

# Public Transport Reform

Regional Development Committee  
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INVESTOR IN PEOPLE



Department for  
**Regional  
Development**

[www.drdni.gov.uk](http://www.drdni.gov.uk)

# Three Tier Structure

- ❖ Top, Government, tier responsible for broad policy, legislation and regulation, including the regulation of operators;
- ❖ Middle tier responsible for designing and managing services and securing their provision from
- ❖ Third tier comprising transport operators.



# Principles

## ❖ Stakeholder Agreed Principles:

- A regulated and integrated system
- Revenue vs capital funding:
- Clear delineation of roles and responsibilities and a split between design and operations



# Current Objectives

- ❖ Improved services to the public
  - Better integration
  - Improved information
- ❖ Support implementation of the Regional Transportation Strategy
- ❖ Support greater use of public transport in line with economic, social and sustainability objectives
- ❖ Maximise efficiency and value for money



# Regulation 1370/07

- ❖ Recognises that many public transport services may be uneconomic
- ❖ Provides a framework in which operators can be compensated:
  - Clear identification public service obligations
  - Compensation to be objective and transparent
  - No over compensation
  - “internal operator” - compensation only to the extent needed by an efficient, well-run organization
- ❖ Sets out a transition timetable



# Regulation 1370/07: Consequences

- ❖ New arrangements required for funding NITHC/Translink
- ❖ New contracts will need to demonstrate that there is no over-compensation
- ❖ DRD must be able to contract with:
  - Internal operator
  - Other operators:
    - Community services
    - Rapid transit



# Business Case Options

- ❖ Do nothing – structures, roles and responsibilities remain the same
  - Incompatible with EC requirements
- ❖ Revised NITHC/Translink model
  - Would give enhanced power and responsibility to NITHC
  - Need for contractual relationship with DRD (to be compatible with EC requirements)
- ❖ Departmental agency

