

European Metropolitan Transport Authorities

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### News from the cities

# • "SYPTE shares views on the regulatory framework that would best serve good quality public transport"

In the UK there is a growing debate about the regulatory framework about how best to provide good quality public transport. In the past couple of months two eagerly-awaited reports have added to that debate. The Competition Commission report into the provision of bus services and the McNulty report into rail franchising.

The Competition Commission report was commissioned in response to growing concern about the effects of bus deregulation. Passenger Transport Executives (PTE), represented through the Passenger Transport Executive Group (pteg), have argued for some years that the deregulated bus market which exists in England outside London, is not delivering real competition on the ground. Instead the 'big five' bus companies of First, Stagecoach, Arriva, Go Ahead and National Express have to a large extent established monopolies or near monopolies in large swathes of the country, including South Yorkshire. This means that apart from several key routes in Sheffield, either First or Stagecoach dominate the market in the county, which does not offer the passenger real choice or allow ITA (Integrated Transport Authorities) control over services, fares and equality.



In a bid to combat this monopoly SYPTE has looked at a range of options, both voluntary and non-voluntary. Indeed we at SYPTE have very much been in the vanguard of establishing voluntary partnerships, the first in the country having been established in north Sheffield in 2007 followed by another in Barnsley in 2009.

We continue to examine the Quality Contract option, which would allow us to introduce a franchise model in the county. Whilst this work goes on we are about to introduce a new bus partnership for Sheffield and South Rotherham. This will see different operators co-operating with SYPTE to deliver a co-ordinated service on key routes within the city which will allow passengers to use tickets from different firms interchangeably on each others' buses. Timetables will also be co-ordinated to reduce waiting times at bus stops.

A final report is due from the Competition Commission later this year and PTEs are urging the commission not to take any decisions which narrows the range of options open to transport authorities. As pteg's report to the Competition Commission states: "Franchising is a proven and effective format for the provision of local transport services and local transport authorities are in the best position to determine, when and in what format, it should be deployed".

In a separate report Dr Roy McNulty recommended to Government in his Rail Value for Money report in May that there should be greater involvement of PTEs in future rail franchising and operation. Costs of railway operation in the UK are typically around 30 per cent higher than on continental Europe. The reasons for this are varied, but include the fragmented nature of the market, short franchises which discourage investment, and a fare structure which doesn't help to match capacity with demand.

A key suggestion from the McNulty report is that PTEs could be given budget responsibility and accountability for rail services. Whilst the mechanics of this have yet to be worked out any deal will ultimately depend on the balance of funding and risk. SYPTE is hopeful that more local control may allow it to deal with the increasingly urgent issue of additional rolling stock capacity. A formal process of consultation has begun and the Government is expected to take some firm decisions based upon this towards the end of 2011.

There is still much work to be done before the new policy environment for both buses and trains in the UK is settled, but SYPTE will be pressing for changes which bring more choice and more value for the customer.

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## • EPT launches NFC bus ticketing service in Murcia Spain

"This is a new opportunity to put technology at the service of citizens, improve public transport and encourage its use", says the Minister of public work of the Murcia Region Jose Ballesta.

The Regional government in Murcia has teamed up with the Mobile phone operator Vodafone Spain, to introduce an NFC-based public transport payment system.

Promoted by the Region's public transport authority Entidad Pública del Transporte (EPT), the initiative allows Vodafone customers to pay their bus travel by using their NFC-enabled phone with contactless readers on all public buses in the regional fleet. NFC tags located at bus stops will also let passengers

access up-to-date travel information including when the next bus is due.

José Ballesta, Minister of public works and planning in the southern Spanish Region, said the system would allow "time-saving and better flow of passengers on city and intercity buses, thereby improving service quality for users".



