

The Chairman and Members
Public Transport Subcommittee

NOTICE IS GIVEN that the next meeting of the **Public Transport Subcommittee** will be held in **Council Meeting Room One, Bay of Plenty Regional Council, 5 Quay Street, Whakatane** on:

EMBARGOED

Until 2 working days before meeting on:

Wednesday, 23 February 2011

commencing at 9.30 a.m.

Bill Bayfield
Chief Executive

16 February 2011



Public Transport Subcommittee – Terms of Reference

Delegated Function

To determine operational policy and operational matters associated with Public Transport. This will be achieved through the development and approval of operational decisions which translate strategy and policy into action.

Membership

- Seven Councillors including the Chairman as Ex-Officio; and
- One representative from Tauranga City Council and one representative from Rotorua District Council.

Term of the Committee

For the period of the 2010/2013 Triennium unless discharged earlier by the Parent Committee or the Regional Council.

Specific Responsibilities and Delegated Authority

The Public Transport Subcommittee is delegated power of authority to:

- 1 Approve and review operational plans and changes (as budgeted in the Ten Year Plan and Annual Plan) related to Public Transport matters.
- 2 Monitor the implementation and progress of approved Public Transport related policy.
- 3 Approve applications to register or vary public transport services submitted under the Public Transport Management Act.
- 4 Authority to enter into contracts on matters within its terms of reference to a maximum value of \$700,000 (excluding GST) for any one contract, provided that the exercise of this power shall be subject to and within the allocation of funds set aside for that purpose in the Ten Year Plan or Annual Plan or as otherwise specifically approved by Council.
- 5 Recommend to the Operational Monitoring and Regulation Committee on the transfer of budget levels between activities or to exceed the budget level for an activity with no commensurate savings elsewhere in relation to Public Transport matters.

Note:

- *The Public Transport Subcommittee is not delegated the authority to develop, approve or review strategic policy and strategy including the Regional Passenger Transport Plan.*
- *The Public Transport Subcommittee reports to the Operational Monitoring and Regulation Committee.*

Public Forum

1. A period of up to 15 minutes shall be set aside near the beginning of the meeting to enable members of the public to make statements about any matter on the agenda of that meeting which is open to the public, but excluding any matter on which comment could prejudice any specified statutory process the council is required to follow.
2. The time allowed for each speaker will normally be up to 5 minutes but will be up to the discretion of the chair. A maximum of 3 public participants will be allowed per meeting.
3. No statements by public participants to the Council shall be allowed unless a written, electronic or oral application has been received by the Chief Executive (Governance Team) by 12.00 noon of the working day prior to the meeting and the Chair's approval has subsequently been obtained. The application shall include the following:
 - name of participant;
 - organisation represented (if any);
 - meeting at which they wish to participate; and matter on the agenda to be addressed.
4. Members of the meeting may put questions to any public participants, relevant to the matter being raised through the chair. Any questions must be asked and answered within the time period given to a public participant. The chair shall determine the number of questions.

Committee Membership

Chairman:	Councillor D Owens
Deputy Chairman:	Councillor P Sherry
Councillors:	J Nees, I Noble, P Thompson, L Thurston, M Whitaker
Ex Officio:	Chairman J Cronin
Appointees:	Mayor S Crosby (Tauranga City Council), Councillor G Searancke (Rotorua District Council)
Secretary:	C Butt

Recommendations in reports are not to be construed as Council policy until adopted by Council.

Agenda

- 1 **Apologies**
- 2 **General Business and Tabled Items**

Items not on the agenda for the meeting require a resolution under section 46A of the Local Government Official Information and Meetings Act 1987 stating the reasons why the item was not on the agenda and why it cannot be delayed until a subsequent meeting.
- 3 **Reports**
- 3.1 **Future Work Programme** 11
- 3.2 **2010/11 Mid-Year Achievement Report for Public Transport Programme** 15
- 4 **Public Excluded Section**
- 4.1 **Re-tender of the Murupara to Rotorua Bus Service** 29

Reason

That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.

Grounds

That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist.

4.2 Rotorua Urban Bus Service 39

Reason

That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of the information is necessary to protect information where the making available of the information would disclose a trade secret.

Grounds

That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist.

5	Reports continued	
5.1	Changes to Tauranga Urban and Ohope to Whakatane Bus Fares	49
5.2	Update on SuperGold Card Travel Scheme	53
5.3	Tauranga School Buses	59
5.4	Other Matters of Interest	63
6	Consideration of General Business	

Reports

File Reference: 8.00092
Significance of Decision: Receives Only - No Decisions



Report To: Public Transport Subcommittee
Meeting Date: 23 February 2011
Report From: Garry Maloney, Transport Policy Manager

Future Work Programme

Executive Summary

The following report will provide members with a tentative outline of the business that the Subcommittee will address in the 2010/13 triennium.

1 Recommendations

That the Public Transport Subcommittee under its delegated authority:

- 1 Receives the report, Future Work Programme.**

2 Introduction

As this is the first meeting for the triennium of the new Public Transport Sub-committee, staff felt that there would be some value in providing members with an outline of the Committee's forthcoming work programme.

3 Work Programme

At the moment, two meetings a year are scheduled in the Council's meeting calendar for the Sub-committee. However, now that the Sub-committee has responsibility for preparing the Regional Public Transport Plan, some additional workshops/meetings will be required in 2011 to be scheduled for that purpose.

The matters that we intend placing before the Sub-committee requiring governance oversight or direction on, include:

- the performance of the Council's contracted bus services and Total Mobility scheme;
- requests for new bus services;
- decisions on services to be retendered; and
- enhancements or reductions in the level of bus service provided.

What this means in more detail is outlined below.

3.1 **2011 Calendar Year**

As indicated in the Tauranga school bus report, additional workshops/meetings of the Sub-committee may be required throughout 2011 to progress the proposed transition from Ministry of Education-funded services to the public network. Staff will make every effort to schedule these sessions on days that the Sub-committee is already scheduled to meet.

3.1.1 **February to May 2011**

As noted above additional workshops/meetings of the Sub-committee will be needed to further progress the development of the Regional Public Transport Plan.

3.1.2 **May 2011**

Should the Council receive requests for new bus services through the Annual Plan process, the Sub-committee may need to meet to evaluate those requests and make a recommendation back to Council.

3.1.3 **August 2011**

The Agenda for the August 2011 meeting will most likely address:

- the 2010/11 financial year annual performance of the Council's contracted bus services and Total Mobility scheme;
- the 2010/11 bus and Total Mobility user satisfaction surveys;
- Tauranga urban bus service limited network review;
- Rotorua urban bus service limited network review;
- requests for new service/service changes;
- retendering of the Rotorua to Tauranga bus service;
- retendering of the Te Puke to Tauranga bus service; and
- retendering of the Katikati and Omokoroa to Tauranga bus service;

3.1.4 **August to October 2011**

Additional meetings of the Sub-committee will be needed to complete the special consultative process required for the development of the Regional Public Transport Plan (that is, hearing and deliberating on submissions).

3.2 **2012 Calendar Year**

3.2.1 **February 2012**

The Agenda for the February 2012 meeting will most likely address the 2011/12 half-yearly performance of the Council's contracted bus services and Total Mobility scheme.

3.2.2 **May 2012**

Should the Council receive requests for new bus services through the Ten Year Plan process, the Sub-committee may need to meet to evaluate those requests and make a recommendation back to Council.

3.2.3 August 2012

The Agenda for the August 2012 meeting will most likely address:

- the 2011/12 financial year annual performance of the Council's contracted bus services and Total Mobility scheme;
- the 2011/12 bus and Total Mobility user satisfaction surveys;
- Tauranga urban bus service limited network review;
- Rotorua urban bus service limited network review;
- requests for new service/service changes;
- retendering of the Ohope and Matata to Whakatane bus service; and
- retendering of the Kawerau, Opotiki and Whakatane to Tauranga bus service.

3.3 2013 Calendar Year

3.3.1 February 2013

The Agenda for the February 2013 meeting will most likely address the 2012/13 half-yearly performance of the Council's contracted bus services and Total Mobility scheme.

3.3.2 May 2013

Should the Council receive requests for new bus services through the Annual Plan process, the Sub-committee may need to meet to evaluate those requests and make a recommendation back to Council.

3.3.3 August 2013

The Agenda for the August 2013 meeting will most likely address:

- the 2012/13 financial year annual performance of the Council's contracted bus services and Total Mobility scheme;
- the 2012/13 bus and Total Mobility user satisfaction surveys;
- Tauranga urban bus service limited network review;
- Rotorua urban bus service full network review;
- retendering of the Rotorua urban bus service; and
- requests for new service/service changes.

4 Financial Implications

Current Budget

This paper does not require a decision from the Sub-committee and therefore there are no current financial implications arising.

Future Implications

Many of the matters that the report highlights will come before the Sub-committee will have financial implications. Those implications will be addressed in the reports that are placed before the Sub-committee for its consideration.

Ten Year / Annual Plan Implications

Some of the matters that the report highlights will come before the Sub-committee may have Ten Year/Annual Plan financial implications. Those implications will be addressed in the reports that are placed before the Sub-committee for its consideration.

Garry Maloney
Transport Policy Manager

16 February 2011

File Reference: 8.00119
Significance of Decision: Receives Only - No Decisions



Report To: Public Transport Subcommittee
Meeting Date: 23 February 2011
Report From: Mary-Anne Macleod, Group Manager Strategic Development

2010/11 Mid-Year Achievement Report for Public Transport Programme

Executive Summary

The New Zealand Transport Agency requires regional council's administering public transport services to bi-annually report on the performance of those services. The following report presents the information required by the Agency

1 Recommendations

That the Public Transport Subcommittee under its delegated authority:

- 1 Receives the report, 2010/11 Mid-Year Achievement Report for Public Transport Programme.**

2 Introduction

We are now over half way through the 2010/11 financial year. This report looks back on the performance of each of the contracted bus services in the region over this period.

3 Western Bay of Plenty Sub-region

3.1 Rotorua to Tauranga (Twin City Express)

Figure 2 shows the patronage on the Rotorua to Tauranga (Twin City Express) bus service from 2004/2005 onwards. Patronage for the first half of the 2010/11 year is just under 5% higher than for the corresponding period last financial year.

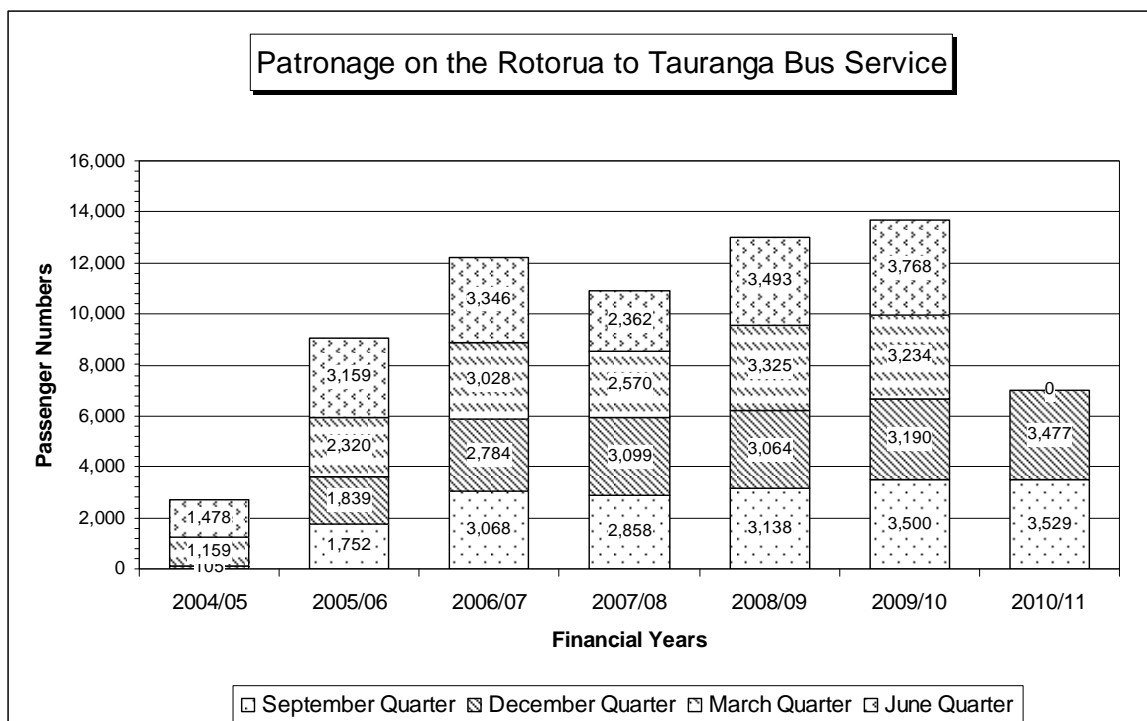


Figure 2: Twin City Express Patronage

The net contract cost to Council and the NZTA for the first six months of the 2010/11 financial year was about \$10,600 (all dollar figures in this report are GST exclusive). Fare revenue collected for the same period was about \$31,800.

The fare recovery ratio was 74%.

Put another way, for the first six months of the 2010/11 financial year:

- Council through general revenue funded 13% of the cost of the service;
- the NZTA through the National Land Transport Programme funded 13% of the cost of the service; and
- the user through fares funded the remaining 74% of the cost of the service.

