

Report 14.132
Date 19 March 2014
File TD/02/10/06

Committee Council
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Draft Regional Public Transport Plan for public consultation

1. Purpose

To seek approval for the release for public consultation of the draft Regional Public Transport Plan 2014 (PT Plan) (**Attachment 1**) and the associated Summary document (**Attachment 2**)

2. Background

The Council is required to have a PT Plan by the Land Transport Management Act 2003 (LTMA). The existing PT Plan was adopted in 2011, but the legislation was subsequently amended and a new PT Plan must now be adopted.

The PT Plan must provide a statement of the public transport services that are integral to the public transport network, and the policies, procedures, information, and infrastructure that support those services.

The PT Plan is primarily a policy document that sets out the approach to achieving the objectives for public transport set out in the Regional Land Transport Strategy (to be replaced by the Regional Land Transport Plan), the Government Policy Statement on Land Transport, and the Greater Wellington Regional Council (GWRC) Long Term Plan. High level objectives, targets and performance measures for public transport are set in these documents rather than in the PT Plan.

The statutory requirements for preparing the PT Plan are set out in Part 5 of the LTMA. The statutory purpose of the PT Plan is to provide:

- A means for encouraging regional councils and public transport operators to work together in developing public transport services and infrastructure
- An instrument for engaging with the public in the region on the design and operation of the public transport network

- A statement of the public transport services that are integral to the public transport network; the policies and procedures that apply to those services; and the information and infrastructure that support those services.

The PT Plan largely summarises existing policy. The policies and actions were adopted by the Strategy and Policy Committee on 18 February 2014 (Report **2014.25**), the public transport fare structure review was adopted by the Economic Wellbeing Committee on 26 June 2013 (Report **2013.104**), and the 2013 revision to the Wellington Regional Rail Plan was adopted by the Strategy and Policy Committee on 25 February 2014 (Report **2014.49**). The Regional Transport Committee agreed the preferred corridor and mode for the Wellington Public Transport Spine on 4 March 2014 (Report **2014.93**).

The Regional Transport Committee was consulted on key elements of the draft PT Plan at the meeting on March 4 2014 (Report **2014.88**), and workshops or meetings have also been held with current and potential public transport operators, and officials from the New Zealand Transport Agency, Ministry of Education, and local councils. Any further feedback from Regional Transport Committee members received after the time of writing will be circulated separately.

3. Comment

Public transport services are an essential part of Wellington's transport network, and contribute significantly to the region's liveability and economic productivity. In particular, they:

- Decrease severe traffic congestion, particularly in the morning and afternoon peak periods, which in turn affects journey times, and journey time reliability, for other transport network users
- Provide transport choices, including during off-peak periods
- Contribute to reducing carbon emissions from transport
- Enable efficient land use and a compact, well designed and sustainable urban environment
- Contribute to a good health and safety record, in particular by decreasing the risks of death and serious injury resulting from car crashes.

Given that most of these benefits result from the 35.2 million public transport trips taken annually – which would otherwise require private vehicles – the GWRC has made growing patronage and mode share one of the fundamental goals for Wellington's public transport system.

GWRC aims to achieve the goal of growing patronage by continually improving the Metlink public transport network so that services:

- Go where people want to go, at the times they want to travel
- Provide competitive journey times

- Provide value for money
- Are easy to understand and use
- Are safe, comfortable, and reliable
- Provide flexibility, allowing people to change their plans.

The major improvement initiatives in the draft RPTP are:

- Implementing the ‘Public Transport Operating Model’ (PTOM), which seeks to build commercially based partnering relationships between procuring authorities and public transport operators. Under PTOM all public transport services will be allocated to ‘units’ made up of unique service routes or groups of routes and delivered through their own performance-based operating contracts, procured in a manner that provides value for money. This model will replace the existing mix of contracted and registered commercial services, and will enable a consistent customer experience across the public transport network
- Implementing the Wellington City Bus Review, providing a simpler network with more frequent services available to more people, with less duplication and fewer buses on the Golden Mile
- Implementing bus rapid transit on the Wellington Public Transport Spine, allowing faster journey times through the Golden Mile and out to the southern and eastern suburbs in modern high capacity vehicles
- Completing the modernisation of the rail fleet (the Matangi 2 project)
- Modernising and simplifying the public transport fare structure and introducing integrated fares and ticketing, providing the next generation integrated payment and business systems that will make using public transport more convenient
- Completing the Rail Scenario 1 from the Regional Rail Plan to enable new service patterns, providing faster and more reliable trips with less waiting time.

