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## **EMTA online session June 28, 2021 "Europe opens up! Back to normal for public transport?"**

Now health safety restrictions are gradually lifted our social life seem to be opening up. Many countries in Europe eased their strict health safety protocols revamping local economies, cultural events and hospitality. At odds with this we are also reminded that we should not be careless or complacent, rather be alert as we have not fully moved out of the woods yet.

To reflect on the role and position of authorities, EMTA invited its members to share their personal thoughts on some issues like status quo and look forward to create thoughts on a better future for public transport.

Management representatives from three metropolitan authorities of Greater Manchester, Vervoerregio Amsterdam, Region Ile de France (Ile de France Mobilités) and two local transport authorities from Budapest (BKK) and Warsaw (ZTM) discussed how they see their situation evolve on the short and mid-term future in the wake of the pandemic.

Aside from the technical discussions, it becomes apparent that all panellists miss the human interaction and international exchange with peers. "Meeting online behind a screen proves to be transactional but less satisfying on the long run. On a human scale nothing can match live contact" as one panelist voiced the common thought.

### **Status quo**

*Piotr Zalecki (Head of Unit of Internal and International Cooperation at the local transport authority Warsaw)* explains the dramatic decline in use of transport since the onset in March 2020: "Our ticket sales dropped to 22% over 2020. As we did have no support from central government, the city of Warsaw had to bear the consequences and take measures, that caused a lower efficiency and austerity measures in the service level. We even declined from using air conditioning in vehicles in summer."

Cost-coverage overall went down from 35,3 % to 22,1%. Crucial was the policy set to keep service quality running up to the maximum, Piotr: "We didn't cut investments, but extended contracts for example on the second metro-line. Major cuts on lines with low ridership were avoided. We even could introduce some special bus for specific disadvantaged users. Frequencies of some services that faced most severe reduction in ridership had to be lowered at some point, but the overall reduction of service could in the end be kept to a limit of 9%."

*Ingrid de Bruijn (Senior advisor at Vervoerregio, the Amsterdam region transport authority)* explains the freshly made agreement between partners in the public transport sector with the Dutch national government for continuing the compensating up to 95% of operational costs incurred by transport operators in 2022. To become eligible for this scheme, referred to as

availability fee, operators were to scale down service levels with 10% overall. Slowly the region sees a recovery of the number of trips progressing, in some concessions reaching well over 50% of 2019 levels at this moment. Vervoerregio tenders with incentivized net cost contracts, where the operator rather than the authority carries the revenue risk. Vervoerregio issued temporary concessions to incumbent operators at regional level to ensure continuity of service and create security until the market situation is back to normal.

*Simon Warburton (Director of Strategy at Transport for Greater Manchester transport authority)* devolves the core strategy by review the governance and the performance of the system. The main goal is to make sure public transport supports plans for restoring the local economy. In the second week of the pandemic Greater Manchester Combined Authority (GMCA) opened its 8th and final tramline out to a shopping area and a business area. Simon: "We continued to move forward on bus governance based on franchising. We have also been using the opportunity to work out initiatives on new micro-mobility providers at a time the city scape is clearer and more quiet than usual."

Different scenarios to recover were developed from economic, as from a social or technological angle. GMCA has run public surveys to better understand what wishes and attitudes changed. Real problems that were already there before the onset of the pandemic were taken up that all help to build the economy back better. Simon: "TfGM it was important to stay focused on our responsibility for climate change, not to lose sight of that objective when moving forward. "

## **Developments in demand**

*Laurent Probst (CEO of Ile de France Mobilités, the transport authority for the Paris region)* explains the research his company did to obtain insight on travel demand development. To better understand demand IdFM organised three consecutive waves since Autumn 2020 until mid-February 2021 Region IdF among people using public transport. The goal was to identify transitions in travel behaviour that occurred and compare these to 2018. Two scenarios for simulation were conceived with the objective to quantify the user decline and identify on which routes and during which periods of the working day the demand is foreseen to alter. Based on these two scenarios of mobility evolution for the short (2021) and medium term (2023) IdFM estimates where nominal 2018 level of demand could be expected to set back in, at a time when the fear of the public to go back using public transport has disappeared.