3.2 Te Puke to Tauranga (Te Puke Hopper)

Figure 3 shows the patronage on the Te Puke to Tauranga (Te Puke Hopper) bus service. The Te Puke Hopper began service in January 2010, so that we now have just on one year's patronage data. It is therefore not yet possible to make an annual patronage comparison.

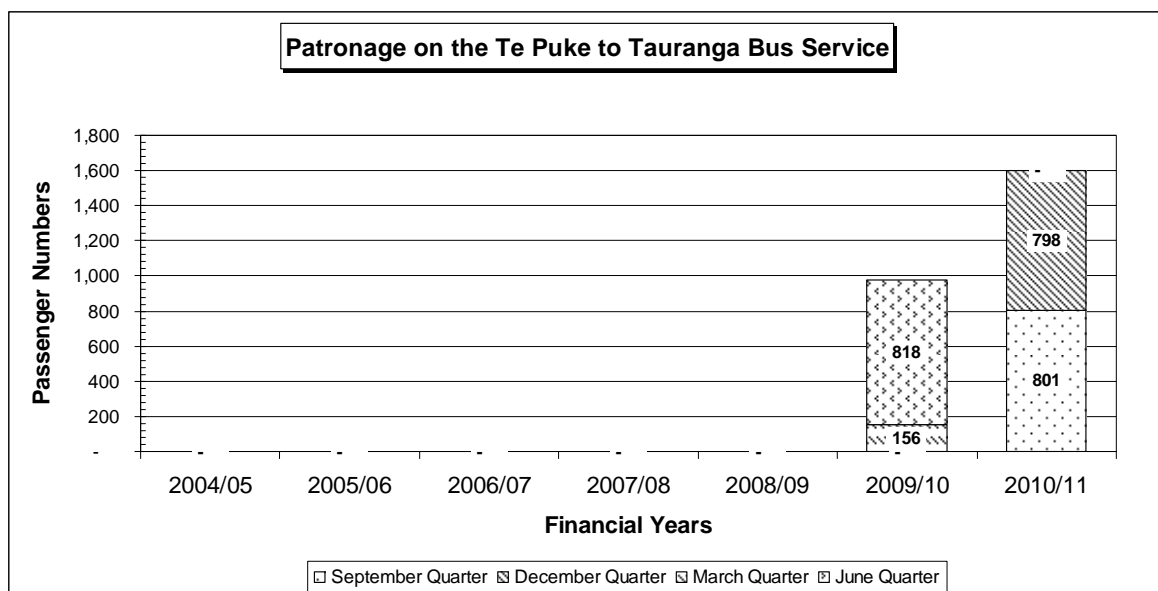


Figure 3: Te Puke Hopper Patronage

The net contract cost to Council and the NZTA for the first six months of the 2010/11 financial year was about \$16,000. Fare revenue collected for the same period was about \$4,200.

The fare recovery ratio was 21%.

Put another way, for the first six months of the 2010/11 financial year:

- Council through general revenue funded 39.5% of the cost of the service;
- the NZTA through the National Land Transport Programme funded 39.5% of the cost of the service; and
- the user through fares funded the remaining 21% of the cost of the service.

3.3 Katikati and Omokoroa to Tauranga (KatiCoach)

Figure 4 shows the patronage on the Katikati and Ōmokoroa to Tauranga (Katicoach) bus service from 2004/2005 onwards. Patronage for the first half of the 2010/11 year is just under 45% higher than for the corresponding period last financial year.

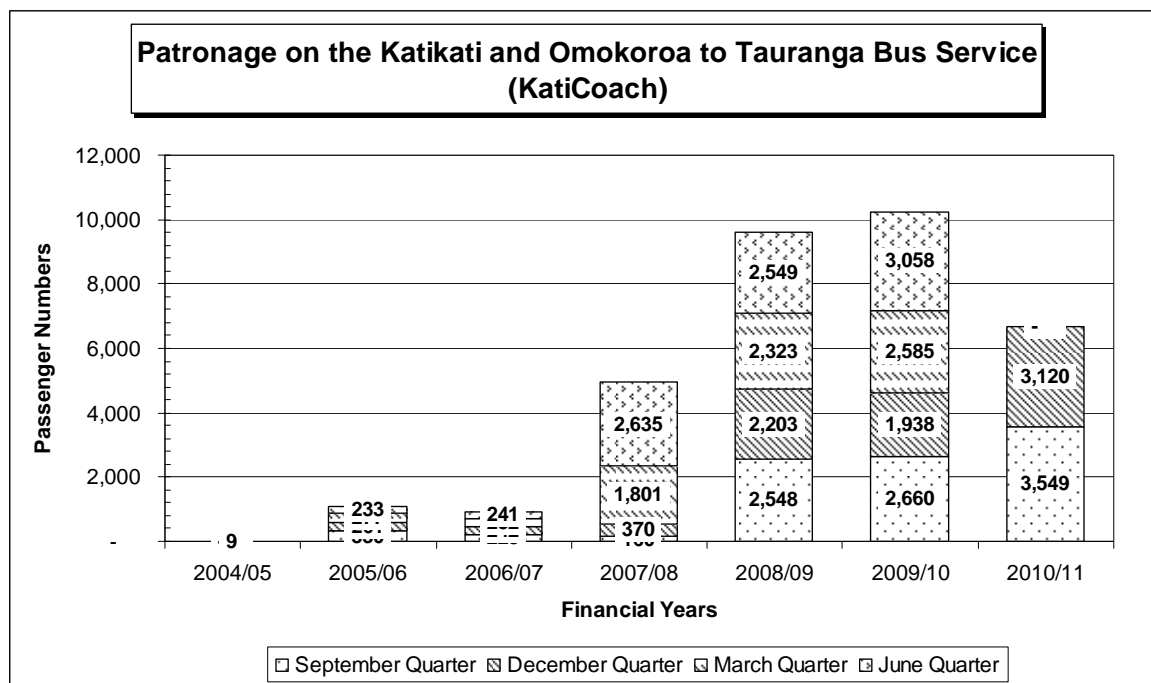


Figure 4: Katicoach Patronage

The net contract cost to Council and the NZTA for the first six months of the 2010/11 financial year was about \$26,700. Fare revenue (including SuperGold Card revenue) collected for the same period was about \$22,800.

The fare recovery ratio was 46%.

Put another way, for the first six months of the 2010/11 financial year:

- Council through general revenue funded 27% of the cost of the service;
- the NZTA through the National Land Transport Programme funded 27% of the cost of the service; and
- the user through fares funded the remaining 46% of the cost of the service.

3.4 Tauranga Urban Bus Service (Bay Hopper)

Figure 5 shows the patronage on the Tauranga urban bus service (Bay Hopper) bus service from 2004/2005 onwards. Patronage for the first half of the 2010/11 year is just under 20% higher than for the corresponding period last financial year.

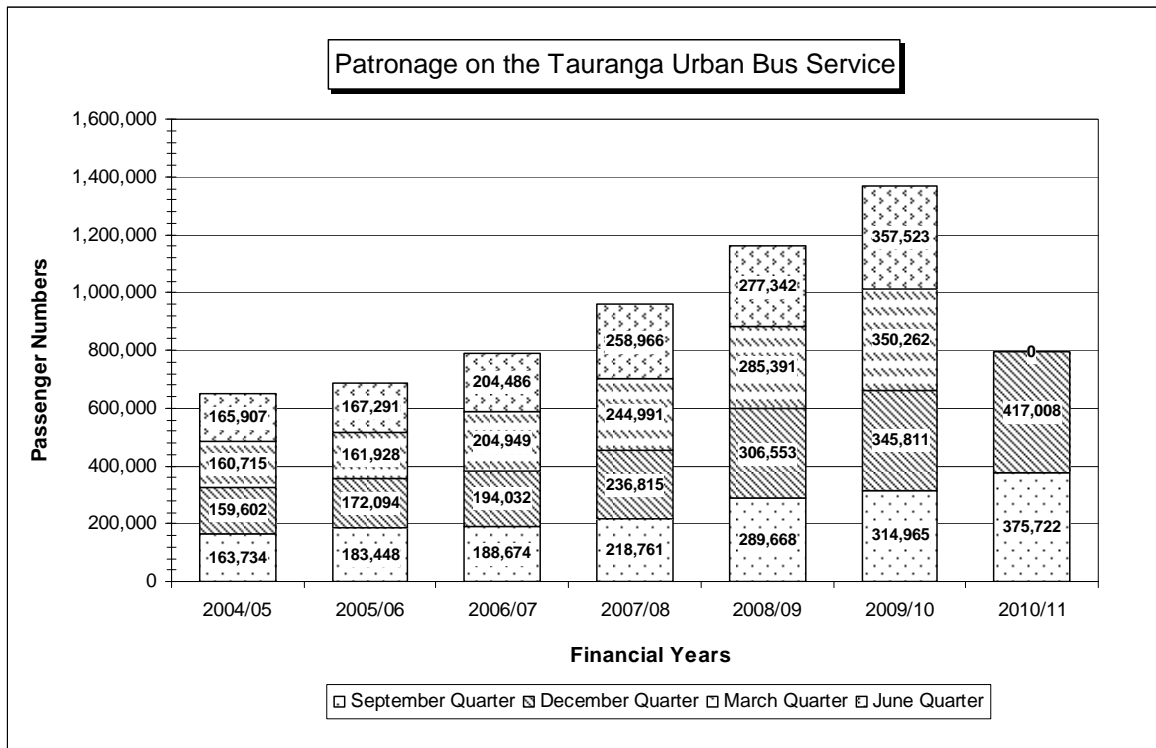


Figure 5: Bay Hopper Patronage

The net contract cost to Council and the NZTA for the first six months of the 2010/11 financial year was about \$2,116,100. Of this amount, the cost of inflation for the year to date was \$82,800. Revenue (including fares, SuperGold Card and back of bus advertising revenue) collected for the same period was about \$1,099,900 (fare revenue = \$888,200; SuperGold revenue = \$189,800; back of bus advertising \$21,900).

The fare recovery ratio was 34%.

Put another way, for the first six months of the 2010/11 financial year:

- Council through general revenue funded 33% of the cost of the service;
- the NZTA through the National Land Transport Programme funded 33% of the cost of the service; and
- the user through fares funded the remaining 34% of the cost of the service.

4 Rotorua

4.1 Rotorua Urban Bus Service (CityRide)

Figure 6 shows the patronage on the Rotorua urban bus service (CityRide) bus service from 2004/2005 onwards. Patronage for the first half of the 2010/11 year is about 11% higher than for the corresponding period last financial year.

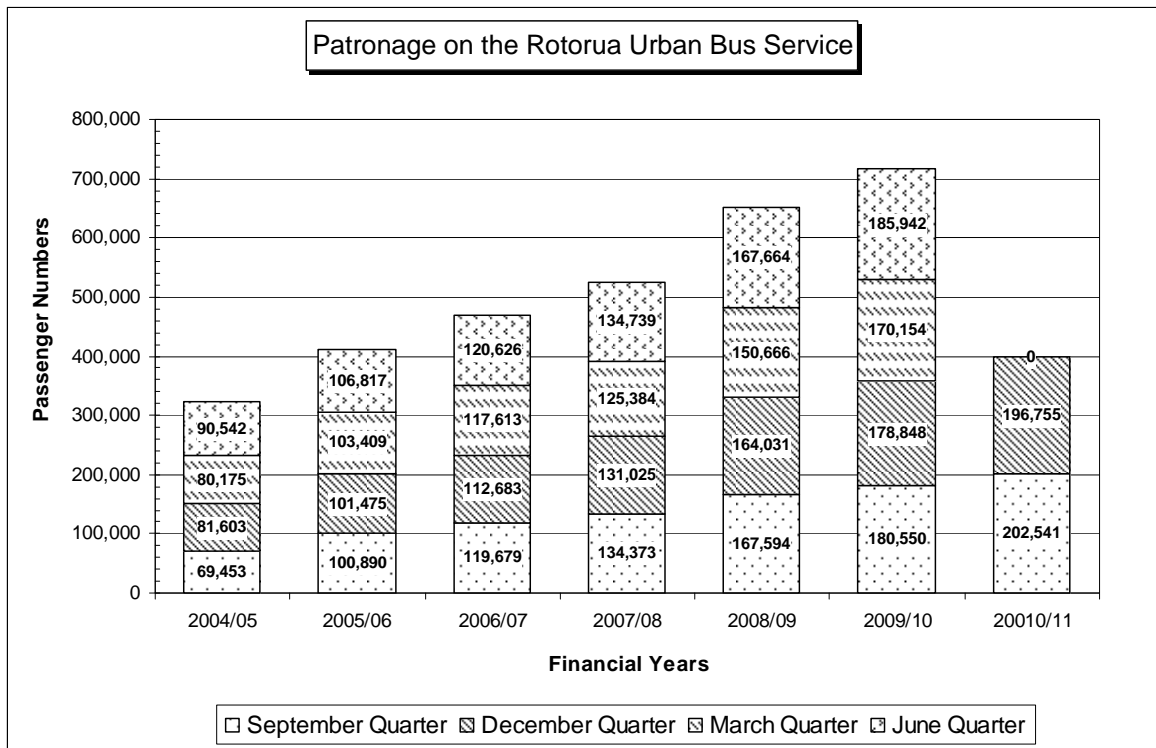


Figure 6: CityRide Patronage

The net contract cost to Council and the NZTA for the first six months of the 2010/11 financial year was about \$919,000. Of this amount, the cost of inflation to date was \$63,900. Fare revenue (including SuperGold Card revenue) collected for the same period was about \$639,100.

