Public Transport Committee

NOTICE IS GIVEN

that the next meeting of the **Public Transport Committee** will be held in **Council Meeting Room One, Bay of Plenty Regional Council, 5 Quay Street, Whakatāne** on:

Friday, 17 February 2017 commencing at 9.30 am.

Mary-Anne Macleod
Chief Executive
10 February 2017

BAY OF PLENTY REGIONAL COUNCIL TOI MOANA

Public Transport Committee

Terms of Reference

The Public Transport Committee has the core function of implementing and monitoring Regional Council public transport strategy and policy.

Delegated Function

To set the operational direction for approved Regional Council public transport policy and strategy and monitor how it is implemented. This will be achieved through the development of specific operational decisions which translate policy and strategy into action.

Membership

- Eight councillors (one of whom will be the Chair and one of whom will be the Deputy Chair) and the Chairman as ex-officio; and
- One representative from Tauranga City Council, one representative from Rotorua Lakes Council and one representative from Western Bay of Plenty District Council.

Quorum

In accordance with Council standing order 10.2, the quorum at a meeting of the committee is not fewer than four Regional Council members of the committee.

Term of the Committee

For the period of the 2016-2019 Triennium unless discharged earlier by the Regional Council.

Meeting frequency

At least quarterly, or as frequently as required.

Specific Responsibilities and Delegated Authority

The Public Transport Committee is delegated the power of authority to:

- Approve and review the Bay of Plenty Regional Public Transport Plan.
- Approve, implement, monitor and review operational public transport policy and plans and enter into contracts on matters within its terms of reference, provided that the exercise of this power shall be subject to a total financial limit of $200,000 per decision and within the allocation of funds set aside for that purpose in the Long Term Plan or Annual Plan or as otherwise specifically approved by Council.
- Receive reporting on the performance of the Passenger Transport Activity.

Note:

- The Public Transport Committee reports to the Regional Council.

The Public Transport Committee is not delegated the authority to develop, approve or review strategic policy and strategy, other than provided for within these Terms of Reference.

Public Forum

1. A period of up to 15 minutes may 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.

Membership

Chairperson:	L Thurston
Deputy Chairperson:	N Bruning
Councillors:	S Crosby, J Nees, P Thompson, A von Dadelszen, K Winters
Ex Officio:	Chairman D Leeder
Appointees:	Councillors T Molloy (Tauranga City Council) T Tapsell and Alternate, M Gould (Rotorua Lakes Council), Councillor D Thwaites (Western Bay of Plenty District Council)
Committee Advisor:	S Cubbon

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 Public Forum

4 Declarations of Conflicts of Interests

5 Previous Minutes

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5.3 Public Transport Committee Workshop - 01 February 2017 **27**

6 Reports

6.1 New Zealand Transport Agency Update **31**

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7 Public Excluded Section 193

Resolution to exclude the public

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

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

7.1 Public Excluded Public Transport Subcommittee minutes - 24 August 2016 195

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.

Reason

To enable the local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations.

7.2 Toi Ohomai Institute of Technology Student Fare Concessions 197

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.

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.

8 Confidential business to be transferred into the open

9 Readmit the public

10 Consideration of General Business

Previous Minutes

Minutes of the Public Transport Subcommittee Meeting held in Council Meeting Room One, Bay of Plenty Regional Council, 5 Quay Street, Whakatāne on Wednesday, 24 August 2016 commencing at 10.00 a.m.

Present:

Chairman: L Thurston

Councillors: P Sherry, N Bruning

Appointees: Councillor J Wepa (Rotorua Lakes Council), Councillor R Curach (Tauranga City Council)

In Attendance: BOPRC: Councillor Love, F McTavish (Group Manager Strategy & Science) by video conference, G Maloney (Transport Policy Manager), J Metcalfe (Senior Transport Planner), M Furniss (Transport Operations Officer), R Garrett (Committee Advisor), S Norris (Senior Transport Operations Officer); NZTA: Alastair Talbot; TCC: C Cassidy.

Apologies: Chairman Leeder, Councillors A Black, D Owens, D Thwaites

1 General Business and Tabled Items

Staff drew members' attention to the item *Regional Integrated Ticketing System* included in Agenda Report Item 5.7 *Other Matters of Interest;* and advised that due to further developments and some urgency of timeframes staff would now be asking the Subcommittee to endorse a recommended approach.

2 Declaration of conflicts of interest

Nil declared.

3 Public Transport Subcommittee minutes - 17 June 2016

Resolved

That the Public Transport Subcommittee under its delegated authority:

1 Confirms the Public Transport Subcommittee minutes - 17 June 2016

Curach/Sherry
CARRIED

4 Public Transport Workshop report - 11 May 2016

Resolved

That the Public Transport Subcommittee under its delegated authority:

1 Receives the report, Workshop - Public Transport 11 May 2016

Curach/Sherry
CARRIED

5 New Zealand Transport Agency Update

New Zealand Transport Agency representative Alastair Talbot presented this report which updated the members on current NZTA initiatives.

Resolved

That the Public Transport Subcommittee under its delegated authority:

1 Receives the report, New Zealand Transport Agency Update.

Thurston/Bruning
CARRIED

6 Public Excluded Section

Resolution to exclude the public

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

The general subject of the matter to be considered while the public is excluded, the reason for passing this resolution in relation to the matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

6.1 Tauriko Network Programme Business Case

Grounds

Good reason for withholding exists under section 48(1)(a).

Reason

To protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied.

Thurston/Bruning
CARRIED

Attendance

Councillor Wepa joined the meeting at 10.18 am.

7 2015/16 End of Financial Year Achievement Report for Total Mobility

Transport Policy Manager Garry Maloney presented this report which informed the Subcommittee on the performance of the Total Mobility Scheme for the 2015/16 financial year.

A member noted that the biggest drop in patronage had occurred in Tauranga and queried why this was the case; staff explained that this continued a downward trend observed over several years and could be attributable to the introduction of accessible buses.

Resolved

That the Public Transport Subcommittee under its delegated authority:

1 Receives the report, 2015/16 End of Financial Year Achievement Report for Total Mobility.

Curach/Sherry
CARRIED

8 2015/16 End of Financial Year Public Transport Achievement Report

Transport Policy Manager Garry Maloney presented this report which updated the Subcommittee on the performance of Council's contracted bus services for the 2015/16 financial year. Mr Maloney outlined the main points of the report, noting the low inflation rate and low fuel costs experienced during the year, that the 32% regional fare recovery ratio was slightly below the Annual Plan 34% target, and that, while the Tauranga BayHopper patronage had increased slightly from the previous year, patronage on the Rotorua Cityride service decreased by 17%.

A member noted that while total Tauranga patronage had slightly increased, adult patronage had significantly decreased; and queried whether the increased use of the BayHopper service by school pupils may have contributed to this. Staff agreed this could be a factor but considered that timeliness of the services being affected by Tauranga traffic congestion was likely a more significant factor.

A member queried whether the drop in patronage in Rotorua was a reflection of fare price; staff considered it was more a reflection of the unreliability of the service initially and uncertainty surrounding route changes, and noted that reliability had now been addressed by the introduction of extra buses but that these figures do not show in this financial year. Members requested month-by-month patronage reports for areas of concern if possible; staff confirmed this could be provided.

Resolved

That the Public Transport Subcommittee under its delegated authority:

1 Receives the report, 2015/16 End of Financial Year Public Transport Achievement Report.

Bruning/Sherry
CARRIED

9 Route 52: Greerton - Lakes, Tauriko and CBD upgrade

Refer Powerpoint presentation Objective ref: A2429137

Senior Transport Planner Joe Metcalfe presented this report which sought a decision from the Subcommittee regarding options presented for upgrading the Lakes service to provide a link to the Tauranga Crossroads development and a CBD commuter service.

Mr Metcalfe provided background on the current service and outlined the three options contained in the report. He explained that staff were recommending Option 2 as it resulted in the least disruption to existing users, it could be implemented within the current budget and was consistent with the draft Tauriko Programme Business Case and the intent of the Blueprint project. He noted that a key risk for Option 2 was uncertainty around the possible costs of tolls and that communication with NZTA on this point was underway.

Members asked several questions of clarification around possible other route alterations and use of park-and-ride facilities, and expressed general support for an enhanced service.

Resolved

That the Public Transport Subcommittee under its delegated authority:

1 Receives the report, Route 52: Greerton - Lakes, Tauriko and CBD upgrade.

2 Approves a variation to Route 52: The Lakes-Greerton by implementing Option 2 as described in the report Route 52: Greerton - Lakes commuter upgrade.

3 Notes that the proposed change for the 2015/16 financial year can be accommodated within the existing budget, but that an additional allocation may be required in the 2016/17 financial year.

4 Requests that staff raise awareness of the variation to Route 52 with a targeted postal drop to the affected community regarding the enhanced service.

5 Confirms that the decision has a low level of significance.

Thurston/Curach
CARRIED

10 Regional Fares Review - Patronage Services

Transport Policy Manager Garry Maloney presented this report which sought guidance from the Subcommittee on the appropriate fare structure for patronage bus services. Mr Maloney noted that patronage-based services generally seek to maximise economic objectives, as distinct from coverage-based services, and that the Tauranga and Rotorua urban bus services are classified as patronage services. He explained the differences between flat and distance-based fares, outlined the costs and benefits of each system, and noted the staff recommendation to adopt in principle a move to distance-based fares for these services.

Questions of clarification were asked regarding the fiscal impact of a change to both the Council and the users, and fairness and equity across the region.

A member expressed discomfort around the concept of distance-based fares in terms of the possible disadvantages this structure could have on users living in the further away areas of growth and development such as Pāpāmoa.

Staff noted that Bay of Plenty is the only region in New Zealand that doesn't currently have distance-based fares, and that this fare structure would allow more flexibility in fares for different services.

Members agreed that that they would be happy to further consider distance-based fares after detailed modelling of different scenarios was completed by staff.

MOTION

Moved: Councillor Curach **Second:** Councillor Sherry

Further considers the use of distance-based fares following subsequent detailed modelling of scenarios.

The motion was **PUT** and **CARRIED** and became part of the substantive motion.

Adjournment

The meeting adjourned at 11.05 am to allow some audio technical difficulties to be resolved and resumed at 11.10 am.

Resolved

That the Public Transport Subcommittee under its delegated authority:

1 Receives the report, Regional Fares Review - Patronage Services.

2 Further considers the use of distance-based fares following subsequent detailed modelling of scenarios.

3 Confirms that the decision has a low level of significance.

Curach/Bruning
CARRIED

11 Western Bay Public Transport Blueprint and procurement process update

Refer Powerpoint presentation Objective ref: A2429136

Senior Transport Planner Joe Metcalfe presented this report which updated members on progress with the Blueprint and the proposed procurement process that will be used for new service contracts scheduled to begin at the start of 2018. Mr Metcalfe noted three main areas of current activity for the Blueprint being further development of the evidence-base to support investment, development and analysis of the confirmed strategic options and stakeholder engagement.

A member expressed concern that the approach taken within the Blueprint project was not bold enough to satisfactorily address the problems of Tauranga congestion, commuter traffic and city parking. Staff emphasised that the various programmes

being considered as part of the Blueprint work were ambitious and that co-ordination between the Blueprint project and other local and regional initiatives was underway. The NZTA representative observed that the problems around Tauranga traffic could not be resolved by one organisation and that a system-wide response was needed.

Resolved

That the Public Transport Subcommittee under its delegated authority:

1 Receives the report, Western Bay Public Transport Blueprint and procurement process update.

Thurston/Bruning
CARRIED

12 Other Matters of Interest

Refer Powerpoint presentation Objective ref: A2423925

Transport Policy Manager Garry Maloney presented this report which updated members on various matters of interest including the Bus Buddy scheme trial, the SuperGold card scheme, the Waiariki Bay of Plenty Polytech travel concession, changes to the Paengaroa/Maketū/Te Puke trial service, and planned marketing and promotion of public transport.

Group Manager Strategy & Science Fiona McTavish then provided an update on progress with the Regional Integrated Ticketing System and requested that members endorse the adoption of a closed tendering process for the procurement of an interim single ticketing solution. Ms McTavish outlined the background to the development of the interim solution by the Consortium, explained the process undertaken in conjunction with NZTA to develop the preferred procurement process and the rationale behind the recommendation of a closed tender.

Members asked questions of clarification regarding competitiveness of the closed tender process and achieving best value for money. Staff explained that, although the closed tender would only include New Zealand suppliers, all NZ firms had links with international suppliers, and that value for money analysis has been completed and demonstrated that value for money would be achieved by the process.

Resolved

That the Public Transport Subcommittee under its delegated authority:

1 Receives the report, Other Matters of Interest.

2 Endorses the Regional Integrated Ticketing System project procurement strategy, including its proposed closed tendering process.

Thurston/Bruning
CARRIED

13 Public Excluded Section

Resolution to exclude the public

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13.1 Public Excluded Public Transport Subcommittee minutes – 17 June 2016

Grounds

Good reason for withholding exists under section 48(1)(a).

Reason

To enable the local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).

Thurston/Wepa
CARRIED

14 Closing remarks

The Chairman thanked all members for their contribution to the Subcommittee during this triennium, and noted that Councillor Sherry would be sorely missed. Councillor Curach thanked the Chairman for his work for the Subcommittee.

The meeting closed at 11.40 am.

Report of the Public Transport Committee Workshop on the Western Bay Public Transport Blueprint held in Mauao Rooms, Bay of Plenty Regional Council Building, 87 First Avenue, Tauranga on Wednesday, 7 December 2016 commencing at 1.00 p.m.

Present:

Chairman: L Thurston

Deputy Chairman: N Bruning

Councillors: P Thompson, J Nees, Councillor D Thwaites (Western Bay of Plenty District Council), S Crosby, A von Dadelszen, Councillor T Molloy (Tauranga City Council), D Love, T Marr, D Leeder, J Cronin (arrived 1.50pm)

In Attendance: NZTA: A Talbot, K Jiang, I Herbert, C O'Keefe; TCC: M Parkes, C Cassidy, M Stewart; Tauranga Connect: M Wassung, A Noonen, R Curach, C Gordon, P Stanley, H Hughes, D Hart, B Edlin; BOPRC: F McTavish, G Maloney, M Furniss, J Metcalfe, R Garrett

Apologies: Councillor K Winters

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1 Introduction

The Chairman opened the workshop and welcomed all attendees, and then invited Mr M Wassung and Tauranga Connect to begin their presentation.

2 Tauranga Connect Presentation

Refer presentation Objective ID: A2503586; project summary Objective ID: A2539377

Mr Wassung introduced himself and the Tauranga Connect team, and presented a general overview and summary of the key points of the project. He noted that it is a transport master plan, based around a vision of a connected, sustainable future for Tauranga, involving a mix of public transport modes and options, focussed around several key "lines", and that it would provide a significant opportunity for collaboration between Bay of Plenty Regional Council, Tauranga City Council and the community. Mr Wassung explained the process and consultation undertaken so far to reach this stage of concept design, and outlined a possible process and timeframe to progress the concept further. Mr Wassung acknowledged the G-LINK Gold Coast, Australia and The Hague, Netherlands as sources of inspiration. He then asked the other members of the Tauranga Connect team to speak; points made included:

- Mr David Hart – Mr Hart noted he was speaking on behalf of NZ First MP Clayton Mitchell; NZ First will be seeking a comprehensive investigation into Bay of Plenty public transport; is aware of community support for this type of approach.

- Ms Heidi Hughes – Ms Hughes noted she was representing a grass roots cycling group which is very supportive of a multi-modal public transport system which provides options for families to be able to use bikes and for better pedestrian access; desire to see Tauranga become a very bikeable town.

- Ms Carole Gordon – Ms Gordon noted she represented the older generations living in Tauranga; emphasised the importance of a getting people together approach to talk about public transport options; noted the importance of facilitating active aging and its importance to the economy.

- Mr P Stanley – Mr Stanley affiliates to Ngai Te Rangi; he supported the "makes sense" approaches to modal transport included in the concept design and the vision for the city included in the project'

- Ms B Edlin – Ms Edlin noted that she had worked with Mr Wassung on a number of projects and endorsed the need for future planning to move the city forward.

- Mr Anton Noonen – Mr Noonen emphasised the need to look into the future, what does the city need to run effectively and what decisions need to be made now.

Chairman Thurston thanked Mr Wassung for his presentation, noting that it was stimulating and engaging, and that he looked forward to continued communication; and asked members for any questions or comments. Points raised included:

- Acknowledgment and congratulations to Mr Wassung on his commitment and ability to put this project together; the project vision had stimulated a discussion long overdue;

- Important to liaise with Kiwirail as soon as possible;

- Importance of keeping up with transport technology;

- Support for cycling and the importance of increasing health and wellness within our community;

- Time to take a long-term view of transport infrastructure and put sustainable practices in place; low-carbon future;

- Important to feed into existing planning processes as well as developing a visionary project;

- Aware of community frustration regarding traffic congestion;

- Transport planning can't be done in isolation, part of total picture of urban design, developing a blueprint for over a million people;

- Light rail not easy to do profitably, need to get current public transport services operating effectively;

- Support for move away from cars and importance of connectivity within the city and region.

The members thanked Mr Wassung and his team for their attendance and presentation.

3 Tauranga Programme Business Case

Refer presentation Objective ID: A2503585

Ms Clare Cassidy, TCC Transport Planner, gave this presentation, assisted by Mr Alistair Talbot and Mr Ian Herbert from NZTA.

Ms Cassidy outlined the context of the Business Case in terms of ongoing strategic transport projects, explaining how the Tauranga Programme Business Case lines up with the Blueprint, and SmartGrowth Strategy, noting that the Programme has a long timeframe of 30 years. Ms Cassidy summarised the objectives and progress of the Tauranga Programme to date, and noted:

- Aim to align and integrate land use and public transport planning;
- Three key problems associated with population growth and added pressure on the transport network identified – increased travel on key routes, urban development resulting in increased travel distances and poor mode share, high proportion of death and serious injury crashes;
- 30 year horizon to address these problems, all solutions in the mix;
- Large suite of projects underway, business as usual will not solve the problems.

Mr Herbert gave a brief summary of the Tauriko Network Plan, which adopts a "One Network" approach to public transport as part of planning for the Tauriko growth area; this project has moved to the Indicative Business Case stage. Objectives include ensuring a strong freight route, addressing safety issues and addressing liveability.

Questions and comments from the members (and responses) included:

- How would the Tauranga Connect project and vision fit in? Suggested that this could feed into longer term vision and planning with solutions to address the key problems being developed with the community;
- How is the Tauranga Programme adjusting to signals coming from national government and the community such as increased emphasis on environmental safety? While noting that there is inherent misalignment between different levels of government, such signals are trying to be incorporated into current projects; and flow through into long-term projects as well as fed into the LT planning process and RLTP development.
- Will the investment logic map process lead to the right answers? Is a principled approach which provides a clear-thinking framework to compare different options. Noted the importance of weightings in the tool correct and evidence-based.
- Members expressed confusion regarding who does what in transport planning and how it feeds into the wider strategic and policy context and work streams such as SmartGrowth and Local Government Futures. Staff noted that there are a variety of levels where there are connections such as technical working groups and acknowledged the need to ensure that all projects from all agencies that impact on public transport and future transport planning are co-ordinated; projects can't be viewed in isolation.
- Integration vital – for example if buses are stuck in traffic then nothing done to the actual bus service will make any difference. Need to get away from a silo

mentality between local authorities and agencies, need to think big picture and ensure visionary ideas are considered properly.

- Noted that the language used to discuss public transport planning in terms of investment doesn't always lead to clear communication; will need to translate this to language that will engage the community when we go out to consultation.

The Chairman thanked the panellists for their presentation.

4 Western Bay Public Transport Blueprint

Refer presentation Objective ID: A2504016

Mr Joe Metcalfe, BOPRC Senior Transport Planner, gave this presentation supported by Ms Fiona McTavish and Mr Garry Maloney.

Ms McTavish introduced the presentation, and outlined the goals for the workshop:

- Is the scale of investment appropriate?
- Are any components missing?
- Is any further information required?
- Level of comfort on the feedback process?

Mr Metcalfe explained the background and purpose of the Blueprint. He noted that the Blueprint was developed with a 10-year timeframe in mind, to focus on what can happen now and where investment can be made within the existing public transport network. The Blueprint is intended to meet the transport demands placed on the Western Bay through economic and population growth and allow people to move freely regardless of the mode of transport they choose.

Mr Metcalfe noted that with current service contracts coming to an end and the decision to merge the schoolhopper service into one bus network, it was timely to review and refine what services can be provided in the future. He outlined the following key factors in the broader transport context:

- Recognition of congestion issues – could hit Auckland levels in 10-15 years without investment;
- Patronage is growing faster than any other region; we spend less on public transport per trip than almost all other regions;
- Transport demand associated with planned CBD developments will outstrip supply of parking.

Mr Metcalfe briefly outlined the Blueprint process and the three stages involved in developing the NZTA Business Case:

i. The Strategic Case – agreed February 2016
ii. The Programme Business Case – in draft for February 2017 approval
iii. The Activity Business Case for the bus network – due May 2017.

The Chairman allowed feedback and questions from the members; these included:

- Members had received feedback that some sectors of the community were unhappy with the merge of the schoolhopper service and were choosing not to use the bus if it was full of school children. Staff responded that to be efficient the services needed to be merged; users may choose not to board a particular bus as long as the next bus came soon.
- Would it be cheaper for students to use if schoolhopper buses were of a lower specification? Staff clarified that schoolhopper buses are already of a lower specification than others in the network.

- More depth information on the assumptions that the work is built on was requested, to gain a better understanding of costs and behavioural change. Staff noted that reliability and timeliness are the key issues for public transport users not cost; however cost was important in terms of running the network and fare recovery.
- Is work being done around the cost/benefit of putting money into public transport rather than roading infrastructure? Staff noted that a conversation needed to be had with Tauranga City Council on this point, and also observed that shifting this perspective and emphasis is a slow process.
- Comments that pricing is critical to some Tauranga households particularly for school bus services; much congestion is due to school traffic. Questioned why we are charging children to go to school, it was suggested that we should be doing everything possible to get children onto buses to school.
- Roading rethink is critical, need to apply same justifications and criteria to all modes of transport.

Mr Metcalfe then outlined the three programme options: Growth Enabler, High Efficiency or Balanced Network, and explained that the High Efficiency version best delivered the benefits outlined in the Strategic Case. He noted that the High Efficiency model:

- focuses on inner city routes with higher frequency of services rather than suburban and outlying routes;
- includes some connecting routes that avoid the CBD;
- enhances express services;
- addresses reliability issues on main routes caused by congestion through use of clearways and bus lanes.

Mr Metcalfe listed the common elements between the options; these included:

- technology
- facilities for bikes
- investment in additional planning tools
- additional planning projects
- additional resourcing.

The Chairman invited comments and questions from the members; these included:

- Noted limited use of park and ride facilities – would including more affect the cost/benefit ratio? Staff explained that as a standalone item the cost/benefit for a park and ride facility is poor and rarely stacks up if it involves the specific purchase of land; it can improve if a facility can be worked in with existing facilities such as under-utilised carparking.

- Why is the farebox recovery set at 45%? Could it be lower e.g. 35%? Hard to stimulate behavioural change if too expensive. Staff clarified that the recovery percentage was set with the NZTA fare recovery expectation of 50% across the country in mind. .

- Comment that road pricing is potentially a powerful tool for changing habits.

- A member queried whether NZTA has a sustainable portfolio and is fostering sustainable transport policy? If NZTA has an interest in retaining roads and road use then how can it have a long-term objective to reduce car and road use? NZTA staff responded that while sustainability is inherent in the legislative requirements, the focus has been on safety and economics; there is no conflict in that as the transport system becomes more efficient it will become more sustainable.

- Does the High Efficiency model involve hubs? Staff clarified that interchanges would be included.

Mr Metcalfe and Mr Martin Parkes from Tauranga City Council briefly outlined the key elements of the Parking Policy included in the Blueprint. The implementation of changes to parking policy in Tauranga is an integral part of transport strategy and will be key to long-term patronage growth and increasing walking and cycling participation. It was noted that this is an emotive topic for the community.

Members' comments included:

- Need to get the public transport system working effectively before removing inner city parking; need right pricing mechanism.

- Any move down the Parking Policy path must be done with agreement of all agencies e.g. have the agreement of TCC that it will change its parking policy when a certain stage of network development is reached. Need an appropriate structure to ensure co-ordination and collaboration.

- There is a perception from some retailers in Tauranga that they are sacrificial pawns and will suffer from a modal shift from cars to buses, need to gain their support.

Mr Metcalfe drew members' attention to the Preliminary Investment Profile, and noted that the rough order of cost Regional Council funding estimate required is not significantly more than its current budget. Ms McTavish informed members that this topic will be the subject of paper in the Council meeting agenda, and also drew members' attention to the presentation information on stakeholder engagement.

Final comments from members included:

- Emphasised the need to be aspirational and look at options and not be blinded by figures. Can we do more?

- Cross agency collaboration critical.

- Still lack of clarity around what the High Efficiency network contains; what it will deliver and what community reaction will be; not in a position to endorse.

- At this stage not ready to come to a decision in February, need for further work around strategic direction and vision.

- Suggestion that a joint workshop with TCC will foster better understanding all round.

- Noted that as we only have a maximum of 12 months (ideally nine) before we must have a contract in place, there is a need to move quickly. Staff confirmed that the financial implications of any contract extension are addressed in the public-excluded section of the Council meeting pack.

The workshop closed at 4pm.

Report of the Public Transport Committee combined Workshop on the Western Bay of Plenty Transport Blueprint held in Mauao Rooms, Bay of Plenty Regional Council Building, 87 First Avenue, Tauranga on Wednesday, 1 February 2017 commencing at 9.30 a.m.

Present:

Chairman: L Thurston

Deputy Chairman: N Bruning

Councillors: J Cronin, S Crosby, D Love, J Nees, P Thompson, K Winters. T Tapsell (Rotorua Lakes Council), D Thwaites (Western Bay of Plenty District Council). L Baldock, L Brown, K Clout, R Curach, B Grainger, G McIntosh, M Mason, T Molloy, S Morris and C Stewart (Tauranga City Council).

In Attendance: S Craig (Communications Manager), M Furniss (Transport Operations Officer), F McTavish (General Manager Strategy and Science), J Metcalfe (Senior Transport Planner), G Maloney (Transport Policy Manager). From Tauranga City Council: C Cassidy (Planning Engineer, Transport), I Herbert (Transport Planner), C Jones (General Manager Growth & Infrastructure), M Parkes (Transport Manager), G Poole (Chief Executive). From NZTA: K Jaing (Senior Investment Advisor), A Talbot (Planning Investment Manager). B Walsh (SmartGrowth Implementation Manager). S Cubbon (Committee Advisor)

Apologies: Chairman D Leeder, Councillor A von Dadelszen

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1 Introduction

2 Public Transport Committee Chair Lyall Thurston welcomed those attending the Committee workshop. He encouraged participants to share viewpoints throughout the workshop, bearing in mind that some had indicated they had time constraints due to other commitments. It was acknowledged that there were many agencies working towards improving public transport in the Tauranga/Western Bay area and the aim of the workshop was to ensure a collaborative approach that provided the best outcomes.

3 Overview

General Manager Strategy and Science, Fiona McTavish provided a brief outline of the workshop papers to be presented. The rapidly changing environment affecting public transport made it all the more important everyone was on the same page so there were no duplicated efforts amongst agencies. Due to the expiry of bus contracts in 2018, the Public Transport Blueprint Programme Business Case had been prepared ahead of the Tauranga Business Case**.**

A summary of bus usage and user satisfaction surveys carried out in 2014 and 2015 was provided by Transport Policy Manager, Garry Maloney. A PowerPoint presentation set out the problems to be addressed and how the strategic case would do this. Clare Cassidy, Planning Engineer, Transport and Ian Herbert, Transport Planner gave details of Tauranga Programme Business Case.

Adjournment

The workshop was adjourned for morning tea at 10.30am and reconvened at 10.45am.

Alastair Talbot provided input from the New Zealand Transport Agency's perspective noting the strategic case was the first step in the business case development to provide aligned direction for participating organisations.

Three programme options were outlined, and of these the High Efficiency Network was recommended. It would deliver some high frequency bus services on strategic corridors and require some provision of bus priority and changes to parking supply and charging policy.

4 Discussion

Councillors raised and discussed the following matters:

- Partner agency role clarity – a future meeting of the respective Council's Transport Committee Chairs will be convened to provide a clear output that defines the role of the partners;
- park-n-ride – which is included in the High Efficiency Network, but does not form the backbone of it;
- rail, light rail, ferries and autonomous buses – are interventions that will be considered as part of the Tauranga Programme Business Case;
- free school buses – is an intervention that will be considered as part of the Regional Fare Review that will happen concurrently with the Blueprint process;
- a network of off-road cycle lanes across the city including an off-road cycle lane along Cameron Road – interventions that will be considered as part of the Tauranga Programme Business Case; and
- the Regional Council's Public Transport Committee continuing to meet with Tauranga City Councillors in the future to discuss mutual matters of interest.

Comment was made that the interventions above would reduce peak traffic congestion and also contribute to making City roads safer for cyclists.

5 Conclusion

Workshop attendees agreed that with some minor tweaks the papers presented today would go to Councils' meetings. Concerns were aired about the merry-go-round of decision making and the time it may take to ensure the structures were right, however all partners acknowledged the importance of continued collaboration.

There was considerable public interest in the issue of public transport and Communications Manager, Sue-Ellen Craig advised a media pack was to be developed with partner agencies and released when completed.

The workshop closed at 12.00 noon.

Reports

Receives Only – No Decisions

Report To: Public Transport Committee

Meeting Date: 17 February 2017

Report From: Garry Maloney, Transport Policy Manager

New Zealand Transport Agency Update

Executive Summary

The purpose of the report is to enable New Zealand Transport Agency representatives to update the Committee on current national and regional initiatives.

Recommendations

That the Public Transport Committee under its delegated authority:

1 Receives the report, New Zealand Transport Agency Update;

1 Background

New Zealand Transport Agency (NZTA) representatives will update the Committee on current national and regional initiatives.

2 Council's Accountability Framework

2.1 Community Outcomes

This project/proposal directly contributes to the Regional Collaboration and Leadership and Economic Development Community Outcomes in the Regional Council's Long Term Plan 2015-2025.

2.2 Long Term Plan Alignment

This work is provided for under the Passenger Transport Activity in the Long Term Plan 2015-2025.

Current Budget Implications

This report does not require a decision so there are no current financial implications.

Future Budget Implications

This report does not require a decision so there are no future financial implications.

Garry Maloney
Transport Policy Manager

9 February 2017

APPENDIX 1

NZ Transport Agency Quarterly Report - December 2016

Transport Agency Quarterly Report to Bay of Plenty Regional Transport Committee

6 December 2016

Quarter 1: 1 June – 30 September 2016

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8. Bay of Plenty Highway Projects	8

1. KEY OPERATING ASSUMPTIONS

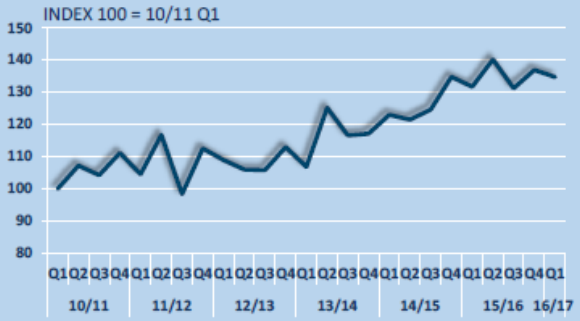
These are the key assumptions under which the NZ Transport Agency operates and key decisions are made

REVENUES

REVENUE PERFORMANCE REFLECTS TIMING OF FUEL SHIPMENTS AND CUSTOMER PURCHASING PATTERNS

$875m flows into the National Land Transport Fund

Revenues for 2016/17 Q1 came in 9% or $69m higher than budget, with inflows from FED, RUC and MVR coming in 7%, 8% and 21% ahead of budget respectively.