The RPTP also sets out the policies and actions aimed at providing an attractive and efficient public transport network under the following headings:

- Network approach: An integrated approach to the public transport network – including the planning and provision of services, infrastructure, and information
- Services and infrastructure: High quality, reliable, safe, and customer focused public transport services using modern vehicles and infrastructure
- Fares and Ticketing: A fares and ticketing system that attracts and retains customers

- Customer Connection: An effective connection with customers
- Providing for the transport disadvantaged: information, facilities, and services that are increasingly available to all members of the public
- Monitoring and review: A system of monitoring and review that supports continuous improvement
- Procurement approach: A procurement approach that supports the efficient delivery of services and provides value for money
- Funding: Sustainable funding arrangements that balance user contributions (fares) against public funding.

4. Options for the Wellington City bus fleet

Wellington City's bus fleet is presently made up of a mixture of electric trolley buses and diesel buses. The fleet is of mixed age and performance capability. The present Metlink bus network includes a mix of high-frequency core routes through to lower frequency local connector routes. Suburbs to the South, East and West have core routes set up to take trolley buses, while suburbs to the North have no trolley bus capability.

As the trolleys and associated infrastructure are nearing end of life, they will require further investment beyond the current operating contract period if the buses are to be maintained as part of Wellington's bus fleet.

The existing trolley bus wiring network will require significant reinvestment beyond current spending for it to remain viable over the long term. Of the 15 substation supply points which are used to supply electricity to the network, 13 are made of obsolete 1950s equipment. The remaining two substations were constructed in the 1980s using more modern equipment. The equipment in the supply network is obsolete by modern standards and has not been upgraded in 50 years, and it's owner (Wellington Electricity Lines Limited) has indicated that significant and expensive upgrades to the power supply network will be required over the medium term if the trolley buses are to be maintained. Assuming a life of up to 50 years, this will also involve a significant commitment to ongoing maintenance costs in order to maintain the quality of service of the network.

The trolley bus fleet was refreshed during 2007 to 2009, although the upgrades were made using old chassis and motors. The aging of the trolley buses means that if trolley buses are to be used in the medium-long term, the fleet will need to be replaced with newer, more reliable models. Many of the diesel buses in the fleet are will also be in need of replacement within the next 5 – 10 years. As many of the older (Euro I standard) diesels are expected to be removed from the fleet in the short term, a decision is required on what diesel buses should be replaced with as they are removed from the fleet.

4.1 Options being evaluated

PwC has been engaged to undertake an evaluation of potential future configurations that could be considered for the Metlink bus fleet. Options include:

1. Maintaining the current mix of diesel and trolley buses, with new trolley buses
2. Modern (Euro V/VI) diesel buses. Diesel buses use traditional diesel engines and are currently the most popular form of bus used for public transport internationally. In line with stricter European guidelines, modern engines are significantly cleaner burning than older engines.
3. Hybrid buses. Hybrid buses typically use an electric engine in conjunction with a diesel based combustion engine. The diesel engine is used to charge an internal battery pack which drives the motor. Regenerative braking is also typically used, transforming kinetic energy from braking into electrical energy.
4. Opportunity electric buses. Electric buses are powered by an electric battery that drives the motor. These batteries must be recharged regularly. Opportunity buses recharge at stopping points en-route allowing them to carry a lightweight battery (increasing passenger capacity).

The evaluation includes consideration of the costs and benefits of each option over a 40 year period. Benefits include time savings and emission reductions from changing the current bus fleet mix, while costs include the costs of the vehicles, any infrastructure costs, and operating costs such as fuel or electricity and maintenance etc.

