



Department of Transport

Statement of Strategy 2021-2023

Submission from the Coach Tourism and Transport Council of Ireland

October 2020



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1. Introduction

The call for a submission

This paper is in response to a request from Mr. Ken Spratt, Acting Secretary General at the Department of Transport, to make a submission to the Department's three-year Statement of Strategy for the period 2021 to 2023.

The Statement will establish the Department's guiding mission for those years, define its priorities and set out a path to achieving those priorities, and in particular help inform the Department in relation to:

- how they should frame their medium and long term high level goals and objectives to best align with the outcomes the CTTC are aiming to achieve over the period 2021 to 2023 and beyond; and
- any matters of a cross-cutting nature which the CTTC feels should be prioritized by the Department, to ensure that it brings a whole of sector perspective to the complex challenges facing both the Department and the CTTC.

Our response

We welcome this opportunity to contribute

As the representative body for Ireland's coach touring companies and Ireland's private bus operators the Coach Tourism and Transport Council of Ireland (CTTC) welcomes this opportunity and is delighted to make this submission. The CTTC's members are experts in all types of coach hire and transport solutions, including tours, conferencing, school transport, and the provision of scheduled commuter services throughout the country.

In normal times the private sector plays a vital role in Ireland's transport, tourism and environmental management system. The industry employs 11,500 full time staff, many seasonal staff, and has a yearly turnover of over €600 million. The sector operates 90% of school transport services, the vast majority of Irish commercial bus services and performs almost 100% of coach tourism provision. In normal times we keep Ireland on the move. A brief synopsis of the segments within our sector is provided below.

The role of private operators in the provision of coach tourism

Over 2 million people choose coach tourism every year in Ireland. Their numbers include overseas coach tourists, day trippers, cruise ship passengers, people attending conferences and domestic tourists. These coach tourists generate over €400 million of revenues into the Irish economy.

Coach tourism benefits every region of Ireland. Tours penetrate all four corners of the island, so the impact on employment and regional economics is significant. Thousands of people in SMEs throughout the country depend on these coach tourists for their livelihood. Coach operators invest over €80m per annum in new coaches, making the Irish fleet one of the most modern in Europe.

The role of private operators in the provision of scheduled services

Private operators play an essential role in the provision of scheduled bus services in the country. These operators, along with Bus Éireann commercial services, carry over 27 million passengers each

year. These services range from interurban services, to rural services, to high frequency city and town services. We operate a modern fleet, providing safe, efficient and affordable services, which were commercially viable prior to the imposition of the current COVID-19 restrictions.

Our services can range from daily, high frequency services, to student services operating to college on Sunday and from college on Friday. We operate on over 600 routes. As a comparison, the combined number of routes operated by both Bus Éireann and Dublin Bus is less than 400.

Our passengers view us as a valued part of their daily lives. Results of a recent survey by CTTC showed a customer satisfaction rating of 93% on services provided by private operators.

The role of private operators in the provision of school transport

Private operators carry 90% of children going to school on the School Transport Scheme. In 2018 over 41 million school journeys were made, of which the vast majority were carried by private operators. Almost 120,000 children were carried to their place of education on 7,000 different routes, to 3,000 different schools. Almost 13,400 of these were children with special needs. In addition, there are many thousands of children going to school by private bus, outside of the School Transport Scheme.

During the current pandemic, private operators have shown their resourcefulness by increasing capacity to meet social distancing requirements.

Our impact on the environment, on passengers and on rural Ireland

We are an environmentally-friendly mode of travel. All of our new vehicles comply with current rules on harmful emissions.

Our growth over the past decades, particularly the growth in private scheduled services, has had a significant and quantifiable benefit for Irish passengers. These benefits include lower fares on contested routes, greater frequencies and significant innovation in transport provision across Ireland, e.g. the Dublin Airport bus hub. Our fares are amongst the lowest in Europe.

