

## **Kontraktformer i kollektiv bustrafik.**

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Den kollektive bustrafik i Danmark har organisationsmæssigt undergået meget dramatiske ændringer op gennem 1990-erne i forbindelse med relationerne mellem trafikselskaberne og busselskaberne.

Næsten alle trafikselskaber har ændret kontraktform fra standardkontrakter til kontrakt efter licitation, og kun ganske enkelte har bibeholdt egenproduktion.

Ændringerne har medført et betydeligt prislefald pr udført vogntime, kvaliteten i busmateriellet er typisk holdt eller forbedret, antallet af entreprenører er stærkt formindsket, og busbranchen er kommet fra en laugs lignende tilstand til en situation med meget stærk konkurrence på især prisen.

Samtidig har vi oplevet en betydelig internationalisering og store, offentligt ejede selskaber har sat markante spor i markedet.

Oftentimes er man landet i næsten ren priskonkurrence ved udbudsforretningerne. Dette skaber (potentielt) et kvalitetsproblem i en decentral serviceproduktion, som der her er tale om.

I HT har vi søgt at fastholde og forbedre kvaliteten ved at indbygge incitamentter til god kundeservice i kontrakterne ved at tilbyde en bonus til busselskaber, det scorer højt på kundetilfredshedsmålinger. Man kan nu få en bonus på 5,5 %, hvis produktet er i top.

Men vi ser gerne denne udvikling styrket gennem nye incitamentter, der tilgodeser såvel trafikselskabets som busselskabets interesser.

Derfor tog HT i 1996 initiativ til at iværksætte en undersøgelse af incitamentkontrakter i kollektiv bustrafik i Europa gennem den internationale branche-organisation UITP's Economic Commission.

Undertegnede har været formand for styregruppen, der netop nu har færdigredigeret den endelige rapport.

Rapporten gennemgår en række forskellige kontraktformer og ud fra en grundlæggende metode, der blev udviklet af docent Bjørn Andersen, Møre Distriktshøgskole, i forbindelse med et fælles nordisk projekt i 1993, har vi vurderet forskellige tilganges forudsætninger og effektivitet.

Studiet indeholder en række case-studies og en serie forslag til, hvorledes kontraktformer mellem de offentlige trafikselskaber og de private busoperatører kan udvikles.

Grundlæggende læger EU gennem sine licitationsregler ganske snævre grænser for, hvorledes samspillet mellem trafikselskaber og entreprenører kan udvikles.

Kontrakter om bustrafik kan i hovedsagen opdeles i to hovedgrupper:

nettokontrakter, hvor operatøren (entreprenøren) tager indtægtsrisikoen ud fra et givet sæt spilleregler om køreplanlægning og takstfastsættelse, eller

bruttokontrakter, hvor det er trafikselskabet, der bærer indtægtsrisikoen.

Kun bruttokontrakter anvendes i Danmark.

Begge kontraktformer indebærer i deres rene form risiko for manglende sikring af de brede hensyn, som den kollektive trafik skal varetage, samtidig med at trafikken skal drives effektivt.

Derfor er der interesse for at udvikle kontrakterne med incitamenter, så kundefokus og service holdning kan trives og udvikles sideløbende med, at trafikselskabets mål for trafikbetjeningen sikres samtidig med, at operatøren stingent arbejder for sine økonomiske mål.

Konklusionen på rapporten er, at der kræves ganske betydelige overvejelser fra såvel trafikselskabernes som entreprenørernes side for at kunne udbyde kørsel og indgå kontrakter på en måde så kvaliteten sikres på både kort og lang sigt. Der udestår stadig en betydelig udvikling før kontraktformerne lever op til dette. Billedet kompliceres yderligere af den meget kraftige koncentrationstendens, som vi oplever på busentreprenørmarkedet i disse år.

Rapporten konkluderer, at både brutto- og netto-kontrakter i deres rene form har betydelige ulemper, og der er meget stor interesse for at udvikle kontrakterne med incitamenter.

Internationalt set er der dog kun temmelig beskedne erfaringer med incitamentkontrakter, og der er ikke udviklet en enkelt model, der tilgodeser alle de hensyn, som trafikskaber og entreprenører legitimt kan stille.

Om der vælges brutto- eller netto-kontrakter som udgangspunkt, når trafikskabet skal vælge udbudsform kan dels være et politisk valg, dels være et spørgsmål om hvilken slags trafiksystem, (grad af integration mv) man ønsker.

For både netto- og bruttokontrakter er der perspektiver i at gå incitamentsvejen.

Rapporten vil ultimo 1998 blive fulgt op af en international workshop, og emnet vil være et af hovedtemaerne på UITP's World Congress i Toronto, maj 1999.

Rapportens konkluderende afsnit kan ses nedenfor, og den samlede rapport vil kunne rekvireres hos undertegnede fra ca 10. September 1998.

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## **5. RECOMMENDATIONS**

The following section deals with a number of recommendations based on the overall summary of the study as well as the evaluation of the cases studies.

