

# Working group „Contracts and Quality“

## Theme

- Organising public transport quality through tendering and contracts

## Topics

- What is the relationship between public transport authorities and transport operators?
- What is a „competent“ public transport authority ?
- What kind of experience have different countries in tendering public transport?



# Participants

## Participants:

- Marek Vesely, Brno
- Dagmar Baumrukova and Pavel Janouch, Ceske Budejovice
- Antti Vuorela and Pertti Heiskanen, Helsinki
- Thomas Fischer, Munich
- Klaus-Peter Fischer, Landkreis Oberhavel
- Titus Faustmann and Gregor Niessen, Landkreis Oberspreewald-Lausitz

## Co-ordinator:

- Jochen Schneider, Ministry of urban development, housing and transportation of the State of Brandenburg

## Experts:

- Christoph Schaaffkamp, Competence Centre Competition of the HVV (Hamburg)
- Bill Clarke, Senior consultant, UK

## Project management office:

- Kai Dahme



# Working group meetings

- **State of Brandenburg (Hennigsdorf, Sommerfeld)**
  - Presentation of the restructuring of the district of Oberhavel public transport authority and public operator
  - First experiences with tendering in the district of Oberspreewald-Lausitz
- **Helsinki**
  - Experiences with tendering of bus services in the Helsinki Metropolitan Area
  - Improvements of the Helsinki rail commuter services
- **Ceske Budejovice**
  - The restructuring of the city operator in Ceske Budejovice
  - The quality management system of the public transport operator in Brno
- **Munich**
  - Experience with tendering of suburban bus services in Munich
  - The restructuring of the city operator in the context of liberalisation of the transport market



# Theoretical context

## The approach was based on

- the QUATTRO study  
(Quality approach in tendering / contracting urban public transport operations)
- the draft of the European standard on service quality definition, targeting and measuring in public transport (prEN 13816)
- the ISOTOPE study  
(Improved Structure of the Organisation of Public transport)



# Political context

## The EU-Transportation policy leading to various

### concerns...

- about the future of public operators
- about reductions in the quality of public transport
- about wage and job cuts

### ...and expectations

- to increase efficiency
- to separate roles of responsible authorities and operators
- to define quality standards and passenger rights



# Experience of the participants (1)

## ➤ Tendering experience

- **Helsinki: a decade long experience of tendering procedures. All regional bus transport in the Metropolitan Region of Helsinki is tendered.**
- **Oberspreewald-Lausitz (Brandenburg): Experience with Europe-wide tendering of public transport services in the rural district.**
- **UK: More than 15 years of experience in tendering of public transport**