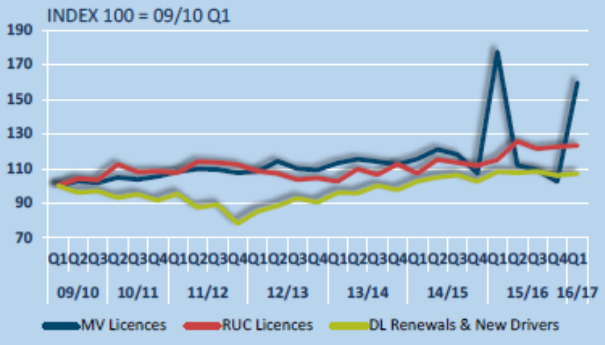


TRANSACTION VOLUMES

TRANSACTION VOLUMES REFLECT IMPACT OF ACC LEVY REDUCTIONS ON PURCHASING PATTERNS

2.8m licence transactions were completed

The number of licence transactions fell by 6.1% in 2016/17 Q1, compared to the corresponding quarter in the previous year. The main contributor was a 10.0% drop in MVR transactions which more than offset a 7.1% increase in RUC licence transactions over the same period.

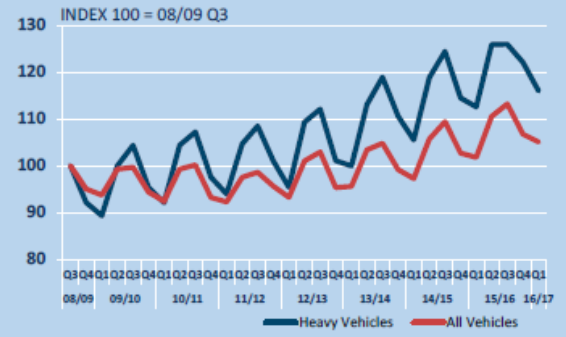


STATE HIGHWAY TRAFFIC VOLUMES

VEHICLE COUNTS ON THE STATE HIGHWAY NETWORK CONTINUE THEIR UPWARD TREND

4.6% increase in total vehicle counts

Total vehicle and heavy vehicle counts at selected telemetry sites rose by 4.6% and 6.6% respectively for the three months ending August 2016, compared to the corresponding period in 2015.

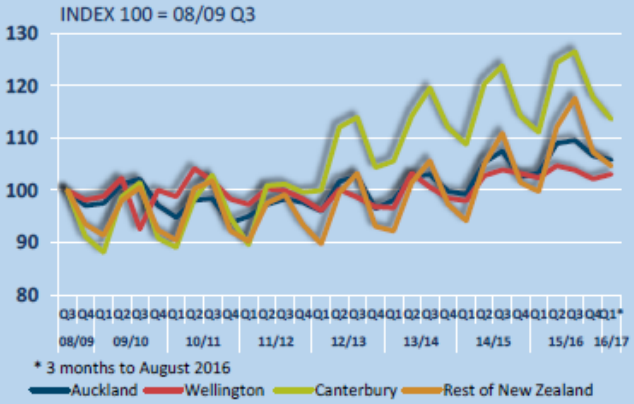


REGIONAL STATE HIGHWAY TRAFFIC VOLUMES

ALL REGIONS REFLECT POSITIVE GROWTH IN VEHICLE COUNTS

4.0%
increase in total vehicle counts in Auckland

Vehicle counts in Auckland, Wellington and Canterbury rose by 4.0%, 0.6% and 3.8% respectively for the three months ended August 2016 when compared to the same period in 2015. Vehicle counts in the rest of New Zealand rose by 6.7% over the same period, with all regions managing to post positive growth for a 7th consecutive quarter.

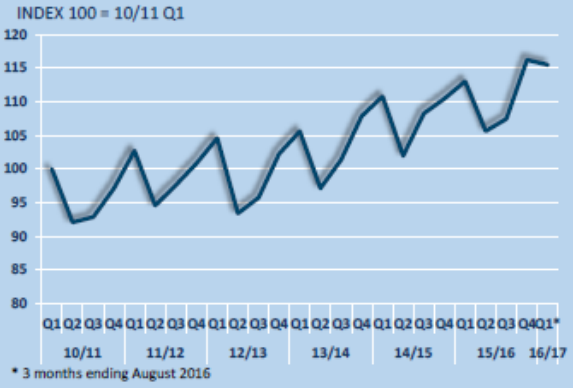


PUBLIC TRANSPORT VOLUMES

PATRONAGE ON PUBLIC TRANSPORT INCREASES FURTHER

38.8m
boardings on public transport in 2015/16Q4

Public transport patronage is estimated to have increased by 5.5% in 2015/16 Q4 compared to the corresponding quarter in the previous year. Positive growth is likely to have continued in 2016/17 Q1 with more recent data showing boardings of 38.6m for the 3 months ending August 2016 – a 823k increase over that recorded for 2015/16 Q1)

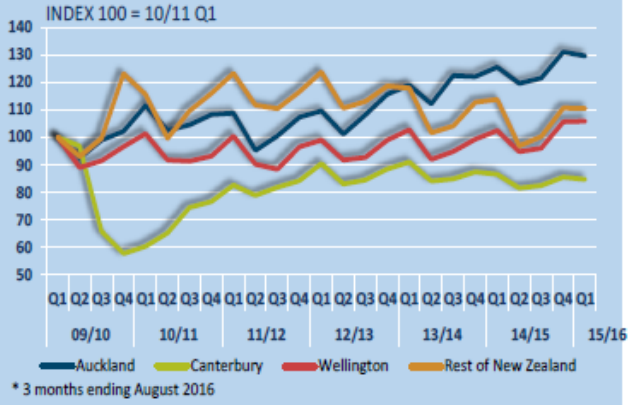


REGIONAL PUBLIC TRANSPORT VOLUMES

PATRONAGE IN AUCKLAND AND WELLINGTON REMAINS POSITIVE

7.3%
increase in PT patronage in Auckland in 2015/16 Q4

Patronage in Auckland rose by 7.3% in 2015/16 Q4 but fell by 2.9% in Canterbury in 2016/17 Q1 when compared to the same quarter in the previous year. Our most recent estimate for Wellington shows that patronage rose by 6.3% in 2015/16 Q4 when compared to corresponding period in the previous year.

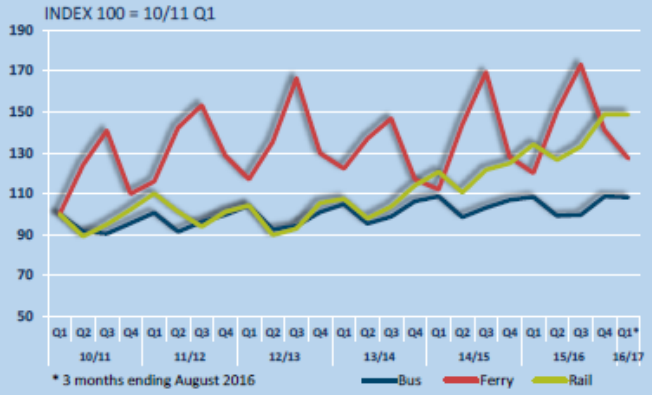


PUBLIC TRANSPORT VOLUMES BY MODE

RAIL AND BUS PATRONAGE SHOWS SUBSTANTIAL GROWTH

19.2%
increase in rail patronage in 2015/16 Q1

Rail and bus patronage increased by 19.2% and 10.2% respectively in 2015/16 Q4 compared to the same quarter in the previous year. Rail patronage for the 3 months ending August 2016 was 81.1m (compared to 73.1m in 2015/16 Q1) while bus patronage was 29.1m (slightly down on the 29.2m recorded for 2015/16 Q1).

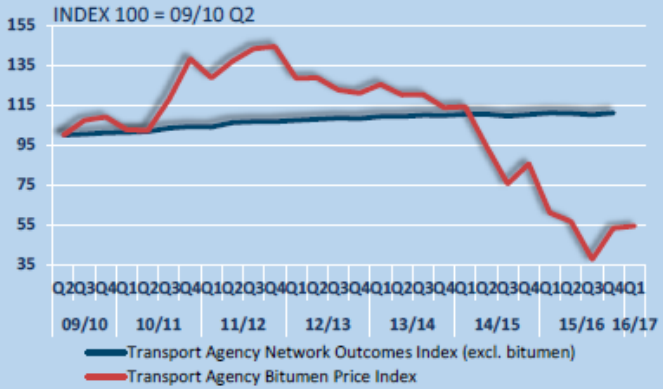


TRANSPORT AGENCY COST ADJUSTMENT INDICES

BITUMEN PRICES REFLECT GLOBAL CRUDE OIL PRICES

10.7%
decrease in our bitumen cost index

Our bitumen price index was almost 10.7% lower in 2016/17 Q1 than during same period in the previous year, but 2.1% higher when compared to 2015/16 Q4. Our network outcomes index shows a 0.7% increase in 2015/16 Q4 as rising labour costs continue to offset flat material and plant prices.

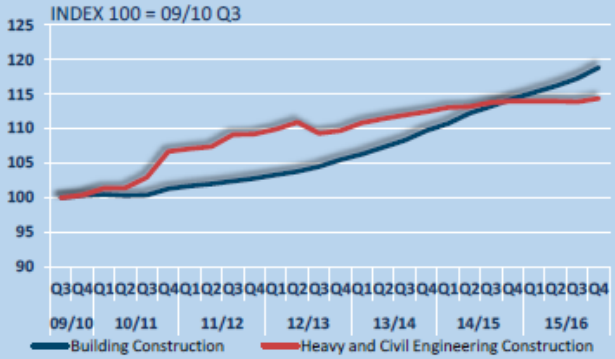


MARKET PRICES

CIVIL ENGINEERING COST PRESSURES REMAIN BENIGN

0.4%
increase in civil engineering prices

Building and construction costs rose by 3.9% in 2015/16 Q4 compared to the same period in the previous year. Growth in heavy and civil engineering prices picked up marginally rising to 0.4% over the same period (up on 0.1% recorded for the previous quarter).



2. HIGHLIGHTS THIS QUARTER

1. Identifying with our partners transport-related enablers and transport deliverables that will support the Government's Regional Growth Programme for five regions Bay of Plenty, Gisborne, Hawkes Bay, Manawatu-Whanganui and West Coast.
2. Starting the Weigh/Right Trial, working with the NZ Police, which uses new technology for assessing the weight compliance of heavy vehicles.
3. Completing public consultation on the Vehicle Dimensions and Mass Rule (VDAM) and making recommendations to the Minister for changes to the Rule that aim to enhance compliance incentives.
4. Developing a preferred option for the Investment Assessment Framework, arising from the recent review of the investment decision making system, in preparation for the 2018-21 National Land Transport Programme.
5. Reaching our target of Level 3 for the governance category of the Privacy Self-Assessment (to align with the Government Chief Privacy Officer's expectations).
6. Implementing a live web chat capability that is proving very popular with customers (about 14,500 users in the quarter) as part of the contact centre upgrade.
7. Developing a cross-agency motorcycle safety group that includes the Transport Agency, ACC, Police, and Ministry of Transport.

3. NATIONAL LAND TRANSPORT PROGRAMME

The National Land Transport Programme (NLTP) represents the investment by the Transport Agency from the National Land Transport Fund, government through Crown investments and loans, and local authorities in New Zealand's land transport system for the next three years.

The NLTP also outlines regional perspectives and highlights the investment in the region, keys focuses, outcomes we want to achieve, and likely responses to issues and opportunities.

Significant investment has been made in the Bay of Plenty in the 2015-18 NLTP:

- Maintenance and operations - $244m
- Public transport - $45m
- Walking and cycling - $9m

The investment supports significant upper north island growth, improving safety, improving urban journeys and providing for efficient freight movement.

We are currently in the development phase for the NLTP 2018- 21. The aim for this programme is to tell the whole land transport story and not just the Transport Agency story. To do this, we are inviting stakeholders to shape the process with us. During December we are engaging with our stakeholders to discuss the overall approach of the NLTP process and share our initial thinking which we want feedback on. We are committed to working closely with our stakeholders and engaging in a two-way conversation.

4. SPEED MANAGEMENT GUIDE

On 10 November the Speed Management Guide was announced by Associate Transport Minister Craig Foss as part of a broader package of road safety initiatives. The Guide outlines a consistent, evidence-based methodology to speed management, modernising the approach to managing speed in New Zealand.

The Guide does not encourage wholesale changes to speed limits, but will prioritise high benefit areas that improve both safety and economic productivity.

The Guide is a living document and will be updated regularly with new content, including further learnings from the Waikato Demonstration Project, as it progresses.

Over the coming months the Transport Agency will engage with Road Controlling Authorities and Regional Transport Committees to support them in the successful roll-out of the Guide in their communities. We have already begun the process with a number of briefing sessions over the past months.

5. VEHICLE DIMENSIONS AND MASS RULE 2016

From 1 February 2017, the rules governing heavy vehicle size, weight and operation limits are changing. While most of the changes are small, they do impact on the operation, inspection, manufacturing and permitting of heavy vehicles.

The Land Transport Rule: Vehicle Dimensions and Mass 2016 (the VDAM Rule) replaces the previous 2002 VDAM Rule. The primary reasons for the review was to deliver productivity improvements, greater regulatory efficiency and reduced compliance costs without compromising the road transport system and road user safety.

More information can be found on our website www.nzta.govt.nz/vdamrule2016 including questions and answers.

6. OPOTIKI DRIVER MENTOR PROGRAMME

The Transport Agency has been working with Opotiki District Council for several months to support the community to develop a Community Driver Mentor Programme. The programme will give the community the best possible chance of benefiting from the opportunities being created by the Opotiki Harbour Development project, and other economic development initiatives such as kiwifruit and manuka honey. Research has estimated that approximately 450 new jobs will be created.

As with other successful Community Driver Mentor Programmes around New Zealand, this programme will help young disadvantaged drivers overcome barriers so they can get their restricted driver licence, access employment and learn safe driving behaviour. The Community Driver Mentor Programme model is designed to be community owned and operated. It's a local resource to help communities take greater ownership of challenges, as well as the solutions to address them.

7. BAY OF PLENTY BUSINESS CASES

Connect Rotorua – Eastern and Central Business Cases

Eastern: Te Ngae Road

- Initial programme estimated up to $13.5 million upgrade. Stage one: Sala to Tarawera Road; Stage two: Tarawera to Owhata Road.
- Linked to Spatial Plan.
- Benefits – allows incremental improvements as required, improves local accessibility and travel choice, and removes development constraints.
- REA designation has been removed.
- Option development for both stages is underway with key stakeholders and will continue into 2017.

Central

- City centre revitalisation estimated up to $10.5 million investment (revocation).
- Benefits – encourage right trips on routes in the CBD, improve access and amenity, support CBD revitalisation and economy.

- Option development with key stakeholders is underway and will continue until the New Year.

Tauriko Network Business Case

- Together, the Transport Agency and SmartGrowth have developed the Tauriko Network Business Case, a long term programme of investment for the Tauriko area that aims to enhance community liveability, enable residential and economic growth, improve road safety and enable efficient freight access to the Port of Tauranga.
- It forms one of several nationally significant programmes of transport investment for New Zealand that the Minister of Transport is yet to announce. The announcement has been delayed as a result of the recent earthquake events.

Piarere to Tauriko (SH29) Business Case

- The Piarere to Tauriko Programme Business Case is another of the nationally significant programmes of transport investment for New Zealand that the Minister of Transport is yet to announce.
- The business case defines a long-term programme of improvements along SH29 to address safety and freight efficiency issues, extending the benefits of the Waikato Expressway.
- Again, the recent earthquake events have delayed a ministerial announcement of this programme.

8. BAY OF PLENTY HIGHWAY PROJECTS

Baypark to Bayfair link upgrade (SH2 and SH29A)

- Relocation of existing rail way line commissioned.
- Main contract tender closed. Tender evaluation underway. Preferred tenderer to be identified by Christmas, with target contract awarded late February 2017.

Maungatapu underpass/Hairini link (SH29A)

- Successful Maungatapu underpass community open day held Saturday 12 November. Between 1,000-1,200 people attended.

- Stage two of the Maungatapu roundabout bridge construction continues.

Pekatahi bridge deck replacement (SH2)

- The contract has been awarded to Downer and construction will start 7 February 2017.
- Traffic management arrangements have been developed with regional partners to minimise disruption to travellers during the works period.

Poike Road overbridge (SH29A)

- The new pedestrian bridge has been installed and is in use.
- Work on the footpath connecting the bridge to Maungatapu Underpass along SH29A is ongoing, completion expected mid-2017.

Rotorua Hemo Road intersection improvements (SH30/SH5)

- Earthworks continue and service relocation is nearly completed.

Rotorua Te Teko to Awakeri (SH30)

- Safety improvements are 75 per cent complete, expected to be completed in January/February 2017.
- Some media and local issues have been raised about agricultural vehicles and activities use of the road. Issues currently being resolved.

SH34: SH30 to Kawerau

- Approvals to progress to construction are underway.

Tarukenga to Ngongotaha (SH5)

- In the early stages of setting the project scope.
- Variations to the RLTP and NLTP are being sought to enable this to progress.

Tauranga Northern Link (SH2)

- The professional services contract (for design and contract management) was awarded to BBO late November.
- A technical assessment of tolling has been completed and is under consideration as part of a wider tolling review.
- Development of a revocation plan for the existing SH2 has been started.

Te Ngae/Owhata (SH30)

- Project scope is being defined.

Te Ngae to Paengaroa (SH33)

- Community engagement active, meeting with council and community groups.
- Open days set for mid-February 2017 at Paengaroa and Mourea.

Te Puna/Minden roundabout (SH2)

- Service relocation continues. Construction continues off to the side of the state highway.

Waihi to Tauranga Corridor (SH2)

- Workshops held with technical stakeholders to determine long list of safety treatment options for Waihi to Omokoroa and Omokoroa to Te Puna. Option development for both will continue into the New Year.
- Katikati urban business case is progressing well. We now have a better understanding of transport issues and community aspirations in Katikati following workshops with our partners and local stakeholders.

Wainui Road to Opotiki (SH2)

- Stakeholder workshops have been held.
- Community open day planned for early March 2017.

Weather Activated Variable Speed Limit signs (SH29)

- Enhancements were completed in September 2016 and include additional signs, cameras and visibility sensor. Primarily this was to allow a third summit zone to be installed to better match localised weather conditions with location over the ranges.

Receives Only – No Decisions

Report To: Public Transport Committee

Meeting Date: 17 February 2017

Report From: Garry Maloney, Transport Policy Manager

Performance of Public Transport Services for July to December 2016

Executive Summary

The following report updates the Public Transport Committee on the performance of Council's contracted bus services from the start of the 2016/17 financial year through to the end of December 2016.

Of note is:

- for the year ending the September 2016 Quarter, escalation (inflation) for the 12 month period has been 0.0%;
- the price of fuel continues to remain low and petrol continues to cost less than it did over two years ago;
- Tauranga BayHopper patronage for the year to date is now slightly less than for the corresponding period last financial year (-1.2%).
- Rotorua Cityride patronage for the year to date is about 11% lower than for the corresponding period last financial year

Recommendations

That the Public Transport Committee under its delegated authority:

1 Receives the report, Performance of Public Transport Services for July to December 2016;

1 Introduction

The following report updates the Public Transport Committee on the performance of Council's contracted bus services for the July to December 2016 period.

2 Inflation

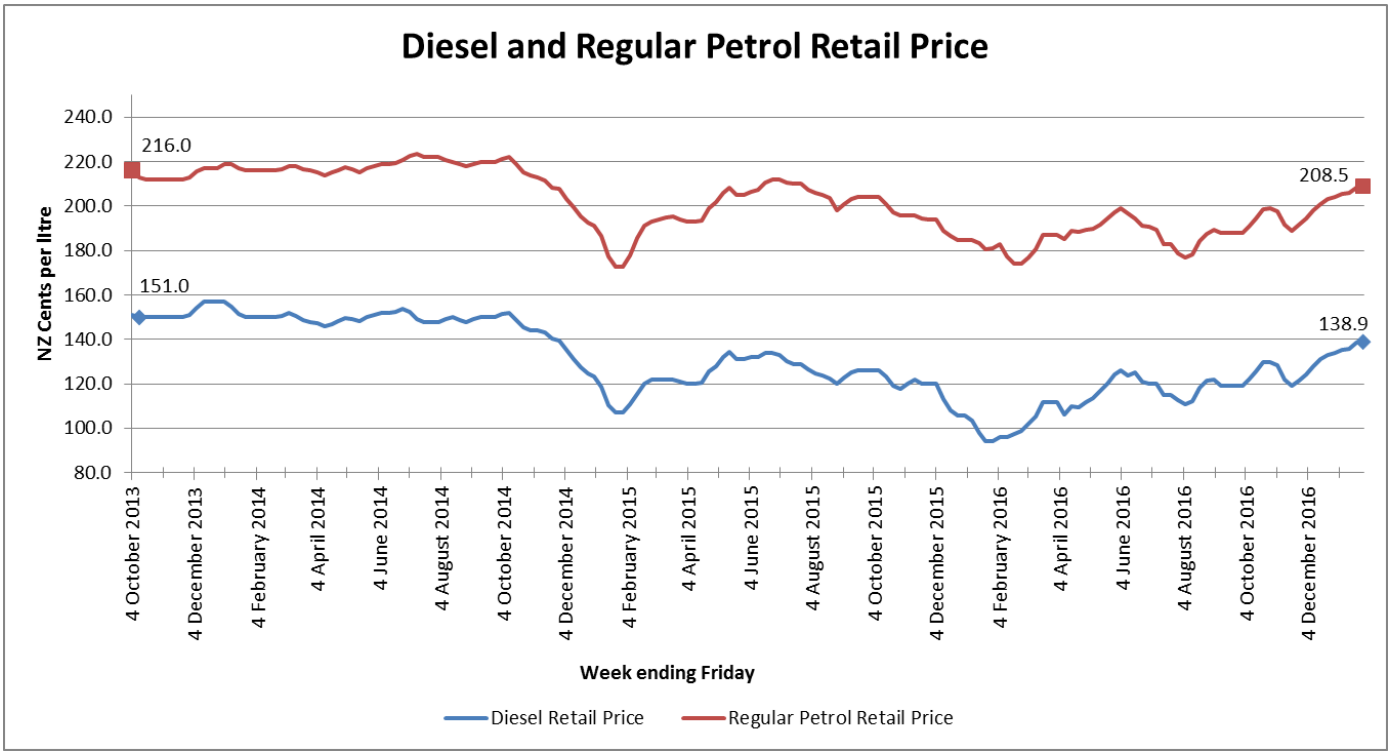
The New Zealand Transport Agency publishes a quarterly inflation index that is used by regional councils to compensate bus operators for their increasing operating costs (e.g. labour, fuel and road user charges) over time. The quarterly index values are shown in the graph below, as are the year on year escalation rates.

The graph shows that for the September 2016 quarter, the index had increased from 995 (when tenders for the Tauranga urban bus service closed) to 1126. This means that the cost of operating the service since December 2008 has increased by 13.2%.

The graph also shows that for the year ending the September 2016 Quarter, escalation (inflation) for the 12 month period has been 0.0%.

3 Fuel Prices

As shown in the graph below, the price of fuel continues to remain low and petrol is lower than it was two years ago (December 2014).



4 Bus Service Performance

Appended to this report is the patronage report for the Council's contracted bus services for the period July to December 2016.

Of note is:

- Tauranga BayHopper patronage for the year to the end of December 2016 is now slightly less than for the corresponding period last financial year (-1.2%).
- Rotorua Cityride patronage for the year to the end of December 2016 is about 11% lower than for the corresponding period last financial year.

5 Council's Accountability Framework

5.1 Community Outcomes

The Council's contracted bus services contribute to the Regional Collaboration & Leadership and Economic Development Community Outcomes in the council's Long Term Plan 2015-2025.

5.2 Long Term Plan Alignment

This work is planned under the Passenger Transport Activity in the Long Term Plan 2015-2025.

It is listed in the Long Term Plan and is a legislative requirement. It links to the following level of service:

- The Council provides a quality public transport system where fares cover a reasonable proportion of operating costs.

It links to the following Key performance indicator for the 2016/17 financial year:

- Fare recovery ratio – 35%.

Current Budget Implications

This work is being undertaken within the current budget for the Passenger Transport Activity in the Annual Plan 2016/17.

Future Budget Implications

Continuation of the Passenger Transport Activity is provided for in Council's Long Term Plan 2015-2025.

Garry Maloney
Transport Policy Manager

10 February 2017

APPENDIX 1

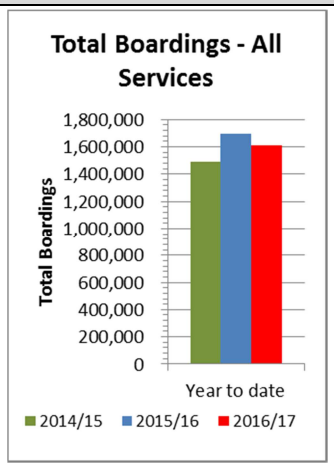
Public Transport Committee Public Transport Patronage Report - December 2016

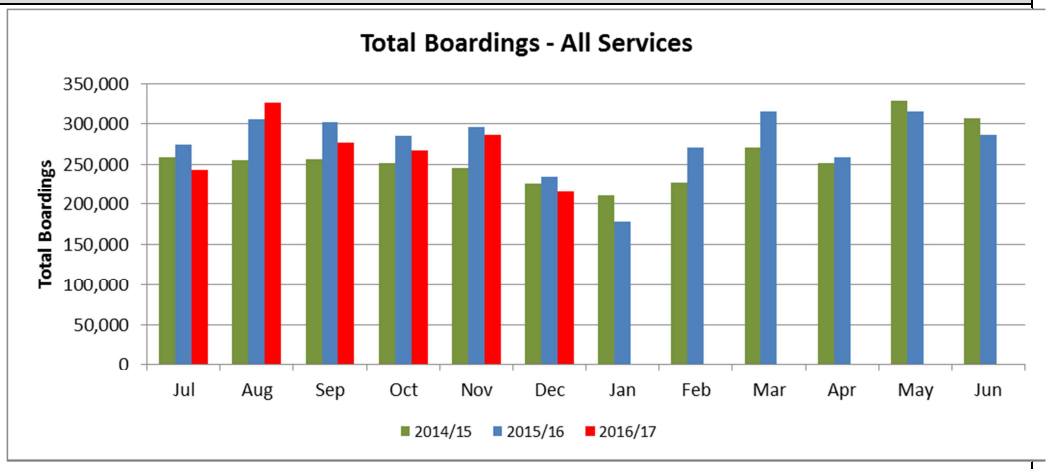
December 2016
Public Transport Patronage Report

Regional Summary

Area	Monthly Patronage Comparison			Year to Date Patronage		Year to Date Farebox Recovery
	Dec-15	Dec-16	% change	To Dec-16	% change	To Dec-16
Total Network[1]	**234,194**	**214,783**	**-8.3%**	**1,612,056**	**-4.8%**	
Tauranga BayHopper	147,360	138,473	-6.0%	932,415	-1.2%	
Tauranga SchoolHopper	21,356	18,409	-13.8%	263,863	-9.3%	
Matapihi	41	19	-53.7%	171	-41.4%	
Mangatawa	16	3	-81.3%	82	-17.2%	
Rotorua	59,782	52,358	-12.4%	377,791	-11.0%	
Murupara	407	486	+19.4%	2,915	+23.9%	
Kawerau, Ōpōtiki and Whakatāne	1,351	1,324	-2.0%	6,384	-6.5%	
Ōhope	1,960	2,045	+4.3%	13,039	-3.5%	
Matatā	72	65	-9.7%	340	+1.8%	
Pōtaka	126	119	-5.6%	776	+18.5%	
Te Puke	506	538	+6.3%	6,039	+12.4%	
Katikati and Ōmokoroa	1,217	944	-22.4%	8,241	-11.8%	
Ōmokoroa – Matakana Ferry	2,972	3,503	+17.9%	14,297	+8.5%	

Patronage by Month - Year to Date





Comments

Total regional patronage for the 2016/17 financial year to the end of December 2016 is about 20,000 less than for the corresponding period last financial year; primarily from Tauranga BayHopper (~-9,000), Rotorua Cityride (~-7,500) and Tauranga SchoolHopper (~-3,000).

[1] Excludes Ōmokoroa – Matakana Ferry

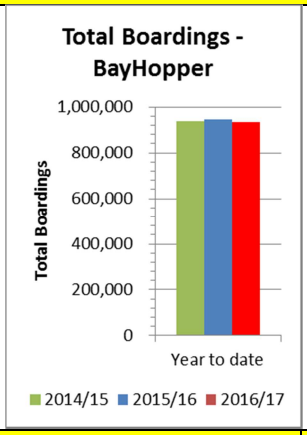
December 2016 - Tauranga Public Transport Patronage Report

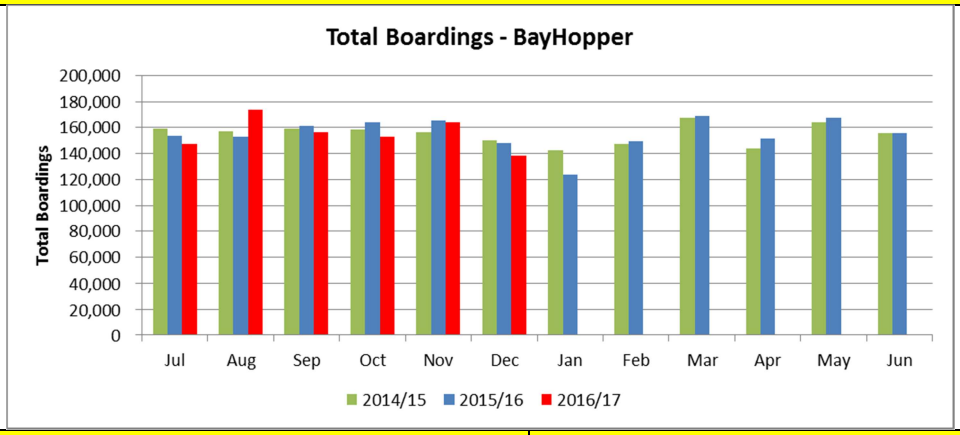
Tauranga BayHopper

Monthly Fare Revenue				Year to Date Fare Revenue		Year to Date Farebox Recovery
	Dec-15	Dec-16	% change	To Dec-16	% change	To Dec-16
Cash	$92,945	$78,463	-15.6%	$398,287	-14.2%	
Smartcard	$96,013	$101,673	+5.9%	$749,705	+8.4%	
SuperGold	$42,766	$46,596	+9.0%	$261,590	+9.9%	
Other	$0.00	$0.00		$23,887		
Total	$231,724	$226,731	-2.2%	$1,433,469	+2.8%	

Monthly Patronage			Year to Date Patronage	
Dec-15	Dec-16	% change	To Dec-16	% change
147,360	138,473	-6.0%	932,415	-1.2%

Patronage - Year to Date





Patronage by Passenger Type			Patronage by Time period			Patronage by Payment Type		
Type	Year to Dec-16	% Change	Time Period	Year to Dec-16	% Change	Type	Year to Dec-16	% Change
Adult	348,551	-4.8%	Monday to Friday Peak	398,577	+1.7%	Cash	161,242	-14.6%
Child	183,239	-24.1%	Monday to Friday Off-Peak	420,419	-3.6%	Smartcard	460,515	+3.9%
Senior	160,773	+5.4%	Saturday/Sunday	113,419	-1.6%	SuperGold	147,486	+5.0%
Tertiary	239,852	+30.9%				Transfer/Free	155,444	-2.3%

Comments

Comparing the July to December 2016 period with the same period in the 2014/15 financial year, the Tauranga urban bus service has performed as follows:

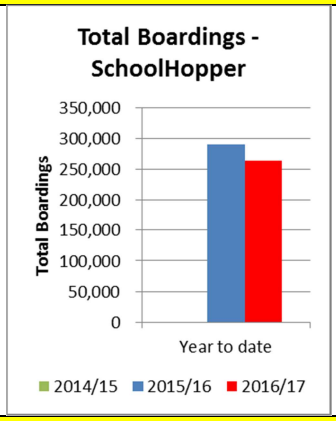
1. Total patronage is slightly lower than last year (a decrease of 1.2%), with Adult and Child patronage decreasing by 4.8% and 24.1% respectively.
2. Tertiary student travel increased by 31% over the previous year, influenced by the Waiariki Polytech fare subsidy scheme.
3. Fare revenue increased by 2.8%

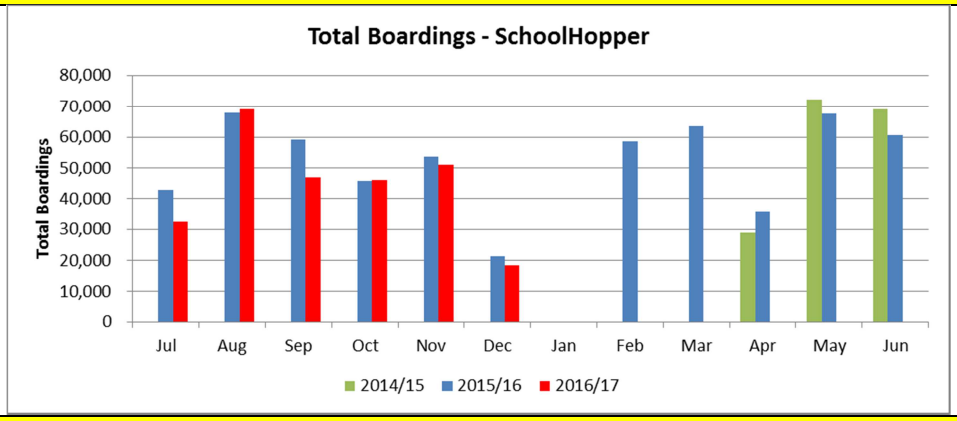
Tauranga SchoolHopper

Monthly Fare Revenue				Year to Date Fare Revenue		Year to Date Farebox Recovery
	Dec-15	Dec-16	% change	To Dec-16	% change	To Dec-16
Cash	$1,384	$1,816	+31.2%	$19,023	+20.3%	
Smartcard	$20,286	$22,708	+11.9%	$330,580	+18.6%	
Total	$21,670	$24,524	+13.2%	$349,603	+18.7%	

Monthly Patronage			Year to Date Patronage	
Dec-15	Dec-16	% change	To Dec-16	% change
21,356	18,409	-13.8%	263,863	-9.3%

Patronage - Year to Date





Patronage by Passenger Type

Type	Year to Dec-16	% Change
Adult		
Child	263,863	-9.3%
Senior		
Tertiary		

Patronage by Time period

Time Period	Year to Dec-16	% Change
Monday to Friday Peak	163,745	-17.5%
Monday to Friday Off-Peak	100,095	+8.4%

Patronage by Payment Type

Type[2]	Year to Dec-16	% Change
Cash	11,535	+1.3%
Smartcard	251,740	-9.7%

Comments

Comparing the July 2016 to December 2016 period with the same period for the 2015/16 financial year we note the following for the Schoolhopper service:

1. Year to date patronage has declined by 9.3%.
2. The December patronage reflects a slightly higher decline (13.8%) as some schools closed earlier so there were less days operated in December 2016 compared to December 2015.
3. Comparing the same period for revenue, there is an 18.7% increase. This can be attributed to the fare increase in February 2016, with Smartride fares increased by approximately 31%.