In 2016, 37% of Ireland's population lived in settlements of fewer than 1,500 people or in individual rural houses. The provision of public transport in rural areas plays a critical role in addressing "quality of life" concerns, in particular for disadvantaged members of society. Private operators play a key role in combatting social exclusion, providing services such as bingo runs, transport to local sports events and running services which are not provided by the state operators. They have become embedded in the fabric of rural life. Private operators are also vital for the operation of local link services and provide a substantial proportion of the available capacity on these services.

Shaping the Department's next Statement of Strategy

The Department will formulate its next Statement of Strategy after undergoing a process which will include the following steps:

- An examination of previous Statements of Strategy of the Department.
- An investigation into what has been agreed in the Programme for Government.
- Consideration into the issues suggested during the consultation process.

Each of these three steps is discussed in turn in this document.

Operators expect and hope to play a growing role in the provision of bus services in the country in the future. To enable us to do this we have provided a range of issues for consideration as part of the consultation process. Even before COVID-19 some of these issues were already challenges for us. We will restate these later in this submission as we believe that they should form part of the Department's Statement of Strategy of the next few years.

2. An examination of previous Statements of Strategy

Introduction

As part of the preparation for this paper, the CTTC has examined several previous Statements of Strategy from the Department for each of the years 2003-2005, 2005-2007, 2008-2010, 2011-2014, 2015-17 and 2016- 2019.

The documents can be used to trace the gradual increase in importance of public transport over private transport, the sentiment towards increasing accessibility and the desire for more environmentally-friendly transport provision.

There are some recurring themes within the documents, which can be expected to be retained in some form in the forthcoming strategy. In particular, the following high-level goals appear to have continued relevance:

Investment

The Department seeks to improve accessibility, expand capacity, increase utilisation and enhance quality of the transport system by delivering a prioritised transport investment programme.

Safety

The aim is to ensure that transport infrastructure and services are provided, managed and used in a manner that protects people from death and injury.

Competition, Regulations and Reform

The goal of the Department is to enhance the efficiency and effectiveness of the delivery of transport services through competition, economic regulation and structural reform of State Agencies.

Integration

The Department aims to ensure an integrated approach to the development and delivery of transport policy by providing a coherent policy framework covering all modes of transport and by the integration of transport policies with other Government policies particularly balanced regional development, social inclusion and sustainable development.

Objectives of the Strategy

The documents also outline the objectives for Public Transport. These remain consistent across the years, and can be summarized as follows:

- the provision of a well-functioning, integrated public transport system which enhances competitiveness, sustains economic progress and contributes to social cohesion;
- the provision of a defined standard of public transport, at reasonable cost to the customer and the taxpayer;
- the timely and cost effective delivery of the accelerated investment in infrastructure and facilities necessary to ensure improved public transport provision.

Delivery

The Department seeks to ensure that it is organised, resourced and developed to deliver quality services to both external and internal customers. To deliver these objectives certain strategies are necessary and ones which need to be continued to be progressed, and included in the forthcoming Statement of Strategy, include the following:

- Provide adequate support for bus priority, traffic management and demand management measures.
- Provide adequate support for and ensure value for money, transparency and service improvements in respect of State public service obligation payments for public transport services.
- Support measures to promote better integration of public transport, including physical interchanges, park and ride, integrated ticketing, and integrated information provision.
- Develop proposals for reform of the legislative framework governing the licensing of bus routes in order to provide a level playing field for all market participants, including an examination in that context of the need for a National Transport Regulator.

The Outcomes from the Key Goals

The key goals seek both to address the challenges that exist today (including COVID-19 and BREXIT) and to plan for and enable future development of the land transport networks and services, with an emphasis on safety, enhancing service, facilitating and promoting more sustainable forms of transport including cycling and walking, achieving value-for-money, and promoting sound governance.

Achieving these goals will have these positive outcomes:

- A more efficient, reliable and safer transport sector.
- An accessible, integrated public transport system operating across urban, regional and rural areas.
- Greater uptake of sustainable modes of travel: walking, cycling and public transport.

The CTTC is in agreement with these high level goals and with the potential outcomes emanating from these goals. We would hope and expect that these goals are retained and built upon within the forthcoming Statement of Strategy.