The fare recovery ratio was 41%.

Put another way, for the first six months of the 2010/11 financial year:

- Council through general revenue funded 29.5% of the cost of the service;
- the NZTA through the National Land Transport Programme funded 29.5% of the cost of the service; and
- the user through fares funded the remaining 41% of the cost of the service.

5 Eastern Bay of Plenty

5.1 Ohope to Whakatane (Beach Runner)

Figure 7 shows the patronage on the Ōhope to Whakatāne bus service (Beach Runner) from 2004/2005 onwards. Patronage for the first half of the 2010/11 year is just under 6% higher than for the corresponding period last financial year.

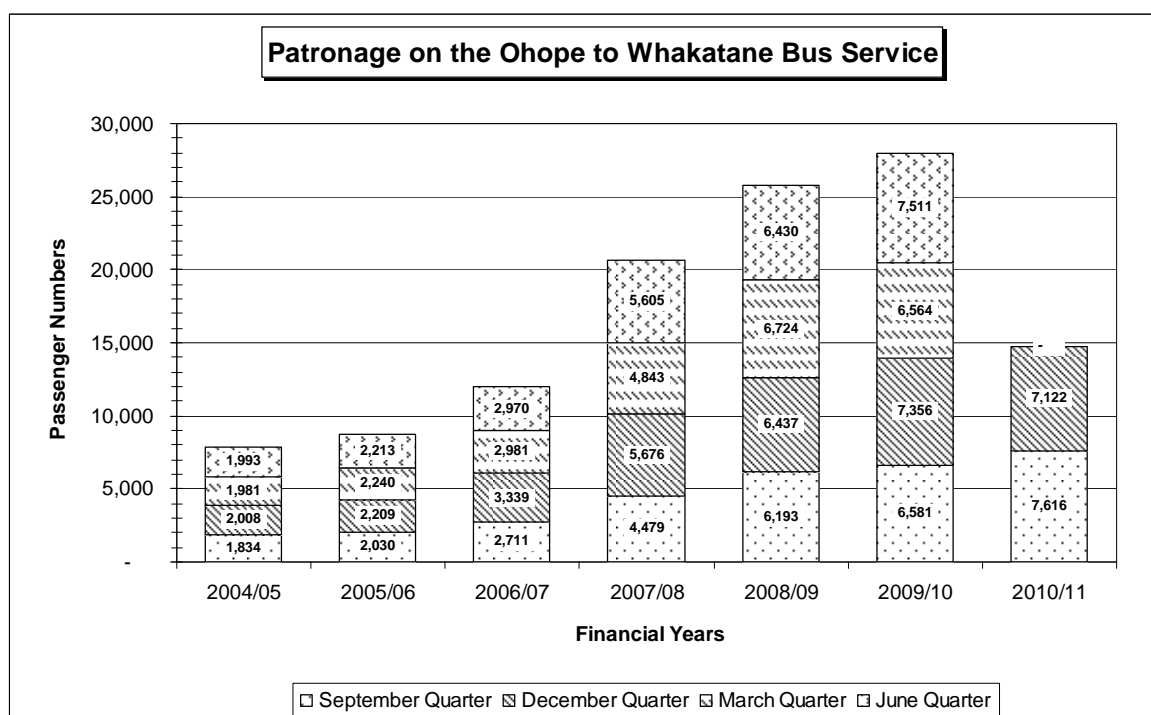


Figure 7: Beach Runner Patronage

The net contract cost to Council and the NZTA for the first six months of the 2010/11 financial year was about \$34,000. Fare revenue (including SuperGold Card revenue) collected for the same period was about \$22,300.

The fare recovery ratio was 40%.

Put another way, for the first six months of the 2010/11 financial year:

- Council through general revenue funded 20% of the cost of the service;
- the NZTA through the National Land Transport Programme funded 20% of the cost of the service; and
- the user through fares funded the remaining 40% of the cost of the service.

5.2 Matata to Whakatane

Figure 8 shows the patronage on the Matatā to Whakatāne bus service from 2004/2005 onwards. Patronage for the first half of the 2010/11 year is just under 16% higher than for the corresponding period last financial year.

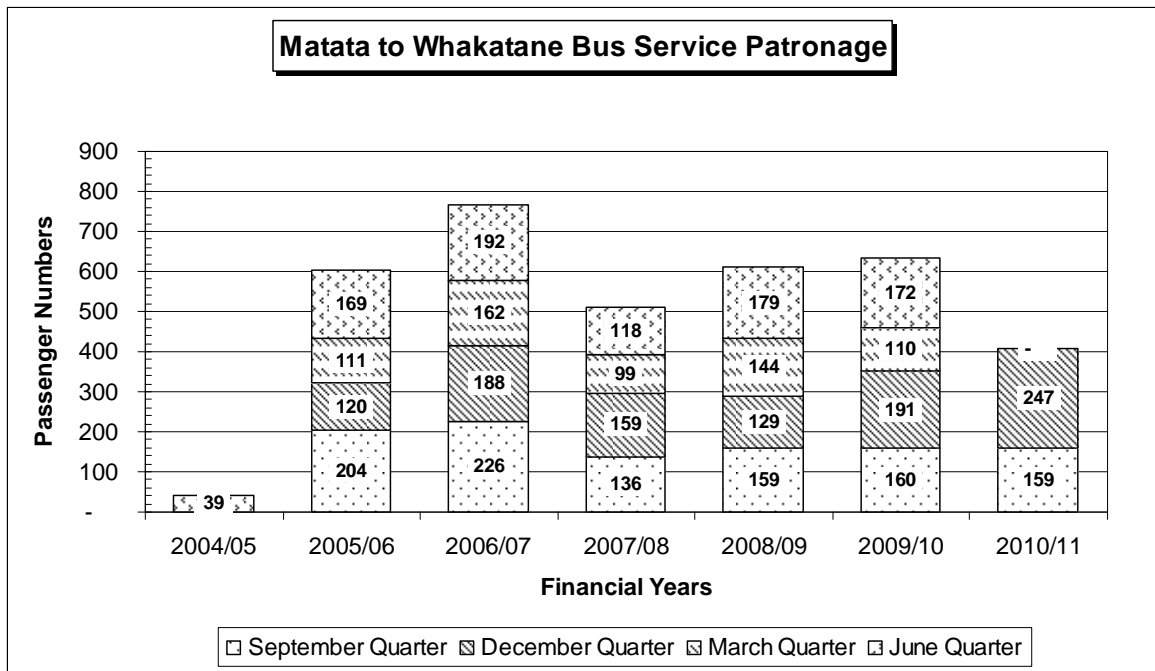


Figure 8: Matata to Whakatane Patronage

The Matata to Whakatane service forms part of the Ohope to Whakatane net contract. As such, it is not possible to provide a separate operating cost, fare recovery ratio or funding split.

5.3 Kawerau, Opotiki and Whakatane to Tauranga

Figure 9 shows the patronage on the Kawerau, Ōpōtiki and Whakatāne to Tauranga (Eastern Bay Hopper) bus service from 2004/2005 onwards. Patronage for the first half of the 2010/11 year is just over 20% higher than for the corresponding period last financial year.

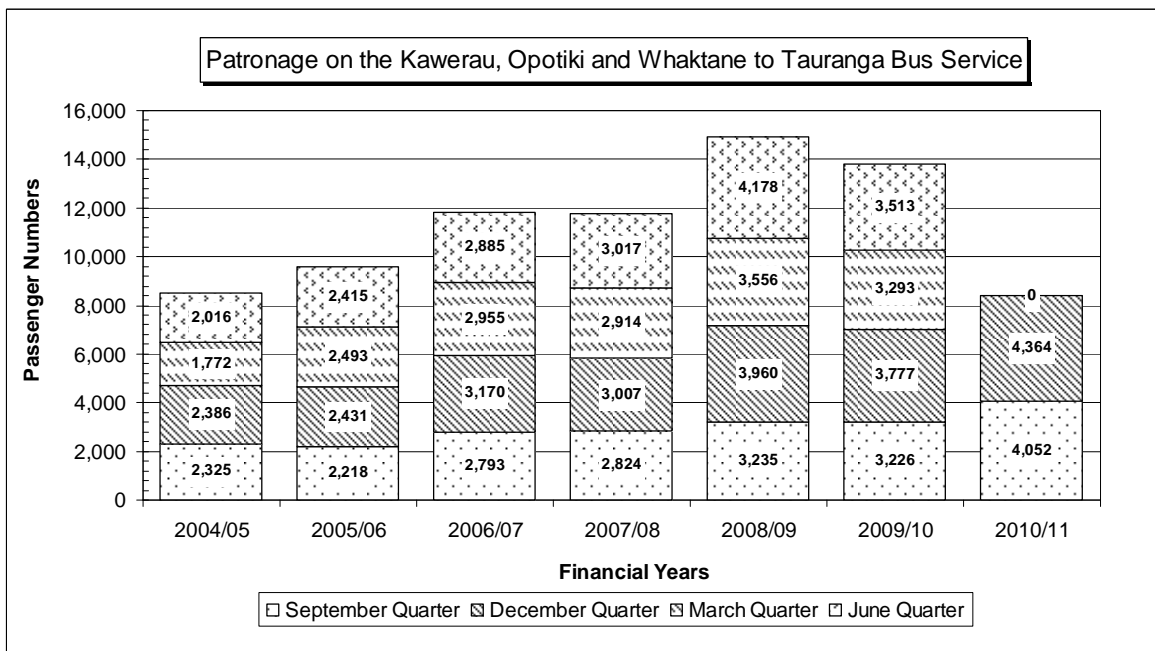


Figure 9: Eastern Bay Hopper Patronage

The net contract cost to Council and the NZTA for the first six months of the 2010/11 financial year was about \$24,200. Fare revenue (including SuperGold Card revenue) collected for the same period was about \$40,200.

The fare recovery ratio was 62%.

Put another way, for the first six months of the 2010/11 financial year:

- Council through general revenue funded 19% of the cost of the service;
- the NZTA through the National Land Transport Programme funded 19% of the cost of the service; and
- the user through fares funded the remaining 62% of the cost of the service.

5.4 Murupara to Rotorua

Figure 10 shows the patronage on the Murupara to Rotorua bus service from 2004/2005 onwards. Patronage for the first half of the 2010/11 year is just under 29% higher than for the corresponding period last financial year.

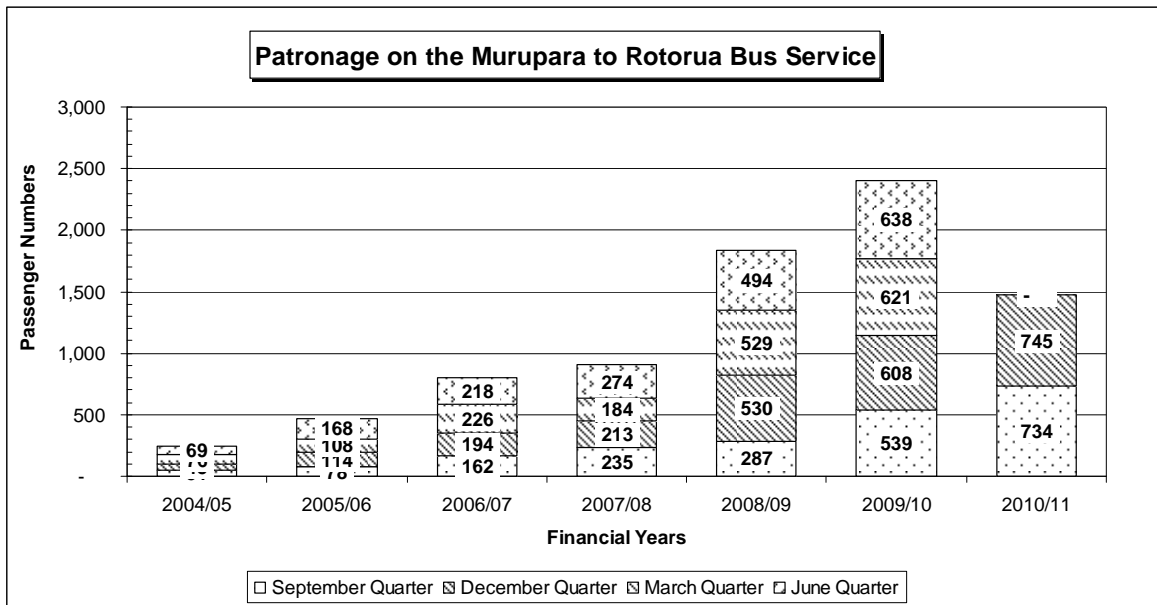


Figure 10: Murupara to Rotorua Patronage

The net contract cost to Council and the NZTA for the first six months of the 2010/11 financial year was about -\$3,200. Fare revenue (including SuperGold Card revenue) collected for the same period was about \$15,400.

The fare recovery ratio was 126%.

Put another way, for the first six months of the 2010/11 financial year:

- Council through general revenue funded 0% of the cost of the service;
- the NZTA through the National Land Transport Programme funded 0% of the cost of the service; and
- the user through fares funded the remaining 126% of the cost of the service.

6 Inflation

Inflation affects the cost of providing public transport services, as it does many other things.

Councils adjust contracts to balance the effects of inflation, and do so using cost indices supplied quarterly by the New Zealand Transport Agency (NZTA) using information sourced from Statistics New Zealand.