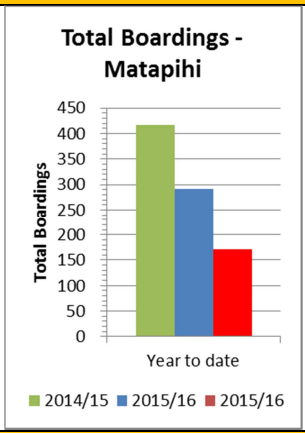
[2] Does not include trips for which a fare was not paid.

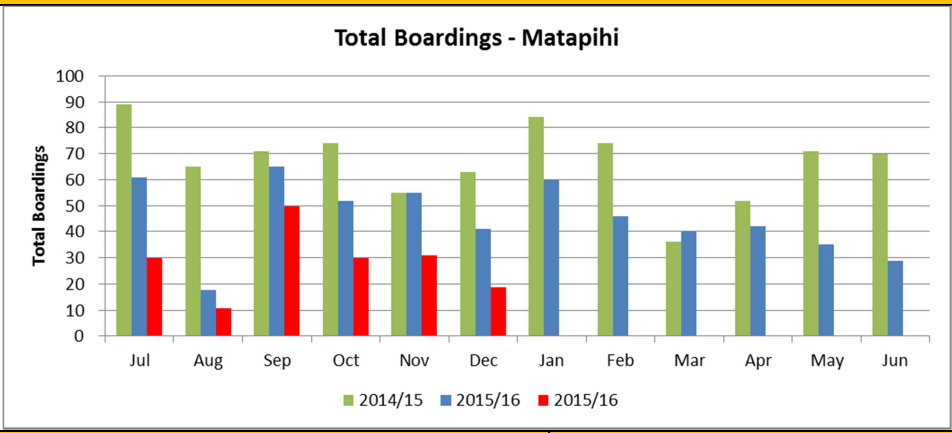
Matapihi - Tauranga

Monthly Fare Revenue				Year to Date Fare Revenue		Year to Date Farebox Recovery
	Dec-15	Dec-16	% change	To Dec-16	% change	To Dec-16
Cash	$21	$13	-37.7%	$95	-12.3%	
Smartcard	$0	$0	0.0%	$1	-50.0%	
SuperGold	$0	$24		$226		
Total	$21	$36	+76.9%	$323	+189.9%	

Monthly Patronage			Year to Date Patronage	
Dec-15	Dec-16	% change	To Dec-16	% change
41	19	-53.7%	171	-41.4%

Patronage by Month - Year to Date





Patronage by Passenger Type			Patronage by Time period			Patronage by Payment Type		
Type	Year to Dec-16	% Change	Time Period	Year to Dec-16	% Change	Type	Year to Dec-16	% Change
Adult	20	-13.0%	Monday to Friday Peak	0	Unable to be reported at this time.	Cash		
Child	1	-85.7%	Monday to Friday Off-Peak	171		Smartcard		
Senior	125	-47.3%	Saturday/Sunday	0		SuperGold		
Tertiary	25	0.0%						

Comments

For the six months, July to December 2016, 292 passenger trips were undertaken on the Matapihi service. Comparing the same period for the 2015/16 financial year, we have observed a decline in passengers of 41.4%, representing 121 passenger trips.

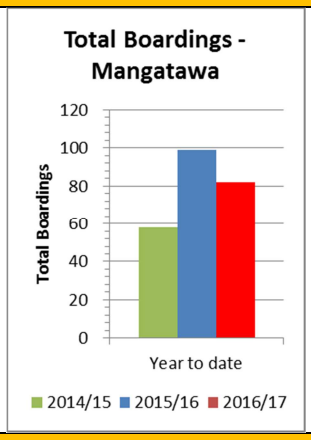
The decline is mainly representative of the senior passenger class, with 47.3% decrease in Supergold patronage.

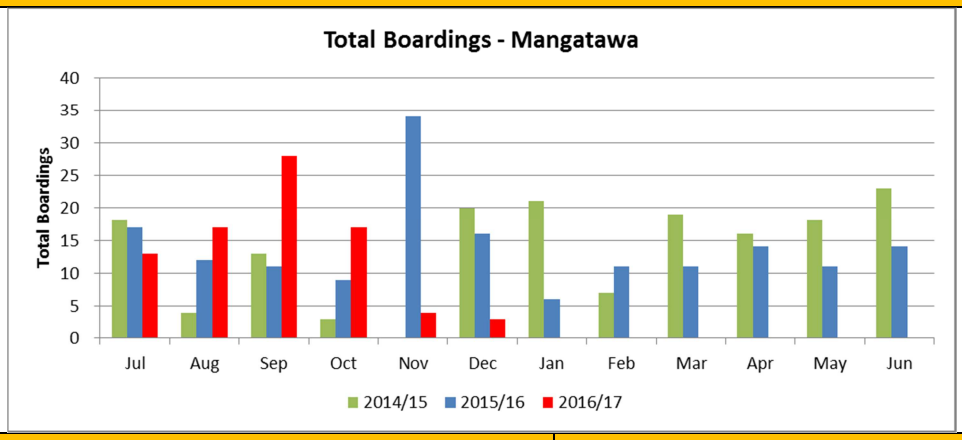
Mangatawa - Tauranga

Monthly Fare Revenue				Year to Date Fare Revenue		Year to Date Farebox Recovery
	Dec-15	Dec-16	% change	To Dec-16	% change	To Dec-16
Cash	$12	$7	-40.7%	$64	-35.0%	
Smartcard	$0	$0	0.0%	$71	+403.4%	
SuperGold	$0	$0	0.0%	$22		
Total	$12	$7	-40.7%	$157	+39.2%	

Monthly Patronage			Year to Date Patronage	
Dec-15	Dec-16	% change	To Dec-16	% change
16	3	-81.3%	82	-17.2%

Patronage by Month - Year to Date





Patronage by Passenger Type			Patronage by Time period			Patronage by Payment Type		
Type	Year to Dec-16	% Change	Time Period	Year to Dec-16	% Change	Type	Year to Dec-16	% Change
Adult	35	+45.8%	Monday to Friday Peak	47	Unable to be reported at this time.	Cash		
Child	3	-57.1%	Monday to Friday Off-Peak	35		Smartcard		
Senior	13	-69.8%	Saturday/Sunday	0		SuperGold		
Tertiary	31	+24.0%						

Comments

Comparing the July 2016 to December 2016 period with the same period for the 2015/16 financial year we note a decline in patronage of 17.2%, representing 17 less passengers in total.

An increase in adult and tertiary students is observed when comparing the same periods; however this is countered by a decline in child and senior passenger classes.

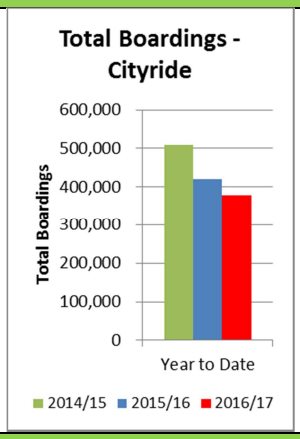
December 2016 - Rotorua Public Transport Patronage Report

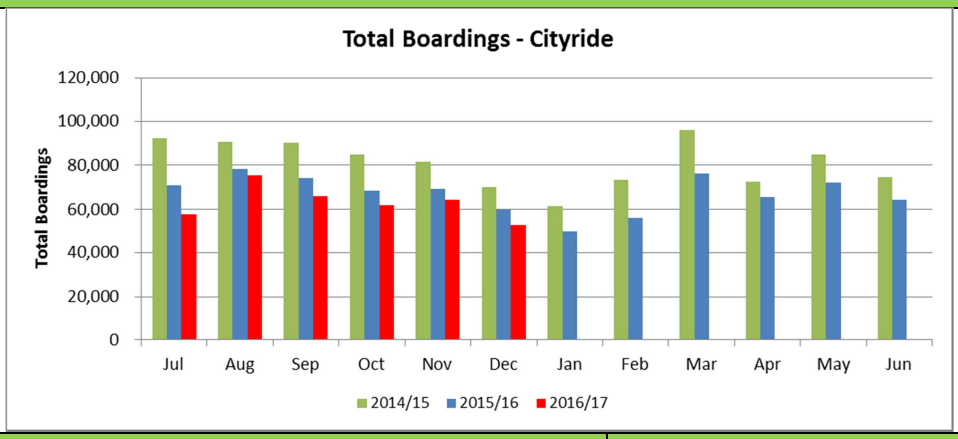
Rotorua CityRide

Monthly Fare Revenue				Year to Date Fare Revenue		Year to Date Farebox Recovery
	Dec-15	Dec-16	% change	To Dec-16	% change	To Dec-16
Cash	$38,338	$33,160	-13.5%	$185,817	-15.0%	
Smartcard	$28,373	$26,506	-6.6%	$185,013	-7.1%	
WIT	$19,252	$17,982	-6.6%	$107,889	-7.7%	
SuperGold	$10,203	$9,167	-10.2%	$56,846	-6.8%	
Total[3]	$96,644	$87,328	-9.6%	$537,749	-10.1%	

Monthly Patronage			Year to Date Patronage	
Dec-15	Dec-16	% change	To Dec-16	% change
59,782	52,358	-12.4%	377,791	-11.0%

Patronage - Year to Date





Patronage by Passenger Type			Patronage by Time period			Patronage by Payment Type[4]		
Type	Year to Dec-16	% Change	Time Period	Year to Dec-16	% Change	Type	Year to Dec-16	% Change
Rotorua does not have concessions and therefore passenger classes.			Monday to Friday Peak Monday to Friday Off-Peak Saturday/Sunday	Unable to be reported at this time.	Unable to be reported at this time.	Cash	82,197	-15.7%
						Smartcard	115,632	-7.9%
						Transfer / Free	26,631	-25.9%
						WIT	112,000	-4.4%
						SuperGold	38,682	-10.4%

Comments

Comparing the July 2016 to December 2016 period with the same period for the 2015/16 financial year, the Rotorua urban bus service has performed as follows:

1. Total patronage has reduced by 11% in the year to December
2. All payment types experienced a reduction in patronage, the greatest reduction being cash payment at 13.5%. The reduction in transfer and free passengers reflects the improvement in passenger familiarity with the inner city route.
3. The reduction in patronage in summer months is being targeted by working with i-Site Rotorua to increase Day Saver patronage.

[3] Total includes Day Pass sales which cannot be separately identified by payment type.

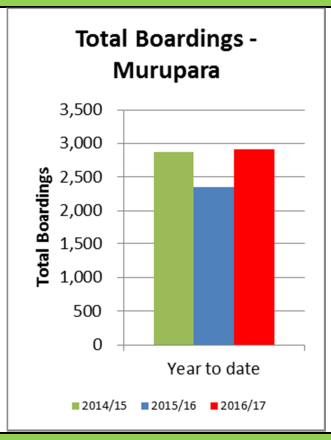
[4] Does not include Day Pass patronage which cannot be identified by payment type.

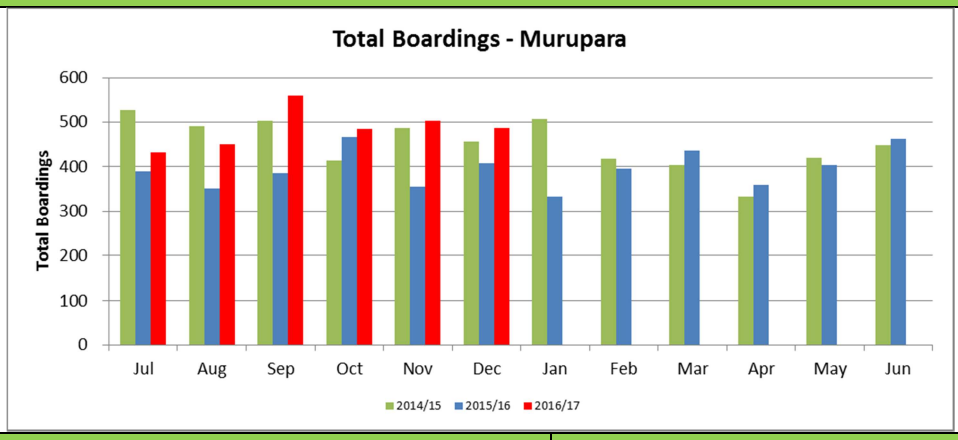
Murupara - Rotorua

Monthly Fare Revenue				Year to Date Fare Revenue		Year to Date Farebox Recovery
	Dec-15	Dec-16	% change	To Dec-16	% change	To Dec-16
Cash	$1,491	$1,291	-13.4%	$6,880	-11.5%	
SuperGold	$1,572	$2,101	+33.6%	$13,576	+41.7%	
Total	$3,063	$3,391	+10.7%	$20,456	+17.9%	

Monthly Patronage			Year to Date Patronage	
Dec-15	Dec-16	% change	To Dec-16	% change
407	486	+19.4%	2,915	+23.9%

Patronage - Year to Date





Patronage by Passenger Type			Patronage by Time period			Patronage by Payment Type		
Type	Year to Dec-16	% Change	Time Period	Year to Dec-16	% Change	Type	Year to Dec-16	% Change
Adult	615	-16.7%	Monday to Friday Peak Monday to Friday Off-Peak Saturday/Sunday	Unable to be reported at this time.	Unable to be reported at this time.	Cash	808	-6.6%
Child	160	+135.3%				SuperGold	2,107	+41.7%
Student	14	-68.2%						
Under 5	18	+80.0%						
SuperGold	2,107	+41.7%						

Comments

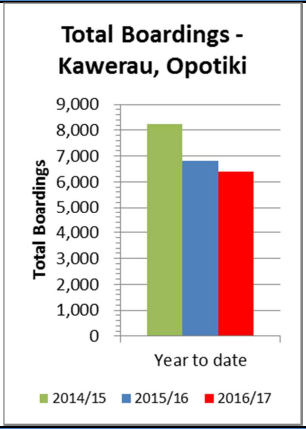
1. Overall year to December patronage has increased by 23.9% on the Murupara service which runs on three days each week.
2. There has been an increase in Under 5s and SuperGold patronage, but Adult and Tertiary student numbers have fallen and as a consequence cash revenue has fallen by 6.6%.
3. The patronage data does not include the Ruatāhuna trial which also visits Murupara and the increase shows that patronage has not been redistributed between the services.

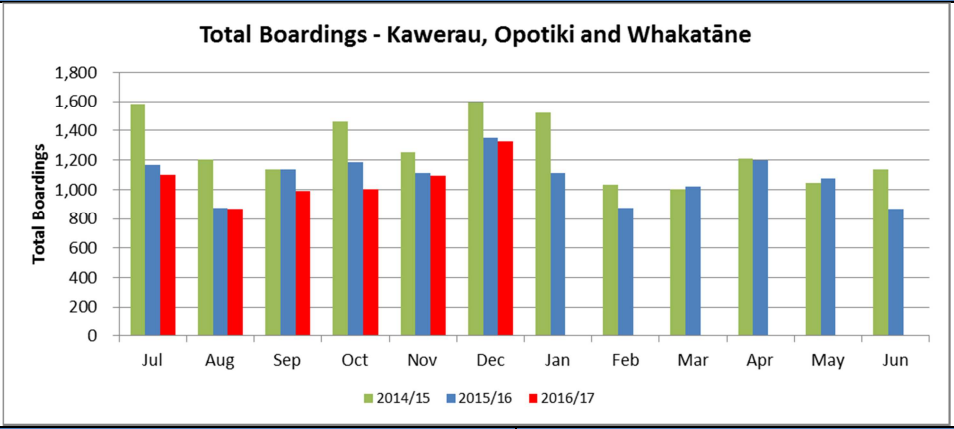
December 2016 – Eastern Bay Public Transport Patronage Report

Kawerau, Ōpōtiki and Whakatāne – Tauranga

Monthly Fare Revenue				Year to Date Fare Revenue		Year to Date Farebox Recovery
	Dec-15	Dec-16	% change	To Dec-16	% change	To Dec-16
Cash	$5,375	$5,277	-1.8%	$23,645	-11.2%	
Smartcard	$591	$895	+51.4%	$4,494	+21.8%	
SuperGold	$1,353	$1,452	+7.3%	$7,070	-1.1%	
Total	$7,319	$7,624	+4.2%	$35,208	-6.0%	

Monthly Patronage			Year to Date Patronage	
Dec-15	Dec-16	% change	To Dec-16	% change
1,351	1,324	-2.0%	6,384	-6.5%





Patronage by Passenger Type			Patronage by Time period			Patronage by Payment Type		
Type	Year to Dec-16	% Change	Time Period	Year to Dec-16	% Change	Type	Year to Dec-16	% Change
Adult	2,518	-7.6%	Monday to Friday Peak	2,753	-4.2%	Cash		
Child	549	+346.3%	Monday to Friday Off-Peak	2,689	-11.6%	Smartcard		
Senior	1,748	-4.8%	Saturday/Sunday	942	+3.9%	SuperGold		
Tertiary	1,569	-26.7%				Transfer/Free		

Comments

Comparing the July to December 2016 period with the same period in the 2014/15 financial year, the Kawerau, Ōpōtiki and Whakatāne – Tauranga bus service has performed as follows:

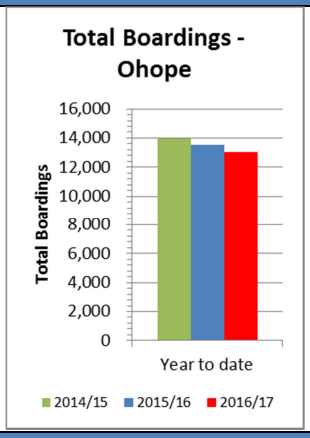
1. Total patronage is slightly lower than last year (a decrease of 6.5%), with Adult, Senior and Tertiary patronage decreasing.
2. Child patronage increased from 123 trips in the period to December 2015, to 549 trips in the year to December 2016. In real numbers this is less than the decrease in Tertiary passengers (down 571 trips).

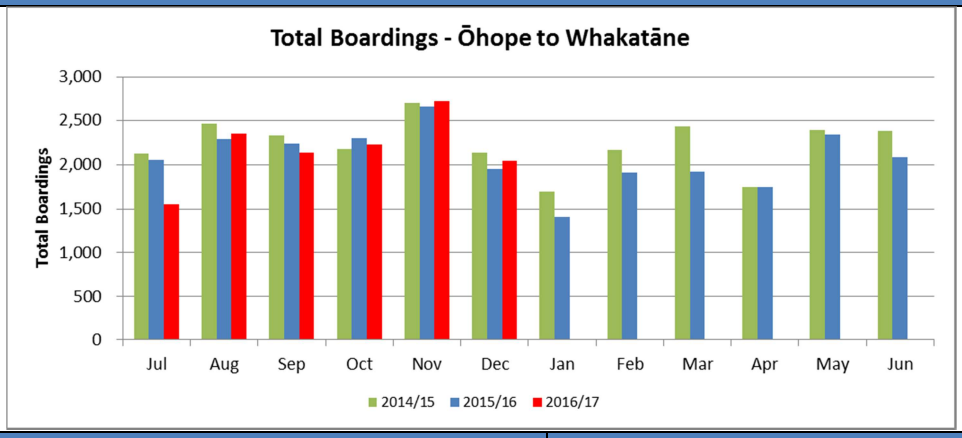
Ōhope – Whakatāne

Monthly Fare Revenue				Year to Date Fare Revenue		Year to Date Farebox Recovery
	Dec-15	Dec-16	% change	To Dec-16	% change	To Dec-16
Cash	$950	$1,323	+39.3%	$5,278	+25.9%	
Smartcard	$1,821	$1,765	-3.1%	$13,646	-1.3%	
SuperGold	$546	$508	-7.0%	$2,775	-4.8%	
Total	$3,317	$3,596	+8.4%	$21,698	+3.7%	

Monthly Patronage			Year to Date Patronage	
Dec-15	Dec-16	% change	To Dec-16	% change
1,960	2,045	+4.3%	13,039	-3.5%

Patronage by Month – Year to Date





Patronage by Passenger Type			Patronage by Time period			Patronage by Payment Type		
Type	Year to Dec-16	% Change	Time Period	Year to Dec-16	% Change	Type	Year to Dec-16	% Change
Adult	3,411	+19.7%	Monday to Friday Peak	5,441	-9.6%	Cash		
Child	6,125	+300.9%	Monday to Friday Off-Peak	6,763	-0.6%	Smartcard		
Senior	1,803	-7.2%	Saturday/Sunday	835	24.4%	SuperGold		
Tertiary	1,700	-76.3%						

Comments

Comparing the July to December 2016 period with the same period in the 2014/15 financial year, the Ōhope – Whakatāne bus service has performed as follows:

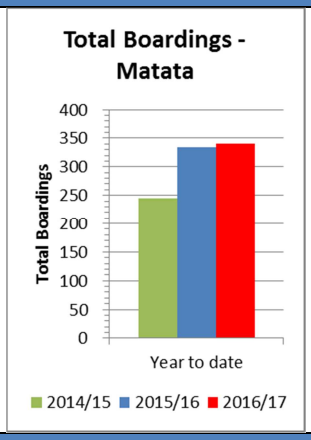
1. While December 2016 total patronage was slightly higher than December 2015 (an increase of 4.3%), year to date patronage is currently 3.5% below last year.
2. Child patronage increased by almost the same amount as Tertiary patronage declined. This is most likely due to more accurate ticketing (under a new contract), rather than a radical change in passenger mix.

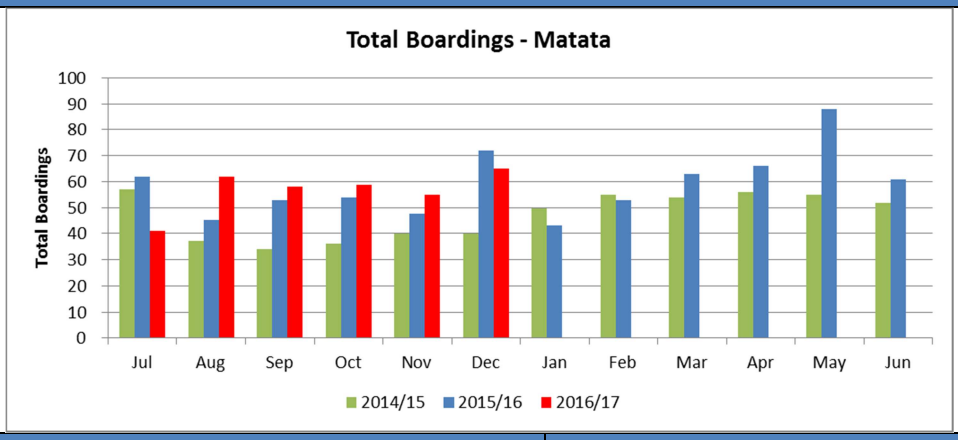
Matatā – Whakatāne

Monthly Fare Revenue				Year to Date Fare Revenue		Year to Date Farebox Recovery
	Dec-15	Dec-16	% change	To Dec-16	% change	To Dec-16
Cash	$17	$19	+13.2%	$164	-29.0%	
Smartcard	$0	$0		$0		
SuperGold	$210	$145	-30.7%	$749	-14.2%	
Total	$227	$165	-27.4%	$912	-17.3%	

Monthly Patronage			Year to Date Patronage	
Dec-15	Dec-16	% change	To Dec-16	% change
72	65	-9.7%	340	+1.8%

Patronage by Month – Year to Date





Patronage by Passenger Type			Patronage by Time period			Patronage by Payment Type		
Type	Year to Dec-16	% Change	Time Period	Year to Dec-16	% Change	Type	Year to Dec-16	% Change
Adult	39	-18.8%	Monday to Friday Peak			Cash		
Child	12	+200.0%	Monday to Friday Off-Peak	340	+1.8	Smartcard		
Senior	289	+3.6%	Saturday/Sunday			SuperGold		
Tertiary	0	-100.0%						

Comments

Comparing the July to December 2016 period with the same period in the 2014/15 financial year, the Matatā – Whakatāne bus service has performed as follows:

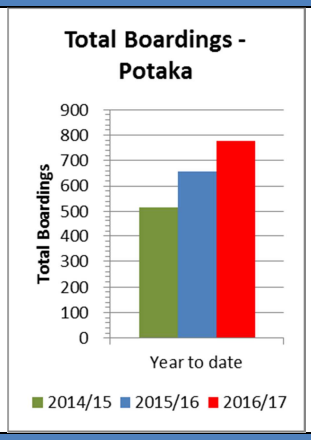
1. Total patronage for the period is slightly higher than last year (an increase of 1.8%), despite slightly fewer passengers in December.
2. The service runs once per week, on Thursdays, utilising a wheelchair accessible van that has 8 seats. During November 2016, several passengers were left people behind in Edgecumbe because the vehicle was full. As a trial, another running day was added to the schedule (Fridays). Staff will report to the Public Transport committee in coming months with recommendations for a long term decision.

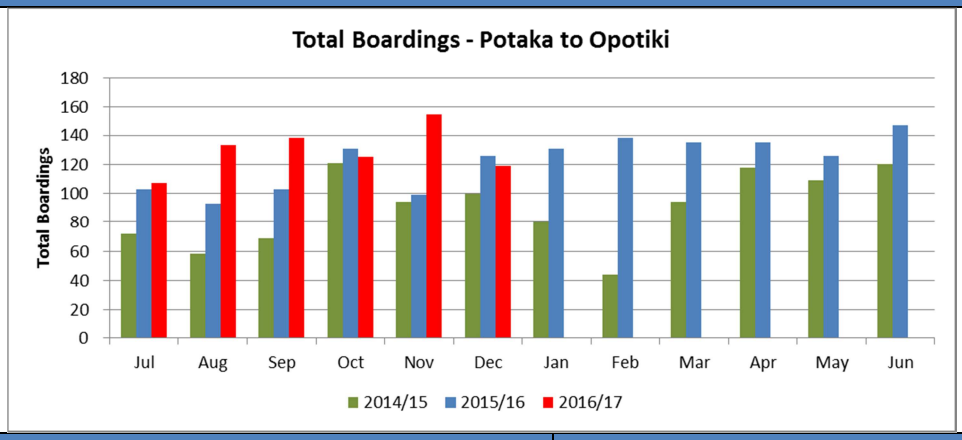
Pōtaka – Ōpōtiki

Monthly Fare Revenue				Year to Date Fare Revenue		Year to Date Farebox Recovery
	Dec-15	Dec-16	% change	To Dec-16	% change	To Dec-16
Cash	$1,117	$607	-45.7%	$5,008	-13.5%	
SuperGold	$0	$316		$1,176		
Total	$1,117	$922	-17.5%	$6,183	+6.8%	

Monthly Patronage			Year to Date Patronage	
Dec-15	Dec-16	% change	To Dec-16	% change
126	119	-5.6%	776	+18.5%

Patronage – Year to Date





Patronage by Passenger Type			Patronage by Time period			Patronage by Payment Type		
Type	Year to Dec-16	% Change	Time Period	Year to Dec-16	% Change	Type	Year to Dec-16	% Change
Adult	419	+6.1%	Monday to Friday Peak	Unable to be reported at this time.	Unable to be reported at this time.	Cash	601	-8.2%
Concession	182	-30.0%	Monday to Friday Off-Peak			SuperGold	175	N/A
SuperGold	175		Saturday/Sunday	N/A	N/A			

Comments

Comparing the July to December 2016 period with the same period in the 2014/15 financial year, the Pōtaka - Opotiki bus service has performed as follows:

1. Total patronage for the period is growing compared to last year (an increase of 18.5%), despite slightly fewer passengers in December. This growth is creating capacity issues with a small number of passengers being unable to travel in recent months.

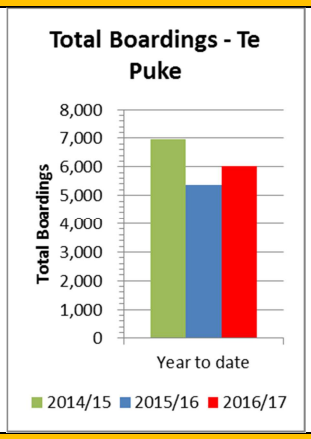
December 2016 – Western Bay Public Transport Patronage Report

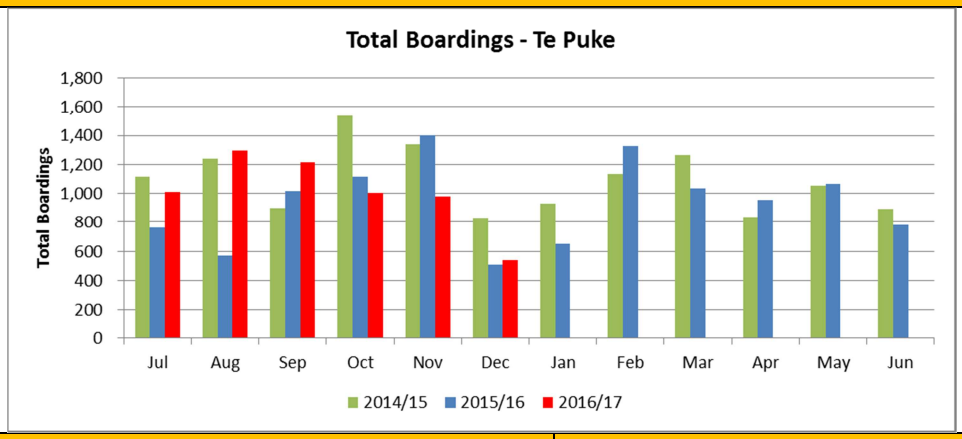
Te Puke – Tauranga

Monthly Fare Revenue				Year to Date Fare Revenue		Year to Date Farebox Recovery
	Dec-15	Dec-16	% change	To Dec-16	% change	To Dec-16
Cash	$677	$720	+6.3%	$3,662	-25.7%	
Smartcard	$555	$737	+32.7%	$10,927	+41.0%	
SuperGold	$0	$157		$1,177		
Total	$1,232	$1,614	+31.0%	$15,766	+24.4%	

Monthly Patronage			Year to Date Patronage	
Dec-15	Dec-16	% change	To Dec-16	% change
506	538	+6.3%	6,039	+12.4%

Patronage by Month – Year to Date





Patronage by Passenger Type			Patronage by Time period			Patronage by Payment Type		
Type	Year to Dec-16	% Change	Time Period	Year to Dec-16	% Change	Type	Year to Dec-16	% Change
Adult	819	+19.0%	Monday to Friday Peak	4,584	Unable to be reported at this time.	Cash		
Child	4	-99.4%	Monday to Friday Off-Peak	1,455		Smartcard		
Senior	457	-16.3%	Saturday/Sunday	0		SuperGold		
Tertiary	4,759	+38.0%						

Comments

Comparing the July to December 2016 period with the same period in the 2014/15 financial year, the Te Puke bus service has performed as follows:

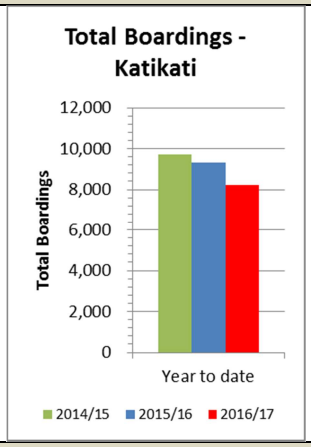
1. An increase in patronage of 12.1%, representing an additional 652 passenger trips.
2. Tertiary passengers have increased by 38%, representing an additional 1,300 student passenger trips. The peaks in patronage each month can be aligned with tertiary semester terms.
3. Year to date revenue has also increased, with a 24.4% change noted. Fares were increased in September 2015 on all rural services, so the increase can be largely attributed to this, along with the noted increase in patronage.