While the evaluation work is still being undertaken, initial results indicate that:

- Options 2, 3, and 4 each have lower costs and higher benefits than maintaining the current mix of diesel and trolley buses using new trolley buses (option 1)
- All 4 options have lower emissions than the current bus fleet as a result of removing older diesel buses from the fleet. The hybrid and opportunity electric options also have lower emissions overall than option 1.

In light of these results, and the fact that trolley buses make bus routes relatively inflexible and often slow passenger journeys because they are not able to pass other trolley buses on the same line, the new Wellington City bus network has been designed on the basis that the current trolley bus network no longer operates after the expiry of the current operating contract in 2017.

All of the options being evaluated would require funding approval from the Transport Agency as they involve higher standards than the minimum requirement in the Requirements for Urban Buses.

Proposed consultation questions

It is proposed that the PT Plan consultation is used as an opportunity to gain feedback about community views on the relative importance of the different factors which will be taken into account options for the future bus fleet are evaluated. Proposed consultation questions are:

- Should we choose which ever option with the highest net benefits (benefits less costs, relative to maintaining the current mix of diesel and trolley buses) or are there other factors that should be taken into account?
- How important is fleet reliability?
- How important are carbon and other harmful emissions?
- How important is noise in built up areas?
- Are you willing to pay more for a lower emission option?

5. Documents

There are two documents for the Council's consideration: the draft Regional Public Transport Plan 2014 (**Attachment 1**); and the Summary of the draft Regional Public Transport Plan 2014 (**Attachment 2**, to be circulated separately). Once approved these will be fully designed and printed.

6. Statutory requirements

Sections 124(a) and (b) of the LTMA requires GWRC, before adopting the PT Plan, to be satisfied that this plan:

- contributes to the purpose of the LTMA
- has been prepared in accordance with the guidelines issued by the Transport Agency
- is consistent with the Regional Land Transport Plan
- has applied the principles specified in Section 115(1) of the LTMA
- takes in to account:
 - the national Energy Efficiency and Conservation Strategy
 - policy statements and plans adopted under the Resource Management Act 1991
 - the public transport funding likely to be available
 - the need to obtain value for money, having regard to the desirability of encouraging a competitive and efficient market for public transport services
 - the views of public transport operators in the region.

These matters are discussed below.

6.1 Contributes to the purpose of the LTMA

The purpose of the LTMA is ‘to contribute to an effective, efficient and safe land transport system in the public interest’. The draft PT Plan sets out objectives and policies that will contribute to the provision of an integrated system of public transport that:

- provides for greater access and mobility
- efficiently utilises existing capacity and resources
- improves operational performance
- provides competitive journey time
- supports environmental and health outcomes by reducing congestion and encouraging growth in public transport mode share.

The draft PT Plan aims to improve the safety of the public transport system.

6.2 Has been prepared in accordance with the guidelines issued by the New Zealand Transport Agency (NZTA)

The 2013 NZTA guidelines for preparing regional public transport plans have been taken into account in preparing the draft PT Plan. Regular meetings have been held with Transport Agency staff to review the process and proposed content of the PT Plan, and the guidelines have been used to determine the core requirements for the establishment of units within the new Public Transport Operating Model.

6.3 Is consistent with the Regional Land Transport Plan

There will not be a Regional Land Transport Plan until 2015. In the interim, the draft PT Plan must take into account the Regional Land Transport Strategy (LTMA section 156(2)).

The Wellington Regional Land Transport Strategy (RLTS) was adopted in 2010 and sets out the long-term strategic objectives and outcomes for land transport in the region. The RLTS provides the overall strategic framework for investment in the region’s land transport network and is the basis for:

- Identifying, selecting and prioritising regional projects and activities
- Monitoring actual network performance
- Reviewing implementation and corridor plans.

The RLTS sets out the transport vision for the region, which is:

“To deliver an integrated land transport network that supports the region’s people and prosperity in a way that is economically, environmentally and socially sustainable.”