Figure 1 below shows how inflation has impacted on the Rotorua urban service contract since it commenced in July 2008 (now the Councils oldest bus contract).

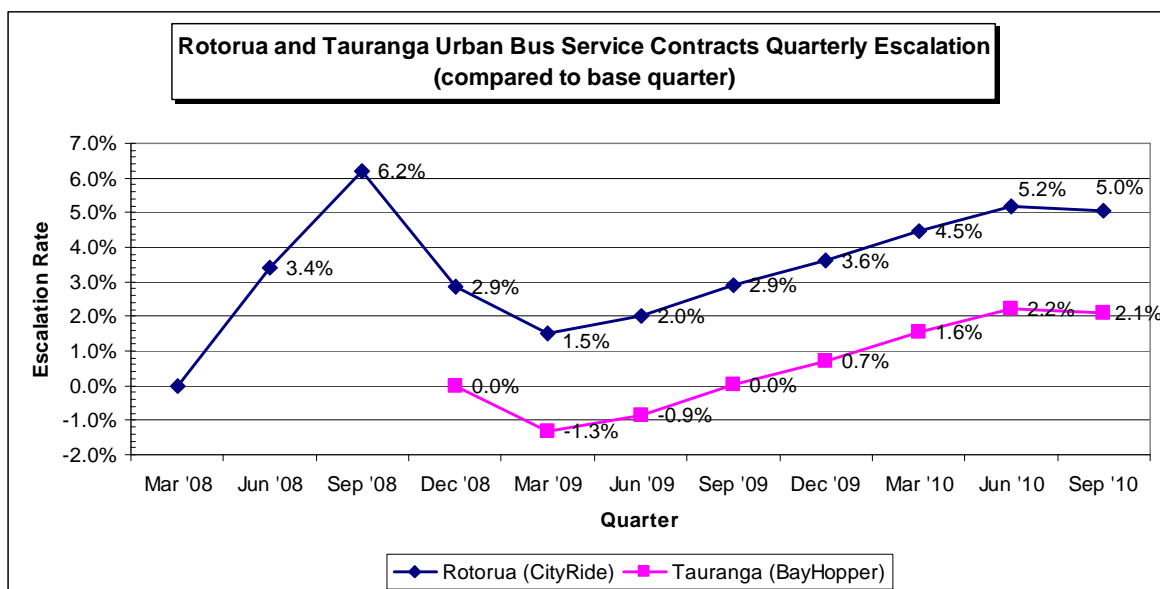


Figure 1: Inflation

Members should note:

- 1 in calculating the adjustment, the starting point for doing so relates to when tenders closed for each contract (the base quarter). The adjustment is then calculated on how the index has moved in relation to that point. For the Rotorua contract, tenders closed in the March 2008 quarter. For Tauranga it was December 2008. Members can see from Figure 1 above, that the size of the adjustment for the September 2010 quarter for the Tauranga contract was 2.1% while for the Rotorua contract it was 5.0%. (that is, costs for the Tauranga contract have increased 2.1% since tenders were received in the December 2008 quarter).
- 2 Because the December 2010 quarter has only recently finished, the updated index has yet to be published. This means the December 2010 adjustment will not be made until the third quarter of the 2010/11 next financial year.

7 Total Mobility (prepared by Mary McLaren)

7.1 Patronage

Figure 11 shows the Total Mobility patronage trend since 2002/2003. For the first six months of the 2010/2011 financial year compared to the 2009/2010 financial year the number of trips taken using the Total Mobility scheme has decreased by 8% continuing the downward trend of the last five years.

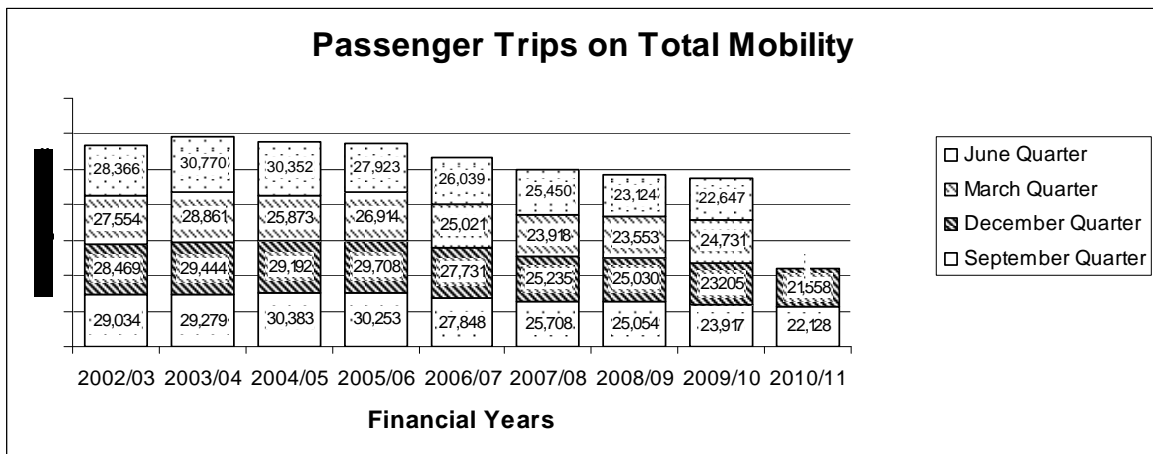


Figure 11: Total Mobility Patronage

7.2 Expenditure

Figure 12 shows the expenditure trend on the Total Mobility scheme.

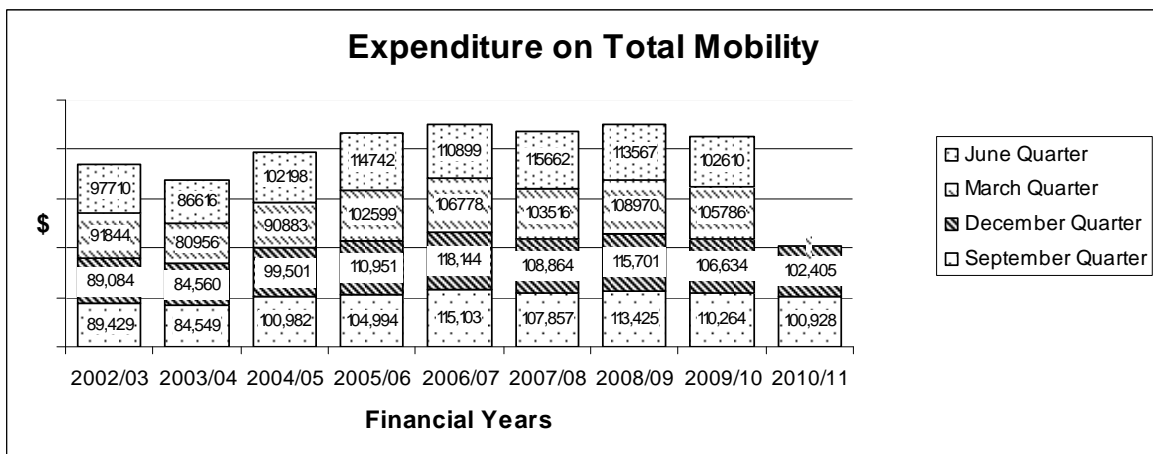


Figure 12: Total Mobility Expenditure

Expenditure on the scheme has decreased by 7% for the first half of the 2010/2011 financial year compared to the same period in 2009/2010. In the last financial year annual expenditure decreased on the year before and I expect the same for the current financial year.

The average cost per Total Mobility passenger trip to the Council and NZTA was \$4.65.

7.3 Hoist Replacements

For a considerable period of time, the Council has financially assisted taxi companies participating in the Total Mobility to install wheelchair hoists in taxi vans. The objective of the assistance is to:

- increase the availability of such services to Total Mobility users; and
- encourage the industry to provide an adequate number of wheelchair accessible vehicles.

Each year Council makes available \$35,000 to help improve the fleet of wheelchair hoist vehicles in the region. The funding available is enough for two hoist installations (\$17,500 per hoist), with 60% of the funding being provided by the NZTA. The funding assistance provided by Council meets the majority (but not full) cost of installing a hoist.

For the first six months of the 2010/11 financial year, the Council did not receive any applications for funding to upgrade or install a wheelchair hoist.

7.4 Additional Payment to Hoist Operators

In 2007 the NZTA introduced a \$10 payment for wheelchair hoist trips. The objective of the payment was to:

- increase the financial viability of operating wheelchair-accessible taxi vehicles;
- further increase the availability of such services to Total Mobility users at peak times; and
- further encourage the industry to provide an adequate number of wheelchair accessible vehicles.

The \$10 payment is funded 100% by the NZTA. On behalf of the NZTA, Council passes the \$10 payment to taxi operators who transport Total Mobility scheme members using a hoist equipped taxi.

The total amount paid to taxi operators using hoist equipped taxis for the first six months of the 2010/2011 financial year amounted to \$56,000. The funding approved by the NZTA for the \$10 hoist payment for the whole of the 2010/2011 financial year is \$92,500. At the time of writing this report, Council staff are preparing an application to the NZTA to increase the annual allocation.

8 Financial Implications

Current Budget

The report is retrospective in nature and does not require decisions to be made. As such, there are no current budget issues.

Future Implications

The report is retrospective in nature and does not require decisions to be made. As such, there are no future financial implications. However, the rise in fare recovery ratio's will help to demonstrate to the New Zealand Transport Agency that its investment in the region's bus services is effective and becoming more so over time. It should also strengthen the region's position when it comes to the preparation of the next National Land Transport Programme.

Ten Year / Annual Plan Implications

The report is retrospective in nature and does not require decisions to be made. As such, there are no Ten Year/Annual Plan implications.

Garry Maloney
Transport Policy Manager

for Group Manager Strategic Development
16 February 2011

Public Excluded Section

Resolution to exclude the public

THAT the public be excluded from the following parts of the proceedings of this meeting.

Reports continued

File Reference: 8.00092
Significance of Decision: Low



Report To: Public Transport Subcommittee
Meeting Date: 23 February 2011
Report From: Mary-Anne Macleod, Group Manager Strategic Development

Changes to Tauranga Urban and Ohope to Whakatane Bus Fares

Executive Summary

The December 2010 meeting of the Regional Council resolved that the Passenger Transport Sub-committee consider the proposal to make changes to the bus fares that applied to the Tauranga urban and Ohope to Whakatane bus services. The following report proposes that the matter be addressed through the development of the Regional Public Transport Plan.

1 Recommendations

That the Public Transport Subcommittee under its delegated authority:

- 1 Receives the report, Changes to Tauranga Urban and Ohope to Whakatane Bus Fares.**
- 2 Notes that changes to Tauranga and Ohope bus fares will be addressed through the development of the Regional Public Transport Plan.**
- 3 Confirms that the significance of the decision has been assessed as LOW, and under Section 79 of the Local Government Act 2002 (LGA) confirms that in light of the level of significance of the decision it does not require: (a) Further identification and assessment of different options under section 77 LGA; (b) Further investigation or consideration of community views under section 78 LGA; (c) Any further written record of the manner in which section 77 and section 78 matters have been addressed.**

2 Introduction

The December 2010 meeting of the Regional Council considered a report (appended) that proposed making changes to the bus fares that applied to the Tauranga urban and Ohope to Whakatane bus services.

Council received the report and resolved to:

"2. Refer the matter to the Public Transport Subcommittee for further consideration."

While the matter clearly falls within the Sub-committee's terms of reference, the following report proposes that it be dealt with through the process for preparing the

Regional Public Transport Plan (RPTP) instead. Thus is because the RPTP will provide a wider context in which to make decisions on this matter.

3 Regional Public Transport Plan

Most members will be aware that the February 2011 Strategy, Policy and Planning Committee considered a report as to how the RPTP may be further developed. In the new triennium, responsibility for preparing the Plan now sits with the Strategy, Policy and Planning Committee.

For the benefit of Councillors that had not had an association with the Plan up until that time (December 2010), the Council report also touched on the:

- requirements for a RPTP;
- purpose of a RPTP; and
- core requirements of a RPTP.

One of the core requirements of the Plan, is that it must include a Farebox Recovery Policy that states the trend in the region's farebox ratios, targets for farebox recovery and measures to assist in achieving those targets.

At the first workshop to develop the Plan (August 2010), members signalled to staff their agreement in principle:

- of what a public transport service was;
- to differentiate between public transport services that deliver coverage goals and services that deliver patronage goals;
- to continue to price coverage services based on the distance travelled;
- to retain cash fare concessions for coverage services for children, students and seniors; and
- to remove the ability for cash fare concessions passengers to receive the concession and an additional smartcard discount.

Due to changes within Council, only three current Councillors are fully aware of this work (namely Chairman Cronin and Councillors Nees and Whitaker). As such, as signalled to the February 2011 Strategy, Policy and Planning Committee meeting, we will be re-running that initial workshop so that we can confirm the Council's direction on the matters outlined above.

By doing so, members will be able to assess the fare changes proposed to Council in December, within the wider context of how that fits within other decisions that it is making about the RPTP.

4 Financial Implications

Current Budget

Resolving this matter through the development of the RPTP instead of making a decision at the February 2011 meeting will not increase the contract cost of either the Tauranga or Ohope bus contracts.

Members may recall from the December 2010 Council paper (attached), that I had estimated that making the changes proposed in that paper would most likely generate an additional \$6,300 in fare revenue per month for Tauranga and a bit under \$200 per month for the Ohope service.

