



Sweden – some examples of contracts and co-operation

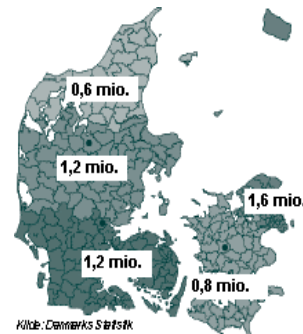
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VTI

Zagreb, HR, 5 Oct 2007



Small and BIG





Basic data

Denmark

43 100 km²

5,4 M Inhabitants

38 600 GDP per inh, €

362 cars per 1 000 inh

20 % PT modal share

No road congestion

Sweden

450 000km²

9,1 M Inhabitants

31 600 GDP per inh, €

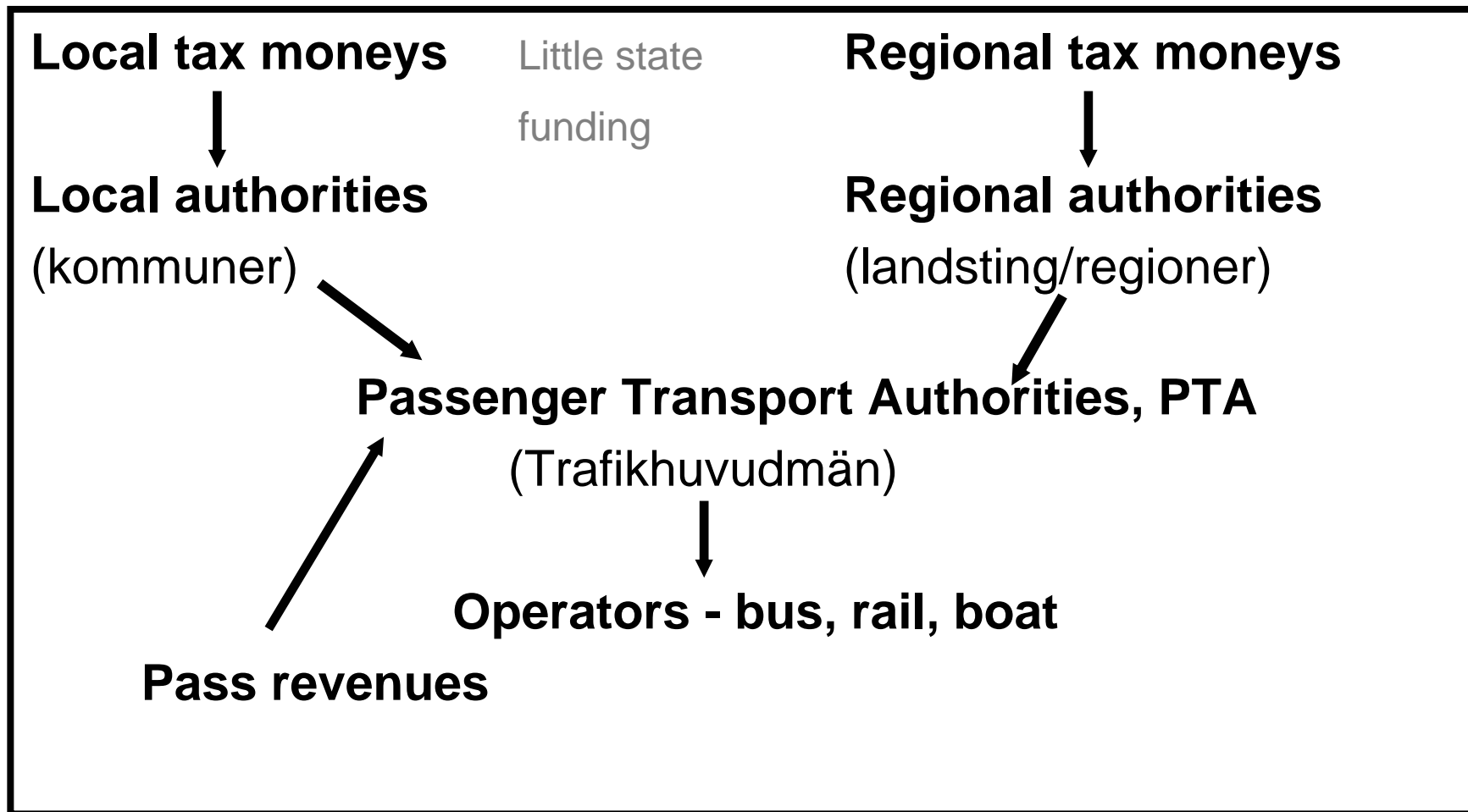
459 cars per 1 000 inh

17% PT modal share

No road congestion



Sweden – general set up





Sweden – (some) current problems

- PT market share is stagnating, esp. bus travel
- PT has a second rate image
- Costs are rising after 20 years of reductions through tendering
- Actual (financial) political support is shrinking
- PT may not be able to meet future challenges

- Gross cost contracts don't work well enough



Gross or net cost contracts – general characteristics

Allocation of revenue risk	Incentives/risk beyond revenue risk?	
	No	Yes
Authority	1. Gross cost contracts <i>Trad. Scandinavian model</i>	2. Incentive gross cost contracting <i>New Scandinavian model</i>
Operator	3. Net cost contracts <i>Trad. Norwegian model</i>	4. Incentive net cost contracting <i>New model of quality contracting</i>



Gross cost contracts

How do they work, why have they been used?