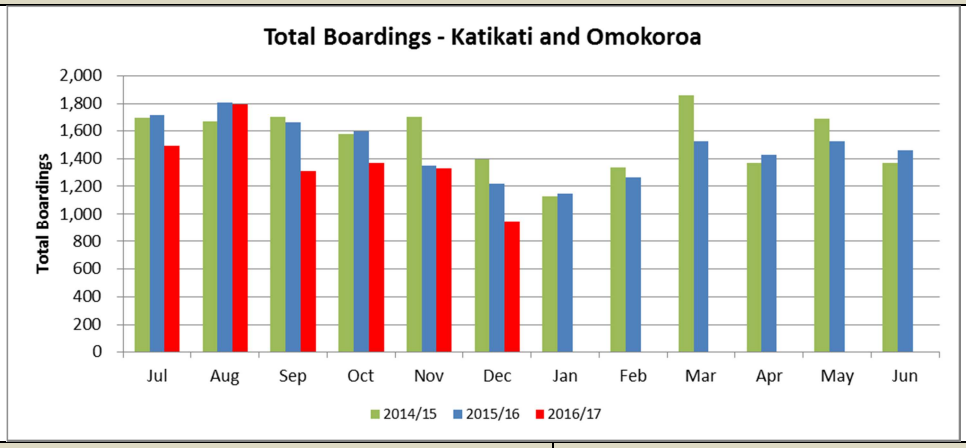
Katikati and Ōmokoroa – Tauranga

Monthly Fare Revenue				Year to Date Fare Revenue		Year to Date Farebox Recovery
	Dec-15	Dec-16	% change	To Dec-16	% change	To Dec-16
Cash	$1,488	$1,087	-26.9%	$7,815	-26.6%	
Smartcard	$2,224	$2,021	-9.1%	$18,942	-2.6%	
SuperGold	$717	$783	+9.1%	$4,930	+13.0%	
Total	$3,712	$3,108	-16.3%	$26,757	-11.1%	

Monthly Patronage			Year to Date Patronage	
Dec-15	Dec-16	% change	To Dec-16	% change
1,217	944	-22.4%	8,241	-11.8%

Patronage by Month – Year to Date





Patronage by Passenger Type			Patronage by Time period			Patronage by Payment Type		
Type	Year to Dec-16	% Change	Time Period	Year to Dec-16	% Change	Type	Year to Dec-16	% Change
Adult	3,276	-12.7%	Monday to Friday Peak	6,159	-17.6%	Cash		
Child	27	+12.5%	Monday to Friday Off-Peak	1,660	+19.8%	Smartcard		
Senior	1,545	-21.0%	Saturday/Sunday	422	-11.7%	SuperGold		
Tertiary	3,393	-5.9%						

Comments

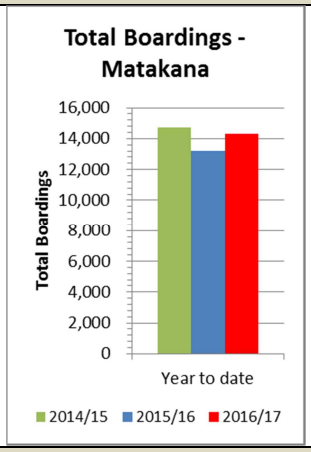
1. All classes apart from Child have shown a reduction in patronage in the year to December.
2. Commuter patronage has reduced, possibly due to reduced punctuality in increased congestion on routes into Tauranga. Timings of the commuter services have been adjusted to address this.

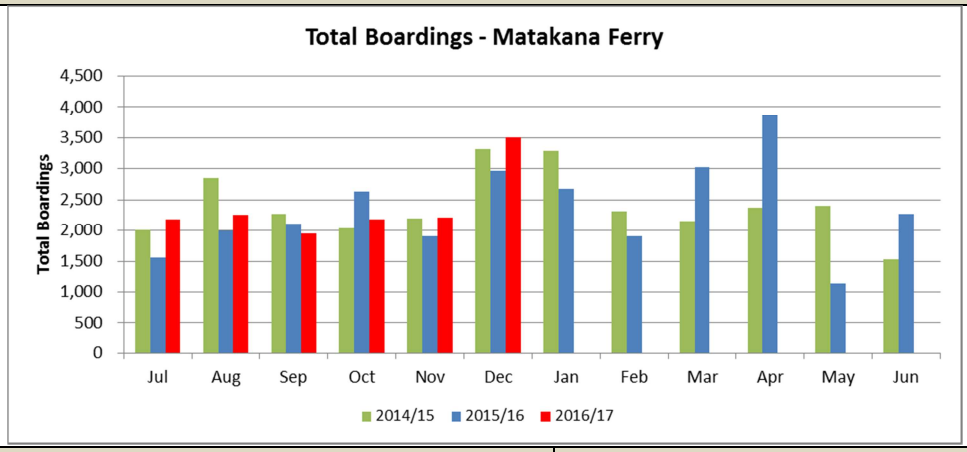
Ōmokoroa – Matakana Ferry

Monthly Fare Revenue			Year to Date Fare Revenue		Year to Date Farebox Recovery
Dec-15	Dec-16	% change	To Dec-16	% change	To Dec-16
N/A			N/A		N/A

Monthly Patronage			Year to Date Patronage	
Dec-15	Dec-16	% change	To Dec-16	% change
2,972	3,503	+17.9%	14,297	+8.5%

Patronage by Month - Year to Date





Patronage by Passenger Type			Patronage by Time period			Patronage by Payment Type		
Type	Year to Dec-16	% Change	Time Period	Year to Dec-16	% Change	Type	Year to Dec-16	% Change
Adult	10,061	+8.0%	Unable to be reported at this time.			Unable to be reported at this time.		
Child	4,236	+9.8%						

Comments

Report To: Public Transport Committee

Meeting Date: 17 February 2017

Report From: Garry Maloney, Transport Policy Manager

Adoption of the Western Bay of Plenty Public Transport Blueprint Programme Business Case

Executive Summary

The following report seeks a decision from the Committee to adopt the Western Bay Public Transport Blueprint Programme Business Case including the preferred strategic option upon which it is based (a 'High Efficiency Network').

The recommendation to adopt the Programme Business Case follows:

- a Committee workshop on 1 February 2017, with Tauranga City Councillors to jointly consider the 'High Efficiency Network' strategic option;
- a Committee workshop on 9 December 2016, to consider the 'High Efficiency Network' strategic option;
- a Sub-Committee meeting on 17 June 2016, to adopt the three shortlisted options for detailed evaluation ; and
- a Sub-Committee meeting 24 February 2016, to adopt the strategic case and investment objectives. Each of the partner organisations subsequently adopted the Strategic Case.

The decision to adopt the Blueprint Programme Business Case means that Council is making a commitment to implement the 'High Efficiency Network'. This means Council will:

- investigate and implement bus network changes giving effect to the strategic option;
- further investigate measures with project partners, to support public transport including, but not limited to:
    - park and ride facilities;
    - parking demand management;
    - investment in bus stops and interchange facilities; and
    - investment in bus priority measures.

Adopting the Programme Business Case does not commit Council to any financial allocation other than that already provided for through the Long Term Plan. Financial commitments will be considered by the Council following the next stage in the process (the Activity Business Case which will prepare a detailed analysis of the bus network changes).

Following adoption of the Programme Business Case we will undertake detailed network design that will be informed through stakeholder and public feedback process. This is anticipated to be completed by May for the Committee's consideration.

Recommendations

That the Public Transport Committee under its delegated authority:

1 Receives the report, Adoption of the Western Bay of Plenty Public Transport Blueprint Programme Business Case.

2 Adopts the Western Bay Public Transport Blueprint Programme Business Case including the strategic option of a 'High Efficiency Network', as a guiding document for development of public transport services, infrastructure and policy for the next ten-years.

3 Seeks the adoption of the Western Bay Public Transport Blueprint Programme Business Case by the other Blueprint partners (New Zealand Transport Agency, Tauranga City and Western Bay of Plenty District Councils).

4 Notes that the adoption of the Western Bay Public Transport Blueprint Programme Business Case does not at this stage represent a financial commitment by the Council above that in the approved Long Term Plan, but does provide strategic guidance on future financial decisions.

5 Notes that the adoption of the Western Bay Public Transport Blueprint Programme Business Case does not preclude the Council from making investments outside of the Blueprint programme.

1 Purpose

This report seeks a decision from the Committee to adopt the Western Bay Public Transport Blueprint (Blueprint) Programme Business Case (PBC) including the preferred strategic option upon which it is based (High Efficiency Network, or High Performance).

The decision to adopt the Blueprint PBC (appended) means that Council is making a commitment to implement the 'High Efficiency Network'. This means Council will:

- investigate and implement bus network changes giving effect to the strategic option;
- further investigate measures with project partners, to support public transport including, but not limited to:
    - park and ride facilities;
    - parking demand management;
    - investment in bus stops and interchange facilities; and
    - investment in bus priority measures.

Adopting the PBC does not yet financially commit Council to other than that already provided for through the Long Term Plan. Financial commitments will be considered and approved by Council following the next stage in the process (preparation of the Activity Business Case - design of the bus network).

Adopting the PBC also does not prevent Council from examining further interventions outside of the PBC programme.

A copy of the PBC is included in Appendix One.

2 Background

The recommendation to adopt the PBC follows:

- a Committee workshop on 1 February 2017, with Tauranga City Councillors to jointly consider the 'High Efficiency Network' strategic option;
- a Committee workshop on 9 December 2016, to consider the 'High Efficiency Network' strategic option;
- a Sub-Committee meeting on 17 June 2016, to adopt the three shortlisted options for detailed evaluation ; and
- a Sub-Committee meeting 24 February 2016, to adopt the strategic case and investment objectives. Each of the partner organisations subsequently adopted the Strategic Case.

The three short-listed options that the Public Transport Sub-committee approved in June 2016 were:

- Balanced Network - similar network structure to existing with additional services being balanced between serving existing and new areas. May include some express services, park and ride facilities, or higher frequency services. Priority infrastructure (bus routes, pre-emptive traffic signals, etc) may be included in key locations.
- Growth Enabler- similar network structure to existing with additional express and park and ride services to growth areas and to satellite townships. Priority infrastructure (bus routes, pre-emptive traffic signals, etc) may be included in key locations.
- 'High Efficiency Network' - focuses on increasing patronage by providing higher frequency services and significant priority infrastructure on key routes to support fast and reliable journey times between high demand areas. Some areas may not see a change in service levels.

The three options have been subsequently evaluated by a consultant to recommend a preferred option and it is the place of the Programme Business Case to further detail how that preferred option translates in to the optimal mix of interventions.

Once that preferred option has been adopted, Regional Council staff can proceed to prepare the Activity Business Case which will design the physical routes on the ground.

As the current network is built upon sound planning principles, the Activity Business Case route design will refine and build on that network.

3 The PBC Strategic Option – High Efficiency Network

The option that the consultant recommends be used as the basis for the PBC is the 'High Efficiency Network' option.

The approach focuses on increasing patronage by providing higher frequency services and significant priority infrastructure on key routes to support fast and reliable journey times between high demand areas.

At a high level, the mix of interventions envisaged for the next ten years is:

- some higher frequency bus services (responsibility of Regional Council);
- infrastructure changes such as park and ride in Western Bay and bus priority measures in the City (responsibility of Western Bay District and Tauranga City Councils); and
- changes to City parking policy including pricing (responsibility of Tauranga City Council).

The preferred option also includes a suite of other interventions relating to technology such as electronic ticketing, Wi-Fi and real time passenger information and provision for bikes, etc.

A one-page summary map for the 'High Efficiency Network' is included as Appendix One.

As can be seen from the table below, overall, the 'High Efficiency Network' (called High Performance in the table) outperformed the other programs on each of the measures used to assess performance. More critically it achieved a Benefit/Cost ratio over 1 – the mark where the benefits received are greater than the costs.

	Status Quo	High Performance	Growth Enabler	Balanced Plus
Annual Trips	2,437,000	3,087,000	2,983,000	2,732,000
Benefit Cost Ratio	0.63	1.29	0.89	0.97
IO1 - Strategic Corridor Mode Share of 10%	5.40%	8%	6%	7%
IO2 - Farebox recovery of 45%	28%	40%	35%	32%
IO3 - Journey times reduced by 20%	Unlikely	likely	possible	possible
IO4 - 95% of bus services arrive on time	Unlikely	likely	likely	possible
IO5 - Implementation of projects	0%	Lowest Risk	Some risk	High Risk
IO6 - Funding committed to projects		Lowest Risk	Some risk	High Risk

It is also important to note:

1. failure to implement all of the 'High Efficiency Network' does not mean there is no value in implementing what we can, but it does mean the benefits realised will be lower.
2. Should other opportune interventions arise during the life of the Blueprint that may not be specifically articulated in the Programme Business Case, our expectation is that if the conditions are right, or can be met, there would be nothing to prevent them from being implemented (for example, a park and ride adjacent to a high frequency corridor).

4 Engagement

4.1 Stakeholder Engagement to Date

Engagement with stakeholders as part of developing the PBC has been through the following SmartGrowth forums:

- Population Ageing Technical Advisory Group;
- Social Sector Forum; and
- Tangata Whenua Forum.

Each of these forums has representation from a broad range of organisations and iwi representing a broad base of the population. This consultation was informal and provided an opportunity for stakeholders to raise a number of issues around public transport and place making. The feedback was largely consistent with analysis that was undertaken on the forums position papers.

4.2 Health Impact Assessment

This work started in November 2016 and will continue through in to February 2017. The project is being conducted by the District Health Board and is supported by the Council.

The initial stage was a workshop held on 30 November 2016 with a range of stakeholders to evaluate how programme options impact on users, particularly those who are disadvantaged or have special needs.

A second workshop held on 24 January 2017 explored in-depth the likely impacts of the programme options for two key groups of users; those on a low income and those with disabilities. Generally the outcomes were positive however several interventions not included in the 'High Performance Network' were seen as being of prime importance to these groups:

- a regular local bus service for residents of Te Puke; and
- extension of the City-Bayfair-Mount service to the Hospital.

This information will be used to inform the detailed bus network design.

4.3 Engagement on Detailed Network Design (the next step)

A number of special interest groups have expressed an interest in having input into the detailed network design. It is expected that these groups will be contacted shortly after approval for the PBC is gained from Regional Council and project partners.

4.4 Public Feedback

Public feedback on the 'High Efficiency Network' and the network design is likely to take place in March/April 2017. Feedback will be sought through the following channels:

- open days held across the sub-region;
- the BayBus website;
- the Regional Council Facebook page;
- in-bus notices; and
- an on-line engagement portal called EngagementHQ.

Key messages of the public engagement will be along the lines of:

- we've got a choice to make about how we want to develop our bus service;
- the Regional Council is working with the Tauranga City and Western Bay District Councils as we each have different but complementary roles to do that;
- rather than retain the status quo, we think the way forward for the City's transport system is to improve bus service reliability and timeliness through:
    - some express bus services;
    - routes that are more direct;
    - some bus priority measures (that favour buses over cars in high bus number corridors);
    - discouraging car travel through changes in parking supply and cost;
- we think that it will cost more than the current system, but we won't know until we've determined what fares will look like and services have been tendered.

4.5 Joint Engagement on Transport

Staff are currently examining the opportunity to provide coordinated and consistent engagement with the public on transport projects and policies between Tauranga City Council and Bay of Plenty Regional Council.

There are a number of planning processes currently underway that would benefit from a streamlined engagement process that presents a united and consistent face to the public and stakeholder organisations including but not limited to:

- the Tauranga Programme Business Case;
- the temporary and long term bus interchange location in Tauranga CBD;
- suburban interchange locations and designs identified in the Blueprint; and
- parking demand management measures.

It is expected that significant progress on developing an agreed approach to engagement on transport projects will have been completed prior to the next Committee meeting.

4.6 Tauranga Connect

As many members are aware, Mark Wassung has released a concept called Tauranga Connect Multimodal Transport network as a vision for the future of Tauranga's transport system.

Mr Wassung has been actively engaging with local councils and members of the community. Council staff have now received an informal approach from him for the three SmartGrowth partner councils to contribute $20,000 to $25,000 to continue the development of the Tauranga Connect project. Regional Council staff are currently working through the detail with him as to how a contribution from Council would advance the Blueprint.

5 Next Steps

Following adoption of the PBC by the Committee, officers will seek endorsement from each of the partner organisations and commence detailed design of the bus network.

As outlined above, It is anticipated that public consultation will follow in March/April before the final network design and public feedback is presented to the Transport Committee in May.

6 Council's Accountability Framework

6.1 Community Outcomes

The Blueprint directly contributes to the Regional Collaboration & Leadership and Economic Development Community Outcomes in the council's Long Term Plan 2015-2025.

6.2 Long Term Plan Alignment

This work is planned under the Passenger Transport Activity in the Long Term Plan 2015-2025.

Current Budget Implications

This work is being undertaken within the current budget for the Passenger Transport Activity in the Annual Plan 2016/17 or Year 2 of the Long Term Plan 2015-2025.

Future Budget Implications

There are no future budget implications associated with the requested decision. Future decisions arising from the strategic direction identified in the PBC may have an impact on budgets commencing year 4 (2018/19) of the 2015-2025 Long Term Plan and will be considered by Council prior to decisions on the services that are procured.

Joe Metcalfe
Senior Transport Planner

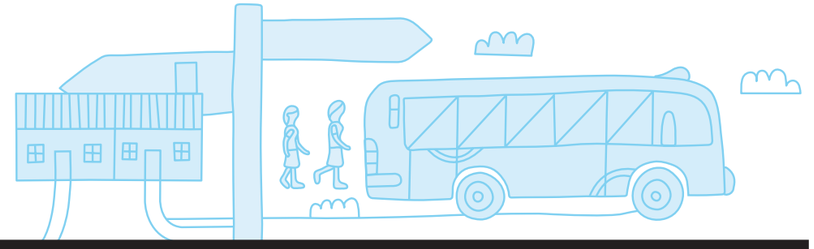
for Transport Policy Manager

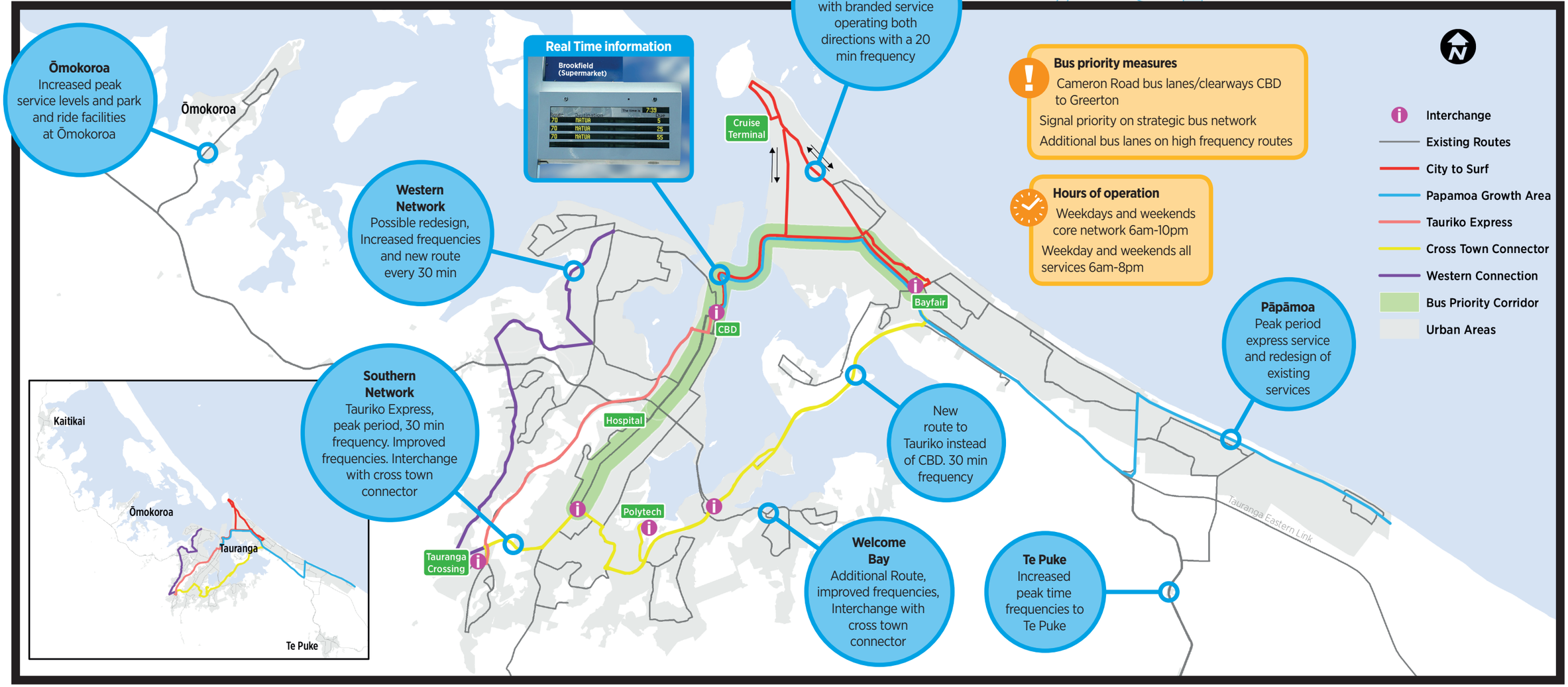
10 February 2017

APPENDIX 1

PT Blueprint High Efficiency Network - Overview Map

High efficency





The high efficiency programme focuses on improving services along our busiest routes.

This places emphasis on providing high frequency services and pririotiy measures on Cameron Road and through the Papamoa corridor with less emphasis being placed on providing services to satelite communities.

- High frequency service City-Mount-Bayfair
- Longer operating hours 6am -10pm on some routes
- Investment in footpaths to our busiest stops
- Changes to parking policies
- Bike parking at major stops and interchanges
- Better integration between urban and school services

APPENDIX 2

Western BoP PT Blueprint - Programme Business Case

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Report

Western Bay of Plenty Public Transport Blueprint - Programme Business Case

Prepared for Bay of Plenty Regional Council

Prepared by (Beca)

9 February 2017

Revision History

Revision Nº	Prepared By	Description	Date
0	**Craig Richards**	Working draft for client review	30/09/2016
1	**Craig Richards**	Draft for stakeholder review	28/10/2016
2	**Craig Richards**	Draft for peer review	12/12/2016
3	**Craig Richards**	Final	09/02/2017

Document Acceptance

Action	Name	Signed	Date
Prepared by	**Craig Richards**		30/09/2016
Reviewed by	**Andy Lightowler**		01/02/2017
Approved by	**Andy Lightowler**		01/02/2017

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Executive Summary

This Programme Business Case (PBC) has been prepared to guide investment in public transport services and capital improvement in the Tauranga City and Western Bay of Plenty (Western Bay) region over the next ten years. Public transport (PT) in the region is provided in the form of bus services on the Tauranga Urban (Bay Hopper), Regional routes connecting Tauranga with Katikati, Omokoroa and Te Puke and School Hopper networks. The PBC has been informed by regular engagement with the lead stakeholder group consisting of; Bay of Plenty Regional Council (BoPRC), Tauranga City Council (TCC), Western Bay of Plenty District Council (WBoPDC) and the New Zealand Transport Agency (the Transport Agency).

The PBC has established that the Strategic Context set out in the Strategic Business Case (SBC) is still valid. Key findings are that:

- The region is experiencing rapid population growth which is leading to increased demand for travel that is in turn impacting on the level of service achieved on the road network. Travel time reliability is decreasing as congestion worsens (travel times and congestion levels are increasing).
- The current mode share of bus to car travel is approximately 5% in peak periods and less outside of peak times. In most cases bus journey times are considerably longer than travel by car and in many locations all day parking charges are less than the cost of a two way bus fare.

Changes are necessary in order to make bus travel a more acceptable alternative to private car use and by doing so increase the mode share of bus travel, which will in turn assist in reducing congestion and improve the efficiency of the local transport network.

The PBC provides evidence that the problem statements formulated in the SBC are valid. The three problem statements and the associated evidence base is summarised as follows:

Problem one: *The current urban land form and topography makes it difficult to support a more effective and efficient PT system across the whole network* (35%). Evidence shows that the existing bus network is circuitous due to the topography of the sub-region. Employment densities are highest in the City centre but new residential growth is occurring in urban fringe locations. Tauranga and the Western Bay of Plenty have lower population densities than other New Zealand cities, so buses have to travel further to collect passengers.

Problem two: *The focus on access to PT services across the sub-region may mean that PT is not being best utilised as a competitive alternative mode to private cars* (50%). Evidence shows that on average it takes two and a half times longer to travel by bus than by car on strategic routes. Current off-street parking charges result in average daily parking costs less than the cost of a two-way bus ticket.

Problem three: T*he traditional way the benefits of PT are demonstrated has led to policies, plans, and decisions amongst stakeholders that do not fully support the role of PT in the integrated transport network* (15%). Evidence shows that there is a significant amount of support for PT investment in established policies and plans, however this support has not translated to increased PT investment.

The Investment Logic Map is included in Appendix B. Six SMART investment objectives were formulated by the lead stakeholder group through a series of workshops to achieve the benefits identified in the SBC. The investment objectives aim to increase bus passengers and fare box recovery, improve bus service speed and reliability and to increase investment in PT projects.

A long list of seven possible programme options was formulated and evaluated by the lead stakeholder group using a multi criteria assessment. From this, a short list of three preferred programmes was identified. The shortlisted options are:

- High Performance Plus: focus on improving services and infrastructure in Tauranga City with high frequencies on key urban bus routes and express buses to growth areas, e.g. Papamoa East and Tauriko possibly supported by bus priority on the main corridors. Minor improvements to services and facilities in regional areas such as Omokoroa and Te Puke.
- Growth Enabler: focus on improving services to new growth areas in Tauranga and the Western Bay. This option would deliver frequent bus services to regional areas such as Katikati, Omokoroa and Te Puke, possibly supported by new or improved park and ride facilities. Less emphasis on high frequency services and improved infrastructure in the City centre.
- Balanced Plus: provide some high frequency services in the City balanced with increased levels of service to regional areas such as Katikati, Omokoroa and Te Puke. Infrastructure investment is balanced between City and regional network improvements

Diagrams showing the indicative network changes under each of the three shortlisted programmes are provided in Appendix E.

The three shortlisted programmes were evaluated using the Transport Agency's multi-criteria evaluation tables. This evaluation concluded that the High Performance Plus (HPP) programme performs better than the two alternative options against most of the investment objectives, it has a high strategic fit and a higher benefit cost ratio than the alternative options. As such High Performance Plus is the recommended programme.

The recommended programme focusses investment in the Tauranga urban area where there is a higher customer base and avoids higher costs associated with increasing service to regional centres. The option includes new bus routes and changes to existing routes that will reduce journey times and make bus travel a more attractive option. New routes will include a high frequency 'city to surf', western and eastern connectors and express buses to Papamoa East. The option includes the following infrastructure measures:

- Bus priority on Cameron Road,
- New or upgraded interchange facilities at key nodes,
- Improvements to high use bus stops, e.g. better facilities at the stop and on pedestrian access routes,
- Improved park and ride facilities at Omokoroa.

In addition the option includes changes to School Hopper bus routes where urban services can provide an adequate service, investigating zone ticket pricing, and upgrades that have already been committed such as; Realtime information, Wifi on buses, and ticketing upgrades.

The preferred option does not limit future options but provides direction for prioritising the most effective solutions in the first instance. Additional investment can be examined through the individual activity business case's and additional measures will be examined as opportunities arise or conditions change.

A summary of the financial implications of the option compared with the do minimum (existing) is tabulated below:

	Existing	High Performance Plus
Capital investment (10yrs)	$0	$8.9M

	Existing	High Performance Plus
Operational cost (per annum)	$12.6M	$14.8M
Indicative benefit to cost ratio	0.63	1.29

When considering the benefit to cost ratio of the additional costs and benefits (the incremental BCR) the ratio increases to 3.5.

Other benefits of the recommended programme include:

- Higher anticipated passenger growth than the two alternative options, which may save up to 6M private vehicle kilometres travelled per year after 10 years.
- Greater PT revenue with a fare box recovery above 40% anticipated.
- Less demand on the road network will reduce congestion and improve journey time reliability for all road users, possibly allowing future investment in road network capacity to be deferred.
- Lower vehicle kilometres travelled has environmental benefits through reduced emissions and noise.
- Health and social benefits for bus users who walk to/from stops and also for the wider population through reduced car emissions.

Assessment of the recommended option has found that increased investment will attract more people to use the bus, reducing the effect of private car use on road capacity, the environment and public health. The assessment profile of the preferred option is High, High, Low. There is a clear case for increased PT investment in the region following the principles defined in the recommended option.

The key risks to the programme are financial uncertainty and negative stakeholder reaction to the changes. It is possible that actual passenger uptake will not be as high as anticipated, resulting in less revenue than expected. There is also a risk that the costs assumed in this PBC will be higher than anticipated. Changes to the network may mean that some existing passengers are disadvantaged, and the increased use of urban services by school children may not be popular to some peak period bus users.

The programme owner is the BoPRC. An Activity Business Case (ABC) will be prepared to define detailed route and scheduling changes for the recommended programme. Stakeholder consultation is ongoing and public consultation will be carried out in 2017. It is anticipated that network changes will be implemented from mid-2018 onwards. The effectiveness of the changes will be monitored and reported to the lead stakeholder group through regular reporting.

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Appendix C: Investment Logic Map
Appendix D: Benefits Map
Appendix E: Shortlist Programme Diagrams
Appendix F: NZTA Evaluation Tables
Appendix G: Indicative Economic Assessment

1 Introduction

This Programme Business Case (PBC) has been prepared by Beca Limited (Beca) between July and October 2016 to guide investment in Public Transport (PT) within the Western Bay of Plenty (Western Bay) and Tauranga City over the next ten years.

PT in Tauranga City and the Western Bay is provided in the form of urban and regional bus services which are managed and funded by the Bay of Plenty Regional Council (BoPRC). Bus stop infrastructure and on road facilities are provided and maintained by Tauranga City Council (TCC) and Western Bay of Plenty District Council (WBoPDC). The New Zealand Transport Agency (the Transport Agency) provide funding for bus operations, infrastructure and are responsible for management of the state highway network (including stops and priority measures).

These organisations comprise the lead stakeholder group for this PBC and have overseen the "Western Bay of Plenty PT Blueprint" work, which incorporates the Point of Entry and Strategic Business Case (SBC) development as well as this PBC.

1.1 Purpose

This PBC further develops the strategic context presented in the SBC and presents a range of options that have been developed to achieve the benefits of investment with a fully appraised recommended programme.