### **5.1 Legal framework and objectives**

5.1.1 Generally, a major criterion for success of the incentive agreements is that a common platform for the PTA and the operator is established. It means that both parties must communicate, understand and accept the overall objectives of their contractual partner. Based on this mutual respect a fair and operational incentive agreement can be established. Negotiations and co-operation are needed during difficult periods. Quality partnerships in Manchester illustrate such an arrangement very well.

5.1.2 The overall legal framework plays a very important role as a basis for the development of the agreement and must be carefully evaluated and agreed upon by the negotiating parties. Countries within EU must be aware of the special conditions set up by EU legislation especially regarding tendering procedures and prolongations of contracts.

5.1.3 It appears from the analysis that contracts with incentives require a clear distribution of responsibility in order to be a long-term success. If this distribution has not been clearly defined, incentive agreements are likely to fail in the long run.

5.1.4 As a prerequisite the PTA and the operator have to clarify their general objectives. It is important to define and delimit the activities covered by incentives, and that the incentives themselves are defined and measured. This must be done prior to the invitation to tender.

5.1.5 In general, it is important to convey all relevant information to new operators before the invitation to tender in order not to give the existing operator a special advantage.

### **5.2 Types of contracts and incentives**

#### **5.2.1 General recommendations**

##### **Contracts**

5.2.1.1 There is a major interest in public transport policy about social services and environmental concerns. The PTA should therefore have the responsibility of some central issues concerning public transport. The future development of incentive agreements will probably focus on agreements which can handle these demands. Gross-cost contracts or controlled net-cost contracts with an agreed allocation of responsibility between the operator and the PTA, both combined with

financial incentives, seem therefore to be the most interesting types of contracts in the future. Gross-cost contract with incentives may be more useful types of contracts in social areas.

The decision of how to distribute the risk and responsibility must be taken in accordance with the objectives of the PTA.

5.2.1.2 Pure net-cost contracts seem to be rather difficult to use in highly integrated public transport networks in a situation where a high degree of social service and utility is required. For such networks gross-cost contracts with incentives or controlled net-cost contracts seem to be more appropriate. On the other hand, net-cost contracts can be relevant if the public transport network is clearly defined and limited (e.g. a small town) or integrated to a minor degree.

5.2.1.3 Responsibility for marketing and revenue should go hand in hand. It should always be the same party being responsible for both.

5.2.1.4 Both types of contracts can be implemented as a consequence of either tendering or negotiations. If the PTA anticipates a very low number of potential operators and the contract sum is under a certain amount, the PTA can choose to negotiate a contract instead of tendering. According to EU-directive 93/38/EEC, all public procurement within the EU above 400,000 ECU, measured on a 4-year-period, must be put out to tender. This amount refers to the total sum of the procurement. This means that the PTAs are NOT entitled to split up the area into minor contracts to avoid tendering rounds.

5.2.1.5 The operator must and the PTA must agree on the procedure of evaluation. The measuring system must be carefully planned and described from the beginning to avoid disagreements.

5.2.1.6 Demands of quality and environment issues should be specified within the framework of the conditions and specifications for tenders.

5.2.1.7 The conditions for the employees in connection with tendering is of great importance. For a successful tender it is necessary to ensure the right conditions for the involved drivers, mechanics etc. In Copenhagen is taken for given that the EU regulation concerning company take-overs apply in the case of tendering of public buslines. This means that these groups of employees will continue on the existing labour-contracts and wages.

## **Duration**

5.2.1.8 EU-legislation demands "on-going competition" but no specific rules specify the content of this statement. It is possible that an exact maximum duration will be stated by the EU-court in the future. However, until such a statement has been made, maximum duration may be set to 7-8 years for each contract.

A contract period should be sufficiently long to ensure the operator sufficient focus and time to depreciate investments. At the same time a contract length must ensure development and efficiency. To resolve these two opposite interests it can be

recommended that the duration of the full contract should be long with an evaluation of the performance 2-3 years before termination of the contract. Only if the performance is satisfactory the contract can be continued up to the maximum duration. The conditions for this evaluation must be objective and clearly defined before the tendering process.

The longer duration of the contract the better bids that can be expected, as the operator will have a longer period to depreciate and longer time to obtain acquaintance from the market. However, longer contracts expose the operator to more uncertainty about his future costs (labour, fuel etc.) So the advantages of the longer contract can be counteracted by this uncertainty. This seems to be what is happening in London.

A short duration (less than 4 years) can make it difficult for operators to depreciate new buses. On the other hand, long duration means that the market price for operating in the area is not monitored. Instead it seems a good idea to be more flexible in the tendering procedure. The operator should be able to make a bid for an alternative duration. For example the operator could be in possession of old buses that can only run for two more years. In that case it might be more cost-efficient to use these buses and to re-tender for the contract two years later.

However, it is considered important to include the past performance of the operator in new tendering rounds.

## **Incentives**

5.2.1.9 Introduction of penalties for poor regularity and cancelled journeys is very efficient and may therefore be recommended. The penalties for non-performance and cancelled journeys must be larger than the savings by not running the journey. That means that the penalties should be substantially higher than the payment per bus hour.

5.2.1.10 The incentives have to have scope to produce benefits for the operator and the PTA if they succeed. The benefit can either be a financial benefit or a benefit securing continuity (e.g. prolongation or higher market share).

