

Contracting regimes for bus services: what have we learnt after 20 years?

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This paper reviews a number of themes that have played a crucial role in the debate on alternative contracting regimes for the provision of urban bus services. We have selected four crucial issues to reflect on: (i) contractual regimes (in particular competitive tendering as compared to negotiated performance-based contracts, as means to award the rights to provide service); (ii) contract completeness (focussing on ex ante and ex post elements); (iii) building trust through partnership; and (iv) tactical or system level planning for bus services. Experience in these areas suggests that competitive tendering has frequently not lived up to expectations and that negotiation is likely in many circumstances to deliver better value for money.

Keywords: Asset ownership, Bus contracts, Margins, Negotiation, Performance based contracts, Tendering, Trusting partnerships.

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