



Contribution to community outcomes

Prosperous community

Fund rail, bus and local harbour ferry passenger services.

Connected community

Provide passenger service information through a call centre, website and paper timetables.

Essential services

Provide and maintain urban passenger trains, "Park and Ride" facilities, train stations, bus-rail interchanges, bus lanes and bus shelters.

Develop an affordable Regional Land Transport Strategy and monitor its implementation.

Healthy environment

Encourage people to use public transport.

Healthy community

Quality lifestyle

Part fund taxi services for people with disabilities.



Key projects for 2007/08

Activity: Plan and monitor the transport network

Ngauranga-to-airport transport corridor plan

- Carry out a consultation process on a new transport corridor plan, following Transit New Zealand's options study of the corridor. The plan will become a corridor plan which sits alongside the Regional Land Transport Strategy.

Hutt transport corridor plan review

- Initiate a review of the Hutt Corridor Plan (part of the Regional Land Transport Strategy). This Plan covers the transport network from Upper Hutt to the Ngauranga merge.

Travel plan programme

- Continue to proactively facilitate the development of workplace and school travel plans around the region. A minimum of 4 workplace and 6 school plans will be completed, with actual numbers likely to be significantly higher.
- Enhance community-based travel behaviour change initiatives in Lower Hutt through school travel plan work, with the overall aim of fewer single-occupancy private car journeys for short trips.
- Continue the travel awareness communications, with a range of information and initiatives undertaken to promote alternative travel options to the private car.
- Complete the Capital and Coast District Health Board travel plan project, with the Health Board assuming full responsibility for its ongoing implementation.

Active transport co-ordination

- Continue to promote active transport modes, including walking and cycling, in conjunction with city and district councils.

Wairarapa log freight rail project

- Support a project that will enable logs to be moved by rail from the Wairarapa to CentrePort (see below). No submissions were received on this proposal.

Greater Wellington has applied to Land Transport New Zealand (LTNZ) for funding to support a proposal by Central Log Rail Ltd (CLRL) to provide for the movement of logs from Masterton (Waingawa) to CentrePort by rail.

CLRL is not able to apply directly for this funding due to Land Transport New Zealand rules. Once operating the proposal will generate benefits to road users by reducing road maintenance costs and traffic delays, primarily on State Highway Two and particularly over Rimutaka Hill Road. LTNZ has accepted evidence that each tonne of logs carted by this project generates nearly \$2 in benefits for every \$1 in subsidy paid. LTNZ has previously agreed to fund fully the start-up operating subsidy needed to allow this project to proceed, although we are advised that the LTNZ Board may need to consider this application further. The following subsidy is required but will be subject to the actual volume of logs moved:

Year 1 (2007/08)	Year 2 (2008/09)	Year 3 (2009/10)	Total
\$585,000	\$440,000	\$245,000	\$1,270,000

Greater Wellington supports this proposal as it is consistent with current policy in the Regional Land Transport Strategy. No rates or other Greater Wellington funding is required for this project.



Key projects for 2007/08 *(continued)*

Activity: Provide the infrastructure for public transport

Rail rolling stock

- Complete work on the new Wairarapa train carriages so they can be in service by the end of 2007.
- Complete the tender process and sign the supply contract for 70 new trains for the Johnsonville, Paraparaumu, Melling and Hutt Valley lines.
- Commence an investigation of the work required to upgrade the Ganz Mavag fleet of passenger trains.
- Refurbish and bring into service five English Electric trains to increase short term passenger rail capacity.
- Commence refurbishment of six additional train carriages and additional locomotives to increase passenger rail capacity.

Rail network

- Commence work on upgrading signalling and traction systems to ensure that the new passenger trains will operate efficiently.
- Commence construction on the double tracking of the railway line from MacKays Crossing to Waikanae and electrification from Paraparaumu to Waikanae.
- Commence an upgrade to the Johnsonville railway line to allow the new passenger trains to operate.

Rail strategy

- Commence investigation and scoping of the suite of western corridor rail projects to maximise and hasten improved reliability and capacity for population growth.

- Prepare a regional rail plan outlining the implementation of enhancements for the region's passenger rail network.

Railway station facilities

- Commence a programme of station upgrades following the completion of a review of all stations to establish what works will be required to ensure that the new passenger trains operate efficiently, taking into account (but not limited to) platforms, shelters, lighting, signage, parking and security.
- Extend the Plimmerton Station subway in order to connect the Domain to the station and Steyne Avenue.
- Replace the perspex roof which covers the ramp area at Waterloo Station.
- Complete the Wairarapa Stations upgrade programme, including additional car parking spaces at Woodside, Solway, Featherston and Masterton stations.
- Introduce a new car park security patrol programme.
- Implement the first phase of a 3 year programme to improve CCTV coverage of Waterloo station and car parks.

Bus stop facilities

- Install a further 17 CBD display units from Wellington Interchange to Courtenay Place.
- Improve the availability of travel information at bus stops.
- Provide additional bus stop shelters at key locations.



