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Committee Regional Transport Committee  
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## Wellington Bus Rapid Transit (BRT) Business Case Update

### 1. Purpose

To inform the Committee about progress through the stages of the business case approach of the Wellington BRT proposal and the recommendations of the Ngauranga to Airport Governance Group.

### 2. Background

The Ngauranga to Airport (N2A) Governance Group and Steering Group were established by the three partner organisations; Wellington Regional Council (GWRC), Wellington City Council (WCC) and the NZ Transport Agency (NZTA). The intent of the groups is to coordinate the transport projects proposed under the framework of the Ngauranga to Airport Corridor Strategy.

A BRT Governance Group and Steering Group were also established by the three partner organisations to oversee the further stages of investigation and implementation for BRT, the BRT project being one project within the Ngauranga to Airport Corridor.

The N2A Governance Group last met on 27 July 2015 and resolved to update the Regional Transport Committee on the results of the Bus Rapid Transit Indicative Business Case and the decisions and recommendations of the N2A Governance Group.

### 3. Comment

The Regional Land Transport Plan (RLTP) sets out the strategic context. The Ngauranga to Airport Corridor Strategy forms part of the RLTP and provides for a multi-modal approach to addressing the identified problems. This includes the development of a high quality and high frequency passenger transport spine through central Wellington.

The Public Transport Spine Study was undertaken in 2012-14 jointly by Greater Wellington Regional Council (GWRC), Wellington City Council (WCC) and the NZ Transport Agency (NZTA) in order to identify the best long-term option for this spine. The preferred option, Bus Rapid Transit, was confirmed by this Committee in March 2014 (**Report 14.93**).

### **3.1 The Business Case Approach Process**

The business case approach has been adopted by Treasury and NZTA for the assessment of large projects. It involves a series of steps, progressing from a Strategic Case, through to a Programme Business Case, an Indicative Business Case (IBC) and ending with a Detailed Business Case. The purpose is to ensure that there is clarity on what problem is to be solved and to provide a robust and transparent method for determining the best solution and how it meets the agreed objectives.

For Wellington BRT, the Public Transport Spine Study (PTSS) was determined to be equivalent to the Programme Business Case and therefore an Indicative Business Case has been prepared and approved by the three partner organisations.

### **3.2 Indicative Business Case for Wellington BRT**

The purpose of an IBC is to identify the preferred way forward, narrowing down on the number of options to only those that provide a compelling case. It seeks to avoid spending resources on those options which should not proceed.

The IBC, produced on behalf of GWRC, WCC and NZTA, confirms there is a demonstrable problem with the current public transport network along the spine in Wellington and that a BRT solution can help address the problems by:

- Proving faster and more reliable bus journeys along the PT Spine
- Increasing the corridor carrying capacity along the route
- Helping improve the bus user experience
- Contributing to increasing PT patronage and PT mode share along the PT Spine
- Helping grow the total number of people able to travel in peak periods

The IBC has analysed a range of infrastructure options to provide clarity on what BRT could look like in a Wellington context. These options focus on physical infrastructure (with other components of BRT being considered as part of GWRC's PT Transformation programme). Five main options were considered, as follows:

Option 1 'improved bus priority'

Option 2 'bus lanes, along the whole route, at peak periods'

Option 3 'bus lanes in targeted locations, 24/7'

Option 4 'bus lanes, along the whole route, 24/7'

Option 5 'physically separated bus lanes, along the whole route, 24/7'

The IBC has found there is a strong case for investment in a BRT solution for Wellington and that the best performing options were Option 3 (bus lanes in targeted locations) and Option 4 (bus lanes, along the whole route). There is also potential to move from Option 3 to 4 over time.

Given the strong case for investment in a BRT solution for Wellington the conclusion of the IBC is that a Detailed Business Case should be prepared to examine Options 3 and 4 in more detail.

### **3.3 Consideration by lead organisations**

The conclusions of the IBC have been supported and approved by each of the three lead organisations, as follows:

- Wellington City Council (Transport and Urban Development Committee) on 5<sup>th</sup> August 2015
- Greater Wellington Regional Council on 12th August 2015
- New Zealand Transport Agency Board on 14<sup>th</sup> August 2015.

The agreed next step in the process is the Detailed Business Case (DBC). How this fits into the overall project process is illustrated in **Attachment 1**.

### **3.4 The Next Stage: Detailed Business Case**

The DBC refines the preferred options, reconfirms the benefits and that the option(s) still address the agreed problems and supports a preferred option for implementation. It includes the critical steps of corridor design and detailed transport modelling which will help to quantify the benefits more precisely and examine any trade-offs required.

This stage will include the following elements: detailed planning, preliminary design, costs for road layout and stops/stations/interchanges, preferred intersection priorities, detailed impact assessment including land requirements, network impacts, safety assessment, and an overall DBC. It is anticipated that this stage will also include public engagement on options and implications that will feed into the final DBC.

The BRT project is a critical component of the N2A strategy. It will provide a high quality and frequent public transport spine that will offer attractive travel choices, congestion relief, support walking and cycling and contribute to the economic growth of the region. The BRT project however must be integrated with other aligned projects on the state highway and local roads.

The design of the corridor and intersection priorities will be integrated with other planned projects, including new cycle lanes, pedestrian improvements, amenity improvements, as well as planned roading improvements delivered by the partners. It will also be integrated with other GWRC projects that form part of the wider public transport Transformation programme. Consideration will be

given to sequencing construction with other planned transport improvements along these corridors.

Detailed consideration is currently being given to how to best organise, resource and deliver the next stage of the planning, design and modelling stage. This includes options to progress the project as part of an overall integrated package for the N2A corridor.

The recent rejection by the High Court of the Appeal by NZTA against the decision of the Board of Inquiry into the Basin Bridge Proposal is another factor that will have to be considered as the BRT project progresses. Further consideration will have to be given to how to work through the uncertainty created by this decision and what options are available to resolve the conflicting transport needs and movements in the vicinity of the Basin Reserve.

The estimated cost for the Detailed Business Case is \$1.5m and it is anticipated that this will take around 12 months to complete. This stage would be funded using the same funding formula as for the previous stage, which provides for joint funding from NZTA, GWRC and WCC. The project will be managed through the existing joint governance arrangements.

#### **4. Communication**

No communication is specifically required in relation to this matter. Partner organisations have already issued joint media.

#### **5. The decision-making process and significance**

The matter requiring decision in this report has been considered against the requirements of Part 6 of the Local Government Act.

##### **5.1 Significance of the Decision**

No decision is being sought in this report and a formal record outlining consideration of the decision making process is thus not necessary.

This report updates and informs the Committee on the decisions made by partner organisations in relation to the Wellington BRT.

##### **5.2 Engagement**

Engagement on the matters contained in this report is unnecessary in accordance with the significance and engagement policy.

#### **6. Recommendations**

*That the Committee:*

- 1. Receives the report.*
- 2. Notes the content of the report.*

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**Attachment 1: Wellington Bus Rapid Transit Business Case Process Timeline**