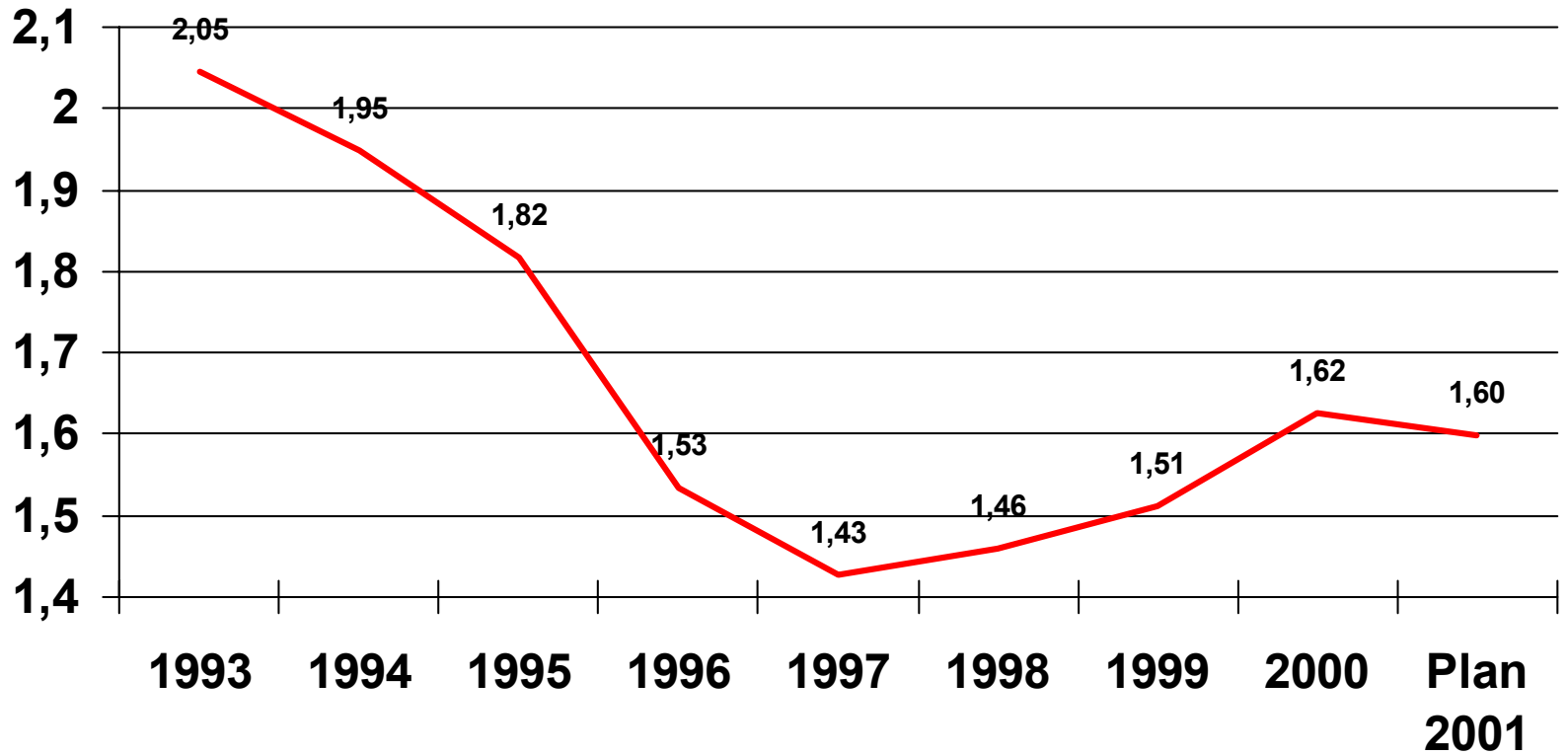


# YTV Helsinki - Tendering history

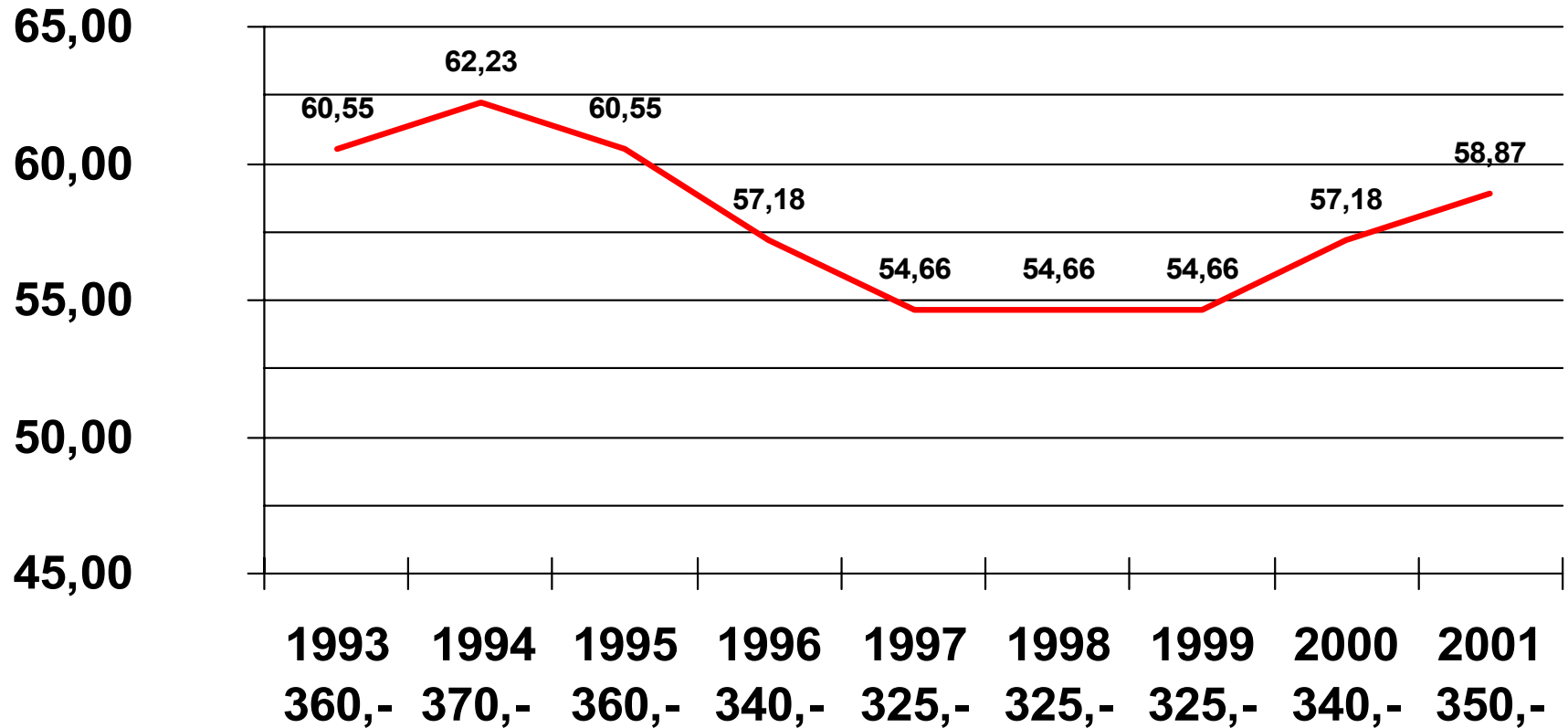
- 1991 New Passenger Transport Act
- 1993 Research on methods (YTV)
- 1994 New Act on Public Procurement
- 1994 The first competition (YTV)
- 1996 All services provided by YTV tendered
- 1997 The first tender for Helsinki internal services
- 1999 The internal services of Espoo tendered
- 1999 The internal services of Vantaa tendered



