

# Workshop 2b. Rail and general public transport - Competitive tendering and other forms of contracting-out: institutional and contract design and performance measurement

**Chair:** [Professor John Preston](#)

**Rapporteur:** [Dr Heike Link](#)

This workshop builds on Workshop 2 of Thredbo 14 and several previous workshops looking at the introduction of, and continued use of, competitive tendering and other types of contracting-out as a way to introduce more competition in public transport services.

In several countries, the significant efficiency-gains of tendering are things of the past, with authorities and operators facing the challenge of keeping a tendered regime meaningful in the long run in mature markets. Understanding both which factors make procurement successful, and which make them fail are subjects of this workshop. These factors include choices and practices in contract design, performance measures and indicators (KPIs), incentive and penalty regimes, benchmarking and the distribution of risks of operation.

The relation between the authority and the operator is of particular interest, including how to implement strong public transport in weak institutional frameworks. Some focus should be given to regulating, managing and developing the informal and paratransit sector; including guiding it to improved service, safety and organization. Developing appropriate means of procurement, contracts and payment structures in context of inexperienced transport agencies and uncertain finances is of interest.

Further, the potential and experiences of hybrid regimes, for example applying both tendering and direct award, other types of performance-based contract regimes, and deconstructing the governance elements and their effects on performance are also relevant, as well as the costs of tendering in terms of switching operators or transaction costs of the tendering process.

The workshop encourages papers on all these topics both from mature and new markets and representing different institutional settings.

## Workshop 2b. Plan

The presenting author is shown in underlined font. The number in square brackets [0] refers to the number of the electronic paper file.

\*Author assigned to another workshop, attending this session only.

Monday 14 August		
Workshop session I		Joint session (Workshops 2a and 2b)
13:30	Introduction: Forms of contracting-out including hybrid models; Refining the contracting-out process; Relations between stakeholders; The dynamics of competitive tendering; The peculiarities of different modes.  <b>Introductory Papers:</b>	
14:00	Stephanie Lotshaw, Paul Lewis, David Bragdon and <u>Zachary Accuardi</u>	Competitive tendering to improve transit service quality: comparative case studies in Europe and North America [5]
	<u>Christoph Schaaffkamp</u>	Do direct awards lead to a better public transport? [100]
	<u>Fabio Hirschhorn</u> , Wijnand Veeneman and Didier van de Velde	Experts' inventory and rating of core performance indicators and organisational features in public transport: a global Delphi survey [154]
15:00	<i>Afternoon tea</i>	
Workshop session II		
15:30	<u>Chris Nash</u> , Yves Crozet, Heike Link, Jan-Eric Nilsson and Andrew Smith	Introducing competition into rail passenger services: lessons from European experience [10]
	<u>Heike Link</u>	Franchising regional rail passenger services in Germany – new evidence on the efficiency in ussing subsidies [50]
	<u>Silvia Olsen</u> , Julie Runde Krogstad, Nils Fearnley, Kenneth Rødseth, Askill Halse, Phill Wheat and Andrew Smith	The Norwegian railway reform: industry cost structure and its implications for optimal contracting, incentives, and organization [151]
	<u>John Preston</u>	The wheels keep on turning? Is the end of rail franchising in Britain in sight? [162]
16:50	<i>Short break</i>	
Workshop session III		
17:00	<u>Marcin Krol</u>	When competitive tendering seems too risky - evidence from regional railways in Poland [167]
	<u>Jonathan Cowie</u>	Contract re-award and consumer sovereignty, the case of British rail privatisation [179]
18:00	<i>Close</i>	
Tuesday 15 August		
Workshop session IV		
09:00	<u>Winfried Schmitz</u>	"The Frankfurt Way" - innovative institutional arrangements for public transport planning and management [54]
	* <u>Wijnand Veeneman</u>	Developments in public transport governance in the Netherlands: even more recent developments [153]

	<u>Niek Wijmenga</u> , Wijnand Veeneman and Fabio Hirschhorn	Benchmarking the costs of urban public transport in the Netherlands [161]
10:30	<i>Morning tea</i>	
<b>Workshop session V</b>		
11:00	Juan Pablo Sepúlveda and * <u>Patricia Galilea</u>	How do different payment schemes to operators affect public transport concessions? A microeconomic model [74]
	<u>Andrei Dementiev</u>	Contracting-out public transport services to asymmetric partnerships [87]
	<u>Fatih Canitez</u> and Dilay Celebi	Transaction cost economics of authority operator relations in public transport: the case of Istanbul as a hybrid regime [184]
12:30	<i>Lunch</i>	
<b>Workshop session VI</b>		
13:30	Discussion – Rail	
15:00	<i>Afternoon tea</i>	
<b>Workshop session VII</b>		
15:30	Discussion – Public Transport	
16:50	<i>Short break</i>	
<b>Workshop session VIII</b>		
17:00	Discussion - General	
18:00	<i>Close</i>	
<b>Wednesday 16 August</b>		
<b>Workshop session IX</b>		
09:00	Discussion – Workshop Report and Presentation	
10:30	<i>Morning tea</i>	
<b>Workshop session X</b>		<b>Joint session (Workshops 2a and 2b)</b>
11:00	Discussion – Workshop Report and Presentation	
12:30	<i>Lunch (end of workshop sessions)</i>	