Minister José Ballesta, Head of cabinet and Director of EPT Jose Guillen and Vodafone CEO Julian Oncina

In the future, the project may be expanded to include access to sport, cultural and leisure facilities, to the region's libraries and to bike rental services, Ballesta added and concluded:

"This is a new opportunity to put technology at the service of citizens, to improve public transport and to encourage its use and ultimately, to continue investing in innovation and development of new software protocols to facilitate the thousands of Murcia residents who make daily use of the regional bus network".

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#### • ZTM a European actor of importance

On July 1, Poland took hold of the Presidency of the Council of the European Union. The Presidency, which lasts six months, is a tremendous challenge and, at the same time, a splendid opportunity to promote both Poland and the city of Warsaw. The Public Transport Authority ZTM, based on the cooperation agreement with the Ministry of Foreign Affairs, has been admitted to the elite "Friends of the Presidency Club".

#### ZTM associates with the event

A special Warsaw City Pass for passengers of the public transport services has been issued by ZTM after organizing a contest for students to design a unique Pass that associates with the city and with Poland's membership in the European Union EU. Also a special issue of the iZTM monthly has been developed devoted to Poland's Presidency of the EU.

#### A valued and appreciated partner in Europe

ZTM's cooperation with European public transport operators through EU financed projects is beneficial not only to ZTM or Poland, but also to the whole transport sector, it works both ways. The transfer of knowledge from ZTM development and

achievements to other transport authorities is also remarkable, Halina Rakowska, the coordinator of EU projects at ZTM says "We are among the leaders" (left on the photo).

As an example, the CAPRICE project to which ZTM participated, just came to an end. On June 15 in Warsaw, ZTM organized a local seminar to sum up the participation of the public transport operators of the cities involved in the CAPRICE project. Hans-Werner Franz, CEO of the Berlin-Brandenburg Transport Authority (VBB) and President of EMTA (second from right on the photo) was a key speaker at the seminar.





Remarkable good practices and implemented measures from Berlin-Brandenburg, Paris-Ile de France, Vilnius and Bucharest aiming at facilitating the development and efficient organization of transport services were debated as source of inspiration. Among such practices were negotiating long-term contracts and organising tenders for transport services, as well as integrating ticketing systems in metropolitan regions. Moreover, solutions implemented by the CAPRICE project were presented. The first one was an Internet-based public transport routing system introduced as a pilot project in Warsaw as a result of a cooperation between ZTM and VBB. The second was the draft of a long-term contract for transport services that Bucharest Town Hall is about to sign with a local carrier. As a matter of fact, ZTM experts brought considerable input in the preparation of this document as it is largely based on agreements signed with Warsaw's local carriers.

One major product of the CAPRICE project, the "Good Practice Guide – a collection of experience and a guide for decision-makers" describes tested solutions, common strategies and policy recommendations to be applied on regional, national and Community level. Recommendations listed refer to the areas of knowledge and experience shared by the project participants: strengthening the management of public transport integrated systems, sustainable financing of public transport, contracting and tendering of public transport services, environmentally



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friendly projects, mobility plans and traffic management, integrated passenger information, integrated tickets for metropolitan regions and public transport accessibility for passengers with reduced mobility. The "Good Practices Guide" will be available for project participants, as well as for other cities.

It is worth noting also that the project implemented by ZTM in cooperation with BVG operator in Berlin "New quality of services – young personnel as a vehicle for change in the public transport system" has been nominated to the group of 31 best projects in Europe, implemented in the period 1995-2010 under the Leonardo da Vinci Programme of the European Commission DG-Education and culture, within the framework of the "Training for mobility publication". ZTM's was the only Polish project shortlisted among thousands, "the greater the honour" stresses Halina Rakowska.

For more: www.ztm.waw.pl and www.caprice-project.ifo



## • Amsterdam urban transport facing severe cutbacks

The public transport systems in the 3 largest metropolitan areas in The Netherlands are facing severe budget cuts starting 2013. As part of a national government program of public expenditure cuts of around €18 million, the Dutch government has imposed a €120 million cut on the budget available to Amsterdam, Rotterdam and The Hague for transport and maintenance of transport infrastructure.

