



No. 5: FINANCE

REGION HANNOVER COMMISSIONS AND FINANCES LOCAL PUBLIC TRANSPORT

The *Region Hannover* authority is responsible for the quantity and quality of local public transport services – but how much public transport can the Region afford? How much does it have to provide, and how can services be commissioned on a secure legal basis?



TENDERING PROCEDURES FOR LOCAL RAIL SERVICES

Region Hannover concludes contracts for local passenger rail service with operating companies; the current contractual partners are *DB Regio AG* and *metronom Eisenbahngesellschaft mbH*.



The route between Uelzen and Göttingen via Hannover has been operated since the end of 2006 by *metronom*, which won the contract in a European tendering procedure – the first in local public transport for the Hannover Region. The results have shown that competitive tendering is one possible way to ensure financing of timetabled services with the same or improving quality.

Region Hannover has recently issued a European call for tender to operate the Hannover Region S-Bahn system, looking for a railway company to run all seven S-Bahn routes as of December 2012. The tendering procedure is being run jointly with the neighbouring passenger rail commissioning authorities *Landesnahverkehrsgesellschaft Niedersachsen (LNVG)* and *Zweckverband Nahverkehr Westfalen-Lippe (NWL)*. The commissioning authorities expect intense competition between bidding companies and thus attractive local public transport at a reasonable price.

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The next coordinated competitive tendering procedures are already decided. The 'Heide-Bahn' ('heath railway') between Hannover and Buchholz will be up for competitive tender in December 2011 and the present 'RegionalExpress Hannover – Norddeich' service for the 2014 timetable.

DIRECT COMMISSIONING FOR BUS AND STADTBAHN

At the end of 2009, bus and Stadtbahn concessions in the Hannover Region for the next few years were granted to the municipal transport operators *üstra Hannoversche Verkehrsbetriebe AG* and *RegioBus Hannover GmbH*.





Region Hannover and transport operators share an interest in maintaining the high quality of local public transport and financing it on a sound legal basis according to EU norms. To achieve this, *Region Hannover* has concluded partnership agreements with the public transport operators: the regional authority commits itself to financing the operators' services within a defined framework, and in return *üstra* and *RegioBus*, along with their business objectives, also commit themselves to fulfilling quality standards such as punctuality, reliability and passenger satisfaction.





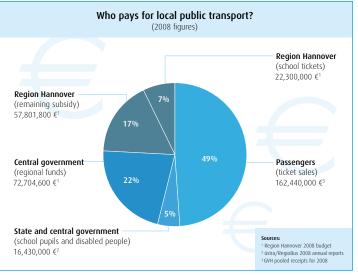
REGION HANNOVER PAYS SUBSIDIES TO KEEP MOBILITY AFFORDABLE

Right across Germany, local public transport receives billions of Euros every year. Only part of this comes from fares; the rest is provided by municipalities, federal states and central government.

In the Hannover Region, too, the costs of local public transport are higher than income from ticket sales. *Re-gion Hannover* makes up the shortfall from its budget – and thus guarantees basic mobility. Without contributions from central government, state government and *Region Hannover*, passengers would have to pay twice as much for the same level of service!

INVESTING IN THE INFRASTRUCTURE | As well as subsidising services, investment is ploughed into track and stations. Every metre of new track, every bus shelter and station elevator enhances public transport in the Hannover Region.





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WHAT REGION HANNOVER PAYS THE PUBLIC TRANS-PORT OPERATORS

- For payments to the *DB Regio* and *metronom* railway companies, *Region Hannover* included subsidies of over 76.2m € in its 2008 budget.
- Over 54.2m € were reserved in 2008 for payments to bus operators üstra and RegioBus.

Stadtbahn operating costs were covered by ticket sales in 2008, so that *Region Hannover* did not have to make any subsidy.

For more information on public transport in the Hannover Region see **WWW.HANNOVER.DE**





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