In doing so the PBC:

- Defines the strategic context and the current operational characteristics of the bus network,
- Presents the evidence base for the problems and the rationale for investment,
- Outlines the long list of programme options and the evaluation of options to short list,
- Describes the recommended programme to achieve the outcomes and benefits identified in the SBC.

The PBC will establish the need and priorities for future investment in public bus services in Tauranga City and the Western Bay District.

1.2 Related Strategies and Workstreams

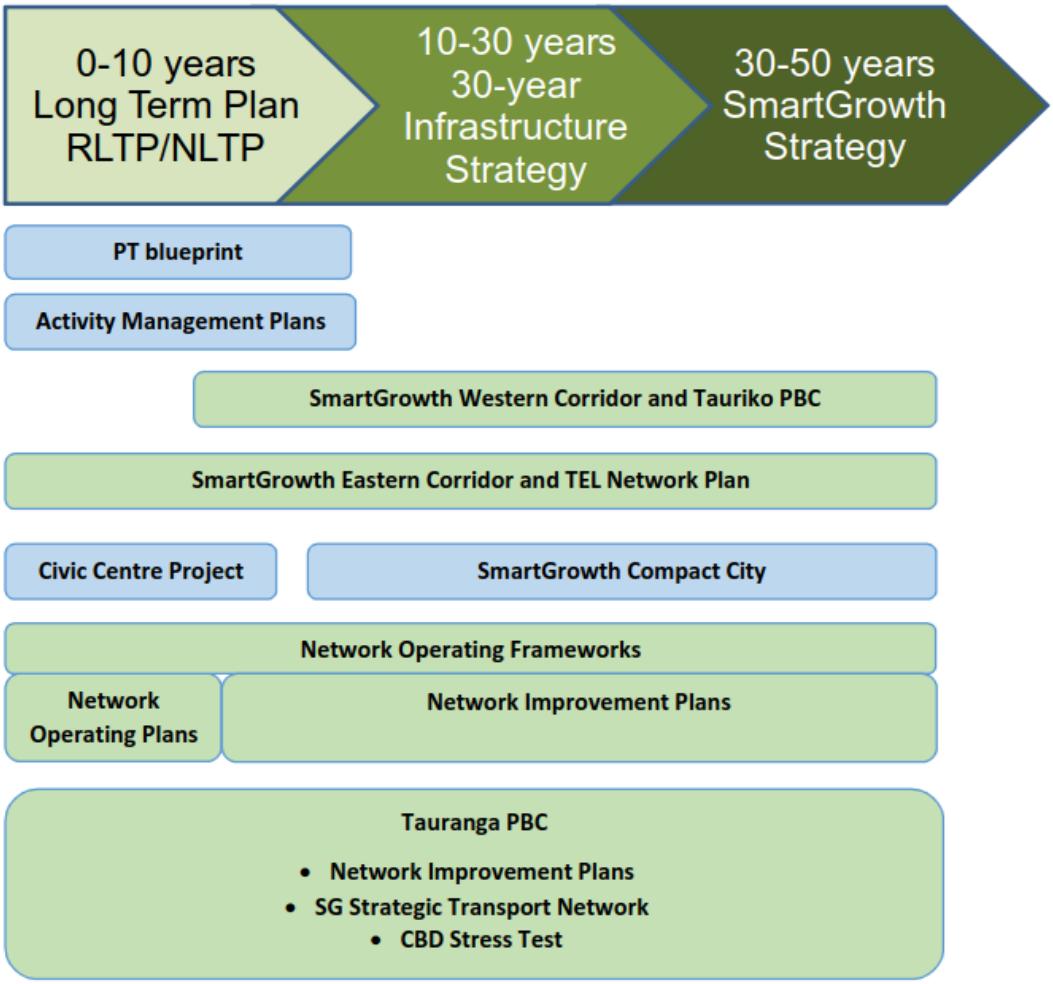
The PBC is one of a number of transportation strategies and work streams currently being progressed in the region, other complementary projects include Network Operating Plans[1] (NOP) for Tauranga City, the TCC Civic Heart campus project[2] and Smartgrowth settlement pattern[3] review. The following diagram shows the key interrelated programmes and their respective planning horizons. More information about the complementary programmes is provided in **Appendix A**.

[1] A Network Operating Plan is a multimodal transport strategy that seeks to improve level of service where deficiencies exist depending on an agreed mode hierarchy by location and time of day.

[2] The Civic Heart Campus project is a TCC led business case for Council facilities (offices, library, performance venue, car parking) in the Tauranga City Centre.

[3] The "Settlement Pattern" is the agreed Blueprint for growth in the region.

Figure 1: Complementary Strategy Programmes



1.3 Report Structure

This PBC report is structured in two parts:

- **Part A: The Strategic Case** – builds on the work undertaken as part of the SBC and provides quantitative information about the social, economic and transport context in which the PBC has been developed. Provides evidence to the problem statements developed in the SBC and describes the SMART (i.e. Specific, Measurable, Achievable, Relevant and Timebound) investment objectives prepared by the lead stakeholder group.
- **Part B: Developing the Programme** – Outlines a long list of programme options and the assessment undertaken to identify a short list of preferred programmes. It describes the detailed assessment of the three short listed options undertaken to conclude on a recommended programme, and defines the recommended programme in detail including the management and financial case.

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PART A – THE STRATEGIC CASE

2 Strategic Context

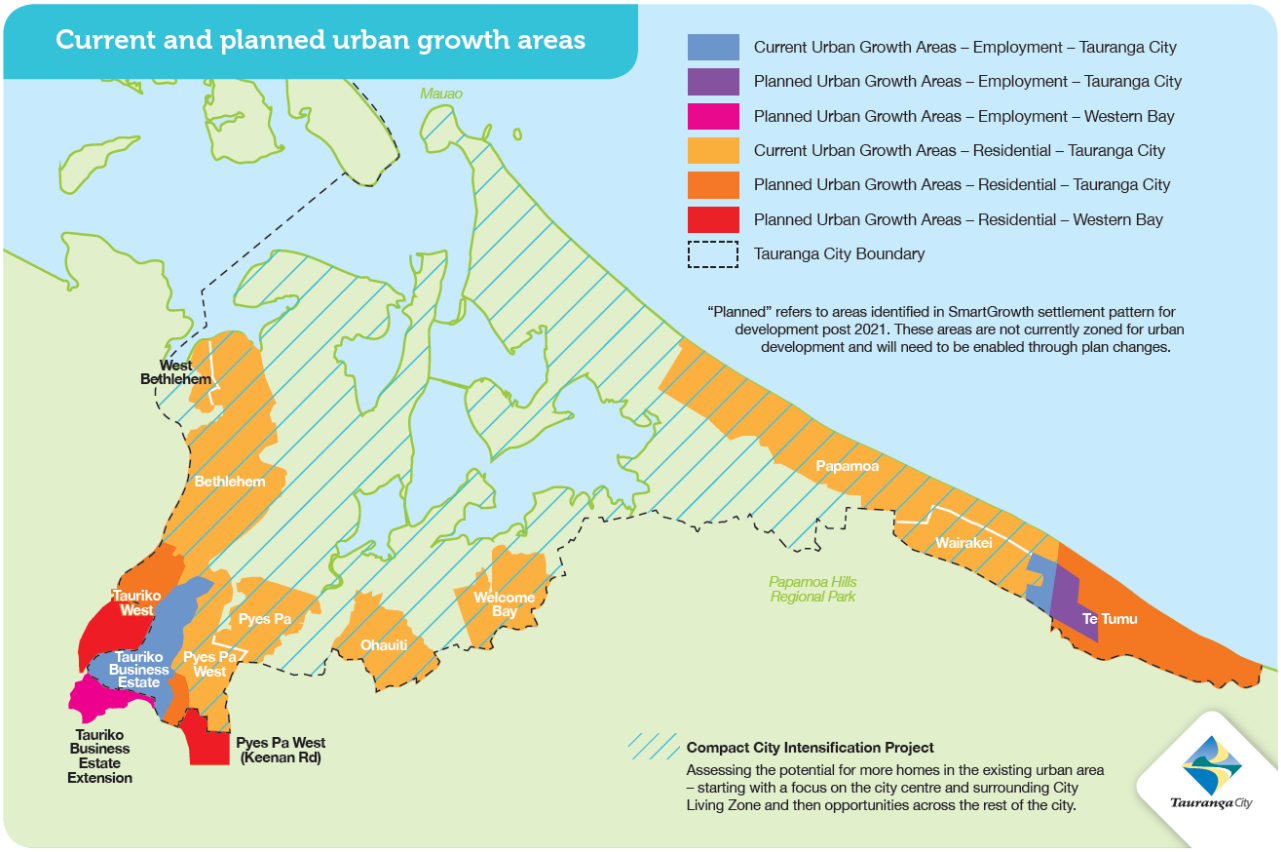
This chapter provides a high level summary of the geographical, social, transport and economic context provided in the SBC, together with additional supporting information relevant to the PBC. This chapter confirms the context in which any programme arising from the PBC will be delivered.

2.1 Geographic Context

The Tauranga City boundary is shown in **Figure 2** and includes the established urban area and new growth areas such as the Wairakei and Te Timu suburbs in Papamoa East and Tauriko to the West (shown in **Figure 3**). The Western Bay of Plenty Region is largely rural lard area but includes the urban centres of Katikati and Omokoroa to the north and Te Puke to the east of Tauranga City, also shown in **Figure 2**.

Figure 2: Tauranga City and Western Bay of Plenty Region

Figure 3: Tauranga Urban Growth Areas



2.2 Social and Economic Context

Tauranga and the Western Bay are currently experiencing a period of rapid growth that is influenced by high levels of international migration into New Zealand, low interest rates and the relatively high price of real estate in the Auckland area encouraging national migration to more affordable regions such as the Bay of Plenty.

Consents for new residential development have increased in Tauranga by approximately 20% per year on average since 2010. A graph of building consent data for Tauranga and the Western Bay District on a quarterly basis since 2010 is provided in **Figure 4**.

Whilst it is difficult to predict when the current population boom period will end, and what will happen to growth beyond this period, estimates from Statistics New Zealand show the Tauranga population increasing on a steady trajectory for the next 30 years (**Figure 5**). This provides a major growth market for PT in the future.

Figure 4: Residential Building Consents for New Builds by Quarter Year

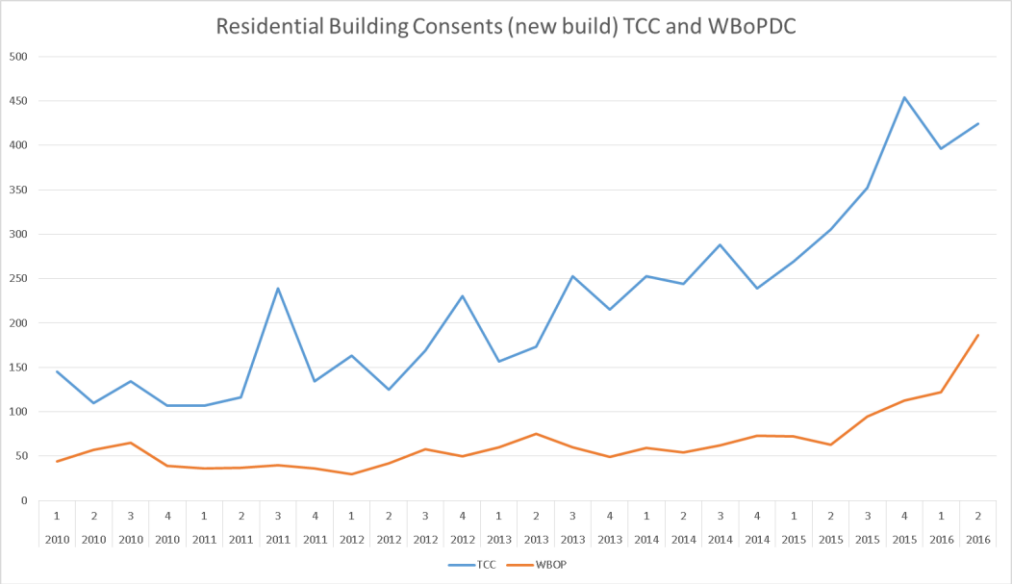
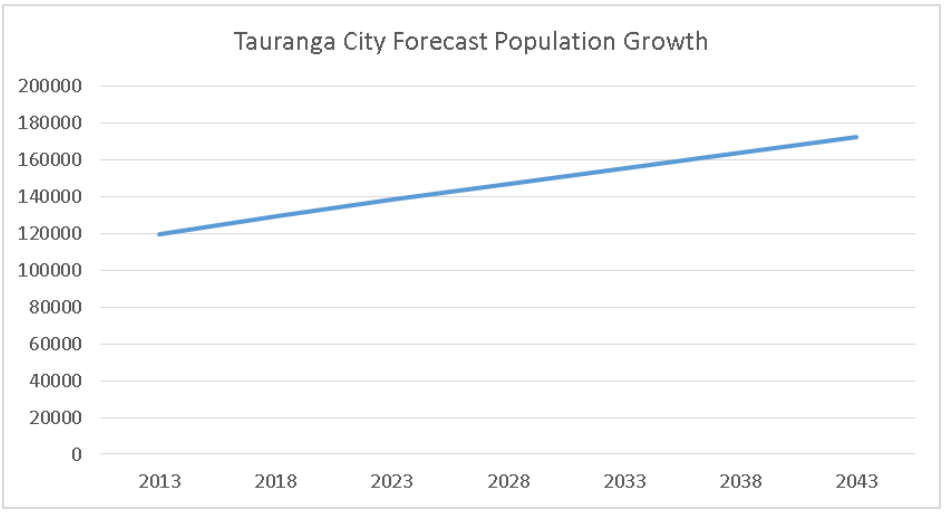


Figure 5: Statistics New Zealand Population Forecast for Tauranga City



The Tauranga population has an older than typical average age. At the time of the 2013 Census the proportion of the Tauranga population over the age of 65 was 19%, whilst the New Zealand average was 14%. This proportion is expected to increase over the next 30 years, which presents opportunities (elderly people have higher propensity to use the bus[4]) and challenges (good bus network coverage is required as elderly people are less likely to walk long distances to access a bus and have different travel patterns than commuter travellers) for the PBC.

A University Campus is proposed for Tauranga and may attract younger people to the City when it opens in 2018. The University is expected to accommodate up to 2,000 students, will be located in the CBD and will have very little on site car parking. As people of University age typically have a higher propensity to use PT

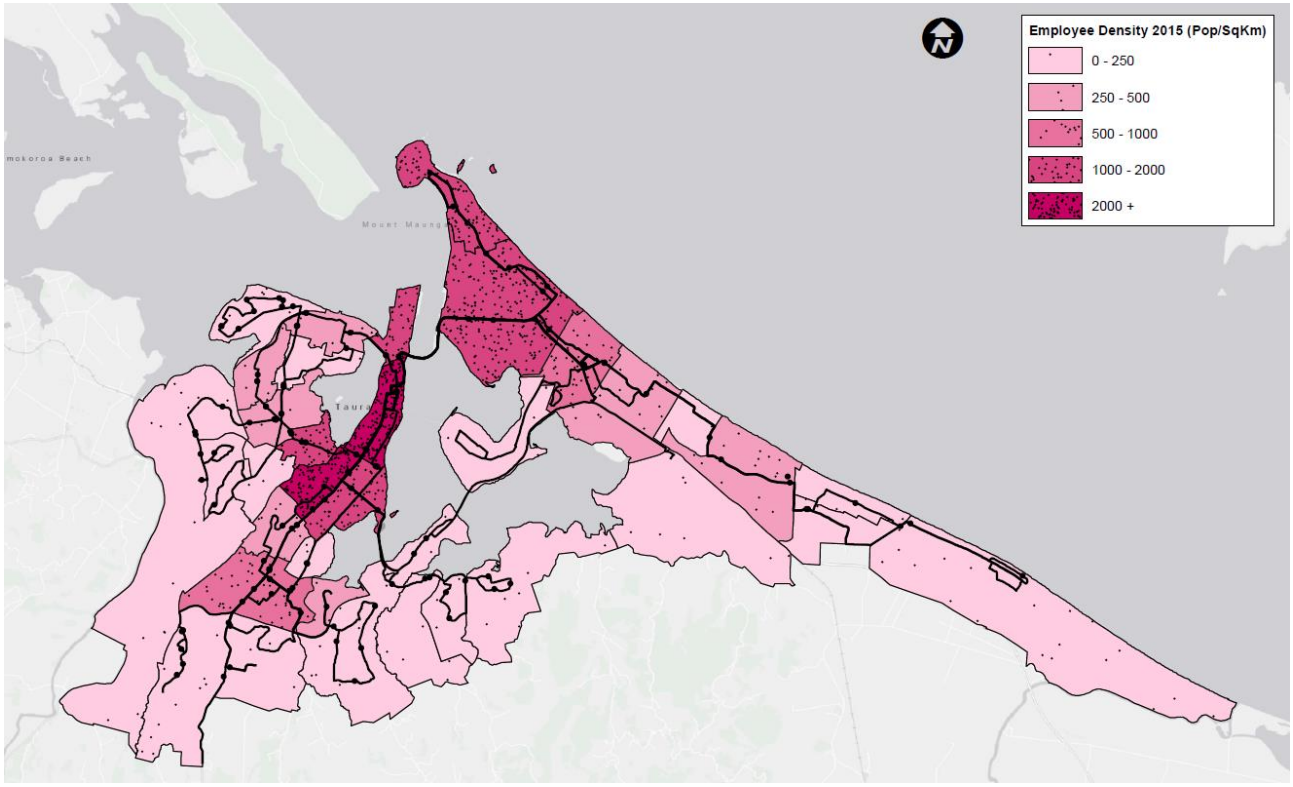
[4] Comparing Travel Modes NZ Household Travel Survey, 2015, Ministry of Transport.

than older people in employment[5], the University presents an opportunity for increasing PT mode share in Tauranga.

Tauranga and the Western Bay economies have also grown strongly in recent years indicating that there is strong job growth in the region. The Bay of Plenty contribution to national GDP had the second highest growth between 2010 and 2015 of all New Zealand's regions (more than 20% growth)[6], the Western Bay sub region was New Zealand's fastest growing regional economy in the year to March 2015[7].

The following figure shows employment densities in Tauranga City with the greatest concentrations of employed persons working in the CBD / Cameron Road and Mt Maunganui areas.

Figure 6: Tauranga City Employment Densities



2.3 Transport Context

High levels of population growth appear to be having an effect on transport network demand across the region. Traffic volumes on State Highway 2 (SH2) north of Tauranga (observed at Te Puna) show a distinct increase in the last three years. Traffic volumes on Cameron Road have also increased over the last five

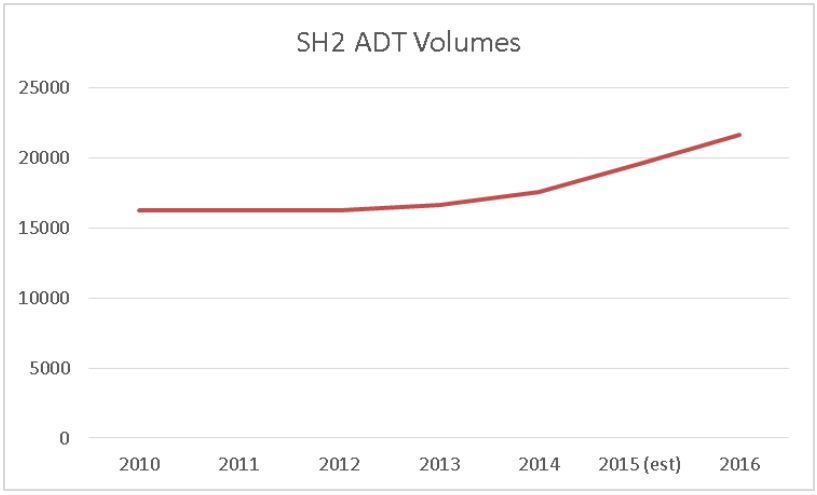
[5] NZTA Research Report 569, Public Transport and the Next Generation, June 2015.

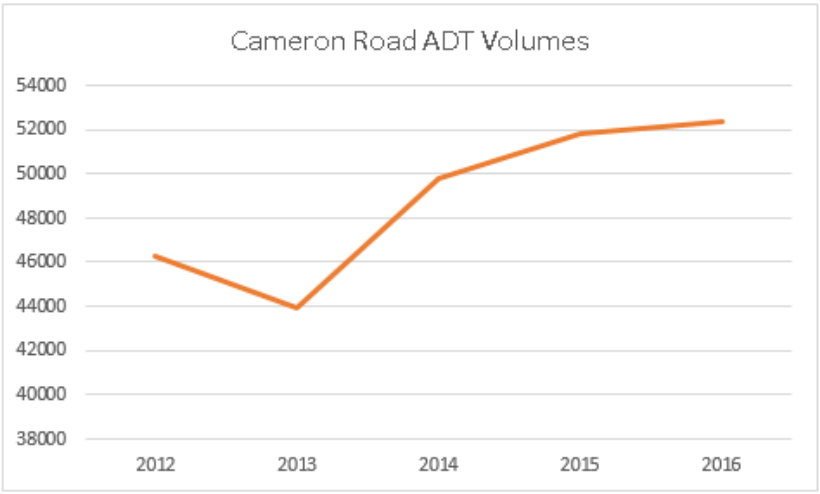
[6] Statistics New Zealand http://www.stats.govt.nz/browse_for_stats/economic_indicators/NationalAccounts/RegionalGDP_HOTPYeMar15.aspx

[7] Priority One Annual Report 2015, http://www.priorityone.co.nz/vdb/document/632

years. Annual Average Daily Traffic (ADT) Volume comparisons for SH2 and Cameron Road are shown in **Figure 7.**

Figure 7: SH2and Cameron Road Annual Average Daily Traffic Volumes

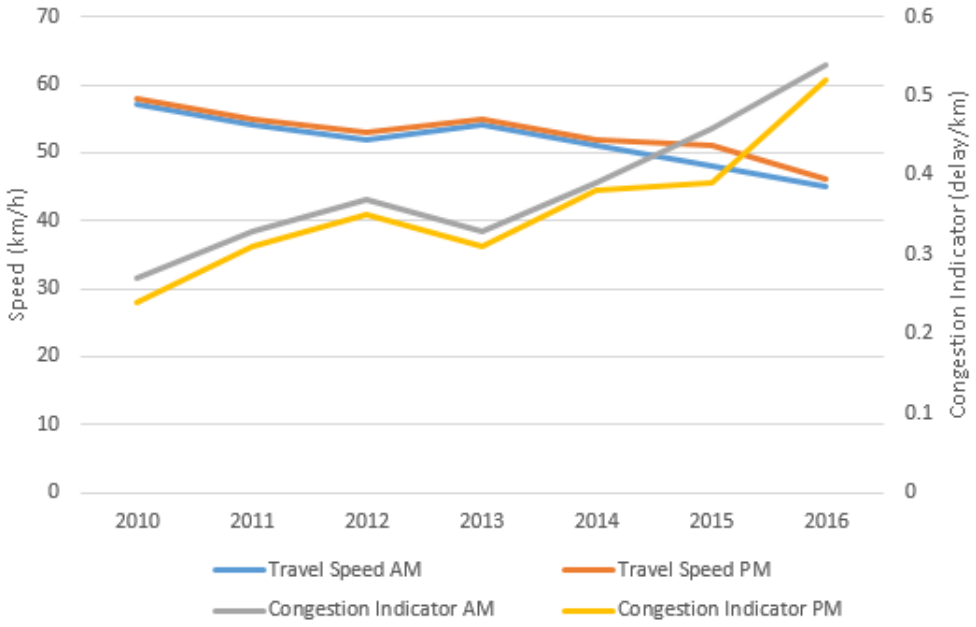




The level of service for car travel on the road network is worsening more rapidly than it has in the past. **Table 1** and the corrosponding graph below show average travel speeds and congestion indicators recorded by floating vehicle travel time surveys carried out in the region annually. These surveys use GPS transponders to track vehicles travelling on the main urban routes in Tauranga over a one week period in March every year. Travel speed is measured in Km/h and the congestion indicator is a measure of delay experienced per kilometer travelling.

Table 1: Travel Time Survey Speed and Congestion Indicator Data

Indicator	Peak Period	2010	2011	2012	2013	2014	2015	2016
Travel Speed (km/h)	AM	57	54	52	54	51	48	**45**
	PM	58	55	53	55	52	51	**46**
Congestion Indicator (delay/km)	AM	0.27	0.33	0.37	0.33	0.39	0.46	**0.54**
	PM	0.24	0.31	0.35	0.31	0.38	0.39	**0.52**



The travel survey data shows that, apart from a slight improvement in 2013, travel speeds have consistenly reduced in the six years since 2010. At the same time the congestion indicator has consistenly increased. It is also apparent that the greatest annual change (reduction in travel speed and increase in congestion) has occurred between 2015 and 2016. There are a number of factors that may be contributing to this increase in congestion / redcution in travel speed including population growth. The spike from 2015 to 2016 corrosponds with the larger increase in building consents issued over this period (Figure 4).

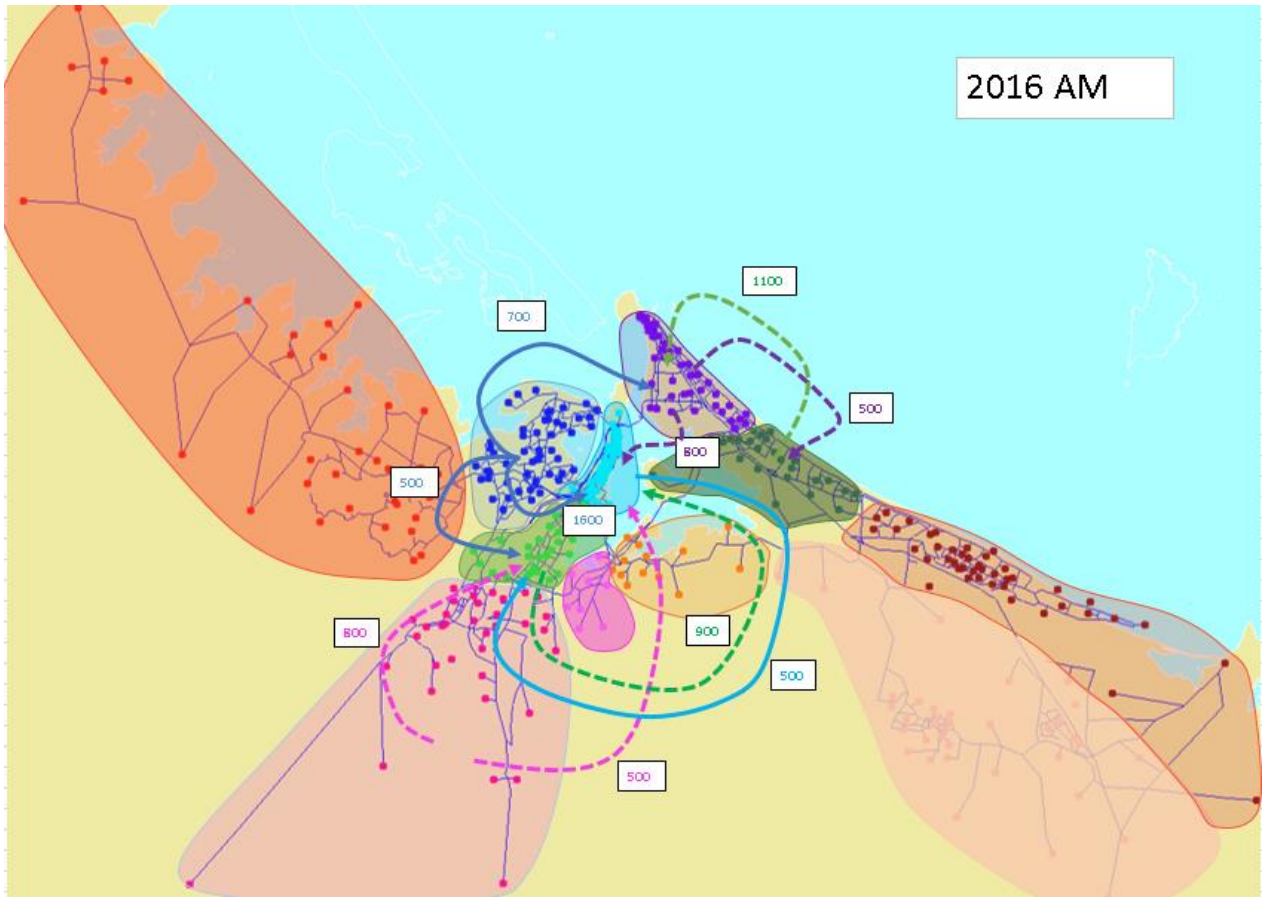
2.3.1 Travel Demands

The Tauranga Traffic Model (TTM) is a regional traffic model that has been used by the Transport Agency, the WBOPDC and TCC for many years to assist in planning and design of road networks and other transport projects. The TTM has been examined to identify the key transport movements within Tauranga City during peak periods. In summary:

- The central CBD area attracts the largest number of vehicle trips during the AM peak period, following this the southern end of Cameron Road and Mt Maunganui also attract a high proportion of trips.
- The origins of trips are more dispersed. The area with the highest departures is the Otumoetai, Matua, Brookfield, Bethlehem area. Following this the Papamoa, Cameron Road south, CBD and Mt Maunganui areas generate a relatively high number of trips.
- There is a high number of trips between the Papamoa and Mt Maunganui sectors, both ways.
- The central corridor of Cameron Road south, CBD and Mt Maunganui generates and attracts a high number of trips, both ways.

The highest ten vehicle trip demands between key Tauranga City sectors during the 2016 AM peak are shown in **Figure 8** and the corresponding table below. The arrows represent the travel demand direction, e.g. between Mt Maunganui and the CBD and the values represent the volume of trips e.g. 800.

Figure 8: Top 10 Cross Sector Vehicle Trip Demands during the AM Peak Period



Origin/ Destination	Cameron Rd South	CBD	Mt Maunganui	Papamoa
Otumoetai, Matua	500	1600	700	
Pyes Pa South	800	500		
Cameron Rd South		900		
CBD	500			
Mt Maunganui		800		700
Papamoa			1400	

2.3.2 Road Network Levels of Service

The TTM also provides Level of Service (LOS) information across the road network which gives an indication of where congestion is occurring and how this may change over time. The following two figures show LOS plots from TTM for the PM peak periods in 2016 and 2026 (the AM peak shows a similar pattern).

In 2016 the most obvious LOS deficiencies are occurring on SH2 north of the City and SH29 to the south / east. Additionally there is poor LOS on 15th Avenue, Hewletts Road and Cameron Road.

By 2026 two major infrastructure upgrades, the Tauranga Northern Link and Welcome Bay roundabout underpass have improved LOS on SH2 north and SH29. However the LOS remains poor on Hewletts Road and Cameron Road.