Transport

Key projects for 2007/08 *(continued)*

Activity: Fund and promote public transport services

- Continue to fund rail, bus and local harbour ferry passenger services.
- Complete a review of diesel bus and local harbour ferry services and produce a procurement strategy and plan to guide future tendering and contracting.
- Review Wellington diesel bus services.
- Investigate electronic integrated ticketing and real time information.
- Continue to provide a 24/7 service centre and website to provide customers with information on public transport services.
- Conduct the annual public transport customer satisfaction monitoring survey.

Activity: Fund total mobility

- Continue to fund and administer the Total Mobility scheme which allows for people with disabilities to travel by taxi for half the normal taxi fare.



Key changes from the 2006–16 Ten-Year Plan (LTCCP)

Activity: Plan and monitor the transport network

- Additional expenditure of \$370,000 has been included for the travel demand management programme following confirmation of additional funding from Central Government (the project is 75% funded by Land Transport NZ).
- Additional expenditure of \$585,000 has been included to support a proposal by Central Log Rail Ltd to provide for the movement of logs from Masterton to CentrePort by rail. This project is contingent on receiving 100% funding from Land Transport NZ.

Activity: Provide the infrastructure for public transport

- The budget for passenger trains heavy maintenance has been reduced by \$3.6 million to \$2.7 million.
- Increased provision of \$1.3 million has been included for passenger trains maintenance and insurance.
- Planned work of \$5 million for upgrading traction and signalling equipment for the new trains has been brought forward to 2007/08.
- The \$5 million upgrade to the Johnsonville railway line to allow the new passenger trains to operate has been brought forward to 2007/08.
- An additional budget of \$350,000 for the Western Rail Corridor concept design has been included in 2007/08 to enable design of the rail corridor infrastructure upgrade to commence.

- Expenditure of \$12 million to enable construction to commence on double tracking the railway line from MacKays Crossing to Waikanae, and rail electrification from Paraparaumu to Waikanae, has been brought forward to 2007/08.
- Delays in the timing of the capital expenditure on new passenger trains and other infrastructure has reduced financial costs by \$970,000 and depreciation/asset impairments by \$1.8 million.
- The delay in timing of capital expenditure has also delayed the associated revenue from Land Transport NZ.



Key changes from the 2006–16 Ten-Year Plan (LTCCP) *(continued)*

Activity: Fund and promote public transport services

- In 2007/08 rail, bus and ferry contract prices are projected to be \$6.6 million above the amount signalled in the LTCCP. This increase incorporates some service improvements but most of it relates to the significant increase in fuel prices in 2006.
- The operating expenditure budget for the integrated ticketing project has been reduced by \$1.7 million for the 2007/08 financial year. A study has been included in 2007/08 to examine the scope and timing of this project.

Activity: Fund total mobility

- The operating expenditure budget for an extension to the total mobility scheme of \$1.0 million for 2007/08 has been removed as no agreement has been reached with Central Government regarding additional funding that would be required to progress this.

Capital expenditure – rail

- The budget of \$174 million for the purchase of the new passenger trains has been adjusted to reflect current estimates for the timing of construction. The impact for 2007/08 is a \$25.7 million reduction in capital expenditure, but there is no change to the estimated time of delivery.

- The 2007/08 capital budget for integrated ticketing of \$2.3 million has been delayed one year. A study has been included in 2007/08 to examine the scope and timing of this project.
- An additional \$16.5 million has been included to bring into service five English Electric passenger trains and six SWE ('S' class Wellington express) carriages and locomotives to increase passenger rail capacity and reliability.

Capital expenditure – other

- The budget of \$10 million for capital expenditure to meet Human Rights Commission requirements has been removed for 2007/08 as Central Government has not yet advised its response or specified funding arrangements.
- The Johnsonville Mall capital expenditure project budget of \$1.0 million included in 2006/07 has been deferred until 2007/08. It is clear that this will not proceed prior to 30 June 2007.



Short term targets – by 30 June 2008

Activity & Level of service: Plan and monitor the transport network

1 Develop an affordable Regional Land Transport Strategy and monitor its implementation

Target	Performance Indicators
An annual report on the Regional Land Transport Strategy will be approved by Council within a budget of \$61,000	A report will be approved by the Regional Land Transport Committee
A travel plan programme and active transport co-ordination will continue to be implemented within a budget of \$785,000	At least 4 workplace travel plans and 6 school travel plans will be completed
Parts of the Regional Land Transport Strategy will be completed and parts of it further developed, within a budget of \$323,000	The new Regional Land Transport Strategy will be published. A new prioritisation process for the Regional Land Transport Programme will be delivered. The Ngauranga-to-Airport consultation processes will be undertaken to meet the requirements of the <i>Local Government Act 2002</i> and adopted as part of the Regional Land Transport Strategy by 1 June 2008
The Wellington Transport Strategic Model will be maintained within a budget of \$142,000	The model will be updated with all relevant 2006 Census information