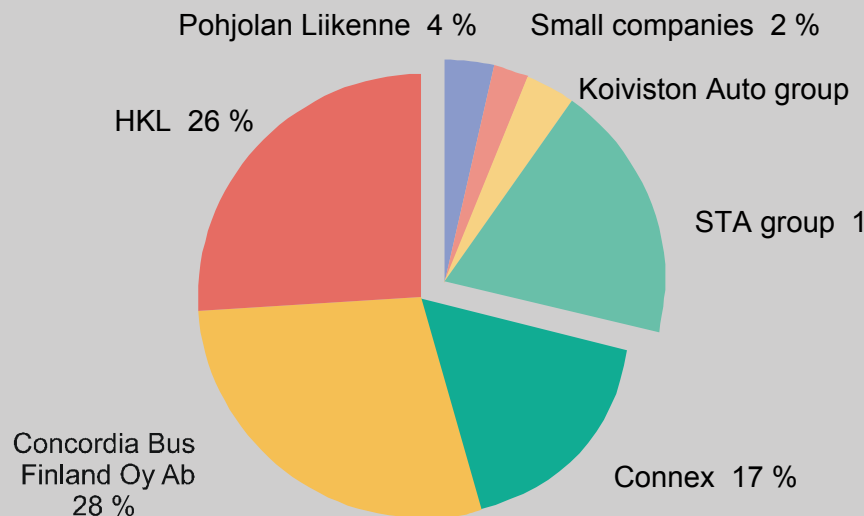
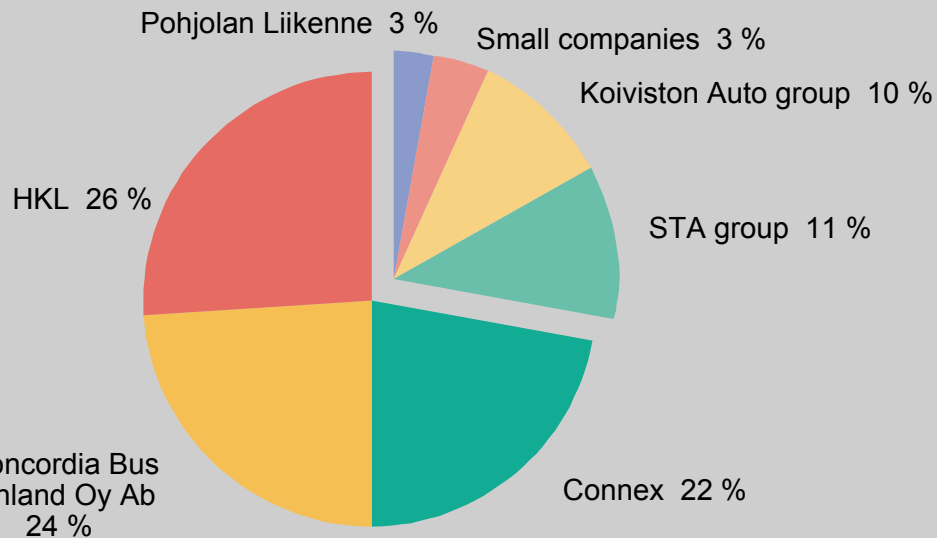
# Cost of regional bus transport (€ per 1 kilometre contracted)



# 30-day regional ticket price (€)



# Market shares for bus traffic in the Helsinki Metropolitan Area in 1994 and 2000



# Experience of the participants (2)

## ➤ Quality management experience

- **Brno: Internal quality measurement system set up by the public operator**
- **Helsinki and Oberspreewald-Lausitz**
  - Various quality requirements set up in service contracts
  - Starting to implement Bonus / Malus contract incentives to achieve quality standards
- **All participants are setting up various quality targets in local or regional transportation plans**



# questions

- Who is responsible for which aspect of quality?

	Authority	PTE	Operator	Infrastructure Operator
Availability				
Accessibility				
Information				
Time/punctuality				
Customer Care				
Comfort				
Security				
Environment				

- And who is responsible for the fares?



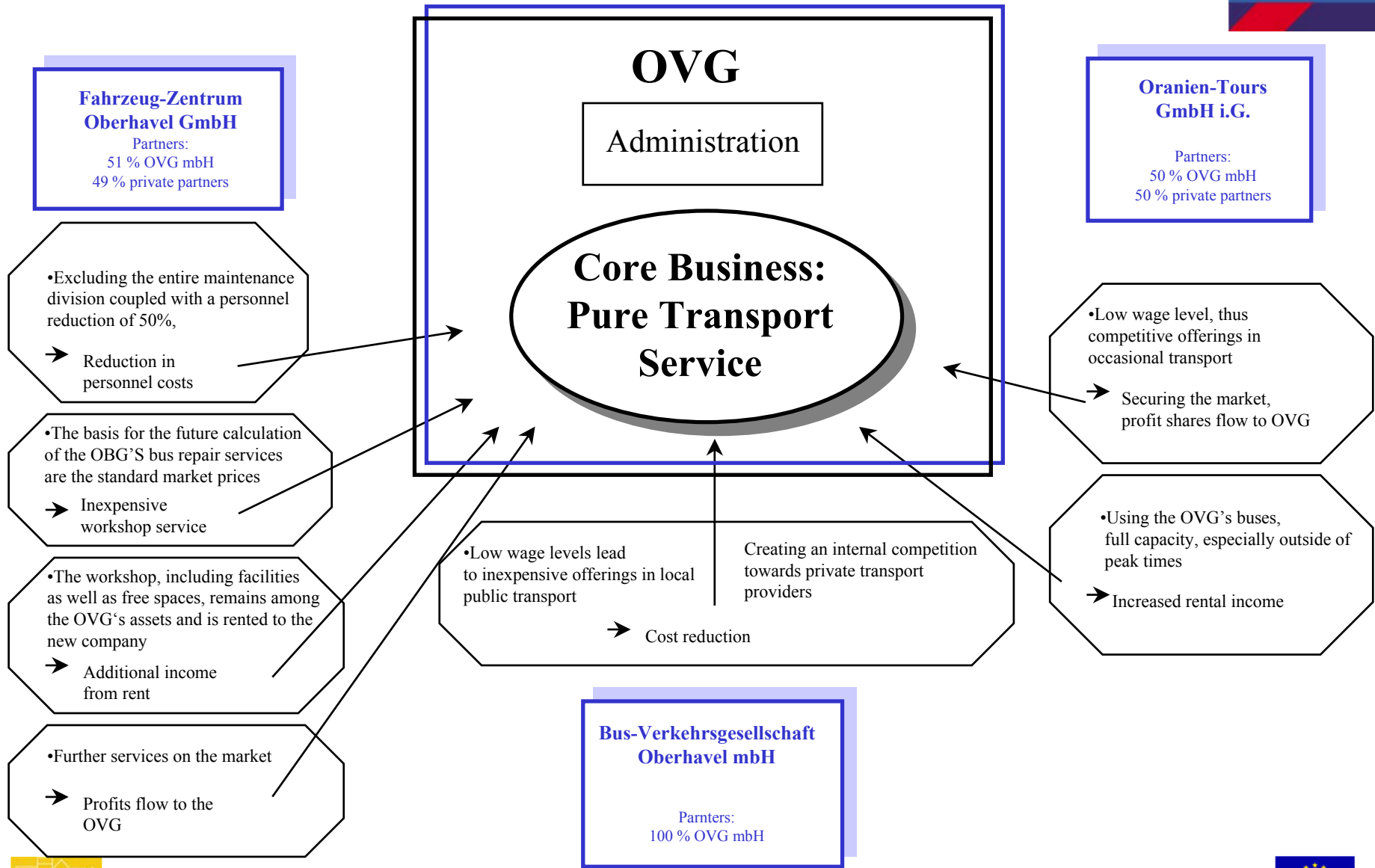
# Experience of the participants (3)