The draft PT Plan provides for public transport services to fulfil the role of public transport as defined in section 9 of the RLTS and to contribute to the achievement of the RLTS vision.

6.4 Has applied the principles specified in Section 115(1) of the LTMA

The principles are:

- (a) GWRC and public transport operators should work in partnership and collaborate with territorial authorities to deliver the regional public transport services and infrastructure necessary to meet the needs of passengers

Comment: GWRC has worked with public transport operators in the development of PTOM, and its specific application to the Wellington public transport network. Operators have been consulted in the preparation of the draft PT Plan, including on the design of the network, allocation of services to Units, and policies. The policies in the PT Plan, especially in relation to procurement reflect the ongoing commitment to a partnering approach.

- (b) The provision of public transport services should be coordinated with the aim of achieving the levels of integration, reliability, frequency, and coverage necessary to encourage passenger growth

Comment: A central theme of the PT Plan is the development of an integrated approach to the public transport network, with policies and actions in section 6 focusing on improving integration and reliability. Once in place, the major initiatives in the PT Plan are expected to better meet travel demands, and result in patronage growth.

- (c) Competitors should have access to regional public transport markets to increase confidence that public transport services are priced efficiently

Comment: The adoption of PTOM in the PT Plan, including in the way in which Units have been arranged, and the approach to competitive tendering, will provide good opportunities for competitors to access the Wellington public transport market, which is expected to deliver efficient pricing of services.

- (d) Incentives should exist to reduce reliance on public subsidies to cover the cost of providing public transport services

Comment: GWRC has adopted the PTOM approach which is intended to provide incentives for operators to improve the commerciality of services, and reduce the reliance on subsidies. In particular, the publication of PTOM “league tables” and the linking of contract

performance to contract tenure will encourage operators to grow patronage and increase commerciality, thereby reducing reliance on subsidies.

- (e) The planning and procurement of public transport services should be transparent.

Comment: GWRC has adopted a clear and transparent process for planning and procuring services, which is reflected in the public consultation undertaken as part of the service review process and in the procurement policies outlined in section 5. GWRC will carry out an open, fair and transparent process to procure new contracts in order to ensure best value for money for customers, ratepayers and taxpayers, as well as to establish effective commercial partnering relationship between GWRC and public transport operators.

6.5 National Energy Efficiency and Conservation Strategy

The RLTS includes an evaluation of the National Energy Efficiency and Conservation Strategy (EECS 2007) and has the strategy's transport objectives in the RLTS vision, objectives and outcomes.

The EECS 2007 has since been updated, and the National Energy Efficiency and Conservation Strategy 2011-2016 (EECS 2011) sets out objectives and policies to improve energy intensity and support greater levels of investment in renewable energies. The EECS 2011 sets an objective of a more energy efficient transport system, with a greater diversity of fuels and renewable energy technologies.

The PT Plan will contribute to this aim by ensuring a more effective and efficient public transport network, with particular actions to:

- design an efficient public transport network which minimises route duplication
- continue to provide an electric rail network for urban services
- improve energy efficiency of public transport service delivery by:
 - ensuring operators provide high quality, low emission vehicles complying with environmental standards
 - improving the fuel efficiency of the bus fleet over time
 - replacing the Ganz Mavag trains with Matangi
 - investigating new technologies to enable regular and real-time monitoring of vehicle performance
 - ensuring that vehicles are well maintained.

6.6 RMA policy statements and plans

The Regional Policy Statement (RPS), Regional Plan and local authority district plans have been considered in preparing this PT Plan. The RPS sets out the framework and priorities for managing the region's resource in a sustainable way. The RPS gives effect to National Policy Statements, and regional and district plans and the RLTS are required to give effect to the policies of the RPS.

These plans contain a range of policies and provisions that encourage mutually supportive land-use and public transport development. The RPS emphasises the importance of land-use planning in managing demand for travel and supports connectivity between and within settlements to optimise walking, cycling and public transport. It also provides for a transit oriented and energy efficient urban design approach and principles that support improved access to frequent and reliable public transport services especially along corridors with high demand.

