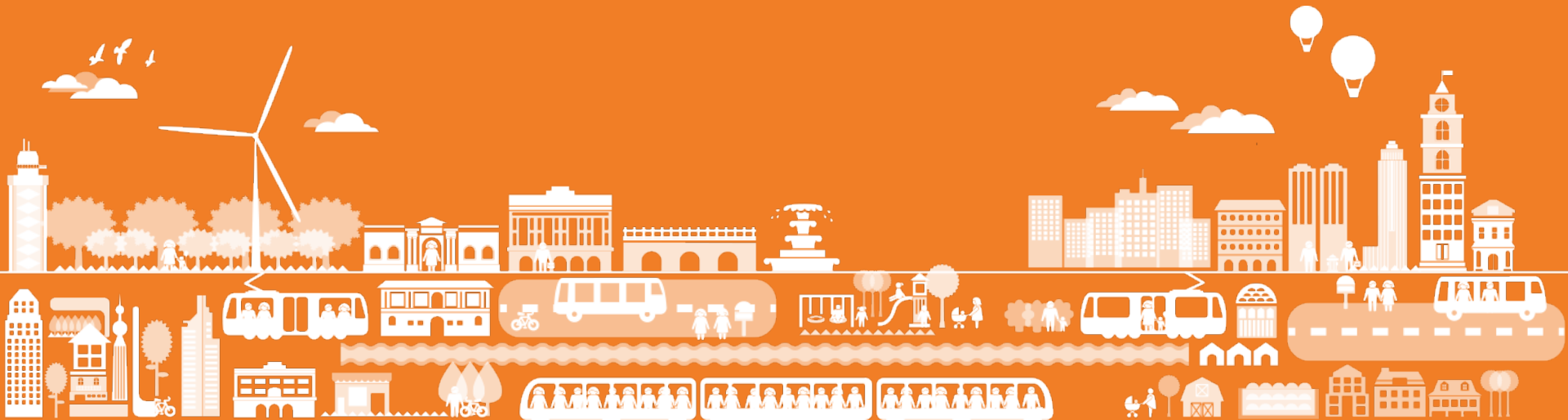


K2 Conference – The way forward, 5-6 Oct 2016, Stockholm



A fifteen minutes agenda

- Why financing & governance?
- Early results and publications
- Next steps – final remarks

  The Way Forward



K2 Conference, October 5-6, 2016



Why financing & governance?



- “Common research area”
 - Attracts transport researchers
 - Stakeholder interest
- Specifically, in Sweden
 - Ambition to **increase** ridership and market share
 - Ambition to be **better**, to deliver competitive services, implement new schemes and technologies, like BRT, trams and electromobility
 - **Subsidies** cover around 50%, other public sectors attract interests
 - Recent **regulatory changes** in Sweden (RKM as Competent Auth.)
- Therefore, increased research efforts needed regarding
 - how innovative funding/financing and pricing strategies may allow for reduced costs and/or increased revenues
 - implications of the new public transport law
 - novel and optimum forms of contracts

Organisation – three projects



1. Financing

- Désirée Nilsson, MAH; Helena Bohman, MAH
Roger Pyddoke, VTI; Erik Ronnle, LU

2. Governance

- Anders Wretstrand, LU; Gert Paulsson, LU;
Joanna Dickinson (VTI); Karin Thoresson VTI

3. Contracting

- Helene Lidestam, VTI/LiU; Roger Pyddoke, VTI;
Carolina Camén, SAMOT/KaU

• Collaboration with

- Karin Isberg, SLL; Christian Löf, SLL; Calle Blomberg, VGR;
Bengt G Nilsson, Region Skåne; Patrik Lindblom, Region Skåne
- Stenerik Ringqvist, RTM Konsult; Karin Brundell-Freij, WSP;
Hans Danielson, Danielson & Co

Initially: focus on "K2 Outreach"



- Ronnle, E. (2015). *Alternativ finansiering av kollektivtrafik: en kunskapsöversikt*. [**Alternative financing** of public transport: an overview] K2 Outreach 2015:6.
- Lidestam, H., Johansson, A., Pyddoke, R. (2016). *Kontraktsformer och deras inverkan på svensk kollektivtrafik. En kunskapsöversikt*. [**Contract designs** and their impact on Swedish public transport]. K2 Outreach 2016:3.
- Pyddoke, R., Wretstrand, A. (2016). *Vilken grad av prisdifferentiering? En översikt av analyser av optimala taxor i kollektivtrafiken*. [Which degree of price differentiation. An overview of analyses of **optimal fares**] K2 Outreach 2016:10.
- Ringquist, S. (2016). *Kollektivtrafikens styrning och organisering. Utveckling och erfarenheter av lokal och regional kollektivtrafik 1970-2015*. [Development and experiences of **local and regional public transport 1970-2015**]. K2 Outreach 2016:11.

Early results - financing



- Internal project on property market and regional rail (Bohman & Nilsson 2016)
 - data: single-family home transactions and commuter rail data, capturing variations across price segments
 - results:
 - **price effect of proximity detected, strongest in lower price segments of the housing market**
 - **the largest regional labour market had a greater effect**
- External project on economic and financial justifications for further regional rail expansion (Pyddoke et al. 2015)
 - data: two railway services in the Stockholm region
 - results from this approach:
 - **further expansion is not likely to be justified purely on financial or social welfare grounds**

Early results - governance

- Internal project on link between transport policy/strategy and contract design (Danielson & Wretstrand)
 - market objectives have poor correspondence, customer orientation and technology objectives well aligned
- External project on policy instruments for increased PT share (Dickinson & Wretstrand)
 - highlighted the necessary use of policy instruments and measure packages; carrots and sticks; instruments addressing both local, regional and national levels; conflict of interest among different planning agents; the context dependence and the need for local ex-ante analyses with innovative modelling etc
- External project on car use and PT supply (Pyddoke et al.)
 - impact on increased public transport supply on car use in 17 small and medium sized cities: **effects are small** in medium sized cities and almost negligible in small cities

Early results - contracting

- Internal project on deepened understanding of cost drivers in contracting (Lidestam & Camén)
 - in-depth interviews, identified categories of cost drivers were e.g.; peak time operations, age requirements, tech. bus requirements, the tendering and contracting process itself
- Unique external project on novel contract (Pyddoke & Lindgren)
 - one of the largest contracts in Swedish public transport history (the E20 contract in Stockholm), 100% VBP
 - data: outcome in terms of supply, punctuality, cancelled departures, costs and ridership comparing with previous/reference contracts
 - results:
 - **some increases in supply initially but within two years the supply was almost back at pre-E20 levels, the variations in quality were small, costs decreased.**
 - **for the central variable – ridership – no significant changes were reported.**

Next steps



- *Collecting data/statistics*, elasticity analysis
- Working with the regions to figure out *the way from strategy to tactics* – matching contracting design with overarching transport goal and policy
- *Quantitative* analysis of cost drivers
- Novel data to study the *capacity utilization in regional trains*, Stockholm region
- Studying the effects of moving bus service departures in *peak periods*, together with operator Nobina

Final remarks



- We argue that the further development of **better access to *and* storage of data** will allow for
 - better decision making, based on thorough monitoring and evaluation (evaluation of policies and measures)
 - better use of researchers as resources
 - e.g. more detailed, locally derived data of appraisal, elasticities, allowing for useful modelling
 - analysis of incentive contracts - there is a lack of “public” knowledge of how current contract designs actually work