Until Council makes a decision on those fares, this is the level of additional (unbudgeted) revenue that it is forgoing each month.

However, as the best time to make the changes proposed in December is before a school term starts (rather than part way through), the next window of opportunity to do so is prior to the start of the second school term in early May 2011. I am confident that the development of the RPTP will be enough advanced so that Council will have made a decision about this matter by that time.

Future Implications

Changes in bus fares will have financial implications for the future. Only when the level of those changes are determined, can those implications be quantified.

Ten Year / Annual Plan Implications

There will not need to be changes to the current Ten Year/Annual Plan as a result of this report. Future changes can be accommodated in the next Ten Year Plan.

Garry Maloney
Transport Policy Manager

for Group Manager Strategic Development

16 February 2011

Appendix

File Reference: 8.00092
Significance of Decision: Medium



Report To: Regional Council
Meeting Date: 9 December 2010
Report From: Mary-Anne Macleod, Group Manager Strategic Development

Changes to Tauranga Urban and Ohope to Whakatane Bus Fares

Executive Summary

The purpose of this report is to further formalise some of the bus fare proposals put to the Transport Committee at its meeting in August 2010 (specifically, changing how the smart card discount and cash concession fares apply).

1 Recommendations

That the Regional Council:

- 1 Receives the report, Changes to Tauranga Urban and Ohope to Whakatane Bus Fares.
- 2 Changes the fare structure for the Tauranga urban and Ōhope to Whakatāne bus services from 1 February 2011, so that concession group passengers pay 60% of the adult cash fare for their bus travel, instead of concession group smartcard passengers currently receiving a discount on top of their 60% adult cash fare concession.
- 3 Confirms that the significance of the decision has been assessed as MEDIUM, and under Section 79 of the Local Government Act 2002 (LGA) confirms that in light of the level of significance of the decision it does not require: (a) Further identification and assessment of different options under section 77 LGA; (b) Further investigation or consideration of community views under section 78 LGA; (c) Any further written record of the manner in which section 77 and section 78 matters have been addressed.

2 Introduction

At the August 2010 meeting the Transport Committee resolved to increase bus fares to account for the rise in Goods and Services Tax, as well as for inflation.

One of the other areas that members also discussed at that meeting and requested that it be referred back to them, related to some passengers being eligible for a concession fare (a fare less than the standard adult fare) and a smartcard fare discount in addition to that concession fare.

While staff recommended to the Committee in August that Council remove the double opportunity for some passengers to get cheaper fares, members held off resolving that matter at that time.

As we progress through the second year of the Tauranga urban bus service contract, it has become apparent that it would be prudent to resolve this matter now and the following report will seek direction from Council to that effect.

3 Matters to Note

Before considering the proposal, there are a number of key messages that I ask members to take on board.

The first message is:

- increasing bus fares will result in lost patronage.

The generally accepted fare elasticity within New Zealand is that a 10% increase in fares will result in a 4% loss in patronage.

In this report, I will use the elasticity above to provide an educated estimate of the effects of changing fares and as such, the second message is:

- it's an estimate – the reality may be somewhat different as the effect of increased fares will vary from user to user.

When fares rise, current and potential bus users will arrive at a decision whether or not to pay the new fare based on such things as their perceptions of value for money – things that are not easily quantified. Often, a potential reduction in patronage as a result of increased fares can be off-set but a simultaneous service enhancement such as new vehicles or extra frequency. An example of this was the introduction of the new Tauranga urban network in July 2009.

The third message is:

- public transport users need to contribute a fair share to the costs of providing bus services.

The New Zealand Transport Agency (NZTA) has now developed a national fare recovery policy. This was in response to concerns of a falling national farebox recovery ratio, a wide variation in regional authority approaches to farebox recovery policy, and a perception that some regional authorities were being subsidised at a higher rate than their public transport performance warranted.

The final message is:

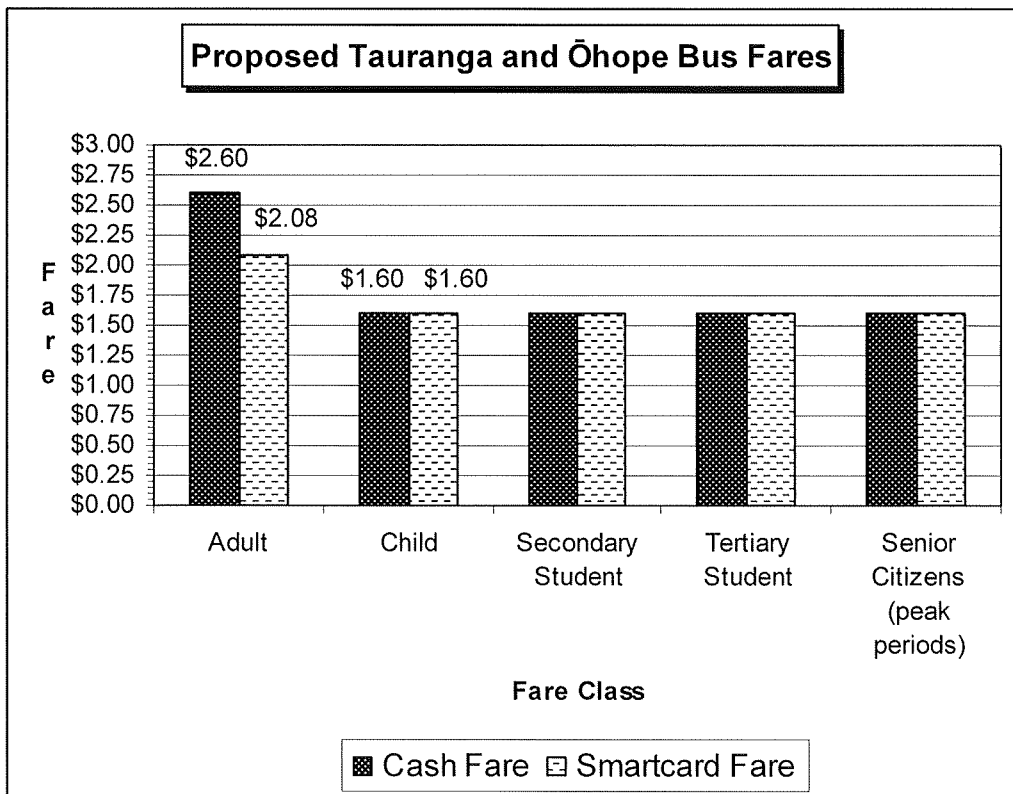
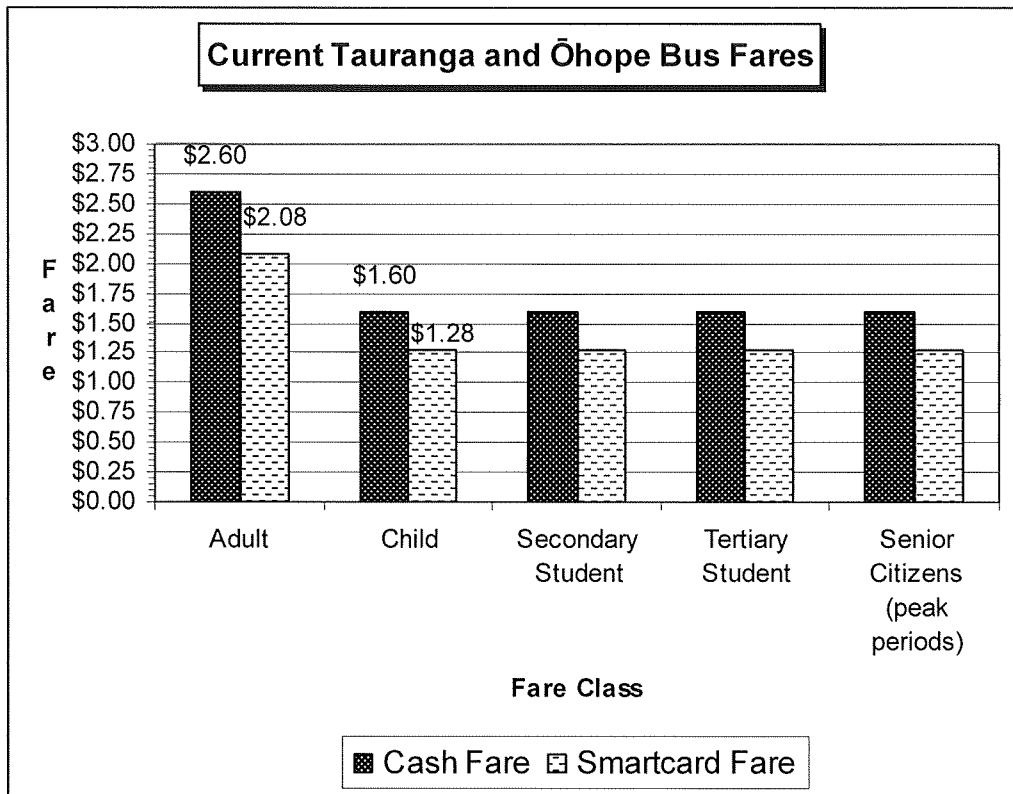
- raising fares is only one way of increasing fare recovery.

Other means include improving the efficiency and structure of the services and increasing patronage through improving service and information quality, convenience and reliability.

If managed carefully, these measures can improve the farebox recovery ratio without the need for large fare increases or significant cuts to the services provided.

4 The Proposal

I propose that Council approve a change in fares for the Tauranga urban and Ōhope to Whakatāne bus services so that concession group passengers can either access the cash concession fare, or the smartcard discount fare, but not both. I have illustrated the proposed change below (all fares are GST inclusive).



The effect of the change is that concession passengers will pay the same fare whether they pay by cash or smartcard.

Currently concession group passengers (children, secondary and tertiary students and senior citizens) have access to both a cash fare concession and a smartcard discount on the Tauranga urban and Ōhope to Whakatāne bus services.

This means that if they use a smartcard, the fare they pay is 40% less than the adult cash fare and then discounted a further 20% for using a smart card (in effect they are paying 51% less than the adult cash fare). Put another way, concession passengers using a smart card will pay \$1.28 per trip compared to the adult cash fare of \$2.60 and smart card fare of \$2.08.

5 Why Increase Fares?

The main reason that I am proposing to Council that it remove concession passenger's access to both the fare concession and smartcard discount for each trip is to increase the farebox recovery ratio (that is, the proportion of the services' cost met by users).

As I note above, regional councils are being challenged to improve their farebox recovery ratios (that is, to make users pay more). While this is most critical for Auckland, Wellington and Canterbury (because they account for most of NZTA's public transport funding), the Bay of Plenty region also needs to play its part.

The Council will develop a new fare recovery policy (addressing farebox recovery) as part of developing a Regional Public Transport Plan. For Tauranga in particular, the farebox recovery ratio will be significantly higher than the level reached last year (27%).

In the interim therefore, making changes to fares within the policy framework of the Regional Passenger Transport Plan, to increase the amount of fare revenue collected from users is a move in the right direction.

This is lent more weight as I note that while the Tauranga urban bus service has carried more passengers for the first quarter of the 2010/11 financial year than for the same period last year, the fare recovery ratio has remained the same.

In effect, the revenue from the extra passengers carried has simply offset the cost of inflation on the contract.

6 Timing for the Change

Should the Council agree to make the change I recommend in this report, I suggest that the best time for doing so, would be at the start of the next school year (February 2011).

Selecting this date recognises that the end of the school year is almost upon us and provides about 30 working days for Council's ticketing contractor to update the electronic ticketing fareset.

7 Analysis of Options

The outcome staff are seeking from the action recommended in this report is to increase the fare recovery ratio of the Tauranga urban and Ōhope to Whakatāne bus services. There are at least two options to achieve that outcome within the current policy framework. They are:

- 1 make the change recommended;
- 2 make other fare changes; and
- 3 status quo (no change).

The first option, will deliver additional fare revenue (detailed below). However, it should be noted that the recommended change will impact on the following proportion of passengers currently using both services:

- Tauranga urban bus service – 39% of passengers, predominantly children (22%) and students (16%). Based on total patronage for the 2009/10 financial year, this equates to 530,000 trips.
- Ōhope to Whakatāne bus service – 60% of passengers, predominantly children (44%) and students (13%). Based on total patronage for the 2009/10 financial year, this equates to 17,000 trips.

While the increase proposed is only an additional \$0.32 per trip, for a single child travelling each day to and from school, the additional cost will be \$3.20 per week, or about \$124 per year. If parents/caregivers have more than one child travelling by bus, the cost to them will of course be higher.

Although I don't consider the increase to be significant, Council should note that for some households with low incomes, the increase will be more than they can afford (particularly if they have more than one child travelling by bus). I am unable to quantify what proportion of current bus users will be affected in this way.

With respect to senior citizens, currently those that hold a SuperGold Card travel free on all the Council's contracted bus services between 9:00 am and 3:00 pm weekdays and all day at the weekends and public holidays. Outside these periods seniors will pay the higher smartcard fare, however most take advantage of the free SuperGold Card travel.

The effects of making the change recommended in this report are:

- Tauranga – patronage may decrease by up to 53,000 passengers annually. Additional fare revenue of \$75,000 (GST exclusive) may be generated.
- Ōhope – patronage may decrease by up to 1,200 passengers annually. Additional fare revenue of between \$1,700 may be generated.