In the case of Amsterdam this could lead up to a decrease of services of up to 40%.

Stadsregio Amsterdam has calculated that some tram routes and many bus routes will have to be curtailed or even cancelled. This could result in a reduction of the tram and bus networks to mainly trunk routes.

According to consultants assigned by the Minister the maximum that can responsibly be economized by a higher efficiency of the transport operations is about €8 million per year.

That does not even come close to the imposed cutbacks that The Hague assumes as feasible, provided the Amsterdam PT (Public Transport) concession for bus tram and metro is tendered out.

For 2015-2018 the annual cuts in Amsterdam PT will have to result in some €70 million to be achieved on a level of expense of €122 million for running cost, €94 million for infrastructure (maintenance) and €19 million for social safety.

The minister has alleviated this cut somewhat by compensation of €23 million for the 3 cities, €10 million of which is intended for Amsterdam.

Even with these reductions the government budget cuts of €70 million for Amsterdam alone seems unachievable. Survey carried out by Stadsregio has indicated that this could entail the cancelling of 3 of the 16 tramlines and 25 of the 44 bus services and the curtailing of 4 city bus routes, in order to reach a saving of €33 million by the end of 2015. A raise of fares of 15 percent could yield some €15 million additional budget, even though a fare raise would demand the cooperation of 16 different regional authorities across the country.

Stadsregio considers the imposed cut backs as unrealistic and a major intervention in urban PT that will have adverse impacts on accessibility, quality of life and on economic recovery. The Executive Board believes last year's directly award of the urban transport concession to GVB should be respected until 2018. In that contract running costs have

been reassessed based on market conformity, yielding to a €28 million less expenditure.

The overall cutback of €120 million for the 3 greater cities is linked to the general obligation to tender, becoming effective by January 2013. The obligation adds on an overall cutback on transport budgets of 5 percent nationwide and the abolition of annual price compensation.



If services become less frequent, fewer passengers will expect to travel with PT. Users in the city and people coming from outside to city centre depending on bus tram or metro to reach their destination will have to seek alternative modes of travel (cycling, car).

Initially weaker bus routes will be curtailed or cancelled, sometimes routes will suffer from lower headway or fewer stops. Fare box revenues are likely to drop and provide for a decrease in cost coverage. To which extent service levels are actually expected to be lowered becomes clear by December 2011.

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#### A success story coming to an end:

CAPRICE (for Capital regions integrating collective transport for increased energy efficiency) aimed at promoting integrated public transport systems with a view to improve energy usage. It brought together five transport authorities from Western and Eastern parts of Europe and relied mainly on close exchange of experience and transfer of knowledge. The successful project came to an end with a final conference held in Paris on 17<sup>th</sup> March 2011. Hereby are the highlights of this conference.

The final conference was enlightened by high level speakers delivering key messages on The European Union (EU) transport policy and the role of transport authorities.

"Public policymaking must embrace the environmental concerns of the free flow of goods and services within the European Union and must also take account of transport network interlinks across Europe" said Jean-Vincent Placé Vice President of Ile de France Regional Council and Vice President of STIF (the transport authority) while the President of EMTA and CEO of VBB Berlin-Brandenburg Hans-Werner Franz underlined the instrumental role of empowered transport authorities that have sufficient financing and specialised man power.





Representatives from the European institutions in turn elaborated on the role of the European Commission in such a project.

