

Abstract

Evaluation of the cost and effectiveness of the basic standard of public transport provision by the Flemish public transport company De Lijn.

The public transport company De Lijn issued a report about an internal evaluation of the introduction of its basic standard of public transport provision. The Court examined this report at the request of the Flemish Parliament. It found that in general De Lijn's report gave an approaching and indicative idea of the way the basic standard of public transport provision was implemented by De Lijn as well as its outcome and cost. The trends outlined in the report do not need to be modified in spite of several inaccuracies. Nevertheless, it used an inaccurate period sequencing and it lacked accurate cost data for the basic standard of public transport provision in addition to the fact that the number of passengers was not yet calculated on the basis of real counts. These limitations of the report make it less relevant as a basis for assessing the efficiency and effectiveness of the implementation of the basic standard of public transport provision or as a possible screening of De Lijn's management by external sources.

Period sequencing and extent of implementation

To meet the criteria imposed for basic standard of public transport provision the public transport company De Lijn extended the existing offer with various passenger service projects. In its overview report De Lijn based itself on the years 2003 to 2007 as period of implementation of the basic standard of public transport provision. Nevertheless, it overlooked that before 2003 several projects had already been started under the concept of basic standard of public transport provision. Moreover at the end of 2006 by the time De Lijn had to guarantee a minimal offer of basic standard of public transport provision in all municipalities, it had not taken stock either of how it was carried out. In 2008 about 85% of De Lijn's offer met the standards imposed. For the rest it argued that meeting the needs of the remaining zones would involve excessive high service cost to implement.

Cost price of basic standard of public transport provision

The expenses and cost prices indicated in the internal evaluation report do not demonstrate sufficiently to what extent the implementation of the basic standard of public transport provision has been efficient. It cannot put a full figure on the real cost of the transport operations and the subsidies it received to implement them because of an insufficiently detailed recording of the basis information needed for these calculations. The budgets earmarked for a basic standard of public transport provision do not take sufficient account of the investment expenditure and the price evolution. The annual cost of 121,5 million euros mentioned in De Lijn's internal evaluation report is underestimated. Comparisons with other

transport companies in its report are rather sketchy and show a lack of transparency or a lack of nuance.

Effectiveness

The basic standard of public transport provision was introduced gradually and at the same time as other policy measures adopted by the Flemish government, so that an unambiguous, enlightening measurement of the direct and indirect effects of the policy was made extremely difficult. De Lijn therefore tried to evaluate the impact of the passenger occupancy in the light of overall indicators such as passenger number, transport rate and cover ratio. It based its calculations on an effective reduction of the number of tickets punched and an extrapolation of the various types of season tickets and passes according to the number of passengers. The passengers numbers generated by this conversion are the outcome of a calculation made partly on historically grown flat-rate basis. As they refer to cost and revenue effects, some indicators function more as criteria for efficiency than for effectiveness.

Inaccuracies

The statistical information contained in the internal evaluation report is supported by De Lijn's documents, files and basis information, but shows a certain number of inaccuracies. They concern errors and inconsistencies in the calculation and presentation of the trend movement of several indicators and departures from the documents available. The trends indicated in the internal evaluation report, however, do not need to be modified.

Evaluation procedure and outcome

To evaluate the operating projects of basic standard of public transport provision the committees for public transport examined the offer in the light of two criteria, the average passenger rate for regular services and the extent to which the call-a-bus system has been implemented. In addition, since 2005 the bus company has screened all current operating projects according to a ten evaluation point scale, with the aim to ensure a more efficient offer or more pragmatic implementation of the standards applicable to basic standard of public transport provision. The summary tables included in De Lijn's internal evaluation report do not match entirely the overviews of evaluations carried out as mentioned in the appendices to the report. The economies made should be put into perspective.

Conclusion

The Court concluded that the statistical information contained in the internal evaluation report is supported by evidence, but contains several inaccuracies. The conclusions of the internal evaluation report are useful

as an indication to implement the basic standard of public transport provision. According to the Court, however, the report does not contain information sufficiently supported by evidence or relevant information to assess fully the efficiency and the effectiveness of the basic standard of public transport provision.

Minister's reply

On 19 December 2008 the Flemish minister for transport took note of the Court's remarks on De Lijn's internal evaluation report. The minister said he would ask De Lijn to correct the inaccuracies contained in the evaluation report.