Option two (for example removing concessions altogether) would also deliver additional fare revenue, however, Council must make decisions within its adopted policy framework (in this case, the Regional Passenger Transport Plan). With respect to fares, the preparation (currently underway) of the new Regional Public Transport Plan will provide Council with the opportunity to review how and why it sets bus fares. It would be premature therefore, to make other fare changes at this time.

Adopting the status quo (option 3) will not achieve the outcome sought. It will however, not result in the loss of patronage.

8 Community Views Already Held By Environment Bay of Plenty

The Council has not consulted the public specifically on this proposal. However, the proposal is not inconsistent with the Regional Passenger Transport Plan (in that it retains the concession for eligible groups) – a document that required public consultation before it could be adopted by Council.

9 Financial Implications

Current Budget

Adopting the report's recommendation will result in Council receiving higher fare revenue (as detailed in a previous section of this report) in to the future, from the time the change is implemented.

Future Implications

As above.

Ten Year / Annual Plan Implications

There will be no need to make future changes to the Ten Year/Annual Plan to implement the decisions recommended in this report.

Garry Maloney
Transport Policy Manager

for Group Manager Strategic Development

2 December 2010

File Reference: 8.00108
Significance of Decision: Receives Only - No Decisions



Report To: Public Transport Subcommittee
Meeting Date: 23 February 2011
Report From: Garry Maloney, Transport Policy Manager

Update on SuperGold Card Travel Scheme

Executive Summary

The following report provides members with some background on the SuperGold Card free travel scheme, the level of uptake of the travel concession and an update on progress in implementing the changes adopted by the Ministry of Transport in 2010.

1 Recommendations

That the Public Transport Subcommittee under its delegated authority:

- 1 Receives the report, Update on SuperGold Card Travel Scheme.**

2 Introduction

In October 2008, the New Zealand Transport Agency (NZTA) introduced free off-peak public transport for SuperGold Card (SGC) holders. At that time, the scheme had the following parameters:

- free off-peak public transport travel between 9:00 am and 3:00 pm and after 6.30 pm, Monday to Friday and all day weekends and public holidays;
- free travel for all SGC holders on eligible urban services; and
- operators (for net contracts) and regional councils were reimbursed at 75% of the average adult cash fare for that travel.

The following report will provide members with further information on how the SGC travel scheme is working within the region and the recent changes that the Ministry of Transport has approved to the scheme's parameters.

3 Bay of Plenty Regional Council Eligible Services

The bus services that the Council contracts for that are eligible to be part of the SGC travel scheme are:

- Ōhope to Whakatāne;
- Matatā to Whakatāne;
- Whakatāne to Tauranga;

- Murupara to Rotorua;
- Rotorua urban;
- Tauranga urban; and
- Katikati and Ōmokoroa to Tauranga (shopper service).

The bus services that the Council contracts for that are not eligible to be part of the SGC travel scheme are:

- Ōpotiki to Whakatāne;
- Kawerau to Whakatāne;
- Rotorua to Tauranga;
- Te Puke to Tauranga;
- Katikati to Tauranga (commuter service); and
- Ōmokoroa to Tauranga (commuter service)

These bus services are not eligible because they operate outside the hours of eligibility (that is, before 9:00 am, or after 3:00 pm).

At this time the new Whangaparaoa to Ōpōtiki bus service has also been deemed ineligible due to the recent changes that the Ministry of Transport has approved to the scheme's parameters.

4 **Scheme Usage**

The following graphs show usage of the SGC free off-peak bus travel in the Bay of Plenty from December 2009 to December 2010.

4.1 Patronage Services - Tauranga and Rotorua Urban Bus Services

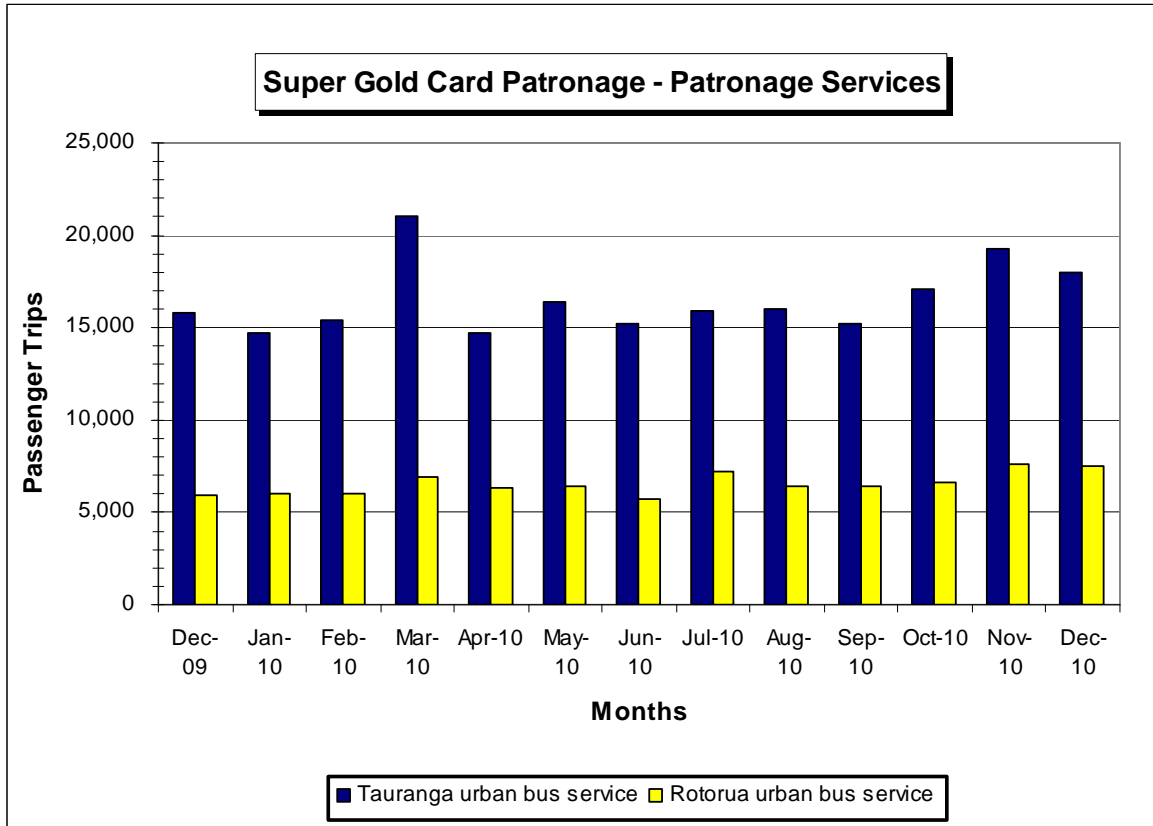


Figure 1: SuperGold Card Patronage in Tauranga and Rotorua

Over the last 12 months, there have been on average 16,600 SGC trips on the Tauranga urban bus service per month and 6,600 on the Rotorua service. As a percentage of total passengers (for the period July to December 2010):

- in Tauranga, 12.8% were SGC passengers; and
- in Rotorua, 10.4% were SGC passengers.

4.2 Coverage Services

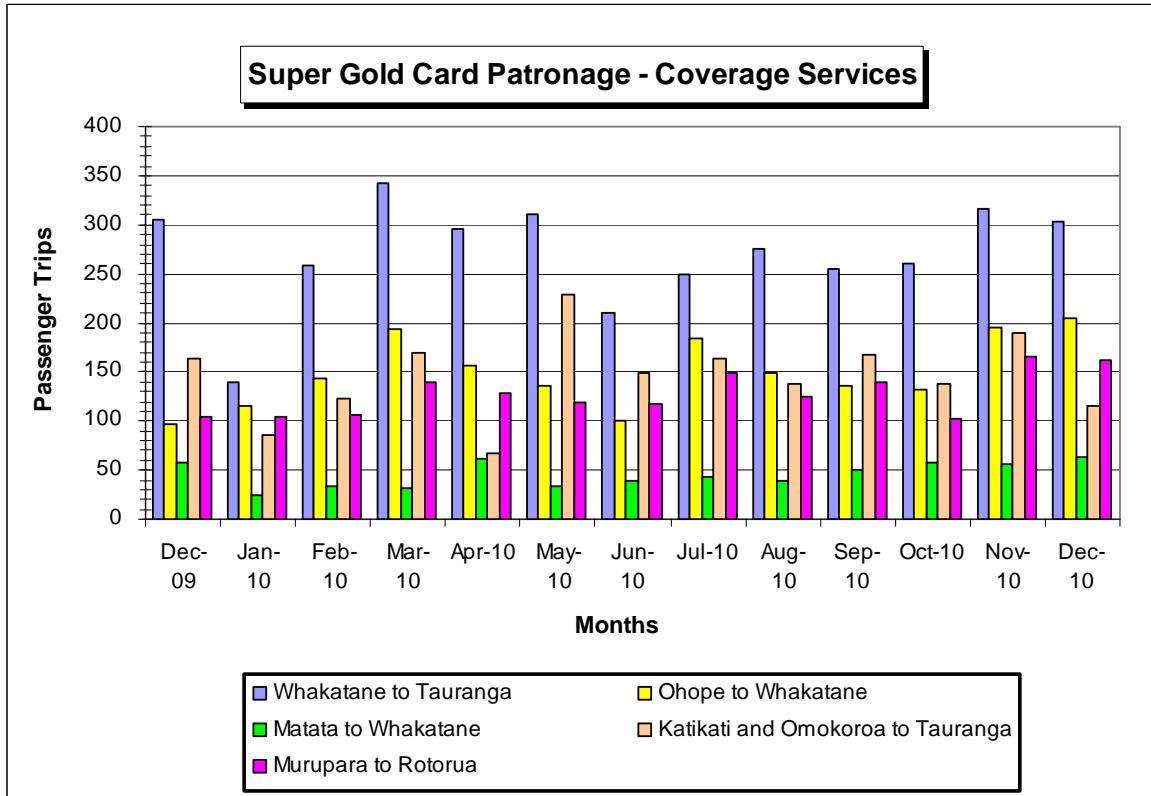


Figure 2: SuperGold Card Patronage on Coverage Services

For the period July to December 2010, average monthly SGC patronage and the proportion of SGC trips compared to total patronage were:

- 277 SGC trips for the Whakatāne to Tauranga service (19.7%);
- 167 SGC trips for the Ōhope to Whakatāne service (6.8%);
- 52 SGC trips for the Matatā to Whakatāne service (76.6%);
- 152 SGC trips for the Katikati and Ōmokoroa to Tauranga service (13.7%); and
- 140 SGC trips for the Murupara to Rotorua service (56.8%).

5 Scheme Review and Changes Implemented

On 31 August 2010 the Council received correspondence from the Ministry of Transport advising that the Ministry had reviewed the operation of the SGC free travel scheme and through the NZTA would now be implementing changes to the scheme.

The outcomes of that review (announced in 2010) were:

- free off-peak public transport travel continues between 9:00 am and 3:00 pm and after 6:30 pm Monday to Friday and all day weekends and public holidays;
- travel continues to be free for all SGC holders on eligible services;
- a moratorium has been put in place for 24 months on major new services being admitted to the scheme;

- the reimbursement rate for operators (and Councils) has been reduced from 75% to 65% of the average adult cash fare;
- all regional council administration funding has been withdrawn.

On 7 October 2010 the Council received correspondence from the NZTA seeking to vary the original Memorandum of Understanding that implemented the scheme in the region.

In general, the variation proposed by the NZTA matched the changes indicated in the Ministry's August correspondence. However, with respect to new services, the variation was somewhat different to that signalled in the Ministry letter.

As noted above, the Ministry correspondence advised that a moratorium had been put in place for 24 months on **major new** services (emphasis added by report writer) being admitted to the scheme. However, the variation to Council's Agreement with the NZTA stated:

*"No **new Eligible Services** (emphasis added by report writer) shall be added to, or substituted for, the Eligible Services identified in the MOU as at 1 December 2010 unless NZTA and Council so agree ..."*

Council staff were somewhat surprised at the change in wording and have raised the matter with the NZTA.

As the Variation in general was as had been reported and agreed in principle by Council in August 2010, the Chief Executive signed the document which became effective from 1 December 2010.

6 **Application to Admit the Whangaparaoa to Ōpōtiki Service**

The new Whangaparaoa to Ōpōtiki bus service commenced at the end of October 2010. It operates within the eligible hours of operation for the SGC travel scheme. As such, I submitted an application to NZTA to admit it in to the scheme.

I was surprised to be advised:

"... I believe that the Opotiki service could have been deemed ineligible even if it had been operating back in 2008. However the situation under the moratorium makes it even more clear that it is not eligible" (e-mail from a NZTA Officer, dated 16 December 2010).

I do not agree. Had the service been operating in 2008 it would have been admitted in to the scheme the same as the Whakatāne to Tauranga service was.

The NZTA Officer has also indicated that the Council still has the opportunity to provide some further reasoning as to why we believe the service is eligible. Staff will follow that through, but I am less than optimistic that the outcome will change.

7 **Financial Implications**

Current Budget

The current usage of the SGC free travel scheme is tracking ahead of the Council's National Land Transport Programme allocation.

For the first six months of the current financial year, Council has claimed \$242,516 of its annual SGC allocation of \$330,000. This means that the initial annual allocation will be insufficient for the 2010/11 financial year.

To address that issue, staff intend to submit an application to the NZTA to increase the Council's allocation. I have been verbally advised on a previous occasion that as the SGC scheme is a central government initiative, sufficient funding will be provided so that the cost of the scheme is not met by the Council.