Activity & Level of service: Public transport infrastructure

1 Provide and maintain urban passenger trains, "Park and Ride" facilities, train stations, bus-rail interchanges, bus lanes and bus shelters

Target	Performance Indicators
All current and future public transport user facilities will be maintained in accordance with Greater Wellington's asset management plans and within a budget of \$9,311,000. This includes maintenance of public transport user facilities and provision of bus lanes and bus priority systems, as well as the improvement of signage at the region's 53 rail stations.	An annual review of maintenance activities against standards specified in the relevant asset management plan will be undertaken



Short term targets – by 30 June 2008 *(continued)*

Activity & Level of service: Fund and promote public transport services

1 Fund rail, bus and local harbour ferry passenger services

Target	Performance Indicators
More than 95% of calls to the Metlink Service Centre will be answered and customers given the necessary travel information within a budget of \$842,000 and with an overall customer satisfaction of 90%	Incoming calls will be monitored and customer satisfaction will be measured by annual market research
Journey to work trips using public transport will increase by 4%	Annual patronage statistics provided by public transport operators
All rail, bus and harbour ferry service contracts will meet the requirements of Land Transport NZ (as required by the <i>Land Transport Management Act</i>) within a budget of \$56,113,000	A clear audit from Land Transport NZ
Review Wellington City services within a budget of \$125,000	The review will be reported to the Regional Passenger Transport Committee

Activity & Level of service: Fund total mobility

1 Part fund taxi services for people with disabilities

Target	Performance Indicators
The Total Mobility scheme will be administered to the satisfaction of Land Transport NZ within a budget of \$1,870,000	A clear audit from Land Transport NZ

Transport

Prospective funding impact statement



31

FUNDING STATEMENT

	2007/08 Plan \$000s	2007/08 LTCCP \$000s
General rate	-	-
Targeted rate	36,761	37,437
Government subsidies	81,539	92,551
Interest and dividends	(7)	85
Other operating revenue	247	254
Operating revenue	118,540	130,327
Direct operating expenditure	135,847	82,309
Finance costs	481	1,450
Fair value investment impairment	-	1,693
Depreciation	681	761
Operating expenditure	137,009	86,213
Operating surplus/(deficit) ⁽¹⁾	(18,469)	44,114
Less:		
Capital expenditure	6,107	4,115
Passenger transport investment	979	51,038
Proceeds from asset sales	(12)	(6)
Loan funding	(25,208)	(10,218)
Rates and subsidy-funded capital expenditure	(18,134)	44,929
Debt repayment	779	1,554
Investment additions	-	-
Reserve movements	(433)	85
Working capital movements	-	-
Non-cash items ⁽²⁾	(681)	(2,454)
Net funding required	-	-

OPERATING REVENUE

	2007/08 Plan \$000s	2007/08 LTCCP \$000s
Plan and monitor the transport network	3,782	3,071
Provide the infrastructure for public transport ⁽³⁾	49,256	59,634
Fund and promote public transport services ⁽³⁾	63,339	63,876
Fund total mobility	2,163	3,746
Total operating revenue	118,540	130,327

OPERATING EXPENDITURE

	2007/08 Plan \$000s	2007/08 LTCCP \$000s
Plan and monitor the transport network	3,907	3,048
Provide the infrastructure for public transport ^{(2) (3)}	67,410	15,439
Fund and promote public transport services ⁽³⁾	63,528	63,954
Fund total mobility	2,164	3,772
Total operating expenditure	137,009	86,213

CAPITAL EXPENDITURE AND TRANSPORT INVESTMENT

	2007/08 Plan \$000s	2007/08 LTCCP \$000s
Rail ⁽²⁾	5,297	42,384
Other ⁽²⁾	1,760	12,636
Capital project expenditure	7,057	55,020
Land and buildings	-	-
Plant and equipment	-	103
Vehicles	29	30
Total capital expenditure and transport investment	7,086	55,153

- (1) Transport rail rolling stock will be purchased by a 100% Council Controlled Organisation (Greater Wellington Rail Ltd). The accounting treatment has changed from the *Proposed 2007/08 Annual Plan* and the expenditure is now treated as capital grants to Greater Wellington Rail Ltd, which has the effect of creating an operating deficit within public transport.
- (2) Non-cash items include depreciation and impairment of the investment in Greater Wellington's 100% owned subsidiary WRC Holdings Ltd. The investment in WRC Holdings Ltd is for the purchase of passenger transport rolling stock and public transport infrastructure. The assets purchased will be subject to depreciation, resulting in a projected investment impairment.
- (3) Certain LTCCP comparatives have been adjusted to aid comparability.

For more information on the revenue and financing mechanisms applicable to this group of activities, please refer to the *Revenue and Financing Policy* in the *Amended 2006-16 Ten-Year Plan (LTCCP) Policies document* at page 22. Please note that all figures on this page exclude GST.