3. The contents of the agreed Programme for Government

Introduction

The current Programme for Government is the plan agreed by Fianna Fail, Fine Gael and The Green Party when they entered a coalition government in the summer of 2020. As such it sets out the strategy and policy which the government would like to see adopted across all Government Departments. Consequently, it is of significant importance to the future Statement of Strategy of the Department. The plan has a range of themes in relation to public transport.

- a) Improving public transport infrastructure.
- b) An increasing awareness of the need for regional connectivity.
- c) Using technology.
- d) Better communication within the transport sector.

Each of these themes consists of a variety of different measures and each is discussed below.

a) Improving public transport infrastructure

The Programme identifies issues where investment will be needed to address infrastructure deficits. These include:

- Tasking the NTA to produce a park and ride implementation plan for each of the five cities to help reduce congestion and journey times. These plans should integrate car parking facilities with public transport and cycling networks and will include the provision of secure lockers for bicycles.
- Giving greater priority to bus services by expanding Quality Bus Corridors and considering the introduction of Bus Rapid Transit Services.
- Addressing pinch points for buses and expanding priority signalling for buses and Real Time Passenger Information.

b) An increasing awareness of the need for regional connectivity

The Programme clearly promotes the improvement of public transport provision in our towns, villages and rural communities throughout the country. It highlights a number of priorities, including to:

- Protect and expand regional bus connectivity and connectivity between towns and villages in rural Ireland.
- Prioritise public transport projects that enhance regional and rural connectivity, in line with the National Planning Framework, for additional funding in the lifetime of a reviewed and extended National Development Plan.
- Develop and implement a sustainable rural mobility plan. This will introduce a public transport service standard under which all settlements over a certain size in terms of population, combined with employment or education places, will have a service connecting them to the national public transport system. Local Link will play a key role in this development. This service standard will be informed by the Connected Ireland research being carried out by the NTA.
- Within 12 months conduct a review of the operation and funding of the Local Link service with a view to protecting their existing services and exploring the opportunity to significantly increase their impact on the communities they serve.

c) Using technology

The Programme targets certain areas where, with proper and effective use of technology, improvements could be made to the overall transport network. These include:

- Establishing a Working Group to utilise the modelling capacity of the NTA and commuter and travel data held by the CIE Group of Companies, the Central Statistics Office, NTA and other stakeholders to identify existing and potential demand for public transport and work to match demand with available services and new services where appropriate.
- Ensuring the country has a national integrated public transport system with an integrated timetable, one tag-on ticketing system and coordination between bus and rail timetables of all operators.

d) Better communication within the transport sector

The transport sector is home to many different actors each of whom has diverse interests, skills and challenges. The Programme for Government recognises this, and suggests a variety of ways of ensuring that there is better communication within the sector. These include:

- Establishing a National Public Transport Forum involving all stakeholders.
- Commencing Section 17 of the Dublin Transport Authority Act to establish the Dublin Transport Advisory Council.
- Exploring potential synergies between different forms of transport and transport-related services funded by the State via different departments and agencies.
- Accelerating sustainable transport plans for schools. The School Transport Scheme should work in liaison with the Safe Routes to Schools Programme.

Our view on the Programme

The CTTC welcomes the various themes and commitments contained in the Programme, and the pledges therein to improve public transport infrastructure and provision across the country. We will be vocal supporters of this Programme and will seek to advance its positive aspects in relation to the environment, the economy and health.

We believe that the core focus of this strategy is to implement a mode shift from car-based travel to a more user-friendly passenger transport system which offers an affordable and attractive alternative to car users. For the strategy to work ***all of us must advocate*** for sufficient funding to maintain our existing services and for additional resources to fund the measures contained within the agreed Statement of Strategy.

4. Contribution from the CTTC to the consultation process

Introduction

A key part of the formulation of the new Statement of Strategy will be the consultation process with organisations within the sector. As the main representative body of the private bus and coach sector, we believe that we have a unique insight into the needs of the sector, and the difficulties which it currently faces.