5.2.1.11 The agreement can include incentives which can be influenced by external factors. In that case the PTA must make it very clear to all potential operators what factors the PTA or the operators are responsible for. It must be possible for the operator to include the risk and responsibilities in the cost of operation. If the operator takes part of the responsibility of the external factors, fair and precise methods for estimations of the consequences of the external factors must be included in the contracts.

5.2.1.12 Threatened competition is mentioned as an incentive. It is recommended that the PTA states the exact conditions in the tender documents.

5.2.1.13 It could be a good idea for the operator to consider internal incentives - e.g., passing on some of the bonus to the drivers individually, on a broader basis

or through education. In this way the incentives to perform are to be transferred to the drivers who are in daily contact with passengers.

5.2.1.14 The next step could be developing environmental incentives.

5.2.1.15 Positive incentives have proved more efficient than negative ones when seeking to influence the soft parameters. Negative incentives have especially proved efficient concerning the hard parameters such as e.g. regularity.

5.2.1.16 In some situations it may be advantageous to classify the areas in high and low density areas and make distinctions in between when discussing incentives, e.g. passenger incentives might be easier and more equitable to implement in high-density areas.

## **5.2.2 Recommendations for net-cost contracts**

5.2.2.0 Net-cost contracts require that the revenue is estimated fairly and regularly in a way which can be mutually accepted by the PTA and the operator.

5.2.2.1 If the PTA sees fit, it can maintain some or all of the responsibility for schedules and pricing. This of course limits the freedom of the operator with a risk of less responsive service development as a result. Under specific conditions, these activities can be co-ordinated with the operator by using quality partnerships, such as are being considered in Manchester.

5.2.2.2 If the operator is responsible for schedules, the PTA must find ways to ensure that the desired social demands are met. This means that the operation which the operator finds less attractive will be run anyhow. The PTA can do this either by stating the demand as a requirement in the contract or by controlling the operation by a separate gross-cost contract. The social responsibility of the PTA must not be neglected. Gross-cost contracts are generally easier to control than net-cost contracts.

5.2.2.3 The contracts should include quality incentives; either by stating minimum demands in the contract itself or by using regular customer surveys as positive or negative incentives.

5.2.2.4 A key issue of the net-cost contracts is the requirement to have precise estimates of the patronage and/or distribution of revenue especially within complex networks. A fair and low-cost method for these estimates in order to distribute the collected revenue is needed. This can be done either by using electronic ticketing, sophisticated passenger counting systems, or by dividing the area of operation into smaller, well-defined units.

### **5.2.3 Recommendations for gross-cost contracts**

5.2.3.1 Similar to the net-cost contracts, gross-cost contracts should include quality incentives, either by stating minimum demands in the contract itself or even better by using quality incentives with bonus as well as penalties.

5.2.3.2 The use of incentives linked to patronage and/or revenue is recommended to be developed in order to eliminate the risk of production maximisation by the operator.

5.2.3.3 In general the bonus and penalties must be sufficient to change the behaviour of the operators. In a market with high competition incentives amounting to 2-5 % of the contract sum for each incentive type seem to have an effect in the studied cases. Some cities have even incentives amounting to 25 % of the contract sum. A general trend has been to start with only a few percentages of the contract sum in bonus/penalties, and gradually increases have been effectuated after further experience.

5.2.3.4 In order to avoid suboptimization when it comes to incentives in gross-cost contracts a Zürich-model could be recommended. Bonus relies partly on the quality performed by each operator individually and partly on the total success of all operators. Furthermore, the larger the number of operators, the larger the incentive pool. This is to ensure on-going competition.



## Facts about PTAs

	<b>Man-ches-ter UK</b>	<b>Oslo Nor-way</b>	<b>Lon-don UK</b>	<b>Op-pland county Norway</b>	<b>Malmö (city) Swe-den</b>	<b>Helsing-borg (city) Swe-den</b>	<b>Zürich canton Swit-zer-land</b>	<b>Copen-hagen Den-mark</b>	<b>Go-then-burg Swe-den</b>
Size of area (inhabitants)	2,5 Mio	500,000	6,3 Mio	182,000	234,000	112,000	1,2 Mio	1,7 Mio	434,000
Volume of provided service	137,6 Mio bus km	16,6 Mio bus km	332 Mio bus km	13,8 Mio bus km	App. 10 Mio bus km	3,0 Mio bus km	35,3 Mio km	90 Mio bus km	13,5 Mio bus km
Fare revenue (Mio ECU)	162,7	22,4	819,4	14,9	17,4	6	182	145,7	24,3
Total cost of bus operation (Mio ECU)	n/a	32	n/a	26	28,3	8,5	200	212	38,4
Contribution ratio (fare revenue/fare revenue+subsidies)	n/a	64%	98%	58%	61%	71%	50%	66%	58%
Cost of contracted bus operation (Mio ECU)	13,6	27,4	>746,3	21,3	26,7	8,4	200	212	29,6
Number of contracted bus operators	est. 60	4	33	13	2	1	36	10	3

All figures are measured on a yearly basis