Figure 9: **2016** PM Peak LOS

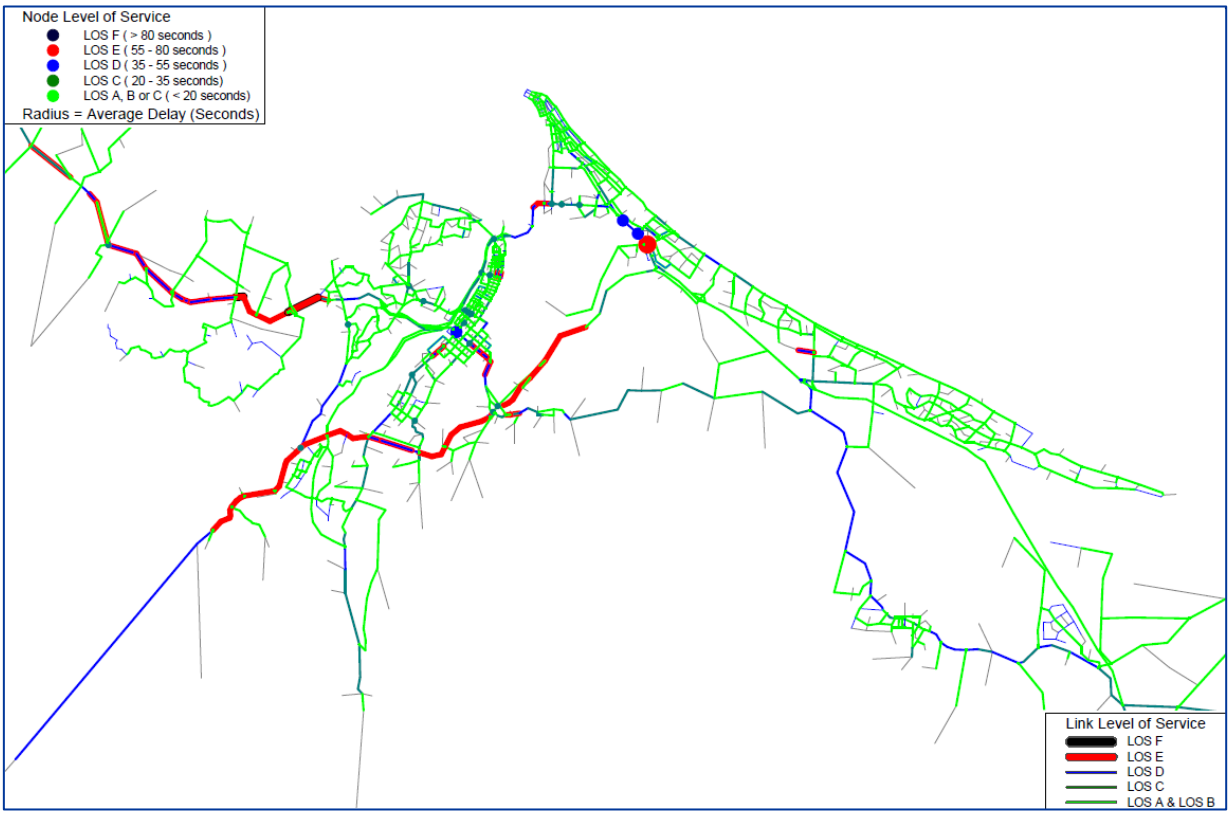
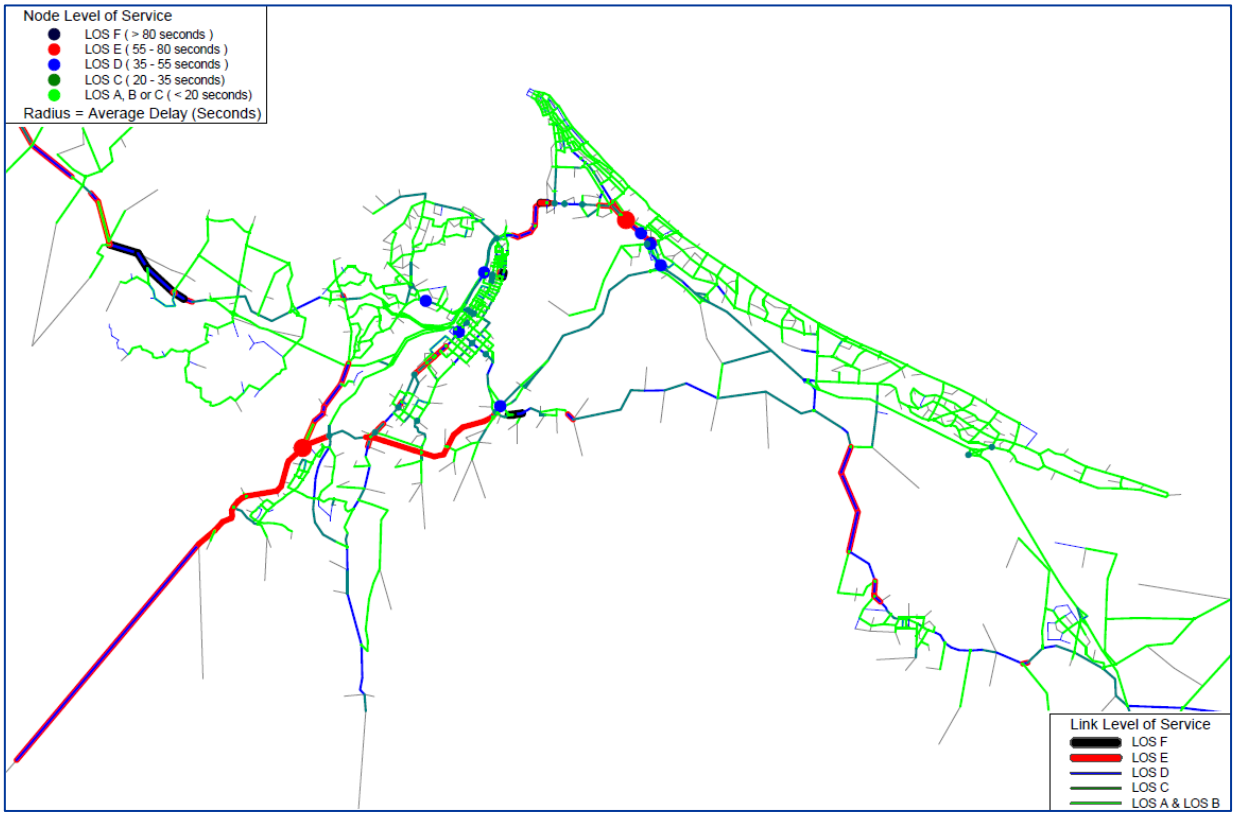


Figure 10: **2026** PM Peak LOS



2.3.3 Existing Bus Service Provision

The current Tauranga urban bus network is shown in **Figure 11**. The urban network consists of twelve core routes and two off-peak only routes (78 and 79). Most bus services operate on a 30 minute frequency during the week and hourly during weekends and public holidays. In addition to the urban bus services, regional bus services considered in this PBC operate between Tauranga, Waihi, Katikati, Omokoroa and Te Puke (**Figure 12**). These regional services generally operate two or three services per day, i.e. one trip in the AM and PM peaks. Some routes have occasional 'shopper' services during the day but the timetable is irregular.

More detail on the existing bus networks including frequency information is provided in **Appendix B**.

Figure 11: Current Tauranga Urban Bus Network

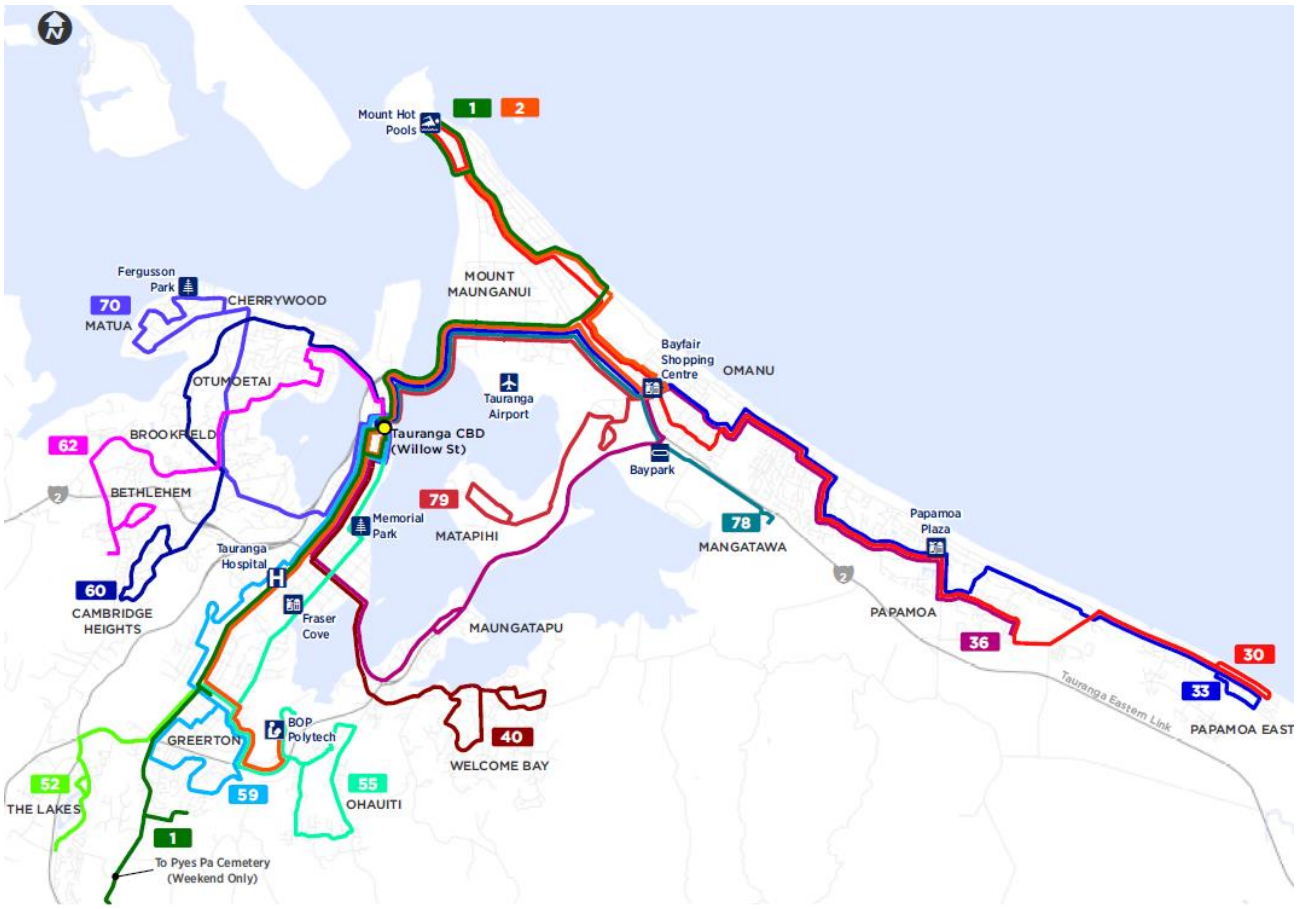
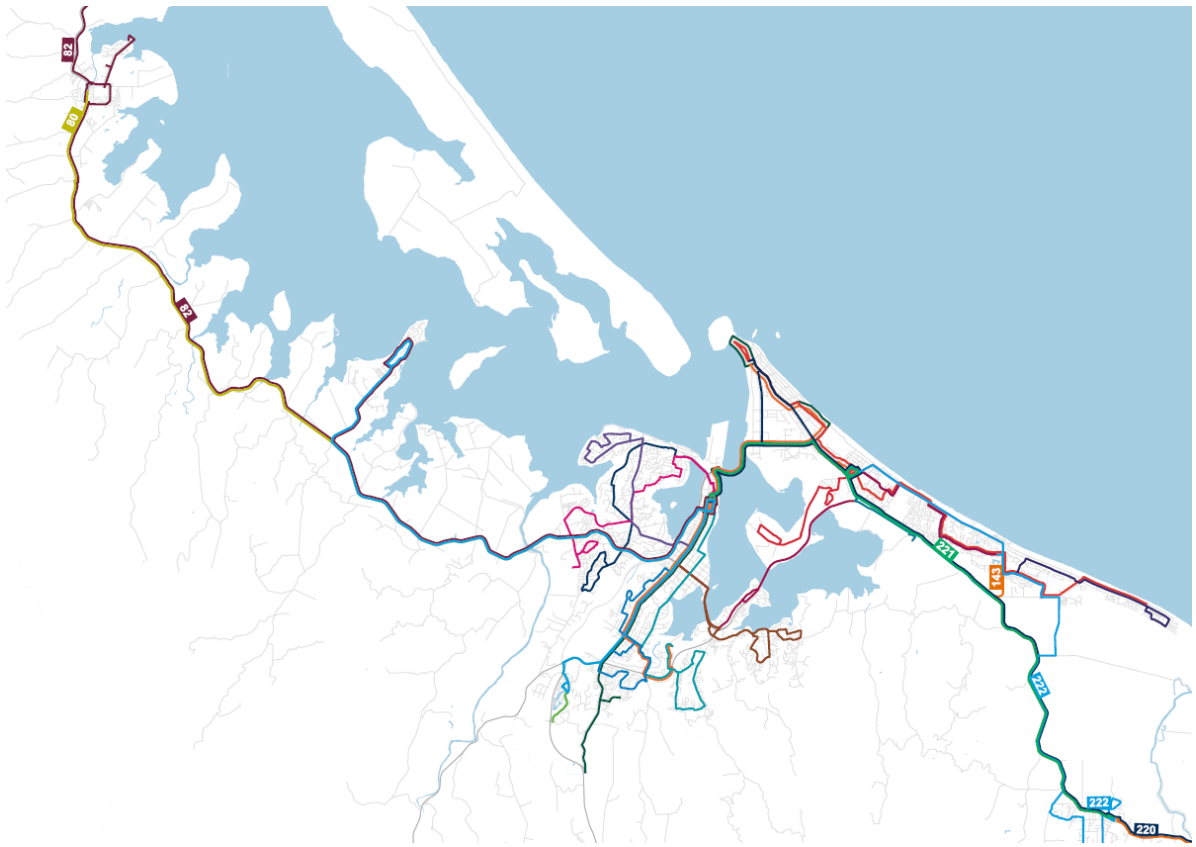
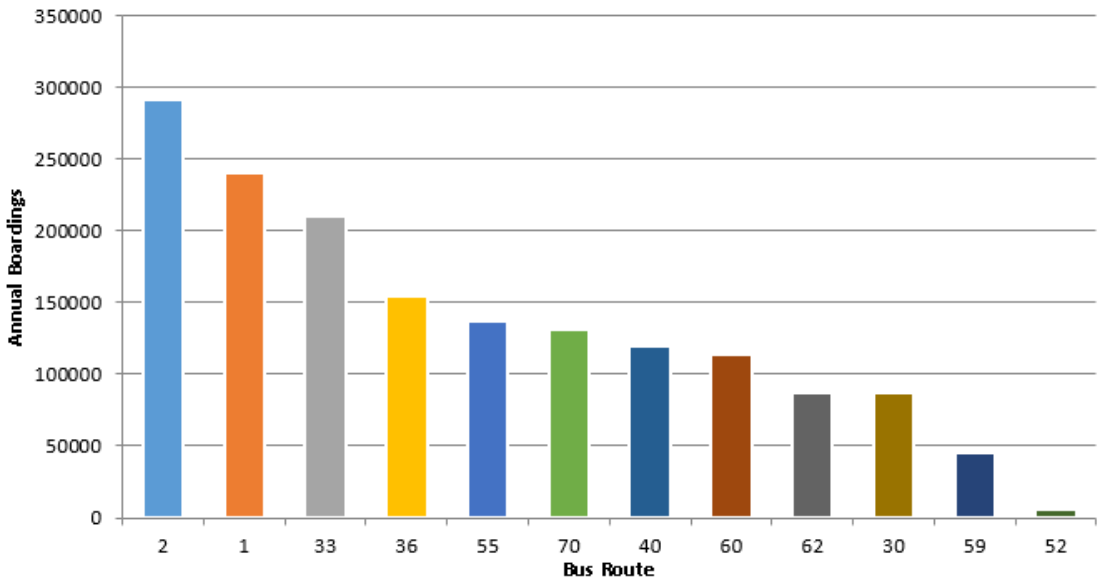


Figure 12: Bus Network with Regional Services (Katikati, Omokoroa, Te Puke)



Approximately 1.86 million trips are made on the Tauranga urban bus network every year. Patronage grew strongly (more than 15% per annum) between 2006 and 2010 but has levelled off since. The following graph illustrates the proportion of passenger demand by bus route on the Tauranga urban network.

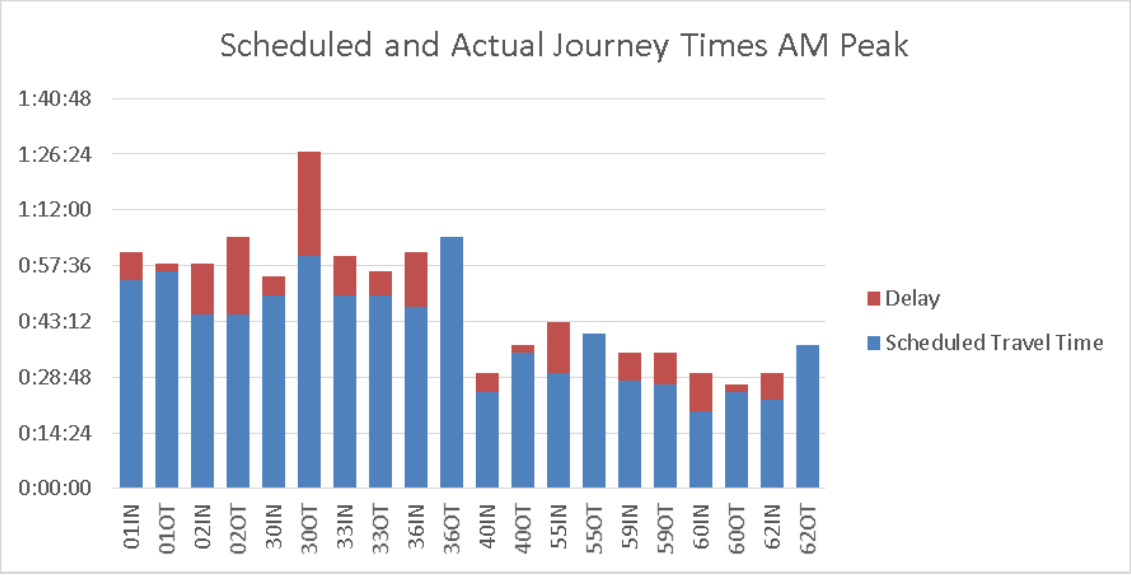
Figure 13: Proportional Passenger Demands by Bus Route



Of the urban services, route 2 (Bay Polytech – CBD – Mt Maunganui) has the highest passenger use with over 290,000 annual passenger boarding's (both directions) between May 2015 and April 2016. Routes 1

(Pyes Pa – Greerton – CBD – Mt Maunganui) and 33 (CBD – Bayfair – Papamoa) have the next highest levels of use, both attracting over 200,000 annual boardings. Routes 36, 55, 70, 40 and 60 all had between 100,000 and 150,000 annual passenger boardings.

The following graph shows the scheduled and average actual journey times for bus services on the Tauranga urban network during the AM peak period (7am to 9am). This data is based on ticket machine start / stop times which relies on drivers manually triggering the changeovers. It provides an indication of the amount of delay typically experienced by direction for each route, and shows that routes 2, 30 and 33 have the greatest delays. The label "01IN" denotes the inbound journey to the CBD, whilst "01OT" denotes the outbound journey.



2.3.4 School Hopper

The School Hopper school bus network consists of 46 bus routes serving Tauranga schools with one inbound service in the morning and one outbound in the afternoon. The School Hopper service carries approximately 580,000 passenger trips per year. The Public Transport Subcommittee has agreed design principles for the School Hopper as follows:

- Service contracts should be flexible, and responsive to changing demand,
- Intermediate and Secondary school students will be served by the public BayHopper network except where capacity constraints exist,
- Primary students will be served by the SchoolHopper network where practical,
- Pick-up and Drop-off times will remain largely unchanged,
- Services to include stops to within 2 kilometres of schools unless capacity constraints exist,
- Students living further than 8 to 10 kilometres from their school will not be served by SchoolHopper, and
- Schools not currently served by SchoolHopper, but within Tauranga City Council boundaries, may be added to the SchoolHopper network when requested by the school and where this can be achieved cost effectively.

Redesign of the School Hopper network in line with the design principles is included in all options considered within this PBC.

2.4 Summary – The Need for Investment

Population growth in Tauranga and the Western Bay has accelerated in recent years with corresponding growth in traffic volumes and a resulting decrease in average travel speeds, indicating that congestion is worsening. There are high travel demands to and from the Tauranga CBD and whilst many bus routes stop in the City Centre the uptake in bus travel is low and has not increased in recent years. Bus journey times are long and variable on many routes. There is a clear case for additional investment in PT services and infrastructure to attract more people to travel by bus which will improve the efficiency of the road network.

3 Investment Partners

3.1 Bay of Plenty Regional Council

BOPRC is responsible for planning and managing PT networks in the Bay of Plenty including the Rotorua, Tauranga, and Whakatāne urban networks as well as regional services. The Regional Council also prioritises investments in the land transport system through the Bay of Plenty Regional Land Transport Plan.

3.2 Tauranga City Council

TCC provides, maintains and upgrades their local transport network infrastructure (roads, bridges, footpaths, bus shelters and vehicle parking areas). TCC also sets policies and planning regulations that have a significant impact on the utilisation of PT.

3.3 Western Bay of Plenty District Council

WBoPDC provides, maintains and upgrades their local transport network infrastructure (roads, bridges, footpaths, bus shelters, and vehicle parking areas). WBoPDC also set planning regulations that have the potential to impact on the utilisation of PT.

3.4 New Zealand Transport Agency

The NZ Transport Agency does not directly provide public transport, but enables the provision of these services through its planning and investment role, which includes:

- Providing guidance for regional councils in planning their networks and developing regional public transport plans,
- Approving procurement procedures for public transport services,
- Investing in public transport through the National Land Transport Programme,
- Monitoring public transport performance and are evaluating the Public Transport Operating Model.

3.5 Key Stakeholders

Key Stakeholders	Focus Areas
Local Councils	Authorities tasked with operations, delivery and maintenance. Elected members representing community priorities.
Bus users / public (ratepayers, taxpayers)	Bus users want regular services going where they want to go in an efficient manner. Ratepayers and taxpayers want considered investment that delivers value for money.
Schools / School BOT	Ensuring students can access their school in a safe and efficient manner. Board of trustees are a contact for parents who are also stakeholders in regard to school travel.
Smartgrowth	PT needs to support growth into new neighbourhoods identified by the Smartgrowth settlement pattern. Growing PT use at a rate in line with growth ensures that residents have a viable alternative to car travel when new neighbourhoods are established.
Bus operators	Bus operators need a manageable system and timetabling that allows efficient scheduling of buses and staff.

4 Confirming the Need for Investment

This chapter outlines the rationale for investment which is informed by the information and data presented in the previous chapter and work undertaken during the SBC stage. Problem statements and benefits, targets and investment objectives has been developed / confirmed collaboratively through a number of workshops involving the key project partners (BoPRC, WBoPDC, TCC and the NZ Transport Agency).

4.1 Defining the Problem

The lead stakeholder group identified and agreed the following key problems and weightings as part of the SBC:

- **Problem one:** The current urban land form and topography makes it difficult to support a more effective and efficient PT system across the whole network (35%).
- **Problem two:** The focus on access to PT services across the sub-region may mean that PT is not being best utilised as a competitive alternative mode to private cars (50%).
- **Problem three:** The traditional way the benefits of PT are demonstrated has led to policies, plans, and decisions amongst stakeholders that do not fully support the role of PT in the integrated transport network (15%).

An investment logic map (ILM) was developed for the SBC to summarise the main problems. This is attached as **Appendix C**.

The information and data collected to date has confirmed the problem statements are valid. Further analysis of these problems and development of SMART investment objectives is explored later in this chapter.

4.2 Benefits of Investment

The three most significant benefits identified by the lead stakeholder group for the SBC were:

- **Benefit one:** Improved optimisation of the transport network (55%).
- **Benefit two:** Improved travel choice (25%).
- **Benefit three:** Greater alignment of planning and investment (20%).

The further analysis undertaken for the PBC (including discussion with project partners through the workshop process) has identified no significant reason to change any of the benefits or weightings identified in the SBC.

4.3 Investment Benefits (KPI's) and Targets

An Investment Benefit Map was drafted as part of the SBC and has been updated through the lead stakeholder meetings for the PBC. The key changes were the addition of baseline and target information and revision of the measures used to assess benefit three to make the measures more achievable.

SMART investment objectives were defined by the lead stakeholder group during project workshops following a review of the evidence base against each problem. The following sections outline the problem / evidence correlation and SMART investment objectives. The Benefit Map is provided in **Appendix D** and includes baseline and target information.

4.4 Problem 1

"*The current urban land form and topography makes it difficult to support a more effective and efficient PT system across the whole network*" (35%).

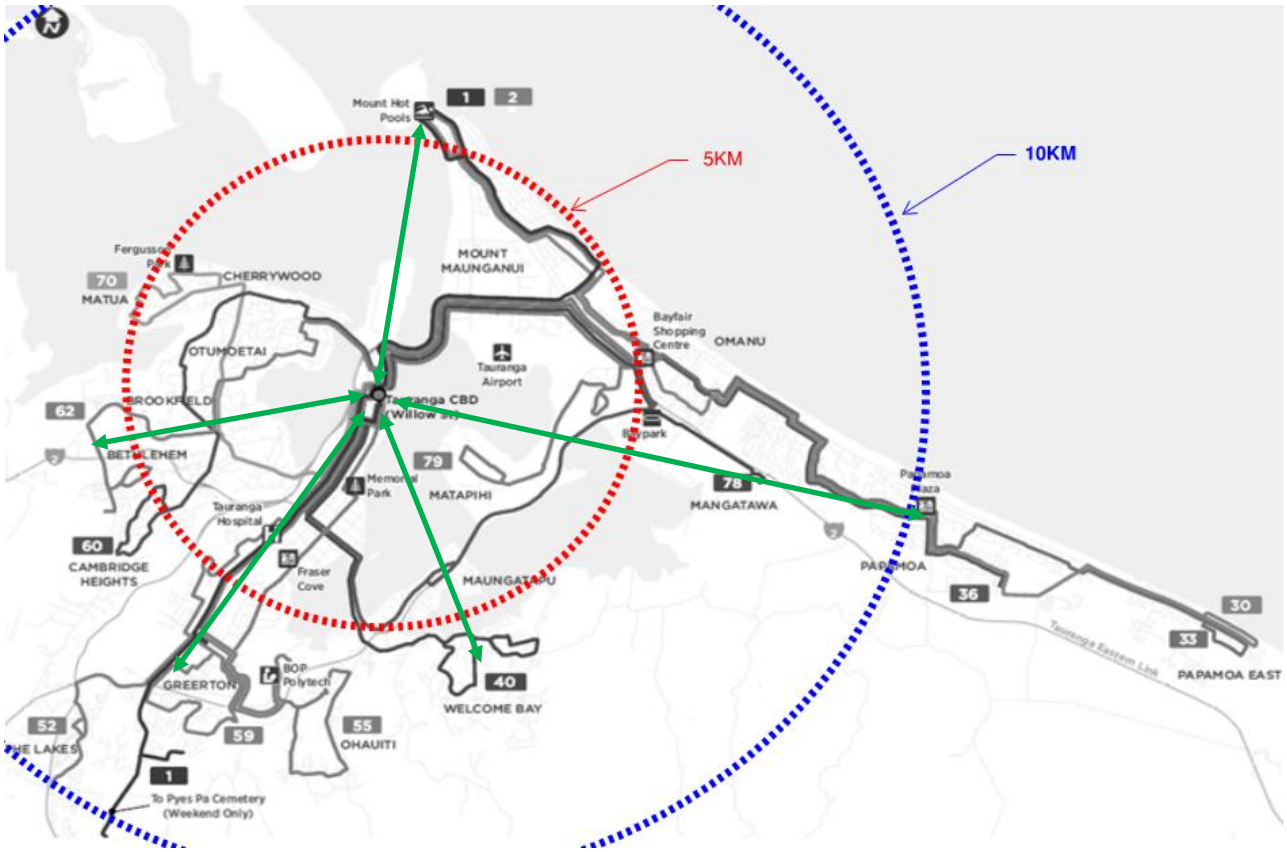
Problem one identifies that the physical environment PT network operates in isn't optimal for providing an effective and efficient PT system. This incorporates issues such as:

- Tauranga's bus network currently operates as a hub and spoke system only with all services terminating in the city centre,
- Lack of connectivity in the road network that results in more turns and longer routes,
- Lack of pedestrian permeability in residential and commercial areas that reduces the effective passenger catchment at bus stops,
- Corridors and networks that are principally designed to accommodate high-speeds and vehicle capacity ahead of active modes including elements such carriageway widths, lack of crossing points and pedestrian priority, speed environment,
- Consistently low-density housing across the Western Bay reduces the number of people within the catchment area for stops and routes, consequently reducing patronage per km travelled and increasing cost of providing services, and
- Topography in the form of hills, valleys, rivers and the harbour that prevent direct connections and limits connectivity within the PT and pedestrian networks.

4.4.1 Evidence

It is clear to see that the topography of the region makes it difficult to provide direct bus services. This is evidenced by the following map that shows, 5 and 10km radii lines from the CBD along with the existing bus routes and some direct line comparisons to key destinations. Bus routes are forced to take the Hewletts Road, Chapel Street of Cameron Road corridors to the CBD due to the surrounding harbour and lack of alternative routes. Only services to the south of the City, e.g. Greerton, take reasonably direct routes.

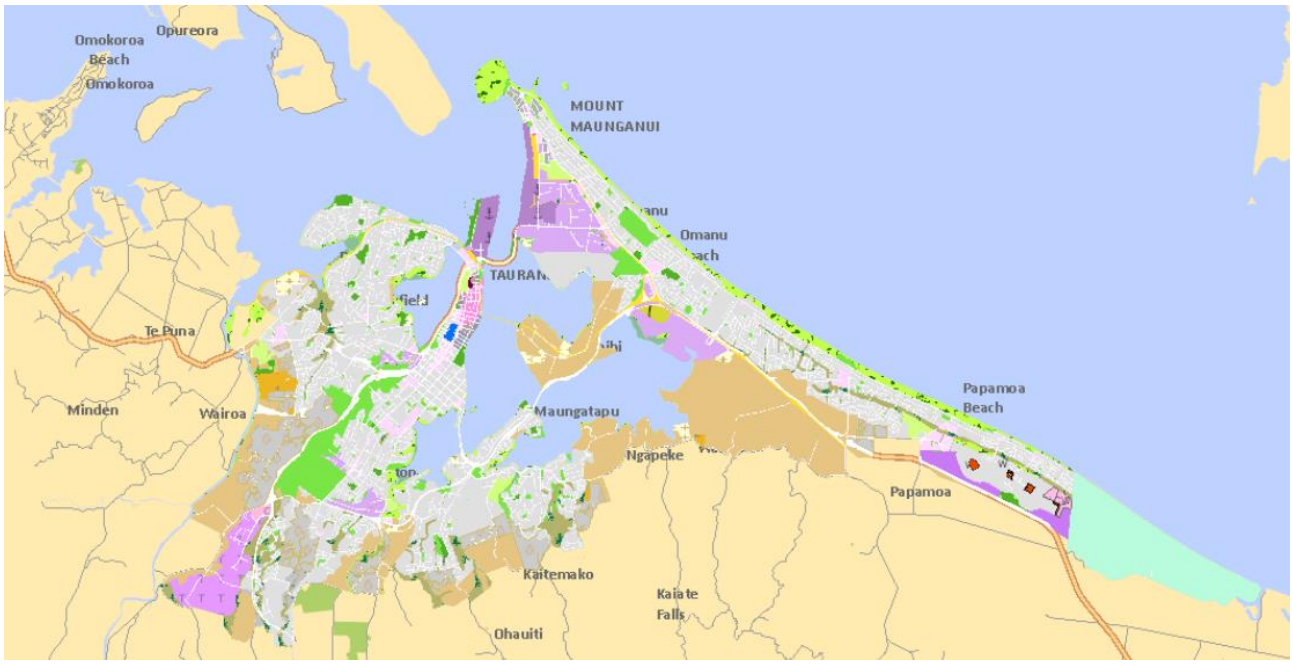
Figure 14: Tauranga Bus Routes and Direct Line Comparison



The Tauranga City Plan land zoning map (**Figure 15**) shows that the significant majority of residential land in Tauranga is zoned as Suburban (grey areas in Figure 15) or Rural (brown areas in Figure 15). These zones typically have larger lot sizes which results in less density and requires buses to travel further to collect passengers. There are patches of City Living and High Density Urban Residential zones in the City Centre and Mt Maunganui areas. The Western Bay has significantly larger lot sizes with a high proportion of rural land (even less density and larger catchments).

The population density of Tauranga City based on the 2013 Census was 7 persons per hectare, in the Western Bay it was 0.2 persons per hectare. The same densities for Auckland, Wellington and Christchurch were 27, 21 and 21 respectively.

Figure 15: TCC City Plan Zoning Map



Whilst the existing bus network has a reasonable coverage based on an assumed 400m walking distance isochrones to a bus stop, in future without improvements to the bus network this coverage will lag behind urban expansion. Analysis undertaken by TCC in 2012 shows that without upgrades to the bus network the proportion of the population living within 400m of a bus stop will reduce from 66% to 40%.

Figure 16: TCC Analysis on Bus Stop Accessibility (2012)

Year	Total Dwellings	Dwellings within 400m of a bus stop	Dwellings more than 400m from a bus stop
2011	46,865	30,930 (66%)	15,935 (34%)
2041	76,865	30,930 (40%)	45,935 (60%)

4.4.2 Implications of the Evidence

The evidence confirms that the regions topography does make providing direct bus services difficult, however this is not an uncommon problem as many Cities will have similar constraints. The relatively low residential densities in Tauranga make it difficult to deliver an efficient PT service and this is a local disadvantage when compared with other cities. As the region's population expands to new growth areas (many of which area further from the City Centre than existing residential locations) travel by bus will become less attractive unless the bus network is expanded and improved.