These requirements support the policies and actions in the PT Plan, in particular the integrated approach to the planning and provision of public transport services, the development of the layered service hierarchy and network of core services, and the integration of public transport with walking and cycling.

6.7 Available funding

The public transport funding likely to be available has been a key consideration in preparing this RPTP. The funding likely to be available for public transport is identified in the Government Policy Statement on Land Transport Funding and in council Long Term Plans. This PT Plan has been prepared in line with the financial forecasts prepared as part of the GWRC Long Term Plan 2012-22 and the development of the next Regional Land Transport Plan. Where projects are not funded in the current plans, this is identified in the draft PT Plan.

6.8 Value for money and competition

In preparing the draft PT Plan, GWRC has taken account of the need to obtain the best value for money having regard to the desirability of encouraging a competitive and efficient market for public transport services. The policies and actions in this RPTP focus on the opportunities for public transport operators to compete fairly in an efficient market within the limits of existing resources. GWRC will carefully monitor the transition to the new operational units to ensure that the market is competitive and delivers maximum value for the money spent.

6.9 Views of public transport operators

The views of public transport operators have been considered in the preparation of the draft PT Plan. Specific operator feedback has been sought from incumbent and potential public transport operators on the proposed future network, the arrangement of the operational service units and the proposed policies to apply to those units and services.

6.10 Consideration of the needs of persons who are transport disadvantaged

The provision of travel options and access to basic community activities for all members of the community is one of the key roles and social benefits of the public transport system. While the provision of a comprehensive network of public transport services goes a long way towards the access needs of the transport disadvantaged, appendix 4 of the draft PT Plan outlines specific initiatives that will assist the transport disadvantaged.

7. Communication

The timetable for the draft PT Plan consultation is:

Draft Regional Public Transport Plan & Summary released and submissions invited	4 April 2014
Submission period closes	9 May 2014
Hearings & deliberations (concurrently with the hearings on the draft Annual Plan)	27 -29 May 2014
Council meeting to adopt Regional Public Transport Plan	26 June 2014
Regional Public Transport Plan takes effect	24 July 2014

The draft PT Plan Summary will form the main consultation document for members of the public. The summary includes details of how to obtain further information.

The full draft PT Plan document will be published on the GWRC website, and hard copies will be mailed to key stakeholders and also will be available on request. The documents can also be viewed at libraries and GWRC offices.

Proposed communication techniques include (in no particular order):

- Media releases
- Social media (various)
- Targeted emails
- Newspaper advertisements
- Updates/item in 'Our Region'
- Distribution of summary document
- Website information and link to online submissions form
- Individual Councillor engagement

- Targeted engagement with community stakeholders on the Wellington City bus review
- Public meetings

Submissions are to be heard by a hearings' subcommittee. Feedback letters will be sent to submitters once the Regional Public Transport has been adopted.

8. The decision-making process and significance

The subject matter of this report is part of a decision-making process that will lead to the Council making a decision of high significance within the meaning of the Local Government Act 2002. The decision-making process is explicitly prescribed by section 125 of the Land Transport Management 2003 and must include in consultation in accordance with the consultative principles specified in section 82 of the Local Government Act 2002.

9. Recommendations

That the Council:

1. ***Receives the report.***
2. ***Notes the contents of this report.***
3. ***Agrees that the matters in the report will lead to the Council making a decision with a high degree of significance.***
4. ***Notes that the draft Regional Public Transport Plan 2014 includes options for the bus fleet configuration for the Wellington City bus network for public consultation.***
5. ***Approves the draft Regional Public Transport Plan 2014 (as set out in Attachments 1) for public consultation, subject to any changes agreed at the meeting.***
6. ***Delegates to the Chair the ability to make minor editorial changes prior to publication to correct errors and improve public understanding.***
7. ***Notes the submission period from 4 April to 9 May 2014, and the proposed public engagement activities.***
8. ***Notes that submissions on the draft Regional Public Transport Plan 2014 will be heard concurrently with submissions on the draft Annual Plan by the Annual Plan Hearings Committee.***

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