Future Implications

It is also most likely that the Council will need to make a subsequent application to the NZTA next financial year, to obtain additional funding above its approved allocation, for the SGC travel scheme.

Ten Year / Annual Plan Implications

One of the reasons for central government making the changes to the SCG scheme in August 2010 was to give it time to conduct a further review of the scheme to ensure its financial sustainability. Any changes that result will need to be reflected in Council's next Ten Year Plan.

Garry Maloney
Transport Policy Manager

15 February 2011

File Reference: 8.00092
8.00115
Significance of Decision: Receives Only - No Decisions
Report To: Public Transport Subcommittee
Meeting Date: 23 February 2011
Report From: Garry Maloney, Transport Policy Manager



Tauranga School Buses

Executive Summary

The Council has a current Memorandum of Understanding with the Ministry of Education that addresses how the parties will work together to implement a change for ineligible students from Ministry-funded school buses to the public network. That transition will be completed before the start of the 2015 school year.

1 Recommendations

That the Public Transport Subcommittee under its delegated authority:

- 1 Receives the report, Tauranga School Buses.**

2 Introduction

In 1986 the urban bus service in Tauranga was for all intents and purposes, abandoned (albeit there were several very limited commercial services that operated). Subsequently, as Tauranga's urban area and population experienced rapid growth, a need became apparent to provide school transport assistance.

As a result, the Ministry of Education (MoE) funded the provision of urban school transport services in Tauranga.

In 2001, Environment Bay of Plenty reintroduced a Tauranga-wide urban bus service back into the City. Since that time the urban service has become more comprehensive and most of the city is within 500 metres walk of a bus route.

The development of the public network has enabled the MoE to review its position with respect to providing transport assistance to Tauranga students.

The following paper will discuss progress to date as the MoE seeks to transition from Ministry-funded services to the public network.

3 Background

The Ministry of Education (MoE) currently provides a significant amount of student transport to schools in Tauranga and the Western Bay of Plenty. In February 2006

representatives of the MoE made a presentation to Council's Regional Development Committee (a predecessor of the current Sub-committee) advising:

- the Ministry of Education has noted that the availability of public transport in Tauranga makes a number of students ineligible for school transport assistance. Accordingly, the Ministry will begin withdrawing school transport assistance where public transport exists.
- The Ministry intends the transition from Ministry-funded services to public transport to be managed collaboratively with Environment Bay of Plenty.
- The transition may need to take place over a number of years.
- The Ministry expects that the end result of this transition will be that students living in the urban area of Tauranga may no longer receive any form of assistance from the Ministry to travel to and from school.

I have attached to this report a copy of the Ministry of Education's school transport assistance eligibility criteria including their definition of 'suitable public transport'.

In response, the Council resolved to:

- *"... indicate to the Ministry that it is agreeable to collaborating with the Ministry in the transition from Ministry-funded school services to public transport services in Tauranga, providing both the transition period and associated funding levels are mutually agreed."*

In accordance with Council's decision, staff conveyed to the MOE that the Regional Council was agreeable to collaborating with it in the transition from Ministry-funded school services to public transport services in Tauranga.

In June 2008 the MOE presented to the Regional Council's Transport Committee (the successor to the Regional Development Committee and predecessor of the current Sub-committee) seeking approval to progress the transition further. The Committee resolved:

"That the Regional Council:

- *... notes the advice from the Ministry of Education that it will not begin transitioning out of funding Tauranga school bus services until the end of its next six year contract and that the transition will come with funding attached.*
- *Agrees to await the advice from the Ministry of Education to that effect.*
- *Agrees to prepare a detailed joint communication plan with the Ministry of Education to engage with affected schools and the general community.*
- *Request staff to prepare a new draft Memorandum of Understanding between the Ministry of Education and Environment Bay of Plenty by January 2009, to provide a framework for the transition.*
- *Requests the Ministry of Education provide clarity on its policy which defines student eligibility for Ministry of Education funded school transport."*

The development of the next and current Memorandum of Understanding agreed that the transition of students from Ministry-funded bus services to the public network would be completed by January 2015 (that is, the end of the 2014 school year).

4 **The Scale of the Ministry's Tauranga School Service**

The Ministry currently transport approximately 5,000 students per day in and around Tauranga utilising approximately 85 vehicles. The bus routes are either funded directly

between the Ministry's service provider (Multiserve) and the bus operator, or, collectively whereby schools are provided a transport budget from the Ministry and are able to organise their own bus services.

To put the Ministry's network in to scale alongside the Council's contracted Tauranga urban service:

- Council's 12 bus routes operate seven days per week service and the service is delivered by 35 buses; and
- the average daily passenger trips on the urban network are about 4,600.

5 Next Steps

At present, Regional Council staff are calculating the approximate potential number of students that would be affected by the enactment of the MoE's school transport assistance policy.

6 Timeline

The following table outlines the timeline for the project.

Task / Milestone	Completed by
Review MOE transport funding policy and confirm routes affected by the policy	February 2011
Draft scoping report to Project Steering Group	March 2011
Draft Regional Land Transport Strategy for public consultation	May 2011
Identify public transport services and infrastructure for trial transition services in January 2012	May 2011
Regional Land Transport Strategy adopted	July 2011
Draft Regional Public Transport Plan for public consultation	August 2011
Project details complete to enable transition to occur between January 2012 and December 2015 and entered into the Regional Land Transport Programme for 2012-15.	September 2011
Regional Public Transport Plan adopted.	October 2011
Trial services commence (dependent on funding)	February 2012
Remaining services scoped and agreed	June 2012
New services included in the 2014 Regional Public Transport Plan review	2014
New services included in the 2015 LTCCP	2014
New Services tendered	2014

Task / Milestone	Completed by
New services begin operating	January 2015

7 Financial Implications

Current Budget

The report does not require decisions to be made. As such, there are no current budget issues.

Future Implications

Although the report does not require decisions to be made, the transition from Ministry-funded school bus services to the public network will have future financial implications for Council.

Council staff are currently working with the MoE staff to quantify the scale of the transition. Once that is known, further work can be undertaken to quantify the financial impacts of the change.

Ten Year / Annual Plan Implications

The future financial implications arising from changes to the provision of Tauranga school buses will need to be addressed in Council's next Ten Year Plan.

Emlyn Hatch

Senior Planner (Transport)

for Transport Policy Manager

16 February 2011

Appendix

School Transport Assistance Policy

Introduction

1. The Ministry of Education (the Secretary of Education), rather than the Minister of Education, has responsibility for school transport assistance. The Education Act (1989) contains an enabling provision allowing the Secretary to provide assistance (rather than any specific policy or principles) and the Secretary also has the power to delegate responsibility for the provision of transport assistance.
2. The Ministry arranges and allocates school transport assistance on the basis of the following criteria:
 - Eligibility
 - Entitlement

Eligibility

3. Students eligible for school transport assistance, with the exception of special education students and students attending technology classes, are those aged under 10 years who live more than 3.2 kilometres from the nearest school, and students 10 years and over who live more than 4.8 kilometres from the nearest school.
4. Proximity to public transport is a key element of the eligibility criteria as STA is considered a 'last resort' method of conveying students to school. Students are only eligible for STA if they live in areas where no suitable public passenger services are available. This suitable public transport rule does not apply, however, to Kura Transport assistance. Suitable public transport is currently described as:
 - being within 2.4 km of the student's home
 - travelling within 2.4 km of the student's school
 - having a timetable that allows the student to arrive at school by the time school commences, and leave soon after the school day closes, and
 - not requiring the student to change buses more than once.
5. Students eligible for Special Education Transport Assistance (SESTA) are those students who receive assistance for safety and/or mobility reasons. Fundholder schools and Group Special Education (GSE) determine who is eligible for SESTA. Assistance is provided so eligible students can attend their nearest school, or the nearest school able to meet their special need(s).
6. Year 7 and 8 students attending technology classes are eligible for STA.

Entitlement

7. School transport assistance is provided in the following forms:
 - Centrally resourced school bus services
 - Directly resourced school bus services.
 - Conveyance allowances.
 - Kura Transport Assistance.

- Special Education Transport Assistance (SESTA).
8. Every state school, with the exception of state integrated schools and Kura/MMS that teach at level 2 or above Te Reo Maori, has a Transport Entitlement Zone (TEZ) surrounding it. Students are only entitled to assistance in the TEZ of the school they attend and schools can only operate services (centrally resourced or directly resourced) within their TEZ unless they have the specific approval of the neighbouring schools.
 9. Students eligible for STA attending state integrated schools are provided with assistance to their nearest appropriate school. Under section 35 of the Private School Conditional Integration Act (PSCI) 1975, every student enrolled at an integrated school is given free education on the same terms and conditions as students enrolled at a state school. Section 34 of the PSCI Act requires that, in providing school transport assistance in accordance with section 201B of the Education Act, the Secretary is to have reasonable regard to parents' preferences to enrol their children at an integrated or state school.
 10. Students attending kura kaupapa Māori and other Māori medium schools can receive Kura transport assistance. Schools are directly resourced for this assistance and they assume responsibility for making transport arrangements for their students.
 11. Special Education Transport Assistance (SESTA) can be in the form of conveyance allowances, a school bus service or travel in a taxi, depending on the circumstances. The ministry contracts for and organises and administers these services (working with Service Agents).

File Reference: 8.00107
Significance of Decision: Receives Only - No Decisions



Report To: Public Transport Subcommittee
Meeting Date: 23 February 2011
Report From: Garry Maloney, Transport Policy Manager

Other Matters of Interest

Executive Summary

The purpose of this report is to discuss other matters that are not elsewhere reported, that may be of interest to the Committee.

1 Recommendations

That the Public Transport Subcommittee under its delegated authority:

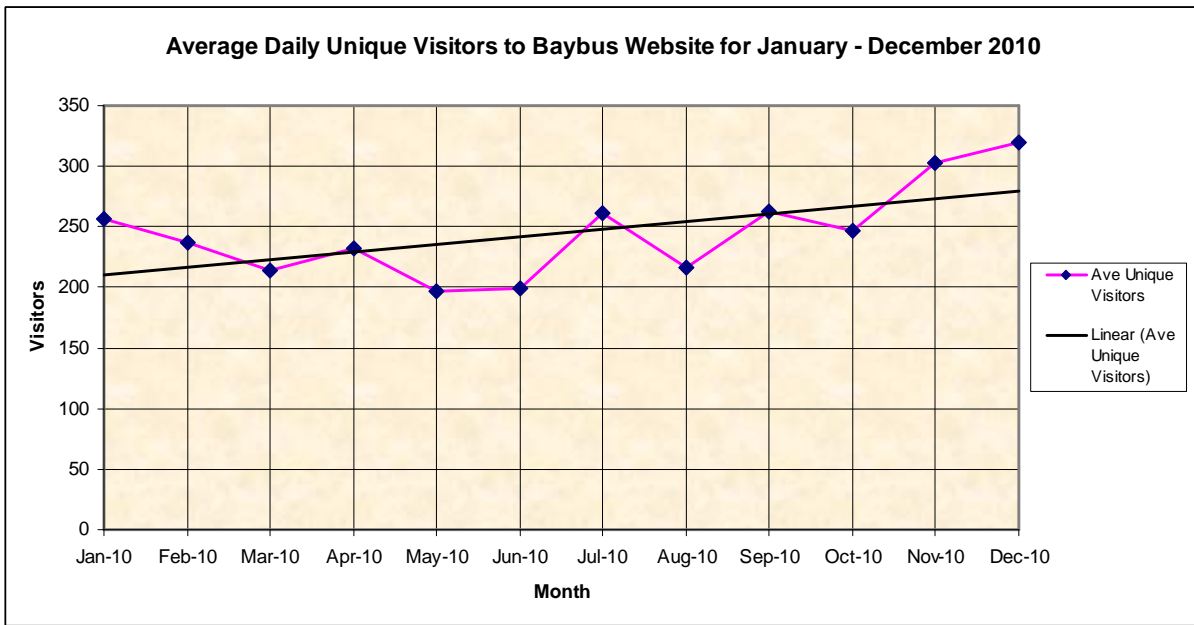
- 1 Receives the report, Other Matters of Interest.**

2 Introduction

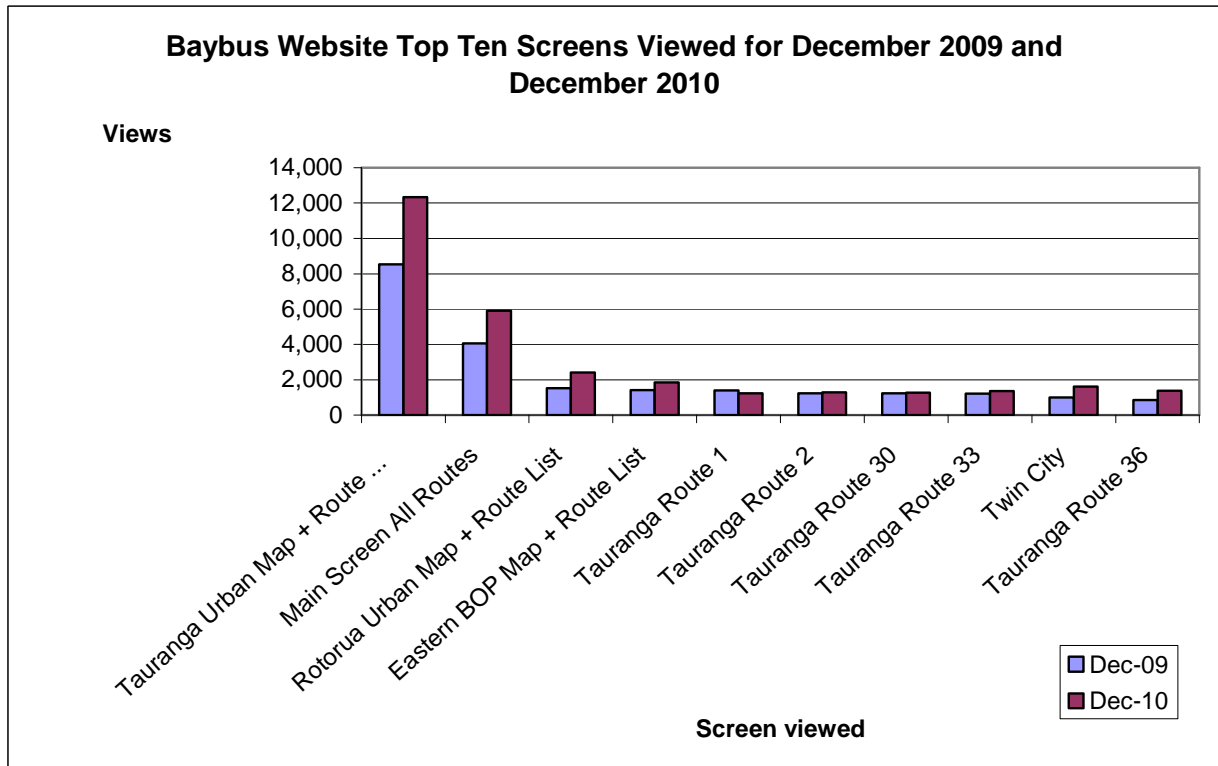
The following report will discuss a number of matters that are not discussed elsewhere in the Agenda.