Over the last year we have carried out in-depth consultation across the sector to seek to better understand how the sector should respond to the many and varied challenges in its path. We have drawn on this previous work in the preparation of this submission.

The following items are suggested by the CTTC as being necessary to ensure that the needs of the private bus and coach sector are reflected in the Statement of Strategy. Implementation of these suggestions will allow us to continue to grow and to continue to expand the range of services and experiences which we are currently offering to the Irish travelling public.

Providing the necessary infrastructure to allow us to grow

The Department needs to ensure that there is sufficient parking provision for coaches in our cities and towns, both during the day and for overnight use. The situation with the Dublin Coach Park is well-known, but there are other locations too where action is needed to ensure that there is proper, safe and sufficient parking available for touring coaches.

Functioning bus stops and stands need to be expanded for service operators at strategic locations in towns and cities. In addition, private operators should be allowed to use publicly owned (and publicly funded) bus stations.

There needs to be an examination, including an engineering survey, of existing Motorways into Dublin and other cities to see whether space could be made available for the provision of a bus-only lane into the cities. The newer Irish Motorways were built to a High Quality Dual Carriageway Standard, where the hard shoulder is 2.5m in width, narrower than the older Motorways. Some older motorways may have been built to the more common Motorway standard design, where hard shoulders are 3.3m in width. Diamond lanes should be considered where the use of hard shoulders is not feasible.

The Department needs to advocate for strategic Park and Ride facilities in key commuter belt locations to provide affordable parking facilities to incentivise private motorists to use public transport. The introduction of these facilities would also reduce traffic congestion on the arterial routes into and out of major town and cities.

The Department needs to ensure that there is a sufficient network of coach servicing facilities around the country and it is suggested that every Motorway service areas be retrofitted with these facilities, if none currently exist at the service area.

Working for a cleaner environment

CTTC members are fully supportive of providing a cleaner environment by reducing vehicle emissions. The road passenger industry has made significant progress in this area in recent years at considerable cost to operators. We recommend that grant aid be made available to assist the

industry in the retrofitting of vehicles to meet the required standards. Alternatively, consideration should be given to the introduction of a scrappage scheme for vehicles which are not Euro VI compliant.

Improving accessibility for all our citizens

The CTTC is fully supportive of the desire to improve accessibility on services. We provided a detailed submission on the recent accessibility proposals by the NTA, which sought to ensure that persons with disabilities have access to transport on an equal basis.

Whilst being committed to improving our offering in relation to accessibility, we do have some significant concerns in relation to the proposals, which we highlighted in our submission. We stated that the proposals represent an excessive over-provision, that we believe the business cases are flawed and that the forecasts of additional revenues are overstated by the NTA. We are also of the view that any move to accessible intercity vehicles must ensure that the luggage capacity is similar to that existing on current vehicles.

As a result, we suggest that an incremental approach is adopted in relation to any proposed changes to accessibility standards. This would enable any costs incurred by operators to be budgeted for during fleet replacement schedules. This would also allow manufacturers a sufficient timeframe to meet market demands and expectations. It would also allow for the inclusion of innovations in environmental emissions control.

In the absence of an incremental approach the CTTC recommends that State funding be provided to operators to cover the incremental cost of purchasing accessible vehicles, as without any form of State subsidisation, additional costs associated with fully accessible implementation would have to be passed on to the consumer/passenger. This would also create a level playing field between the State sponsored providers and private operators, thus incentivising increased participation and competition in the delivery of public transport.

Ensuring value for money for the taxpayer

The CTTC recommends that the Statement of Strategy should incorporate a radical review of the current PSO subvention to ensure that it is value for money to the taxpayer and that the services provided best meet the needs of the traveling public.

We also believe that the management of the school transport scheme, currently undertaken by Bus Éireann on behalf of the Department of Education, should be reviewed in its entirety. This may involve the expansion of the scheme to students not currently served, in the process reducing the reliance on private cars.