PTA pays operators per vehicle km

All revenues flow to the PTA

PTAs decide the fares for all services

PTAs decide about network and timetables

Tickets/passes are valid on all services

Tickets/passes can be bought from various outlets

Operators have had little influence so far



Incentives – Stockholm area experience

(Link to paper will follow)

Incentive (examples)

Contracted services actually operated
Punctuality
Cleanliness
Staff behaviour
Information
Complaints

Comment

Operator responsibility (mainly)
Op. responsibility (traffic, infrastr.)
Mystery shopper survey
Mystery shopper survey
Mystery shopper survey
Registered through IT systems

Monitoring through operator reporting, IT means, surveys

Stockholm PTA (SL) has 1,9 M inh., 665 M journeys/year, 4 670 M PKM/year



Incentives – Stockholm area experience

(Link to paper will follow)

Conclusions

Incentives and targets – effects do not appear to be the intended

Some incentives may be too complex

Until recently willingness to pay not taken into account

The level of the incentives may be have been too low

Fewer and more carefully motivated incentives may work better!





Net cost contract schemes in Sweden

Luleå, Östersund, Telemark (NO)

Crucial issue - Degree of freedom for the operator to decide about fares, network and timetable

Observations; net cost contracts seem to be associated with

- **Higher fares and lower costs**
- **Less public financial support to Public Transport**
- **Fewer passengers in Sweden – more passengers in the Norwegian case**
- **Higher share of satisfied passengers**





Net contract scheme in Blekinge 99-06

Objectives

Save public money, increase competition in tenders, retain service levels

Implementation

- **PTA decided the min. number of bus km, network, base frequencies**
- **Operator could raise fares 10% + RPI, suggest other fare changes, change (most) frequencies, suggest network changes**

Conclusions

Lower costs, some more pax, no more bidders for net cost contracts, 30% higher costs in following tender

Blekinge has 150 000 inh., 7,2 M journeys/year, 138 M PKM/year



Karlskrona, main town in Blekinge





Samtrafiken, co-operation between PTAs, operators





Co-operation through Samtrafiken

Samtrafiken is a commercial organisation owned by 21 PTAs, rail, coach and ship operators

It should

- Improve changes betw modes
- Provide seamless travel info
- Facilitate seamless ticketing
- Ensure that you *get through*
- Improve terminals and stations

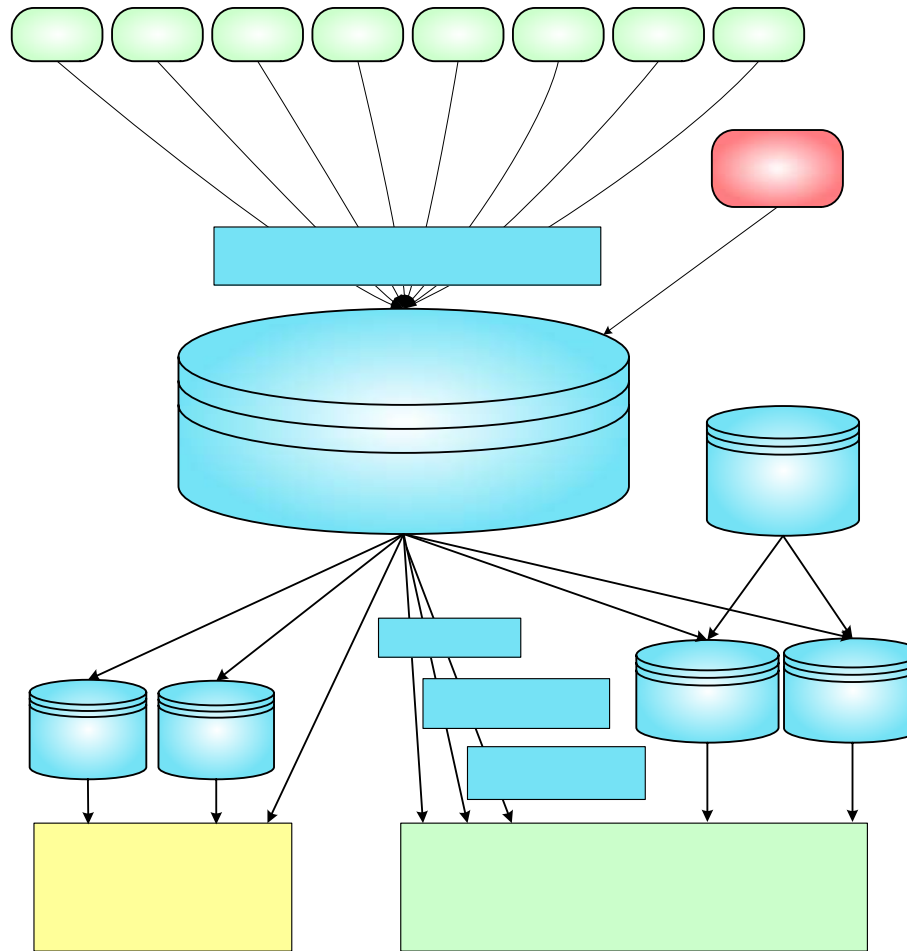


<http://www.resplus.se/default.asp?language=2> English

<http://www.resplus.se/default.asp?language=3> Deutsch



A national timetable database





Swedish co-operation summary

samtrafiken.se for co-ordination and IT solutions

resplus.se for timetable and other info (no fare info)

sj.se and boktag.se for ticketing

Example on next slide



- 09:55 15:34 05:39 Just nu 1 kl **947 SEK**
- **09:55 Valdemarsvk bst - 11:15 Norrköping C**
-
- Travelling by: Regional bus, 459
- Information: Just nu 2 klass
- **11:35 Norrköping C - 14:46 Malmö C**
-
- Travelling by:
- X 2000, 10529
- Information: Just nu 1 klass
- Adult 1
- Carriage number: 2, seat number: 8 (Aisle), Lounge
- **15:15 Malmö C - 15:34 Svedala stn**
-
- Travelling by:
- Local train, 1641
- Information: Just nu 2 klass