3 Baybus Website

The graph below shows an increasing trend in average daily hits on the Baybus website by unique visitors.



The following graph shows which pages on the website visitors are viewing. The graph compares December 2009 views with views in December 2010.

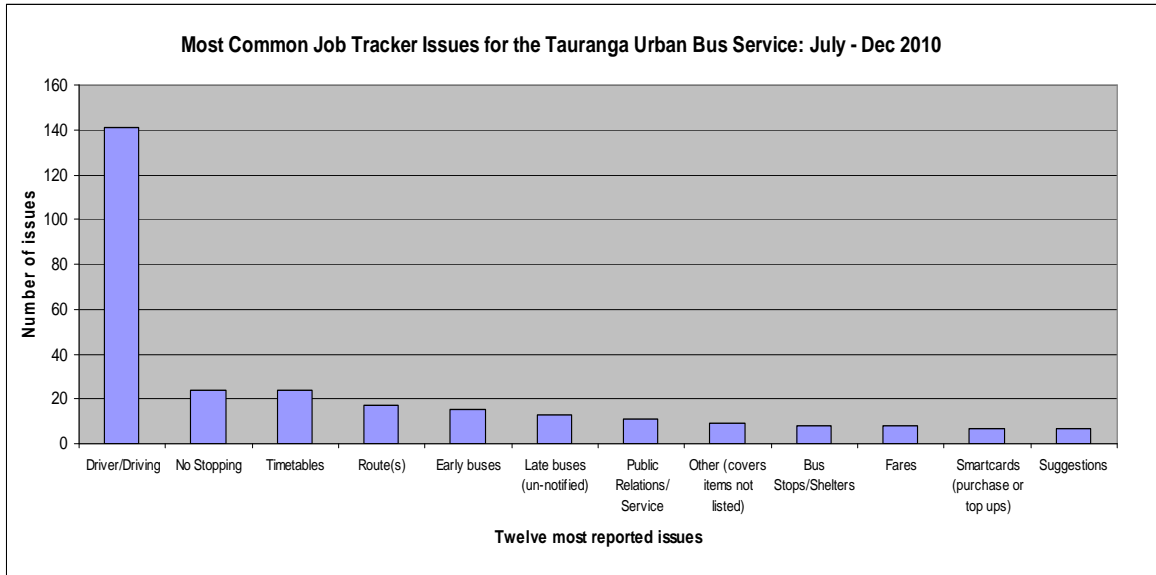


4 Complaints

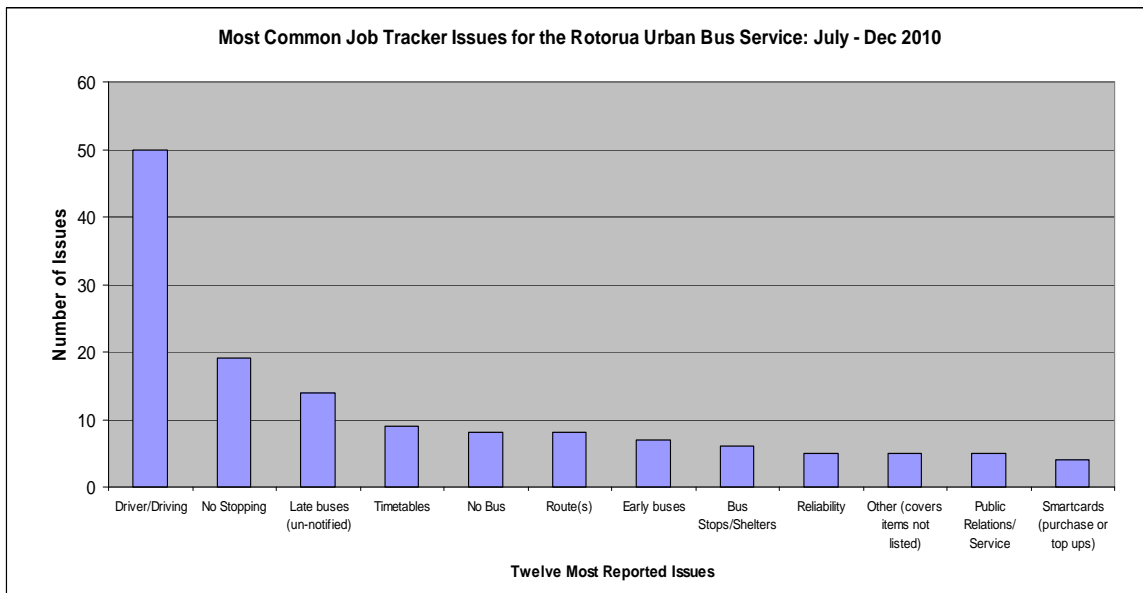
Job Tracker is the Regional Council’s web-based system for processing complaints, enquiries, requests and compliments. Customer related bus issues are internally forwarded to the appropriate staff member or bus contractor to deal with. The process

enables effective resolution of such things as bus complaints, infrastructure requests, and service enquiries.

Below is a breakdown of Job Tracker issues for the period July 2010 to December 2010. The graph below shows the most common issues for the Tauranga urban service.



The graph below shows the most common issues for the Rotorua urban service.



The graphs shows that by far the most reported customer issues were driver/driving issues. This will include complaints regarding the demeanour of the bus driver and the manner in which a bus is being driven. These are followed by complaints of the bus not stopping for passengers, and requests for timetables.

In total, there were 324 separate issues for the Tauranga urban service in the six month period from July to December 2010. Rotorua urban had 151 separate issues, while the rural services together had 39 separate issues.

5 Advertising

Back of bus advertising on buses operating on the Tauranga urban service is a source of revenue for Council and the operator, Go Bus Transport Ltd.

The revenue is split evenly between the Council and Go Bus, as per the terms of the contract. The contract excludes the operator from selling advertising on the sides or interior of the buses.

Go Bus have entered into a contract with iSite Media and have made all 33 Tauranga bus back space available to them. The Council share of this revenue is \$43,800, per annum and this is currently being paid monthly at a rate of \$3,600 per month.

The contract between iSite and Go Bus does not provide for Council or Go Bus to advertise on the bus backs at a reduced rate, however Council staff regularly use interior signs to advertise features, promotions or changes to the service. Council could extend this use of bus interior advertising, or introduce bus side advertising should it choose.

Buses used in Rotorua and on rural services are generally unsuitable for bus back advertising. The contract with the Rotorua operator (Reesby Buses Ltd) specifically forbids bus back advertising and the operator has no current desire to start.

6 Western Bay of Plenty Sub-region

6.1 Katikati and Omokoroa to Tauranga

In January 2010, Council let a two and a half year gross contract to Katikati Bus Company Limited for the delivery of the Katikati to Tauranga and Omokoroa to Tauranga commuter services and the Katikati and Omokoroa to Tauranga shopper service (branded 'Bayhopper Katicoach'). The service utilised two small buses that seat 22 passengers.

The Shopper service operates from Katikati to Tauranga via Omokoroa and return on Tuesdays, Thursdays and Saturdays. Since the new contract started in January 2010, there have been several instances of demand for the Shopper service exceeding the number of seats available. A report addressing this issue was presented to the Council Transport Committee on 10 August 2010, outlining several options to address the issue. The Committee resolved to put into service a larger bus and replace the existing bus with a bus that has greater seating and standing capacity.

Cost calculations were based on a range of assumptions over several scenarios, and were estimated at \$46,000 to \$96,000 per annum.

Several major delays to the delivery of new buses to Christchurch have caused a nationwide shortage of low floor urban buses that would have been suitable for this service. Due to this, staff and the operator investigated using vehicles that were below the standard envisioned in the report, but still high enough to produce an improved level of benefit to patrons of the service.

On 18 January 2010, a larger bus entered service on the shopper run and will operate on Tuesdays and Thursdays. Saturdays will continue to operate with the smaller bus unless demand increases to the point where the larger bus is justified.

The annual cost negotiated with the operator is \$19,800 per year, which is significantly less than originally estimated.

6.2 **Maketū Service**

At the August 2010 Transport Committee meeting, the Committee resolved to implement a trial service between Maketū and Te Puke. At the time it was envisaged that the service would operate two days a week and be provided by extending the Te Puke Hopper service at a cost of about \$12,000 per annum.

In implementing the decision to put in place a new service, staff discovered that the most cost effective option to provide a service was to extend the Whakatāne to Tauranga service to travel via Maketū. On 6 December 2010, the service began operating.

A bus stop has been installed at Maketū and the service departs Maketū for Te Puke and Tauranga at 10:10 am and arrives back in Maketū on the return journey at 2:55 pm.

Being an extension of an existing service, the Maketū service operates six days per week (Monday to Saturday), excluding Public Holidays.

The annual cost to Council of this change is \$11,900 (GST exclusive) and the cost for the 2010/2011 financial year will be \$7,100.

6.3 **Tauranga Urban Bus Service**

At the August 2010 Transport Committee meeting, the Committee resolved to accept recommended changes to the Tauranga urban bus service timetable. The changes were calculated to realise savings by reducing the amount of buses required to operate the service. The services most affected by the changes were Routes 1 and 2.

These changes (assuming the financial details can be agreed with the contractor) are due to come into effect on Sunday, 13 February 2010.

There will be a transition period where two buses will be kept on standby as hedge against the new timetable being too tight.

At the December 2010 Council meeting, Council also resolved to implement a 30 minute weekday frequency on Tauranga urban bus service route 60.

If the new timetable for routes 1 and 2 work as expected, 30 minute weekday frequency on Tauranga urban bus service route 60 will be implemented from Monday 21st of March (again, assuming the financial details can be agreed with the contractor).

Council staff have been working with the operator to finalise the operational and financial details of the changes. Negotiations of the financial implications of the changes have not progressed as quickly as hoped.

The contract between Council and Go Bus Transport Ltd (Contract 2008 0280, Tauranga Urban Bus Contract) clearly defines a mechanism for calculating payment for increasing or reducing bus services. Staff continue to negotiate with the contractor to determine the exact costs of these changes.

At the time of writing this report therefore, I am unable to confirm the agreed change in contract cost to implement the changes outlined above. I hope to be able to do so verbally, at the meeting.

6.4 Tauranga Transport Centre (Prepared by Emlyn Hatch)

Staff have been advised by Tauranga City Council that, at the time of this report being written, from 27 February 2011, the Transport Centre on Willow Street will become fully operational. All Regional Council contracted Tauranga BayHopper services will arrive and depart from Willow Street from this date.

7 Eastern Bay of Plenty

7.1 Whangaparaoa to Ōpōtiki Service (Prepared by Mike Furniss)

Following requests submitted on the Draft 2010/11 Annual Plan, the Transport Committee resolved to implement a trial service between Whangaparaoa and Ōpōtiki. This service commenced on 29 October 2010 and is operated on a temporary basis by Eastern Buses Ltd.

Staff have engaged with Te Runanga O Te Whānau as it has expressed a desire to contract for the service. Council staff are working through the procurement process, with the staff of Te Runanga O Te Whānau, including developing specifications for the service. Staff have also assisted Te Runanga O Te Whānau in its search for a suitable vehicle.

The current temporary service operates on Tuesday and Saturday, however investigations have determined that more community needs would be met with services on Tuesday and Thursday. As such, we will likely adjust the days of operation to match.

8 Financial Implications

Current Budget

The report does not require decisions to be made. As such, there are no current budget issues.

Future Implications

The report does not require decisions to be made. As such, there are no future financial implications.

Ten Year / Annual Plan Implications

The report does not require decisions to be made. As such, there are no Ten Year/Annual Plan implications.

Mike Furniss
Transport Operations Officer
for Transport Policy Manager

16 February 2011