## ➤ Restructuring experience

- **Munich: Restructuring the public operator in order to ensure high quality standards**
- **Oberhavel: Restructuring the public operator and outsourcing non-transit activities**



# On 1) Exclusion of auxiliary or lateral functions and transferring service to a mixed company

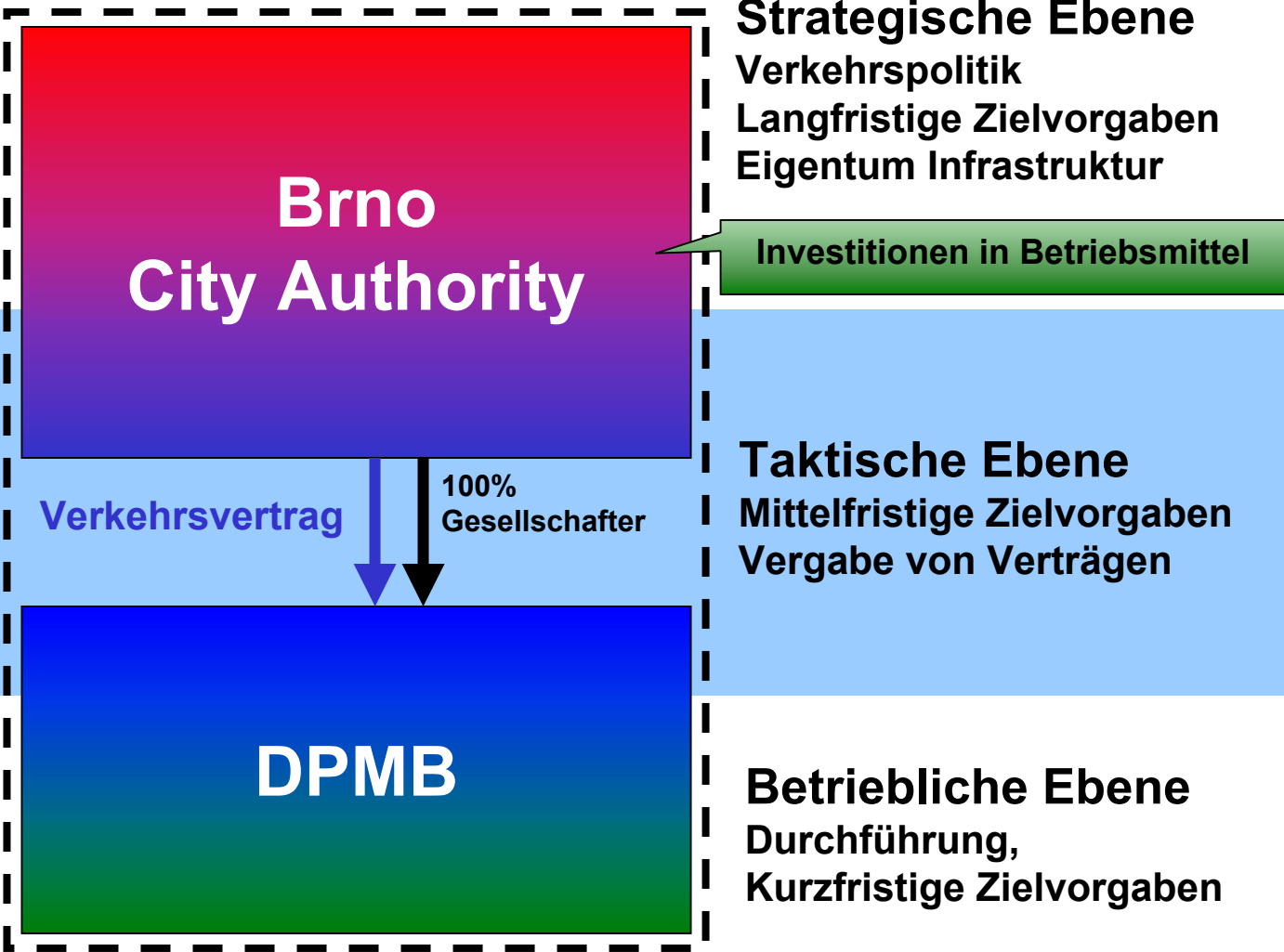


# Organisational frameworks

- **The competence centre for competition of the Hamburger Verkehrsverbund examined for each participant how the current organisational framework fits can be characterised (in terms of ISOTOPE and European regulation) and how in the future the organisation could be set up in order to receive high quality in tendering of public transport services**



