



ON THE INTEREST OF INTRODUCING PERFORMANCE INDICATORS IN THE FRENCH URBAN TRANSPORT : A PROPOSAL FOR AN EUROPEAN BENCHMARKING ANALYSIS

Mounia Moudjed

Transportation Economics Laboratory (LET), University of Lyon 2, Lyon, France

mounia.moudjed@let.ish-lyon.cnrs.fr

KEY WORDS : urban public transport regulation, indicators of performance, european benchmarking

Theme Area : Transport Policy and Regulation

The urban transport is one of the emblematic local sector that knows a double evolution in the european area. On the one hand, in some european countries, the decentralization reinforced the local regulation of the public services with a « *competition for the market* », by legitimating the role of the local communities (becoming authorities of transport). The reflexions on the measuring instruments of the performance fall under this quite precise context of the process of decentralization. This pleasing last to reconsider the local public management tools and specifically the statistical datas that the local communities will have to appropriate themselves.

In the other hand, the liberalization, by the introduction of a european regulation with a « *competition by the market* » (tendering contracts), comes to upset the technical, lawful and economic conditions under which the local service is organized.

This evolution and the complexity of the contractual organization comes to redefine contours of the regulation of the public utility of the urban transport. Indeed, to the existing questions of competition and the contractual methods, comes to be grafted the performance and its measurement. Consequently, integrate the performance in the regulation of the sector becomes a necessity (we will understand by the regulation term the whole of the interventions of the authorities aiming at founding competition in a sector where it exists more or less according to countries and to reconcile the exercise of competition with the « missions of general interest »).

This regulation by the performance must pass by a renewal of the mechanisms of incentive in public transport. It is not only a question of promoting competition, but also taking care that the objectives raising traditionally of the general interest can be achieved by measuring the effectiveness of the service in its contractual and competing environment.

But in this paper, we will see that this double evolution results in a different organization according to certain European countries (France, England, Norway, Sweden and Italy). Whereas in France, the idea to develop a regulation by the performance emerges, in other countries like England or Norway, the practice of the measurement of the performance of the public services is integrated for a long time and is much more systematic. All at least, the problems of the evaluation seem to remain, for certain European countries, in a second plan concerning the reflexions on the regulation of the public services in local matter. In France, it seems to appear indirectly in the contractual processes and in national and local statistical tools. Furthermore, apart from England where privatization begin quickly because of the failures of the sector and the authority of the government, the other european countries engaged in dispersed order in

experiments of privatization. Italy prepares there but the political consensus necessary to this opening appears difficult to find.

Complex dimension in the public services, the performance of a service can be declined in different economic configurations according to countries, but the idea will be retained that the research and the measure of the efficiency of the public utility is an important and necessary stage. By mobilizing this economic criterion, we are able to show better the maturity and the capacity of the local authority in the management of his urban network. So, the comparative analysis will require to carry out a decomposition by level of actors and not simply wondering about the only definition of the economic criteria of measurement mobilized. We will show how some countries as Sweden are able to exceed the only unilateral performance of market and production (technical and financial) of the operator and the service (from the physical point of view). In fact, some countries succeed in the measurement of a trilateral performance where the local authority and the users must be implied as much as the operator of transport and to have measuring instruments of the total performance of the service.

By establishing a monographic analysis by comparing in the space the measurement of the urban transport performance by means of the use of indicators (France, England, Italy, Norway and Sweden), the aim of the paper is double. First, show why and how, according to the recent evolutions in the european urban transport, the dimension of the performance, in the regulation of the sector, is taken into account in the different european areas. Secondally, it is about to compare the different european areas on the compromise performance-competition, the introduction of indicators as instruments of measurement.