Joined-up Thinking

The CTTC is of the view that the Statement of Strategy must ensure more effective co-operation and co-ordination between the NTA, Government Departments, Local Authority and Planners to ensure alignment between land use, spatial planning and transport infrastructure. For instance, all new hotel approvals should be conditional on the provision of adequate coach drop-off and parking facilities.

No individual player within our sector has all the answers to the challenges we face. It is only by working together that we can overcome obstacles in our path. That is why the CTTC welcomes the

proposal within the Programme for Government for a new Public Transport Task Force. We recommend that this has an independent chair and its own budget and be made up of all key organisations involved in public transport. The Task Force should advise on how to re-start the industry with social distancing measures and advise on post-COVID-19 transport changes, particularly in relation to infrastructure provision, active transport and the climate crisis.

Removing unfair advantages and ensuring a level-playing field for all transport operators

There are a range of issues where private coach operators are at a disadvantage to other modes and to operators outside of Ireland. As a result, we have come up with specific action points which we have recently highlighted to Government. These points include:

- A reclassification of VAT Status to harmonise the island's VAT system, to include for extension of VAT recovery on wheelchair accessible and other vehicles with low emissions.
- The reinstatement of the Fuel Rebate to its previous levels.
- An increase in the Business Continuity Fund for Coach Tourism.
- An extension from 6 months to one year of the forbearance/moratorium by financial institutions.
- Improvements to the wear and tear allowance and capital allowance and special treatment for new garage facilities.
- Changes to the retirement age for operators to take account of the current pandemic, thus allowing operators to revitalise their business before retirement. Changes to the assessment process of social welfare claimants and changes to tax reliefs to allow for driver training.
- Fast-tracking of Insurance reform.
- The elimination or reduction in tolls for commercial passenger operators on arterial routes.
- Increased investment in marketing Ireland abroad to our main markets.
- Removal of the PSV licence obligation, as all vehicles are tested annually.
- Open tendering for all PSO routes in future, with each route being tendered separately.

Many of these points require action immediately or in the very near future. They have been communicated with the government and its agents and we are hoping for progress on them in due course. **We do not expect that these points will be included in the Statement of Strategy.** They are listed here to highlight the various actions which the CTTC is taking to ensure that our sector survives the current pandemic and can resume playing our part in Ireland's transport provision.

5. Conclusion

Introduction

This submission is made in response to the invitation from the Department of Transport to contribute to their Statement of Strategy for the years 2021-2023.

The CTTC is delighted to make this submission. Representing the key players in the private bus and coach sector in Ireland, we believe that we have a unique understanding of the needs of the sector.

We are of the view that the new Statement of Strategy should include:

- An examination of previous Statements of Strategy of the Department.
- An investigation into what has been agreed in the Programme for Government.
- Consideration of the inclusion of the issues suggested during the consultation process.

Previous Statements of Strategy

Previous Statements of Strategy all contain high-level goals in relation to investment, competition, safety, regulation, integration and delivery. Their achievement will have these positive outcomes:

- A more efficient, reliable and safer transport sector.
- An accessible, integrated public transport system operating nationwide.
- Greater uptake of sustainable modes of travel: walking, cycling and public transport.

We believe that these goals need to be re-stated as they continue to reflect the sector's aspirations.

The Programme for Government

The Programme for Government considers public transport across a number of themes, including:

- a) Improving public transport infrastructure.
- b) An increasing awareness of the need for regional connectivity.
- c) Using technology.
- d) Better communication within the transport sector.

The CTTC's view

The CTTC is in agreement with the themes within the Programme for Government and considers that they should be included in the Statement of Strategy, and will advocate for them to be introduced. In addition, we consider that the following items should be included in the Statement of Strategy:

- Providing the necessary Infrastructure to allow us to grow.
- Working for a cleaner environment.
- Improving accessibility for all our citizens.
- Ensuring value for money for the taxpayer.
- Joined-up Thinking.

We recognise the importance of this document and are grateful to have been asked to contribute to its formulation. We look forward to seeing the completed Statement of Strategy upon its adoption.