"Descaling of demand (referred to as "demobility") is projected in 2 scenarios, one with strong de-mobility, lasting remote working and a strong, lasting increase of unemployment versus one with limited de-mobility, limited home working and limited and temporary increase of unemployment.

The result of the simulation is that a -2 to -6% decrease of public transport journeys compared to 2018 is projected. In October 2020 Paris saw the highest level of journeys compared to 2018 with a 72% occupation. Buses are considerably used for leisure where metro and the suburban rail services RER are mostly used for home-work travel which make them more vulnerable to drop of demand. Laurent Probst states it is still too early to say that Parisien transport demand will be able in 2021 to return to 2018 levels. No sooner than in 2023 IdFM expects to see a level of the positive scenario going up to -6%.

*Ingrid de Bruijn* observes a strong decrease in peak demand in the Amsterdam regional transport, a trend the PTA and operators would like to embrace and further amplify as it saves costs and enables to more efficiently use capacity of service in other parts of the region of during other hours of the day.

*Laszlo Kerenyi (Director of Strategic Planning at BKK, the Budapest city transport authority)* explains that after an electoral change the use of bikes and public transport changed in terms of people choosing tickets and not subscriptions where people during the lockdown moved from PT to walking and cycling mainly.

## **Governance and the development of supply**

*Simon Warburton (Director of Strategy at Transport for Greater Manchester)* explains the legacy of operating in a deregulated bus market. Since the mid 1980's everywhere outside London bus market was liberalised. Manchester issues public contracts for services that are not profit-making that it deems necessary. The Mayor determined in March to pursue franchising on the back of work undertaken from Summer 2020 until March 2021. The baseline case around integration and standardisation of the customer offer remains the reference. GMCA covers an area of 900 km<sup>2</sup> we have divided into 3 future franchising areas, N-W, N-E and South.

The process will be launched shortly: in 2023 franchising will start in the N-W area, to continue in N-E in 2024 and finally in the South by 2025. Simon explains: "Over a 3-year period we will transform a bus market that brings 2200 buses into one system of franchising with one integrated marketing model and a local accountability to the Mayor who will determine through that process the implementation of customer standards he wishes to see across the network. This should end variability of access and service inequality that is fragmenting the network.

*Simon* adds: "Now it looks like a postcode lottery: where you live determines what quality of service you benefit from and what you pay. The new policy aims to better integrate journeys across the conurbation and also to integrate the fare system for the bus with that of the tram."

Hence, GMCA expects to be better positioned to manage the risks of bus governance due to that process. The policy was being developed for years in advance. It has been worked on since legislation from Parliament in 2017 so it is a long-term process with no direct lead to the onset of the pandemic. Greater Manchester's Mayor Andy Burnham after his re-election some weeks ago opted to accelerate the programme and expect his local politicians to admit to a similar level of ambition.

In light of this quite significant change planned for Greater Manchester, *Ingrid de Bruijn (Vervoerregio Amsterdam)* underlines the importance of a well-considered decision making. The governance changes in Manchester were in the making prior to COVID and now probably accelerated by COVID but far from being a result of the pandemic. "A system change as significant as moving towards bus franchising in the Manchester region cannot just be seen as a consequence of a pandemic – being that a very extraordinary event on itself."

In the Netherlands a market consultation pointed out that operators remain very interested to compete in Dutch tenders, if conditions are clear set and right. It is known to be innovative and offers options for a high return for transport operating companies if they perform well. Piotr Zalecki: "The Varsovian transport authority ZTM didn't get any financial compensation from central government. The local campaign aimed to convince people to go back using public transport by presenting it as safe, reliable and comfortable. Our inspiration was the campaign Transport for London ran by convincing passengers to return."

ZTM made a campaign last August as it's a period for change as pupils choose schools and people have moved. Secondly, employees should be helping to seduce citizens to use buses more often to go move from home to their workplaces. Ultimately, the financial situation is all determinant.