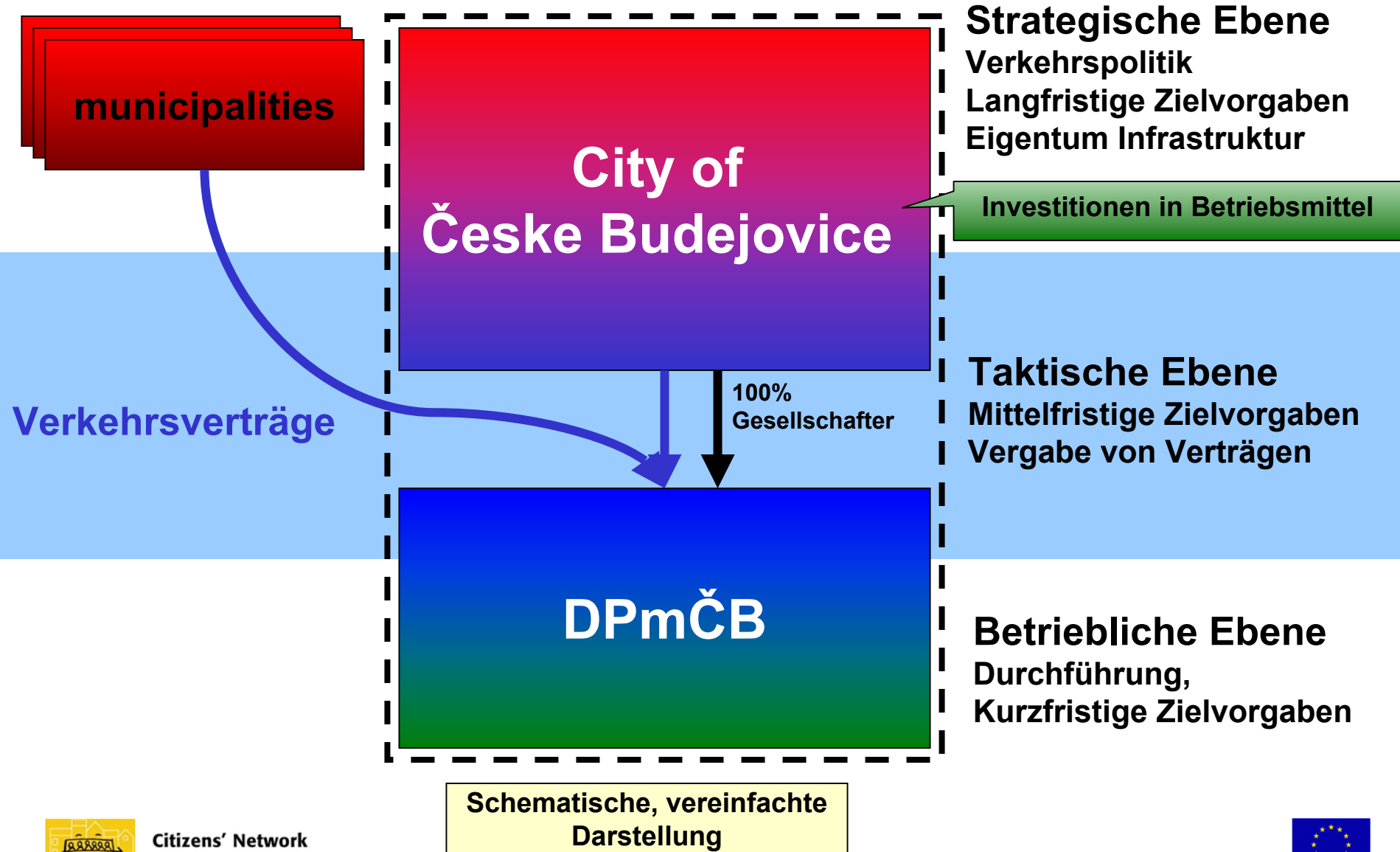
# Organisation of PT in Brno



Schematische, vereinfachte Darstellung



# Organisation of PT in České Budejovice



# Organisation des ÖPNV im Lkr. OSL

**Landkreis Oberspreewald-Lausitz**

**Strategische Ebene**  
Verkehrspolitik  
Langfristige Zielvorgaben

100%  
Gesellschafter

100%  
Gesellschafter

**Verkehrsgesellschaft OSL**

**Taktische Ebene**  
Mittelfristige Zielvorgaben  
Verkehrsverträge  
Vergabeverfahren  
Eigentum Infrastruktur  
Integration

**SBN**

**VU**

Verkehrsverträge  
(Subunternehmer)