4.4.3 SMART Investment Objectives

The benefits investing in this problem will be improved optimisation of the transport network and greater alignment of planning and investment. The stakeholder group have agreed the following SMART investment objectives for this benefit:

Improve bus travel times on key corridors through shorter frequencies and bus priority measures etc to reduce the effect of distance on the attractiveness of bus travel. Target a bus passenger mode share of 10% by 2026. This will be measured via annual surveys of mode share on strategic bus /

traffic routes, e.g. Cameron Road, Chapel Street and across the Harbour Bridge inbound during the weekday AM peak period. Progress will be monitored annually.

And;

Increase the fare box recovery ratio to 45% by 2026. Progress will be monitored annually.

4.5 Problem 2

"*The focus on access to PT services across the sub-region may mean that PT is not being best utilised as a competitive alternative mode to private cars"* (50%).

Problem two identifies that to date, the focus has been on providing a PT network that covers a wide area with sometimes circuitous routes. Under these conditions it is hard to provide services that are both frequent and fast (from origin to destination) that would make PT competitive with cars and an effective tool to increase PT mode share and reduce congestion.

4.5.1 Evidence

This bus travel disadvantage is apparent when comparing bus and car journey times between the CBD and key destinations as summarised in **Table 2**.

Table 2: Bus vs Car Travel Times

Origin	Scheduled Bus Journey Time (min)	Car Journey Time (min)
Mount Hot Pools	44	16
Papamoa Plaza	42	28
Welcome Bay Shopping Centre	33	26
The Lakes Shopping Centre	43	11
Bethlehem Town Centre	34	10
Katikati	40 (one service per day)	30

On average it takes approximately two and a half times longer to travel between the CBD and the urban locations shown above by bus than by car, this analysis excludes waiting times which would further disadvantage bus users. Travelling between two locations outside the CBD is likely to be significantly slower by bus as it would likely require transfer between at least two bus routes. For example travelling between Bethlehem and Mt Maunganui by bus would require a bus transfer in the CBD.

The existing urban network covers a distance of just over 252km, of this, only 1.5km (less than 1%) of the network has any form of bus priority (bus lanes on Hewletts Road). This is indicative of the level of investment in PT infrastructure in the region.

At present there is also not a significant, if any, cost advantage of travelling by bus and in many cases bus travel may come at a cost disadvantage. The cost of a bus ticket on the urban network is $3.20 or $2.52 if travelling with a Smartride card. Assuming a Smartride card is used, a return ticket will cost just over $5.00. There are over 500 off street car parking spaces in the Tauranga CBD and the price for all day parking ranges from $2 to $6 depending on location. The weighted average cost of all day parking in the Tauranga CBD is $4.50. In addition, regular commuters can purchase parking concession cards for $80 per month

which equates to $2 per day in parking charges on average. Whilst the cost of owning and running a car must be considered in addition to parking charges, in many cases the direct daily cost of bus travel ($5.00 return) will be higher than travelling by car and parking in the CBD ($4.50 or less on average).

Outside the CBD parking is generally free and not time constrained in many areas. Key destinations such as Bayfair, Mt Maunganui, Greerton, Papamoa and Bethlehem have little or no parking charges or restrictions, which puts bus travel at a significant cost disadvantage. People using the bus every day to travel to and from these areas with little or no parking controls will incur much higher personal costs than car drivers.

4.5.2 Implications of the Evidence

The evidence confirms that at present it would be unlikely for travellers to choose to travel by bus rather than car on a travel time basis exclusively. Travel by car will in nearly every case be more direct and take less time than travelling by bus. There is very little bus priority on the network and parking costs will be lower than ticket prices for many commuter travellers.

4.5.3 SMART Investment Objectives

The benefits investing in this problem will be improved optimisation of the transport network and improved travel choice. The stakeholder group have agreed the following SMART investment objectives for this benefit:

Improve the competiveness of bus travel times. Target a reduction in bus journey time between key destinations of 20% over existing schedules by 2026. This will result in PT being a more competitive alternative to private cars and could be achieved by implementing bus priority, increased frequencies and express services for example.

And

95% of bus services will operate within five minutes of schedule during the 7am to 9am AM peak by 2026 during normal operating conditions.

4.6 Problem 3

"The traditional way the benefits of PT are demonstrated has led to policies, plans, and decisions amongst stakeholders that do not fully support the role of PT in the integrated transport network" (15%).

Problem three identifies that in the past we have evaluated the value of PT in a manner that doesn't fully recognise the contribution PT can make to the wider transport network, to urban form, to social wellbeing and the prosperity of the Western Bay of Plenty sub-region. An inability to demonstrate and express these contributions to stakeholders and decision-makers has resulted in less incentive to align policies and planning that would allow PT to play a significant role in the optimised transport system.

4.6.1 Evidence

On review of this problem it has been found that key guiding policies within the region do include support and measures which prioritise travel by PT but this does not appear to be resulting in greater investment in PT in the region. **Table 3** summarises the key local planning documents and the identified support for PT investment.

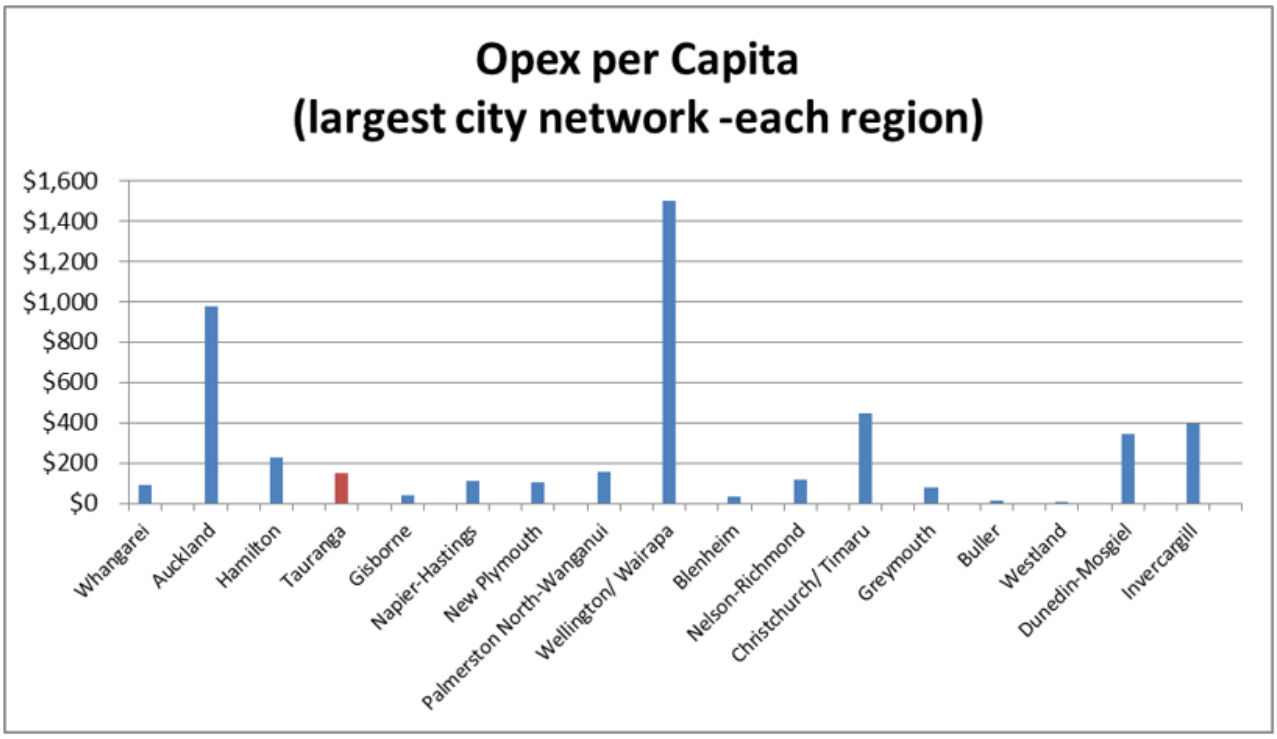
Table 3: Key Policy Support for PT Investment

Policy Document	Identified Support for PT Investment
Regional Public Transport Plan	Main Objective: Reliable and integrated PT services that go where people want to go. Other Objectives: ■ Fares, ticketing and information – fares, ticketing and information systems that attract and retain customers while covering a reasonable proportion of operating costs. ■ A procurement system that enables efficient and effective delivery of the desired network of PT services. ■ Infrastructure – high quality and accessible PT infrastructure that supports safe and comfortable travel. Other Policies: ■ Provide high quality (frequent, reliable, convenient, and efficient) urban services on Regional Strategic corridors to support urban accessibility. (BOPRC) ■ Provide PT services on Urban Connector routes to support Regional Strategic corridors. (BOPRC) ■ Regularly review service levels on Urban Connector routes to support areas demonstrating high demand for PT. (BOPRC) ■ Provide PT services on Rural Connector routes that link to Regional Strategic corridors and maintain access to essential community goods and services. (BOPRC). ■ Consider providing PT services to urban growth areas with at least 15 dwellings per hectare over a developed area of at least 10 hectares. (BOPRC). ■ Work with rural or isolated communities to develop targeted, innovative transport services to improve access to essential community goods and services. (BOPRC, City and district councils, the NZ Transport Agency) The investment priorities for PT in the RPTP are: 1. Maintain service levels. 2. Deliver target peak time service levels. ■ 3. Deliver target off-peak service levels and targeted services.
Regional Land Transport Plan	■ PT service becoming increasingly important. Enhance services. ■ Improved PT – investment to increase levels of service on urban networks, particularly strategic corridors. Promote travel options like PT, active modes and ride share. ■ Multi modal connections to improve the integration of PT. ■ Investments to be focused on improvement of urban services. ■ Continued support for rural bus services. ■ Improve quality and encourage usage of PT across the region. ■ 10 year expenditure close to $200 million.
TCC Long Term Plan	■ Improve bus bays and shelters. ■ Review City Centre bus interchange and develop Bayfair bus interchange.

Policy Document	Identified Support for PT Investment
	■ Provide an optimised and balanced Transport Network. ■ Invest in alternative modes (Walking, cycling, PT).
Tauranga Transport Strategy	■ Agree a future network of bus priority measures on key corridors, focussing on locations that provide maximum benefit to the largest number of services. ■ Bus priority through key intersections along SH2 Hewletts Road. ■ Bus priority on Totara Street. ■ Make modal share for PT and walking closer to national average. ■ Create more PT hubs. ■ Provide fully accessible PT infrastructure to support accessible services being introduced in Tauranga by Bay of Plenty Regional Council. ■ Integrate PT with other transport systems. ■ Where possible, minimise parking within new developments to support PT.
Tauranga City Plan	■ Bus Stops on Arterial Roads. ■ Reduced parking requirements where PT accessibility is high.
Western Bay of Plenty District Plan	■ To encourage the use of alternative modes of transport including PT. ■ Encourage multi modal transport use and improve infrastructure (bus lanes, road widening etc.).

Despite the strong policy support for PT investment, the Bay of Plenty region has only applied for approximately $300,000 in PT capital expenditure funding over the last five years. This is significantly less than all other main centres in New Zealand (Auckland, Wellington, Christchurch, Dunedin and Hamilton), and also less than all of these cities apart from Hamilton on a per capita basis. Operational expenditure per capita funding for Tauranga is also lower than all of the other main centres mentioned above, this funding comparison is shown in **Figure 17**.

Figure 17: Comparison Opex Spend (last 5 years)



4.6.2 Implications of the Evidence

The evidence shows that there is clear support for investment in improved bus services and infrastructure across the region within the key policy documents, however to date this has not translated to an increase in spending on operational or capital expenditure projects.

4.6.3 SMART Investment Objectives

The stakeholder group have agreed the following SMART investment objective for this problem:

Implement at least 50% of the projects identified in the PBC by 2021 and 100% by 2026. This may include part projects, i.e. initial phases of larger projects.

And:

The organisations responsible for investing in PT as guided by the PBC will commit 100% of the necessary funding as defined in the PBC by 2026.

4.7 Alignment to Existing Strategies / Goals

Table 3 has outlined the existing strategies and goals in key planning documents which support increased investment in PT for the region. In summary these documents are:

- Tauranga Transport Strategy,
- Regional Land Transport Plan,
- Regional PT Plan,
- Tauranga City Plan, and

- Western BoP District Plan.

In addition to the above, the Government Policy Statement on Land Transport identifies a need for PT to help unlock the potential of our urban areas by providing additional capacity on key corridors and a choice of ways to move around, particularly during peak commuting periods.

4.8 Issues and Constraints

At a broad level the key economic, social, environmental, transport, stakeholder issues and constraints which could have an effect on the project outcomes and outputs are considered to be:

- The effect of new infrastructure on the attractiveness of public transport, in particular the Tauranga Northern Link and additional CBD car parking, may make driving to and parking in the CBD easier and discourage people from using public transport.
- Smartgrowth has identified new areas of residential development in Papamoa East and Tauriko, the PBC seeks to support this growth through bus provision. If growth occurs elsewhere or the timing of development in these areas changes this may have an effect on the expected uptake of PT. Additionally, if commercial growth occurs outside the CBD where there is less bus coverage and lower parking charges / higher parking availability this may also have an effect on bus patronage.
- To achieve cost effective bus priority (bus lanes) it is likely to be necessary to remove or relocate car parking. There may be resistance from some stakeholders such as business owners that could delay or possibly impede the deliverability of such bus priority, and therefore any patronage gains expected due to the priority time savings will be lost.
- Other studies developing concurrently with the PBC such as the NOPs and Tauranga PBC may identify alternative options or priorities which influence the deliverability of the PBC programme. Although this is managed through combined stakeholder inputs to all projects.
- Rationalising school hopper services with the aim of encouraging more school students onto the urban network could result in more antisocial behaviour on buses (by students) which could discourage other travellers from using the bus.
- Additionally, reducing school bus services with the aim of providing school travel on the public bus network may in fact lead to higher private vehicle use if parents decide to drive their children to school rather than them catching the bus.
- Developing a bus network that is more direct than the existing network, while reducing travel times, may reduce coverage and make buses less accessible for some people. This may be a particular concern for elderly passengers who require bus stops close to their origin and destination.
- Factors such as fuel price changes can influence the uptake of PT and are outside the control of the problem owners.

4.8.1 Uncertainty Log

Factor	Time	Uncertainty	Impact on programme	Comments
Factors affecting demand				
Population Growth / Demographic Change	2017	More than likely	Low	Strong population growth provides a larger potential customer base for PT but also increases the number of cars on the road and impacts on bus journey times by increasing congestion. An aging population may present an opportunity to increase mode share as elderly people have greater propensity to travel by bus.
Tauranga University	2019	More than likely	Medium	The Tauranga University development presents an opportunity to increase bus mode share as university students typically have higher rates of bus use than other sectors of the population.
Vehicle Travel Time	2017	Reasonably foreseeable	Medium	Increasing congestion could impact on bus journey times but could also encourage bus use if priority measures can be provided.
Cost factors such as fuel price	2017	Reasonably foreseeable	Low	Fuel price not likely to reduce significantly. Increase would have a positive effect on patronage.
Factors affecting supply				
Increased frequencies will require more buses and bus drivers etc	2017	Reasonably foreseeable	Low	Bus operator will plan in advance for additional bus provision.
Factors affecting cost				
Local integrated ticketing scheme	2018	Reasonably foreseeable	Low	Business case is under preparation for funding of a national scheme.
Operational costs	Ongoing	Reasonably foreseeable	Low	Increasing fuel costs could increase bus operating costs. Increasing labour costs may have an impact in future.

PART B – DEVELOPING THE PROGRAMME

5 Programme Development

Part B of the PBC maps the path from identifying a broad range of alternatives and options through to considering a range of programmes (combinations of alternatives and options) to identifying a recommended programme.

5.1 Alternatives and Options

5.1.1 Interventions Not Considered

In developing the long list a number of options were not considered as they are outside the scope of the PBC. These included:

- Interventions considered highly unachievable inside the ten year timeframe, e.g. a network of dedicated busways.
- Demand management,
- Non bus public transport options, e.g. Ferries and Rail. Bus based public transport is considered to have significant potential for growth without the need to invest in other public transport modes which have higher operating and capital costs ie rail, ferry. Outside the 10-year Blueprint timeframe alternative public transport modes will likely be more feasible and will consequently be examined through the Tauranga PBC which has a 30-year planning horizon.

5.1.2 Long List Options

Seven programmes including a Do Minimum (no change) were initially identified for consideration by the lead stakeholder group. **Table 4** describes these programmes.

Table 4 - Long list Programme Descriptions

Programme	Description
Do minimum	Minor tweaks to the existing network to improve service reliability, speed and coverage.
Balanced	Similar network structure to existing with any additional services being balanced between serving existing and new areas. May include some cross city and express services, park and ride facilities, or higher frequency services.
Balanced PLUS	As per Balanced but with increased service levels to some / all areas. Also includes priority infrastructure for busses.
High performance Network	May see rationalisation of routes to allow higher frequencies on key corridors. May require transfers from connector services to rapid/frequent services. Likely to see a 15 minute frequent service in both directions between CBD, Mt Maunganui and Bayfair. May include express services to satellite communities.
High performance Network PLUS	As per high performance network but with additional investment in 15 minute frequency service to Greerton and Tauranga Hospital and additional investment in Intelligent Transport Systems (ITS) and access to stops.

Access for Everyone	Will see additional services to improve cross-city travel and improve coverage whilst extending operating hours. Some provision of park and ride (park and ride) facilities for satellite communities
Growth Enabler	Similar network structure to existing with the addition of park and ride services to growth areas satellite communities. Priority infrastructure provided on key corridors.

5.2 Long List Assessment

A short list of options was defined from the long list by the lead stakeholder group. The objectives of the short listing process was to:

- Evaluate programmes to determine which are most likely to deliver the benefits outlined in the strategic case,
- Evaluate programmes to identify risks and opportunities associated with each programme,
- Reduce the number of programmes that require detailed analysis to three,
- Ensure that a broad range of options are taken forward for more detailed analysis,
- Ensure that the short-listed programmes are different enough to provide meaningful choice prior to selecting preferred programme.

5.2.1 Evaluating Programmes against Strategic Case Benefits

The evaluation of the programmes against each of the benefit measures identified in the SBC was done using a five point scale, one being much worse than current conditions, three being similar to current conditions, five being a significant improvement. The scores for each measure were than weighted according to the benefit weightings developed in the strategic case.

The project stakeholders assessed the programmes based on a qualitative process which was rigorously debated to score each of the programmes. The results of this process are shown below in **Table 5**.

Table 5 - Programme Scores against the Strategic Benefit Measures

	Weight	No significant change	Balanced Investment	Balanced Investment PLUS	High performance	High Performance PLUS	Access for Everyone	Growth Enabler
Increase people throughput	22.5%	2	3.5	4	4	5	2.5	4.5
Reduced cost per trip/km	22.5%	3	3	3.5	4.5	5	3	3.5
Reduced journey time	12.5%	2	3.5	4	4	5	3.5	4
Increase reliability	12.5%	2	2.5	3.5	4	4.5	3	4.5
Improved integrated planning across stakeholders	10%	4	3	4	4	4	4	5
Improved transport system understanding	10%	3	3	4	4	4	3	4
Benefits Score		**8.6**	**10.5**	**12.7**	**13.8**	**15.8**	**10.1**	**13.9**
Programme Rank		7	5	**4**	**3**	**1**	6	**2**

The do minimum (no change) was the lowest scoring outcome of the evaluation. The scoring identified that the three programmes most likely to deliver the desired benefits were:

1. High Performance Plus;
2. Growth Enabler; and
3. High Performance.

However, the objectives of the short listing exercise were to ensure a wide variety of options for evaluation and consequently the “High Performance” programme was replaced with the next best performing programme, “Balanced Investment Plus”.

The option ranking is considered a fair evaluation of the long list. It would not be practical to include both High Performance and High Performance Plus in the short list as these options are very similar so replacing high performance with Balanced Plus is considered appropriate.

5.3 Short List Assessment

5.3.1 Shortlist Option Details

Option diagrams were prepared with input from the lead stakeholder group to describe the key activities under each of the shortlisted programmes. Proposed route changes have been informed by consultation and feedback received in the past. The option diagrams are provided in **Appendix E**.

The following summaries provide more detail about the key activities in each of the shortlisted options.

High Performance Plus (HPP)

The focus of the HPP option is to improve bus services within Tauranga with less emphasis on providing high frequency services on regional routes. Limited improvements to Katikati, Omokoroa and Te Puke services are included. Key improvements are:

Services

- Improved frequencies with services every 15 / 20 minutes on most urban routes,
- A 'city to surf' bus route connecting the CBD with Mt Maunganui and Bayfair with a target frequency of 15 minutes
- An 'eastern connection' service between Bayfair and Tauriko with interchange at key connection points such as Hairini, Bay Polytech (Windermere Campus), and Greerton,
- A 'western connection' service between Tauriko and Otumoetai, possibly extending to the CBD,
- Tauriko and Papamoa East express services to the CBD operating during peak periods,
- All existing bus routes will be reviewed and redesigned if necessary to achieve investment objectives.

Infrastructure

- Bus priority on Cameron Road from Greerton to 15th Avenue and bus lanes from 15th Avenue to the CBD,
- Limited increase in park and ride (park and ride) facilities at Omokoroa and increased level of service for Katikati, Omokoroa and Te Puke,
- Improved access to high use bus stops, e.g. better facilities, improved lighting, safer crossings, etc.

Policy

- Changes to car park pricing to better reflect the cost of car travel and bus fares (parking fees no less than 120% of adult bus fare) and more time restrictions (less all day parking) in areas within 800m of high frequency bus routes,
- District plan changes to support more intensive development along bus routes, e.g. within 600m of a bus route and even greater density around bus interchanges.
- A zone based fare structure with lower fares for travel within 5km (approx.) of the CBD.

Growth Enabler (GE)

The GE option focuses on providing a higher level of service to growth areas and regional centres such as Katikati, Omokoroa and Te Puke. There will be improvements to the urban network but less significant than

the HPP option. The GE urban network is similar to the HPP network but has lower frequencies. Changes in the GE option include:

Services

- Minimum frequencies in line with existing headways on most urban routes,
- Additional regular all day services to Katikati, Omokoroa and Te Puke supported by significant park and ride facilities in these areas,
- A Papamoa growth area route serving the Wairakei residential growth area supported by park and ride facilities,
- A peak period park and ride service from Greerton or other nearby location to the CBD,
- All existing bus routes will be redesigned. School Hopper services will be rationalised where urban services can provide a similar function,

Infrastructure

- Bus priority on Cameron Road from Greerton to 15th Avenue and bus lanes from 15th Avenue to the CBD,
- New or upgraded park and ride facilities in Katikati, Omokoroa and Te Puke,
- Bus priority (shoulder running) on SH2,

Policy

- Changes to car park pricing to better reflect the cost of car travel and bus fares (CBD parking no less than 120% of adult bus fare) and more time restrictions (less all day parking) in areas within 800m of high frequency bus routes,
- District plan changes to support more intensive development along bus routes, e.g. within 800m of a bus route and even greater density around bus interchanges.

Balanced Plus (BP)

The BP option includes activities from both the HPP and GE options to deliver improvements to the urban network as well as a good level of service improvement to growth areas and regional centres of Katakati, Omokoroa and Te Puke. The key changes in the BP option are as follows:

Services

- Minimum frequencies of 20 minutes on key urban routes but 30 minute frequencies on other routes,
- Park and ride services during peak periods from Katikati and Omokoroa,
- ‘city to surf’ route extends to Tauranga Hospital and possibly the Airport,
- Tauriko and Papamoa East express services operate during peak periods only,

Infrastructure

- Bus priority (bus lanes) along Cameron Road from 15th Avenue to the CBD,
- All existing bus routes will be redesigned. School Hopper services will be rationalised where urban services can provide a similar function,

Policy

- A zone based fare structure with lower fares for travel within 5km (approx.) of the CBD.
- Improved access to bus stops in Tauranga.

5.3.2 Common Elements

A number of committed improvements are common to all options including changes to School Hopper service. Key common elements include:

- School Hopper services will be rationalised where urban services can provide a similar function,
- Funding for a project manager to manage delivery of programme,
- Real time information and Wifi on buses,
- National ticketing project,
- Committed Bayfair and CBD interchange upgrades,
- Special event services,
- Increased marketing, communication and analysis budgets,
- Alternative transport provision for small communities to be investigated.

The following table provides a summary of the key inclusions in each option.

Table 6: Summary of Inclusions for each Option

	High Performance Plus	Growth Enabler	Balanced Plus
Redesign of existing routes	Yes	Yes	Yes
High frequency urban routes	Most	No	Some
School Hopper Redesign	Yes	Yes	Yes
Tauriko Express	Yes – peak periods	Yes – all day	Yes – peak periods
Papamoa East Express	Yes – peak periods	Yes – all day	Yes – peak periods
Park and ride – Urban	Tauriko	Tauriko, Papamoa	Tauriko, Papamoa
Park and ride – Regional	Omokoroa	Katikati, Omokoroa	Katikati, Omokoroa
Bus priority on Cameron Road	Greerton to CBD	Greerton to CBD	15th Avenue to CBD
Bus priority other roads	Possibly	SH2 to CBD	No
District plan changes	Yes	Yes	Yes
Parking price / time changes	Yes	Yes	Yes
Zone based fare structure	Yes	No	Yes

All options also include increased funding for programme management, analysis and planning tools and marketing budgets.

5.3.3 Opportunities and Risks

The opportunities and risks identified for the three shortlisted programmes are shown in **Table 7**.

Table 7 - Opportunities and risks for shortlisted programmes

Programme	Opportunities
Balanced Plus	No significant opportunities.
High Performance Plus	Residents who get a better service are likely to increase support for PT, making it more acceptable to expand services in future. Network will better cater for large scale events without the need for substantive changes or planning.
Growth Enabler	Establishment of park and ride sites now may provide opportunities in the future for transit orientated housing and business development.
Programme	**Risks**
Balanced Plus	No significant risks.
High performance Plus	Some stakeholder groups and public may oppose if there are reductions in service levels to some areas.
Growth Enabler	Requires growth areas to be developed with in anticipated time frames to be effective, susceptible to a Global Financial Crisis type event.

5.3.4 Pros and Cons

The main ‘Pros’ and ‘Cons’ of the three shortlisted programmes are summarised in **Table 8**.

Table 8 - Pros and cons identified for shortlisted programmes

Programme	Cons
Balanced Plus	Spreading service improvements evenly may result in no one area receiving a substantive increase in level of service.
High Performance Plus	Some residents may see a reduced level of service. Best results will require significant investment in infrastructure from TCC and the NZ Transport Agency.
Growth Enabler	More expensive to deliver services to growth areas could have negative impact on fare box recovery. Patronage growth may be slower and consequently congestion relief less pronounced. Disincentives density increases in central areas. Investment in park and ride facilities will require significant investment from TCC, WBoPDC, and the Transport Agency.
Programme	**Pros**
Balanced Plus	No losers – everyone should see the same or increased levels of service.
High performance Plus	Most competitive with car journeys on key routes, increasing patronage and mode share. Will see the largest increase in seat capacity to the CBD and other key employment destinations reducing the need for parking capacity and road capacity. May encourage infill and denser development close to high frequency

	services.
Growth Enabler	Will provide transport capacity to growth areas enabling increased development levels.

5.4 Programme Assessment

An assessment of the alternative options has been undertaken following the NZ Transport Agency's template. The following table summarises the findings of the assessment with each short listed option compared against expected patronage, benefit / cost and each of the investment objectives (IO) developed in Chapter 4. The full assessment tables are provided in **Appendix F**.

Table 9: Summary Assessment of Alternatives

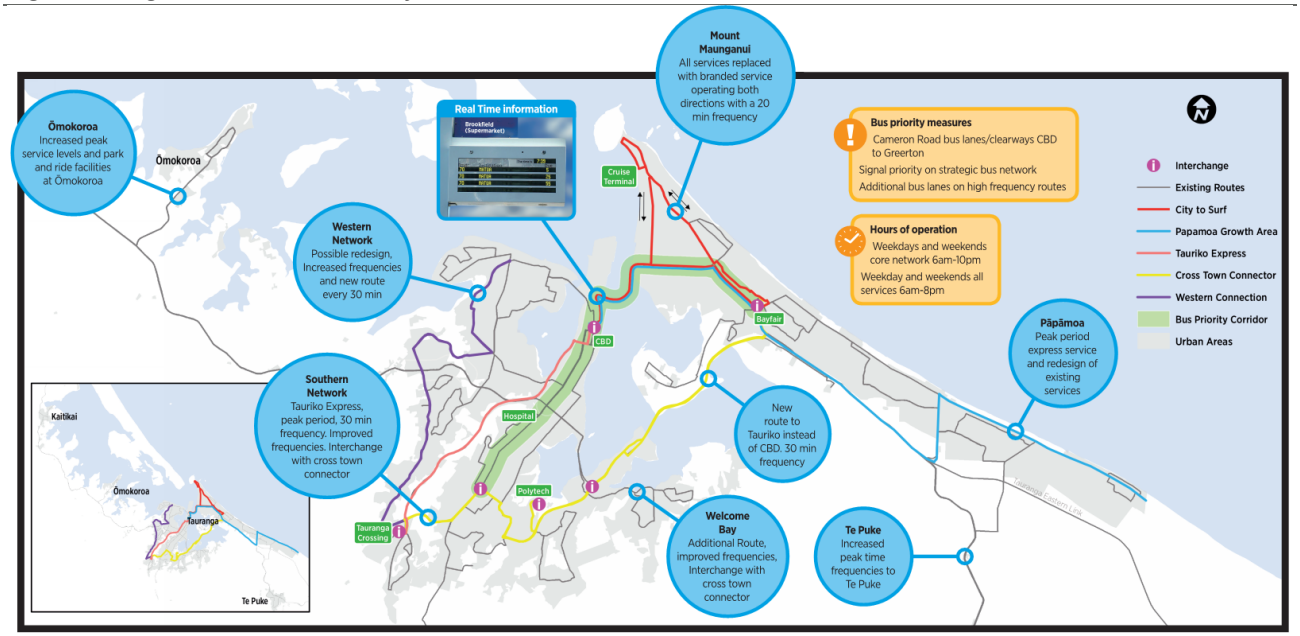
	Status Quo	High Performance	Growth Enabler	Balanced Plus
Annual Trips	2,437,000	3,087,000	2,983,000	2,732,000
Benefit Cost Ratio	0.63	1.29	0.89	0.97
IO1 - Strategic Corridor Mode Share of 10%	5.40%	8%	6%	7%
IO2 - Farebox recovery of 45%	28%	40%	35%	32%
IO3 - Journey times reduced by 20%	Unlikely	likely	possible	possible
IO4 - 95% of bus services arrive on time	Unlikely	likely	likely	possible
IO5 - Implementation of projects	0%	Lowest Risk	Some risk	High Risk
IO6 - Funding committed to projects		Lowest Risk	Some risk	High Risk

The indicative benefit cost values provided in the table above have been defined through an indicative BCR assessment, excel tables from this assessment are provided in **Appendix G**.

5.5 Recommended Programme

High Performance Plus is the recommended programme. The following diagram summarises the key initiatives under the High Performance Plus option.

Figure 18: High Performance Plus Key Initiatives



The main reasons for this being the recommended option are:

- The option has the best economic performance (BCR) of the three shortlisted options,
- The option should achieve the highest uptake of additional passenger trips by focusing additional services close to higher existing population densities, this should also help the option to achieve a higher fare box recovery than the alternative options,
- The option has higher frequencies in the urban network with bus priority on Cameron Road, these factors give the option a better chance of improving the car / bus travel ratio than other shortlisted options.
- The option aligns well with established policy objectives, for example the Tauranga Transport Strategy objective to "*agree a future network of bus priority on key corridors focussing on locations that provide maximum benefit to the largest number of services*".
- The option has lower capital and operational costs due to there being less emphasis on providing long distance services to regional areas and less emphasis on park and ride facilities which require land and capital cost investment. With a lower cost there is more likelihood that the full funding requirement will be achievable.