*Laurent Probst (Ile de France Mobilités)* says: "As far as there are much less people using the system there should be a reduction of the offer, however controversial on political level to reduce timetables might be. Our reference was to reduce supply with 10%, but presumably we need to cut back the offer even more."

## **Move forward**

*Laszlo Kerenyi (BKK Budapest)* thinks it is a clear sign for everybody in the sector to rethink the way our systems work. He says: "Leaning back while we see the roads clogging up with cars again is not an option. A different approach is needed to rethink the system's fundamental principles and treat people not as passenger but rather as customers or even partners."

*Laszlo Kerenyi* describes a concept where we see the supply linked to the type of users. "Can we talk about a different financing structure for things like MaaS? In Budapest talk is once more on finding alternative resources. Suppose in ten years we would all be cycling, does the user pay principle apply and should all cyclists fund maintenance of public bike infrastructure?"

BKK is working by a SUMP (Sustainable Urban Mobility Plan) that is cool, as it's giving space to active mobility whilst keeping the basic level of transport service intact.

*Laszlo*: "Public transport should develop as an integrated part of the efforts for the SUMP strategy. We prepared a BKK strategy as we need a focus to live with this situation, on three different areas. First on user-experience, secondly to develop the appropriate infrastructure and of course becoming quality operators."

How we generally tend to treat the people moving in our cities is not always workable. From the public approach as passengers go from one stop to the other as basic service, to answer to the second level of demand needing that implies people require special care, like quality information on their trip, multiple and easy payment and reassurance on travel time.

If we treat people as partner, they can become part of the game and it will involve them to give a sense of belonging making clear that their feeds matter to improve their journey. When we can make people part in the game they will become aware of their co-responsibility.

In Paris a stimulus for investment in cycling in Paris (around 1 million bike users daily versus 9 million PT users) will not increase or take pressure away. *Laurent Probst*: "In Paris other modes on the road will not explode, because the main roads in Paris are saturated. It is difficult to find other funding outside public transport because of the political system. Emphasis will have to stay at bringing the usage back to former levels."

Vervoerregio Amsterdam has a priority to keep the network, if the Metropolitan region wants to reach our goals for housing policy, stimulate the economic recovery and reach sustainability targets. Luckily national government sees that as basic condition too.

*Ingrid de Bruijn*: "Vervoerregio Amsterdam depends on passenger fares to make the whole system viable. A recovery plan for operators and authorities lays down the commitment from the whole Dutch public transport sector, resulting in June in a national agreement to take measures to promote PT travel as safe and attractive option again. Marketing campaigns welcome people to use it and ensure PT is safe. Over the next 2 years this should take away the sense of fear."

The Netherlands is currently introducing EMV payment. Next to that Vervoerregio aims to integrate Mobility as a Service in the mobility system. More spreading of passengers over the

day will diminish peak operational costs to save budget for services that are needed elsewhere. Ingrid: "In the Netherlands the driver pools need to be rejuvenated as on average staff is aged 55 and many will be retiring while the afflux of new staff is quite low. The objective is to make contracts with workers more flexible. Also a new tender strategy will be put in place."

**What do you expect to happen looking at the pace to get public transport back at 2019 levels?**

*Laurent Probst* expects it will take until 2025 assuming the best scenario applies to reach the former level: "IdFM usually calculates with a 3% natural increase annually. We expect to see a 5-year delay to return to 2020 levels, if we manage to resolve the critical financial situation."

*Piotr Zalecki* expects that it will take time to recuperate at minimum to 2023 and maybe 2025. Ingrid thinks that 2025 should be achievable.

*Simon Warburton* has similar projections: "A 3 to 4 year period is needed parallel to the stepwise change of the bus governance to go from emergency to transitional funding. Solutions are all part of what comes from our conversation with central government."

*Laszlo* says it depends on external factors how recovery can play out: "Maybe we don't have to return to 100% level and we will have to settle for around 90%, what could be acceptable."