**Betriebliche Ebene**

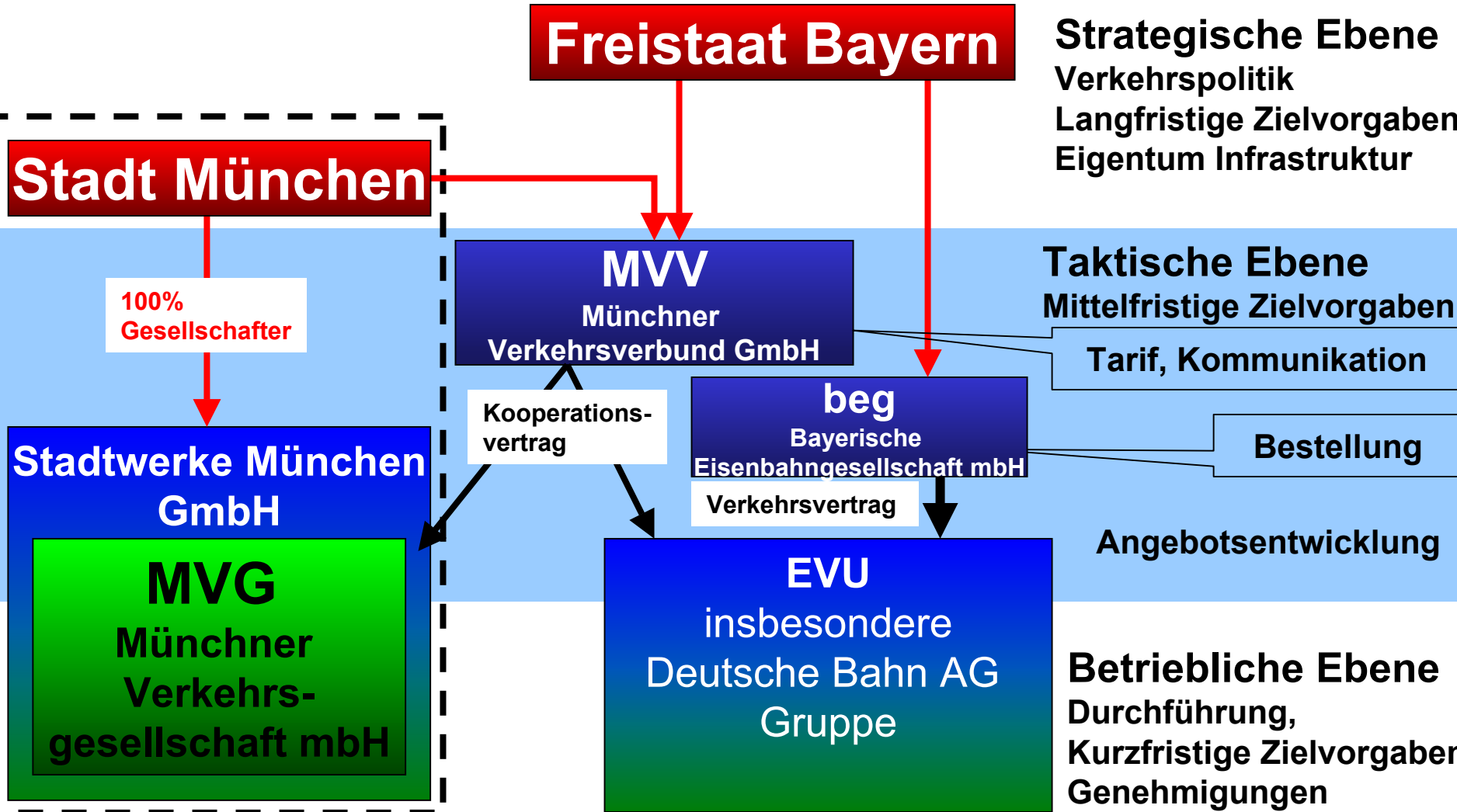
**Genehmigungen**

Durchführung,  
Kurzfristige Zielvorgaben  
(Feinplanung)