In the Scandinavian countries, it would be necessary to be interested in what is done in Sweden and in Norway. In Sweden, the indicators of performance are divided by various cities and networks to ensure benchmarking and of collective stimulation for better performances. With the Swedish Customer Barometer, a barometer of satisfaction, it makes it possible to make all kinds of comparisons between the urban transport areas. Also, it is the subject of monthly reports and ratios on Internet. The practice of performance evaluation in urban public transport in Norway is not very developed. The recent introduction of a collection of statistical datas could make evolve the situation. England represents the Anglo Saxon model. In England, national authorities promote the principle of *value for money*, that is to say the social utility of the public money and the role of the user in the process of performance measurement. Deregulated sector, independent authorities are in charge of the measurement of the performance (the Audit Commission). In Italy, it is about for the moment of a nstitutional reorganization and beginning of entry in the competition which will change certainly concerning the measurement of the performance.

This reflexion allowed us take some conclusions for the french urban transport. That is to say, the research of a new instrumentation by introducing indicators of performance. But for France, the interest of the foreign experiments appears balanced. On one side, the variety of the foreign models multiplies the scenarios of which it can be inspired. On other side, the intensity of the legal and cultural differences encourages with prudence in the transpositions. In France, the State often propose more or less strong control for the local authorities. Whatever is the degree and the methods of intervention of the public power, it was done with a major objective : the constitution of a transport system covering the territories and answering to missions of public utility of continuity, adaptability and equality.

The final objective of this study is to arrive to a typology of the practices of evaluation, but, also to be able to draw up differents models of regulation by the performance of urban public

transport and to see what could be transferred to the french model. The choice of the countries is justified by the following points : some countries as Italy or France are a typical example of communal management, other countries as England are typical example of national and privatized management for public transport and its measurement of performance.

References :

Longva, Ousland, Sorensench, Ji Lian and Van de Velde, (2005), *Targeted competitive tendering of passengers transport* ; TOI report 787/2005, Institute of Transport Economics ; Oslo, Norway.

Buchanan and Partners, (1997), *The regulation of bus and coach services within the European Union*, Transport research Institute, Napier University, Edinburgh, UK and Centro Studi Traffico, Milano, Italy.

Halcrow Fox Consultancy, (1994), *A study into the organisation and operation of urban public transport in the 12 States members*, London, UK.

Lorrain, Stocker, (1995), *La privatisation des services urbains en Europe*, Editions La Découverte, Paris, 218 pages.

Mathieu, (2005), *Contrats de service : évolution et prospective*, Contrat public, n°48, pages 26 to 30.

MARETOPE project, (2003), *Managing and assessing regulatory evolution in local public transport operations in Europe*, 181 pages.

National Policy Frameworks for urban transport, (november 2005), *Urban transport statistical and public perception data*, 125 pages.

ISOTOPE project, (2000), *Transport research Fourth Framework programme urban transport, Improved structure and organisation for urban transport operations of passengers in Europe*, 177 pages.

Quidort, Tyson, Muthesuis, (1993), *Allemagne, Royaume Uni : d'une concurrence à l'autre. Déréglementation anglaise : la dure loi du marché. Allemagne : les landers auteurs et acteurs du changement*, Transport Public.

Darbéra, (2004), *L'expérience anglaise de dérégulation des transports par autobus*, les Cahiers Scientifiques du Transport, n°46, pages 25 to 44.

Revue Transporti Publici, (2005), *Performance del trasporto*, rivista di politica ed economia del trasporto e della mobilità, pages 12-38.

Colosi, (17 novembre 2004), *Sur quels indicateurs l'agence pour le contrôle et la qualité des services publics locaux de la ville de Rome s'appuie t - elle pour apprécier le service rendu ?*, colloque Conseil Général des Ponts et Chaussées *Expertise et contrôle : dialogues sans frontières*, Paris, 11 pages.

SLTF, (march 2004), *Public Transport in Sweden, co-ordination and competition*, 33 pages.

Mathisen and Solvoll, (2005), *Competitive tendering and structural changes in the bus industry : the norwegian case*, Bod Gaduate School of Business, 20 pages.

Web sites :

www.transportbenchmarks.org

<http://www.slutf.se/english/index.htm> (Swedish Public Transport Association)

<http://www.bvpi.gov.uk/pages/Index.asp> (Best Value Performance Indicator website)