decided, in accordance with Section 52(6)(c) of the Dublin Transport Authority Act (as amended), to put 10% of the Public Service Obligation (PSO) bus market in Ireland out to competitive tender, to commence operations in 2016. The three operational areas in which PSO services are to be tendered are as follows:

1. Dublin metropolitan area local and orbital routes - services currently operated by Dublin Bus
2. Kildare commuter corridor - services currently operated by Bus Éireann
3. Waterford city routes - services currently operated by Bus Éireann

The decision to tender was made following an extensive public and stakeholder consultation process, and a review of international experience, which showed that operating cost savings could potentially be achieved through the competitive tendering of contracts to operate bus services.

In recent months, the Authority has engaged with the Labour Relations Commission in a series of meetings between the incumbent operators and transport unions in relation to the bus market opening.