Keir Fitch Deputy Head of Cabinet of Siim Kallas Vice President of the European Commission and Commissioner for transport, commented on the (then) future White Paper as a strategical and political document disclosing a vision for transport for the next decade of Europe moving away from oil dependency and improving efficiency so as to avoid curbing individual mobility. Silvia-Adriana Ticau Vice-President of the Transport and Tourism (TRAN) Committee at the European Parliament, on her part encourages European decision makers to promote an integrated and long term policy approach to sustainable mobility with intermodal networks that take also into account pedestrians, cyclists and all vulnerable individuals. Michael Cramer (Group of the Greens /European Free Alliance) was more specific developing three theses. First, climate change can't be addressed without changing mobility habits. Second, mobility by road and aviation in Europe is too cheap while environmentally friendly modes are overly expensive; and third, that metropolitan areas are key to a real new approach in urban mobility. Finally the representative from the INTERREG IVC programme Erika Fulgenzi, praised the tangibility the visibility and the relevance of the achievements of CAPRICE project, stirring the hope that a new Europe of policy-makers, technicians, stakeholders and citizens can be built.



Mr Keir Fitch

Building on the crucial role of strong transport authorities responsible and accountable for public transport, CAPRICE has issued a "Decision-makers Good Practice Guide". It has also highly activated the transfer of knowledge which among main outcomes drew pilots for the setting of a transport authority in Bucharest and the launch of a new travel planner in the Warsaw metropolitan area.

The agenda moved on to the two round tables, the first one debated on "How to set up sustainable urban mobility" and the second allowed a sharing of views on "How to organise and finance sustainable mobility".



Mrs Sophie Mougard

About the first round table, while Lithuania Ministry of Transport and communication's representative Grazvydas Jakubauskas assessing the dilemma for decision makers caught in between the operators focused on engineering issues and the need for radically new approaches to tackle urban sprawl and congestion saw the ITS Directive as one part of the solution to reach a better balance between mobility demand management and harder measures of modernisation; Valentin Anton president of CODATU Romania expressed strong wishes for the promotion of an integrated and efficient public transport system in Romania and stressed the importance of developing strategic partnerships with educational bodies and the industry sector. For her part Laurence Debrincat Head of Studies and Surveys Department at STIF underlined the urban Mobility Plan as an instrumental tool to deliver comprehensive and consistent measures through a federative process involving all stakeholders.

Mieczyslaw Reksnik Director of Road and Public transportation at Warsaw City Hall reckoned there is a lack of sufficient legal framework for public transport organisation in metropolitan areas, nevertheless sustainable financing and long-term contracting systems are undeniable success factors for the Warsaw transport authority along with mutual agreements with neighbour local authorities.

The second round table on "How to organize and finance sustainable mobility" offered the opportunity to draw interesting conclusions again on transport governance that must definitely go beyond administrative borders to really meet the commuter's needs in the opinion of Sophie Mougard Director General of STIF, Ion Dedu from Bucharest Municipality added "all face same difficulties whatever the circumstances (revamping aging transport systems is a common challenge for example), sharing experience help taking the good steps forward".

CAPRICE final conference came to a close with the closing remarks from Jean Paul Huchon President of the Ile de France Regional Council and President of STIF stressing the shared commitment of major European capitals to bring about more efficient transport system and

the benefits of co-operation and shared experience that, thanks to European funded projects, allow best practice to inspire local strategy in different places. Strong contracts, urban mobility plans and high level of modal integration are among such practices.



Mr Jean-Paul Huchon President of the Région lle de France

See also page 2 in this newsletter For more information:

www.caprice-project.info For any request about the project: caprice@vbbonline.de

#### **Agenda**

- European Mobility Week 16-22 September 2011 www.mobilityweek.eu/
- UITP-EMTA conference Urban governance getting people on board 6-7 October 2011 Gothenburg, Sweden www.emta.com/article.php3?id\_ article=797
- OPEN DAYS 2011 9<sup>th</sup> European Week of Regions and Cities 10-13 October 2011 Brussels, Belgium http://ec.europa.eu/regional\_policy/ conferences/od2011/index.cfm
- 23èmes Rencontres du transport Public 12-14 October 2011 Strasbourg, France www.rencontres-transport-public.fr
- EMTA General Meeting 10-11 November 201 Birmingham, United Kingdom www.emta.com

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