Schematische, vereinfachte  
Darstellung

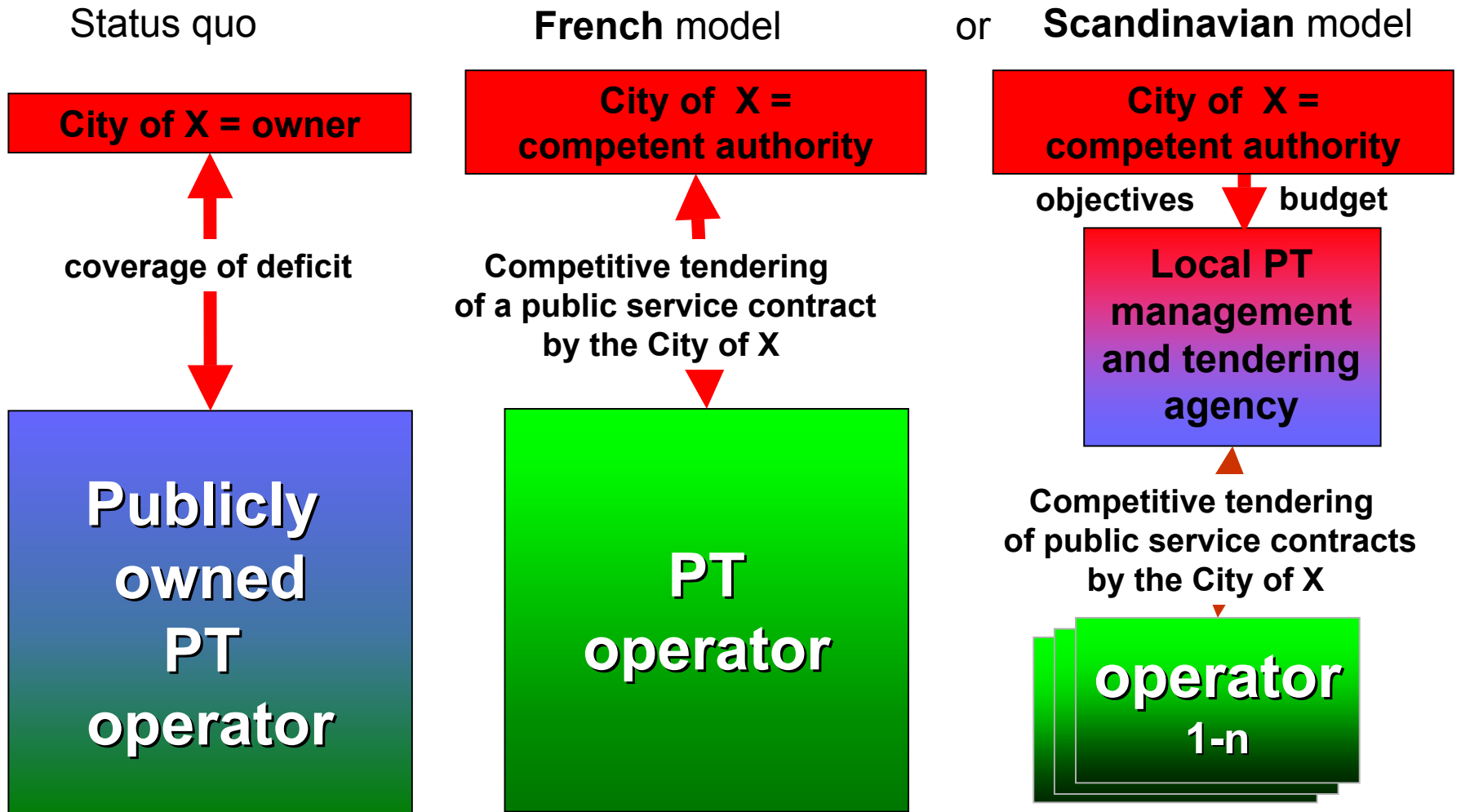


# Organisation des ÖPNV in der Stadt München



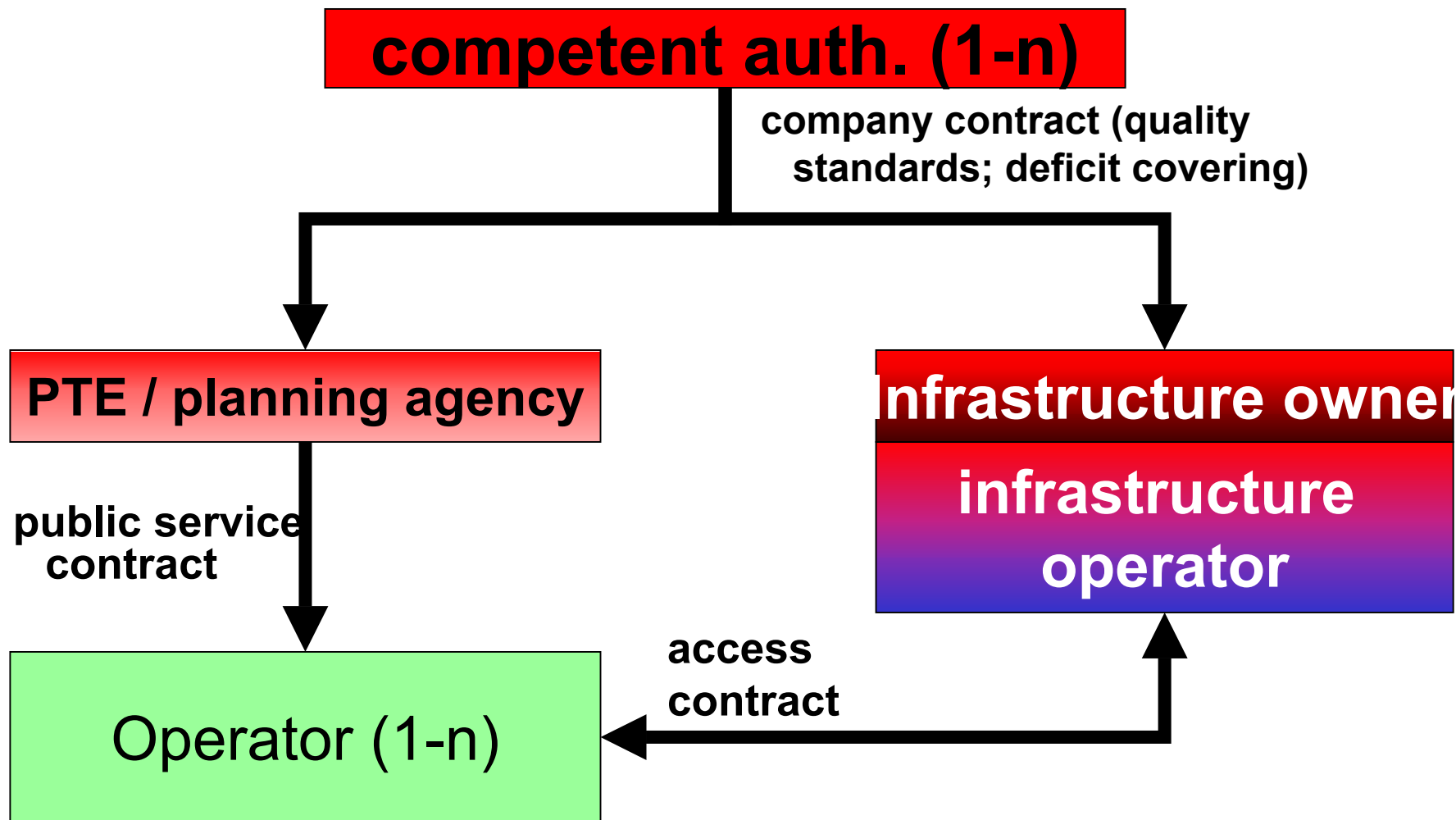
Schematische, vereinfachte Darstellung

# Local organisation of PT perspectives



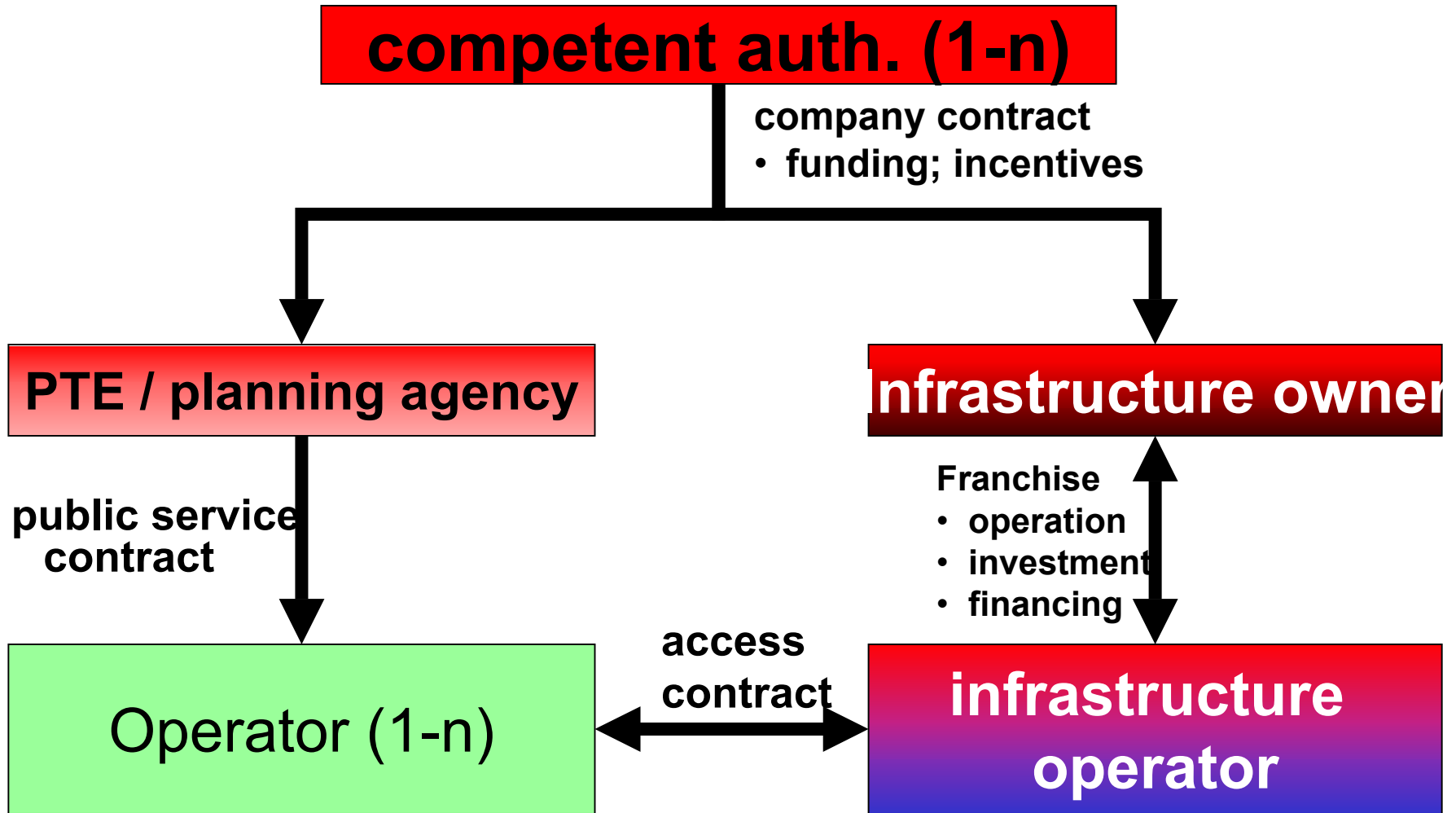
# Consequences:

possible future contract structures I



# Consequences:

## possible future contract structures II



# Evaluation

## ● Strengths

- Exchange on an important topic
- Learning from other practices
- Cooperation between EU-Member and CEEC-participants
- Exchange with experts on tendering and competition
- Possibility to work in a European project on a European topic

## ● Weaknesses

- Participating entities were only hardly comparable
- Language problems (in the beginning)
- Time constraints and high workload



# Some conclusions

- Generally the time frame was too short to „digest“ intermediate results,
- But: Some participants (e.g. Brno, Oberhavel and Oberspreewald-Lausitz) initiated organisational changes related to the issues of the workgroup, so that the benchmarking process delivered a direct impact to this process.
  
- The discussion level was high and the information gathered valuable,
- Work results (or extracts of it) could and should be disseminated above the group level.
  
- As a consequence several group members would like to continue the exchange,
- But: on a more focused basis, i.e. with more similar participants, more time, more feedback from the commission and local/regional decision makers,
- This exchange may also take place on a national/regional level!



# Off the record

