



Competition in public transport in Great Britain

Peter White ^{1*}

¹ *University of Westminster, UK*

Abstract

Britain offers a case in which much greater experience of competition in the public transport sector can be seen than in other European countries. Examples are drawn from this experience, showing that outcomes differ between the long-distance and local markets, price competition functioning much more effectively in the former. In many respects, the competitive bidding process may be seen as more important and extensive than direct ‘on the road’ inter-operator competition within the same mode over the same routes. Experiences from competitive tendering and franchising are reviewed. Contradictions between competition policy and wider transport policies remain to be resolved.

Keywords: Competition; Tendering; Franchising.

Introduction

The public transport system of Great Britain has experienced a greater degree of privatisation and deregulation than any other in Europe, commencing with the Transport Act of 1980, which deregulated the express coach market. Such competition has occurred both within modes (for example, between bus operators over the same route), and between modes (for example, between express coach and rail, and between public and private modes). The most obvious form of such competition from the passengers’ point of view is that where competing operators offer services over the same route, sometimes referred to as ‘on the road competition’, or ‘competition in the market’ in the road transport sector. However, the extent of this is not particularly great, and has tended to diminish. The other form, which has closer parallels with that found elsewhere in Europe, is that ‘for the market’ or ‘off road’ competition, in which a single operator is given a contract to run a service, but a competitive bidding process takes place. The principal example is the bus network in Greater London. Such bids are usually invited at the level of individual routes in the bus sector, but at the level of substantial networks in the rail franchising process.

* Corresponding author: Peter White (whitep1@westminster.ac.uk)