5.6 Implementation Strategy and Trigger Points

Following completion of the PBC, an Activity Business Case (ABC) will be developed to define the detailed changes to bus routes, scheduling and frequencies arising from the recommended programme.

The implementation strategy will be developed as part of the ABC as timing for the key activities will need to align with changes to the existing network and this will be programmed at the ABC level.

Implementation of route changes will follow as part of the new operator contracts to be initiated in late 2017. A schedule of investment is included in Section 7.

When developed the implementation strategy will consider how the SMART investment objectives will be reviewed after delivery of each activity in the programme.

6 Recommended Programme Assessment

This section assesses the performance of the recommended programme against three key criteria:

- Programme outcomes,
- Programme risks,
- Value for money.

6.1 Programme Outcomes

The key outcome of the recommended programme is increased uptake of bus travel and a comparable reduction in private vehicle kilometres travelled.

The programme is expected to increase bus patronage to approximately 3.1M trips per annum after 10 years, up from 2.5M currently. The following activities contribute to the expected increase in patronage:

- Improved frequency of services on key routes makes bus travel a more realistic alternative to car travel as passengers are not restricted as by timetables,
- Bus priority measures reduce journey times for bus users and make bus travel more favourable especially in peak periods when bus users could have an advantage over car speeds,
- Improved interchange facilities and better bus stops encourage people to use the bus and ensure users feel safe and comfortable,
- Changes to parking policies lead to increased parking charges once bus improvements are in place which make bus travel a realistic alternative to driving (carrot and stick approach),
- Network changes make existing bus services more direct leading to shorter travel times and improved bus / car travel time ratios. New networks go places people want to go regularly with interchange at key notes to the wider bus network.

Based on an assumed average trip length of 9.5km[8] an additional 600,000 bus trips per year will avoid over 6M kilometres of private car travel annually. There are a number of benefits associated with reducing vehicle kilometres travelled by private car, such as:

- Less emissions resulting in a cleaner atmosphere, lessening the impact of pollutants on public health,
- Less demand on the road network and less congestion resulting in improved travel times for vehicles that need to use roads, such as freight vehicles,
- Less demand on the road network may mean that future investment in infrastructure to increase road capacity or provide additional parking spaces can be deferred,
- Lower transport costs to bus passengers who avoid running a car and also to operators of vehicles that remain on the road but travel in less congested conditions.

Further work is required to confirm whether the programme can achieve the level of bus patronage and fare box recovery desired in the investment objectives. This will need to be further tested at the ABC stage.

[8] Statistics New Zealand, Household Travel Survey 2011 to 2014.

6.1.1 Impact on Existing Problems

Three problem statements were identified in the SBC and assessed in Section 4 of this PBC. Consideration of how the recommended program will address each of the problems is provided below.

Problem one: The current urban land form and topography makes it difficult to support a more effective and efficient PT system across the whole network (35%).

Response: Whilst the PBC cannot change the urban land form to enable more direct bus routes, the recommended option includes increased bus frequencies and more bus priority to reduce bus journey times and make bus travel more effective and efficient. The option includes express services to Papamoa East and Tauriko which will support growth in these areas. Policy changes such as encouraging higher densities around PT nodes and corridors will eventually increase passenger catchment densities.

The travel demand information from TTM (as discussed in Section 2) shows that there is a high number of peak hour trips made between Papamoa – Mt Maunganui, Otumoetai – CBD, Mt Maunganui – CBD and Greerton – CBD. The proposed bus network with the 'city to surf' frequent service and high frequency services along Camron Road supported by bus priority measures will cater well for these travel demands. The only deficiency in the option may be provision of a bus service from Papamoa to Mt Maunganui (the current option includes a Papamoa to CBD service and a Papamoa collector service with interchange at Bayfair to provide for travel to Mt Maunganui via the high frequency 'city to surf' route). This will be considered further as part of the detailed route design in the ABC.

Problem two: The focus on access to PT services across the sub-region may mean that it is not being best utilised as a competitive alternative mode to private cars (50%).

Response: The recommended option responds well to addressing this problem by providing more direct and higher frequency bus services on key routes. Whilst the detail of existing route changes will be defined as part of the ABC, the HPP option will lead to bus routes being more direct with shorter journey times. There is a risk that making routes more direct will reduce the coverage of the bus network, the effect of this will be considered further as part of the ABC stage.

Problem three: The traditional way the benefits of PT are demonstrated has led to policies, plans, and decisions amongst stakeholders that do not fully support the role of PT in the integrated transport network (15%).

Response: There will always be competing demands for transport funding and population growth in the region is likely to drive continued investment in roading infrastructure. However, the recommended option includes approximately $9M of capital investment in bus priority, bus stop improvements and park and ride facilities. Along with increasing the operational spend to deliver new routes and improved frequencies the HPP option will help to increase funding for capital expenditure.

The HPP option ticks many of the objectives identified within key planning documents listed in **Table 3**. This includes performing strongly in line with the following objectives:

- TCC Long Term Plan; "Provide an optimised and balanced transport network",
- Tauranga Transport Strategy; "Agree a future network of bus priority measures on key corridors, focussing on locations that provide maximum benefits to the largest number of services",
- WBOP District Plan; "Encourage the use of alternative modes of transport including PT",
- Regional PT Plan; "Reliable and integrated PT services that go where people want to go",

- Regional Land Transport Plan; “Improved PT investment to increase levels of service on urban networks, particularly strategic corridors”.

6.2 Programme Risk

6.2.1 Financial

The key financial risk is that passenger uptake is lower than predicted and this results in less fare box recovery than anticipated and a lower than expected return on investment. There are a number of factors that drive PT use and not all are within the control of the investors (e.g. petrol prices). Other cities have shown that provision of quality public transport services going places that people want to go in a timely manner can bring about the level of mode shift anticipated in this PBC.

It is also possible that operating costs and or infrastructure costs will be higher than expected in this PBC and this will impact on the benefit / cost ratio of the option and the feasibility of delivering the activities. Costs will be further refined as part of the ABC stage to continually monitor this risk.

It should also be noted that it is possible that passenger growth will be higher than expected and costs lower than the current estimates, resulting in a more favourable outcome than that anticipated in this PBC.

6.2.2 Stakeholders/Public

There is a risk that stakeholders or the public will not support the proposed option and this will reflect negatively on the investors. There are four key risks in this regard:

- Some existing passengers may find that the bus service they currently use do not follow the same routes in future and may not pass as close to their origin / destination as it does currently. This will be a negative experience for some people. The benefits of providing more direct services with shorter travel times should however provide a better overall service for customers. The coverage of the network will be considered in more detail during the ABC stage and this risk will be monitored.
- The objective to carry more school trips on the public service may be perceived negatively by some schools and school stakeholders (board of trustees, parents, students). Clearly communicating the changes and the reasons for change will be important to ensure that schools do not overly object to the new service.
- The option prioritises spending in the Tauranga urban area with less emphasis on providing improved levels of service to regional centres such as Katikati, Omokoroa and Te Puke. Communities in these locations may consider themselves disadvantaged and oppose the recommended option. It will be important to communicate that there will be some improvements to services to these areas and that the improvements in the urban area will benefit passengers travelling from these areas too.
- Users of urban bus services may be deterred at peak times by additional school pupils using these services as school bus services are optimised

6.3 Value for Money

Table 9 summarises the key findings of the indicative BCR assessment. Capital costs are incurred over the 10 year implementation period of the programme, benefits are evaluated over a 40 year horizon. The key benefits being:

- Increased revenue through higher passenger volumes,
- Travel time savings for bus passengers achieved through bus priority measures,

- Improved journey time reliability for bus passengers,
- A road traffic reduction benefit which accounts for reduced demands on the road network, reduced emissions etc.

Spreadsheet outputs of the indicative economic assessment are provided in **Appendix F**. A more detailed economic assessment will be undertaken at the ABC stage.

Table 10: Summary of Indicative Economic Assessment (HPP Programme)

Cost / Benefit	Do Minimum	High Performance Plus
Operating cost per annum	$12.5M	$14.7M
Capital cost over 10 years	$0	$8.9M
Net present value costs (40 years)	$183M	$222M
Revenue per annum	$3.5M	$6M
Network efficiency benefits[9] per annum	$4.4M	$11M
Net present value benefits (40 years)	$115M	$288M
Benefit Cost Ratio	**0.63**	**1.3**

The benefits of the changes from the existing situation to the proposed outcome (incremental benefit) i.e. the BCR of the difference between the existing benefits/costs and the option benefits/costs are more significant because the existing service has a low BCR, as summarised in **Table 10**.

Table 11: Summary of Indicative Incremental Economic Assessment

Cost / Benefit	High Performance Plus
Increased operating cost per annum	$2.1M
Increase in capital cost over 10 years	$8.9M
Net present value additional costs (40 years)	$39.7M
Revenue increase per annum	$2.3M
Network efficiency benefit increase per annum	$7M
Net present value benefits (40 years)	$138M
Benefit Cost Ratio	**3.5**

In summary the option is expected to achieve a BCR of around 1.3. However, considering the low BCR of the existing situation (0.6), when assessing the changes in cost and benefit from the existing situation to the option (the incremental BCR) the ratio would increase to around 3.5.

[9] Consists of: travel time savings, road traffic reduction benefit and reliability benefit.

6.4 Investment Profile

6.4.1 Strategic Fit

The strategic case found the assessment profile to meet both the medium and high investment criteria, resulting in a '**high**' strategic fit rating. The strategic case assessment is summarised below.

Medium Criteria

A medium strategic fit rating may be given if, in the short to medium-term, the problem, issue or opportunity is:

- A service provision that does not meet forecast demand, including in and to main urban areas, within a region, or
- Access to social and economic opportunities, particularly for those with limited access to a private vehicle, or
- A deficiency in reliability, or resilience in the transport system.

The current transport network in Western Bay is not able to meet the forecast demand in the short-term on either SH2 or SH29 within the next five years. The opportunity exists for public transport to assist in meeting this demand.

High Criteria

A public transport improvement activity must only be given a high strategic fit rating if in the short to medium-term, the problem, issue or opportunity is:

- A service does not meet forecast demand on networks or corridors in major urban areas, or
- There is a deficiency in journey time reliability in a major urban area.

The current transport network in the Western Bay is not able to meet the forecast demand in the short-term on either SH2 or SH29 within the next five years. The opportunity exists for public transport to assist in meeting this demand. Tauranga is considered a major urban area in regards to the Investment Assessment Framework.

The strategic case assessment resulting in a high ranking is considered valid and confirmed. The evidence included in Chapter 2 confirms that there is a deficiency in journey time reliability in Tauranga, peak period private vehicle travel speeds are decreasing and buses on the urban network are not operating to schedule, which means journey times are not reliable.

6.4.2 Effectiveness

The effectiveness of the proposed option has been assessed against the NZ Transport Agency's six criteria for effectiveness in the Investment Assessment Framework. At the PBC stage the effectiveness assessment is indicative and will be confirmed in the ABC. The effectiveness of the proposed solution is **high**.

Table 12: Effectiveness Evaluation

Component	Explanation	Rating and Assessment
Outcomes focused	Tangible change in addressing the problem, issue or opportunity identified in the Strategic Fit assessment.	**High**. Improving bus transport mode share will reduce congestion and improve travel reliability and Level of Service for all road users.

	Consistency with levels of service in an appropriate classification system.	
Integrated	Consistency with the current network and future transport plans. Consistency with other current and future activities. Consistency with current and future land use planning. Accommodates different needs across modes. Support as an agreed activity across partners.	**High**. There is strong regional support for additional investment in PT as defined in Table 3. The proposed option aligns with existing travel patterns and integrates with the existing network. The option includes services to growth areas in Tauriko and Papamoa East. There is cross agency support for the option which was developed with stakeholder input.
Correctly scoped	The degree of fit as part of an agreed strategy or business case. Has followed the intervention hierarchy to consider alternatives and options including low cost alternatives and options. Is of an appropriate scale in relation to the issue/opportunity. Covers and/or manages the spatial impact (upstream and downstream, network impacts). Mitigates any adverse impacts on other results.	**High**. The option has been developed through the business case process with stakeholder involvement. A long list and subsequent short list of alternative options was developed before the recommended option was selected.
Affordable	Is affordable through the lifecycle for all parties. Has understood and traded off the best whole of life cost approach. Has understood the benefits and costs between transport users and other parties and sought contributions as possible.	**High**. The option has the lowest cost of all shortlisted options and the additional investment is considered to be comparably low against investment in alternative forms of transport, e.g. roads and car parking.
Timely	Delivers enduring benefits over the timeframe identified in the justified strategy or business case. Provides the benefits in a timely manner.	**High**. The programme is expected to deliver PT uptake benefits from the initial stages of implementation with increasing uptake as new activities such as bus priority and ticketing upgrades are implemented.
Confidence	Manages current and future risk for results/outcomes. Manages current and future risk for costs.	**High**. A staged approach to the development of the bus network and infrastructure investment is the best way of managing costs against the expected outcomes. Costs will be managed well by fully implementing PTOM within the contract delivery and management.

6.4.3 Benefit Cost Appraisal

The benefit cost assessment described previously found the option likely to result in a BCR of one, this equates to a **low** benefit cost rating.

In summary the Investment Profile is **High, High, Low**.

7 Programme Financial Case

This section highlights the affordability of the programme, and what elements are to be funded by the partnering organisations.

7.1 Indicative Cost

The costs of the option are both operational costs (running buses) and capital costs (providing infrastructure to support bus travel such as bus lanes, bus stops etc.).

7.1.1 Operational

The following table summarises the existing and predicted future operational cost of the service under the HPP option. The annual cost increase is approximately $2.3M per annum. Note this assessment assumes a cost reduction for school hopper services and the actual achievable cost reduction will not be known until the ABC is completed.

Table 13: Indicative Operational Costs, Existing vs HPP Per Annum

Network component	Existing	Option	Cost Increase
Tauranga Urban Network	$9.6M	$12M	$2.4M
Katikati, Omokoroa and Te Puke services	$275K	$800K	$525K
School Hopper	$2.7M	$2M	-$700K
Total Operating Cost Per Annum	**$12.5M**	**$14.8M**	**$2.3M**

Operational costs are typically covered in thirds by the BoPRC, NZ Transport Agency and through fare box recovery.

In addition to the operating costs for running buses there will be costs to BoPRC / Transport Agency associated with delivering the programme, e.g. management, promotion and marketing, analysis tools etc. A cost of $800,000 to $1M over 10 years (51% funded by the Transport Agency) is assumed at this stage.

7.1.2 Capital

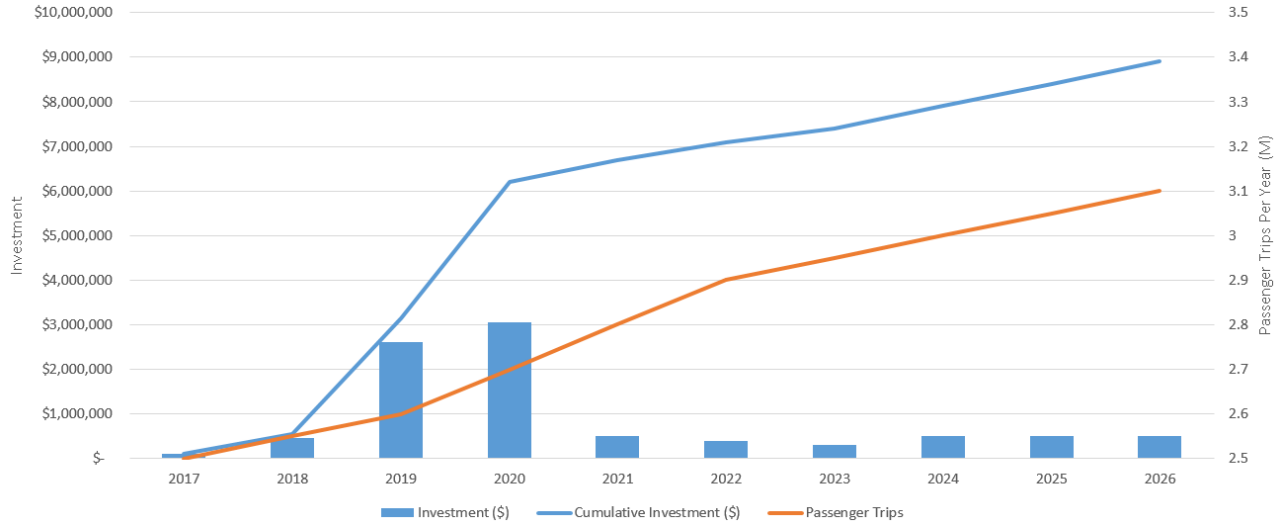
The option identifies a capital cost of approximately $8.9M over ten years. This cost is associated with the following activities:

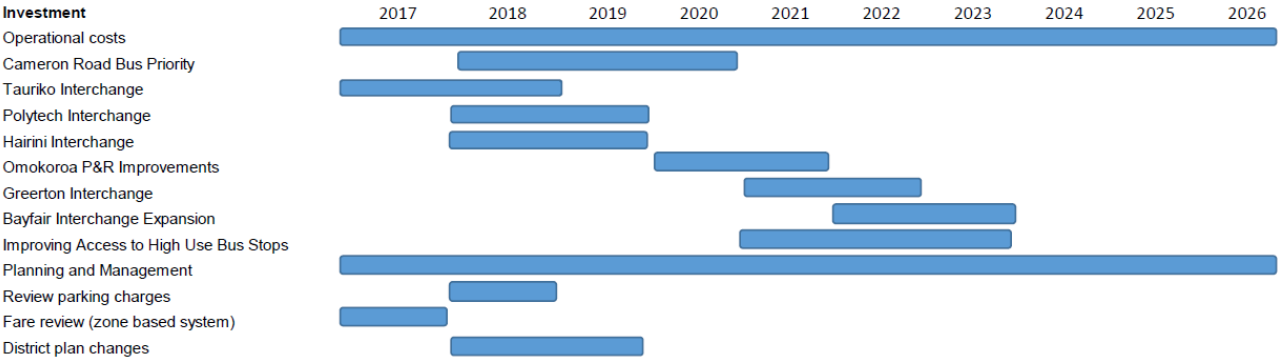
- Improving access to stops,
- Bus priority on Cameron Road from Greerton to the CBD,
- New/improved bus interchange facilities:
  - Bayfair expansion,
  - Tauriko,
  - Greerton,
  - Polytech,
  - Hairini,

- Improved park and ride facilities at Omokoroa.

The following figures show the anticipated timing of investment and corresponding forecast passenger growth over the ten year implementation period. Passenger growth is a function of the various new activities and population growth.

Figure 19: Estimated Cumulative Capital Cost Investment and Passenger Growth (2017-2026)





7.2 Funding Arrangements

As with other public transport projects the funding of the costs will be shared between the lead organisations. BoPRC and the Transport Agency fund operational costs. TCC, WBoPDC and the Transport Agency fund capital expenditure.

The following table further defines the predicted capital cost investment by controlling organisation. Estimated new/improved interchange costs assume development within public land, i.e. no land costs.

Table 14: Indicative Funding Requirements for Capital Costs by Controlling Organisation

				TCC	WBoPDC	NZTA
		Estimate	Year / FAR:	51%	51%	
Cameron Road Bus Priority	Investigation / design	$150,000	2017/18	$73,500		$76,500
	Construction	$5,000,000	2019/20	$2,450,000		$2,550,000
Tauriko Interchange	Investigation / design	$50,000	2017	$24,500		$25,500
	Construction	$250,000	2018	$122,500		$127,500
Polytech Interchange	Investigation / design	$50,000	2018	$24,500		$25,500
	Construction	$250,000	2019	$122,500		$127,500
Hairini Interchange	Investigation / design	$50,000	2018	$24,500		$25,500
	Construction	$350,000	2019	$171,500		$178,500
Omokoroa P&R	Investigation / design	$50,000	2020		$24,500	$25,500
(improvements)	Construction	$450,000	2021		$220,500	$229,500
Greerton Interchange	Investigation / design	$50,000	2021	$24,500		$25,500
	Construction	$350,000	2022	$171,500		$178,500
Bayfair Interchange	Investigation / design	$50,000	2022	$24,500		$25,500
(expansion)	Construction	$250,000	2023	$122,500		$127,500
Improving Bus Stops	Investigation / design	$50,000	2023	$12,250	$12,250	$25,500
	Construction	$1,500,000	2024-26	$367,500	$367,500	$765,000
		$8.9M		**$3,736,250**	**$624,750**	**$4,539,000**

7.3 Affordability

The operational and capital cost increases are considered affordable, provide a good BCR, and are relatively minor when compared with the investment made in other forms of transport, i.e. roads and car parking etc.

8 Delivery and Monitoring

8.1 Management Case

8.1.1 Governance and Reporting

BoPRC is the project sponsor and leads further development and delivery of the recommend option. BoPRC will lead the ABC for the network redesign as the first activity arising from this PBC. The incoming Councils will determine the governance structure for associated projects.

Other stakeholders may lead additional business cases for investment in PT infrastructure as an outcome of the PBC, i.e. an Indicative Business Case (IBC) for bus priority (and subsequent implementation) on Cameron Road would be sponsored by TCC as the lead agency whilst an IBC for a park and ride facility at Omokoroa would be led by WBoPDC.

8.1.2 Stakeholder Engagement and Communications

Key stakeholders have been involved in the development of the PBC and this engagement will continue through the development of the ABC.

Public consultation on the proposed option is planned to occur early in 2017.

8.1.3 Performance Review and Monitoring

The performance of the option will be reviewed by the BoPRC through its monthly PT patronage and revenue/farebox recovery reports and other forms of reporting, e.g. BoPRC PT subcommittee reports. Reporting will include indicators of mode share and travel time etc so the programme ongoing evaluation against the investment objectives can be carried out.

A full review of the network performance will be undertaken in year 5. This will ensure that the service can respond to land use changes / growth particularly in urban growth areas which are rapidly expanding at present. Additional services / route extensions or other improvements such as park and ride parking expansions etc may be necessary by this time.

Appendix A: Complementary Programmes

Tauriko Network Plan

The Tauriko Programme Business case has identified a preferred transport programme that enables the development of Tauriko over the next 30 years. It has identified public transport as having a key role in this programme, providing additional local services, interchange and park and ride facilities. The majority of this suggested investment falls outside the time frames of the Blueprint however should development of this area go ahead of schedule there may be a need for additional investment to support growth.

Smartgrowth Compact City Project

The Compact City project outputs have reinforced the need for a wider range of housing types to meet future needs. Tauranga City Council has commenced a project to achieve residential growth and intensification in Tauranga's existing urban area. The four workstreams are: activation of the city centre, refining the planning framework in the City living Zone, considering intensification opportunities in suburban areas, and a range of specific growth related projects.

Tauranga Network Operating Frameworks

The Tauranga Network Operating Plan (NOP) forms part of the evidence building and optimisation component of the Tauranga Programme Business Case which is being developed by Tauranga City Council, NZ Transport Agency and the Bay of Plenty Regional Council in collaboration with SmartGrowth and other stakeholders. The NOP is a short term 0-5-year document. The network operating framework will focus on the area within the Tauranga City Boundary with operating plans developed for specific areas identified as having more significant operating gaps or needs. The focus will specifically be on the State Highway network and on local roads with a status of collector or higher. Interventions of a larger scale that would fit within a Network Improvement Plan will be considered through the Tauranga Programme Business Case process.

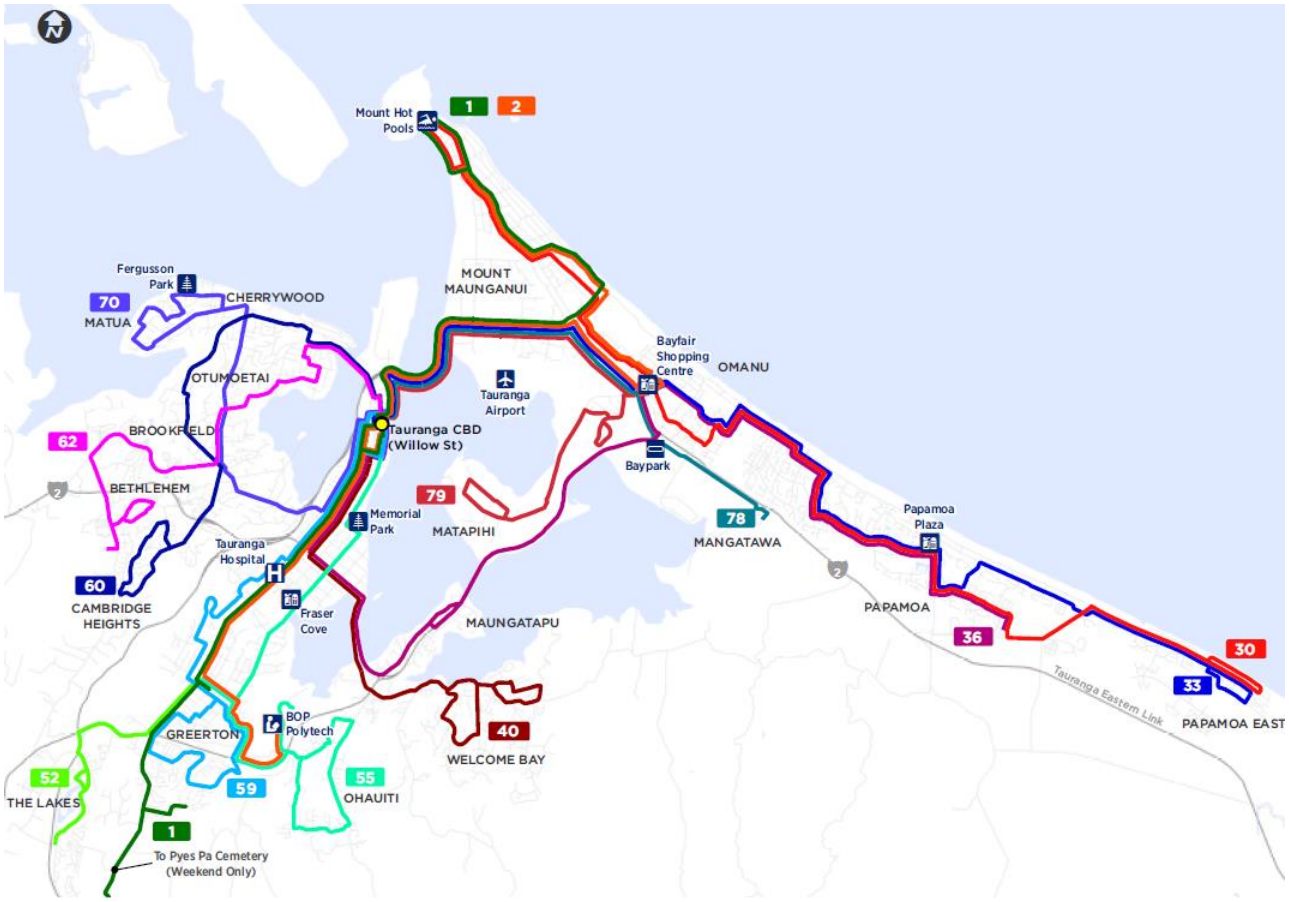
Civic Centre Project

The civic centre project has seen TCC commit to investing $23million in direct funding to develop new staff accommodation, $4.3Million to deliver open space and a series of business cases for a new museum, city library and multi-purpose performance venue located in with the Tauranga CBD. This is in addition to the development of the Harrington Street multi-level carpark which was already funded within TCC's long term plan.

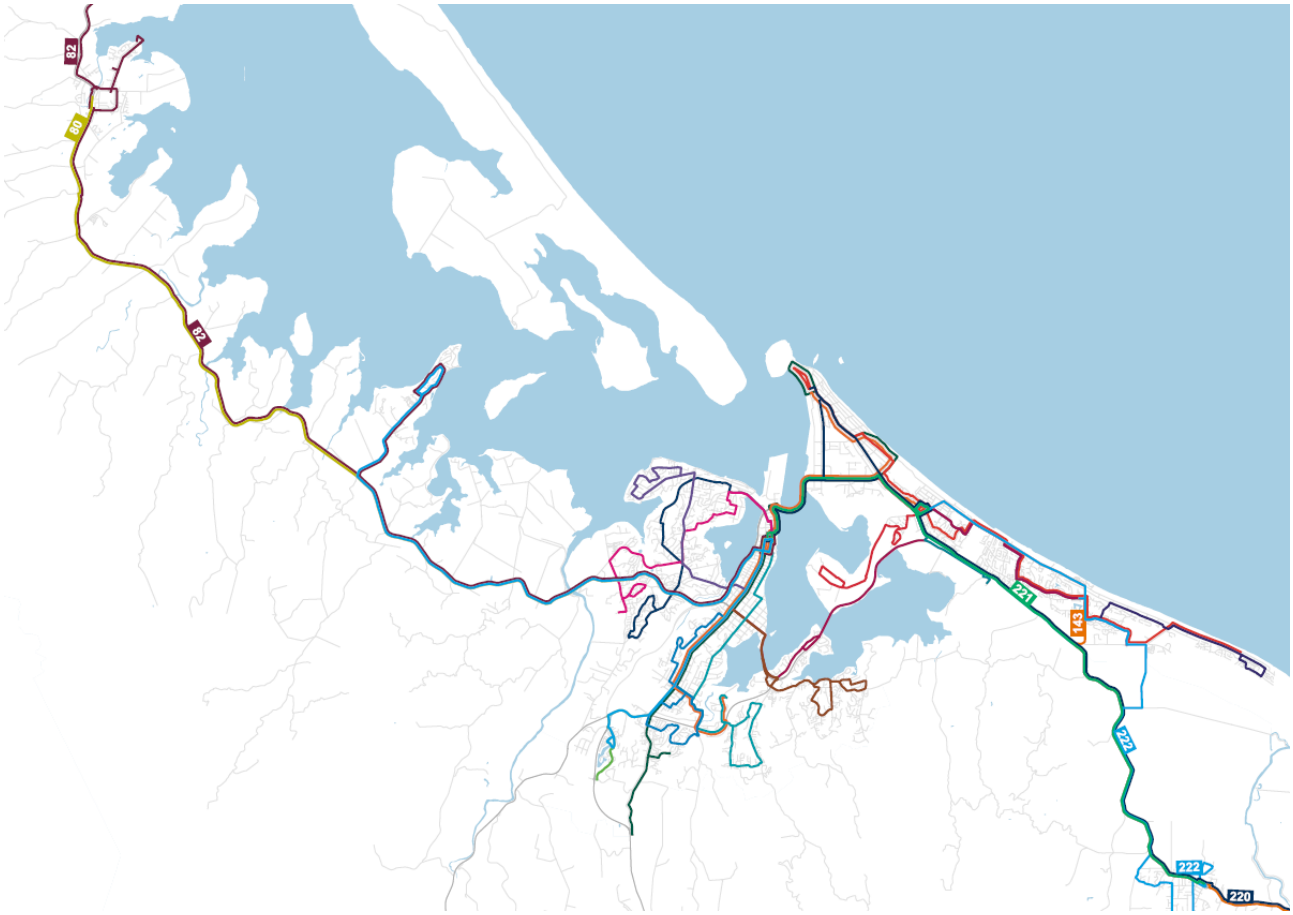
Tauranga Programme Business Case

The Tauranga Programme Business Case is a similar project to the Blueprint but is looking specifically at Tauranga and at all modes of Transport over a 30 year horizon The strategic case for this project identified car dependency as the major problem with the existing transport network and consequently this work is likely to support an increased investment in public transport.

Appendix B: Existing Bus Service Details



Route	Description	Weekday Frequency	Weekend Frequency
1	Pyes Pa – Greerton – City – Mt Maunganui	30 minutes	1 hour
2	Windermere – Greerton – City– Bayfair – Mt Maunganui	30 minutes	1 hour
30	Pāpāmoa – Bayfair – Mt Maunganui	1 hour	1 hour
33	City – Bayfair – Pāpāmoa	20 minutes	1 hour
36	City – Maungatapu – Bayfair – Pāpāmoa	30 minutes	1 hour
40	City – 15th Ave – Welcome Bay	30 minutes	1 hour
52	Greerton – The Lakes	30 minutes	1 hour
55	City – Fraser St – Greerton – Windermere – Ohauiti	30 minutes	1 hour
59	City – Sunvale – Greerton – Oropi	1 hour	1 hour
60	City – Bellevue – Brookfield – Cambridge Heights	30 minutes	1 hour
62	City – Pillans Pt – Brookfield – Bethlehem	30 minutes	1 hour
70	City – Brookfield – Cherrywood – Matua	30 minutes	1 hour



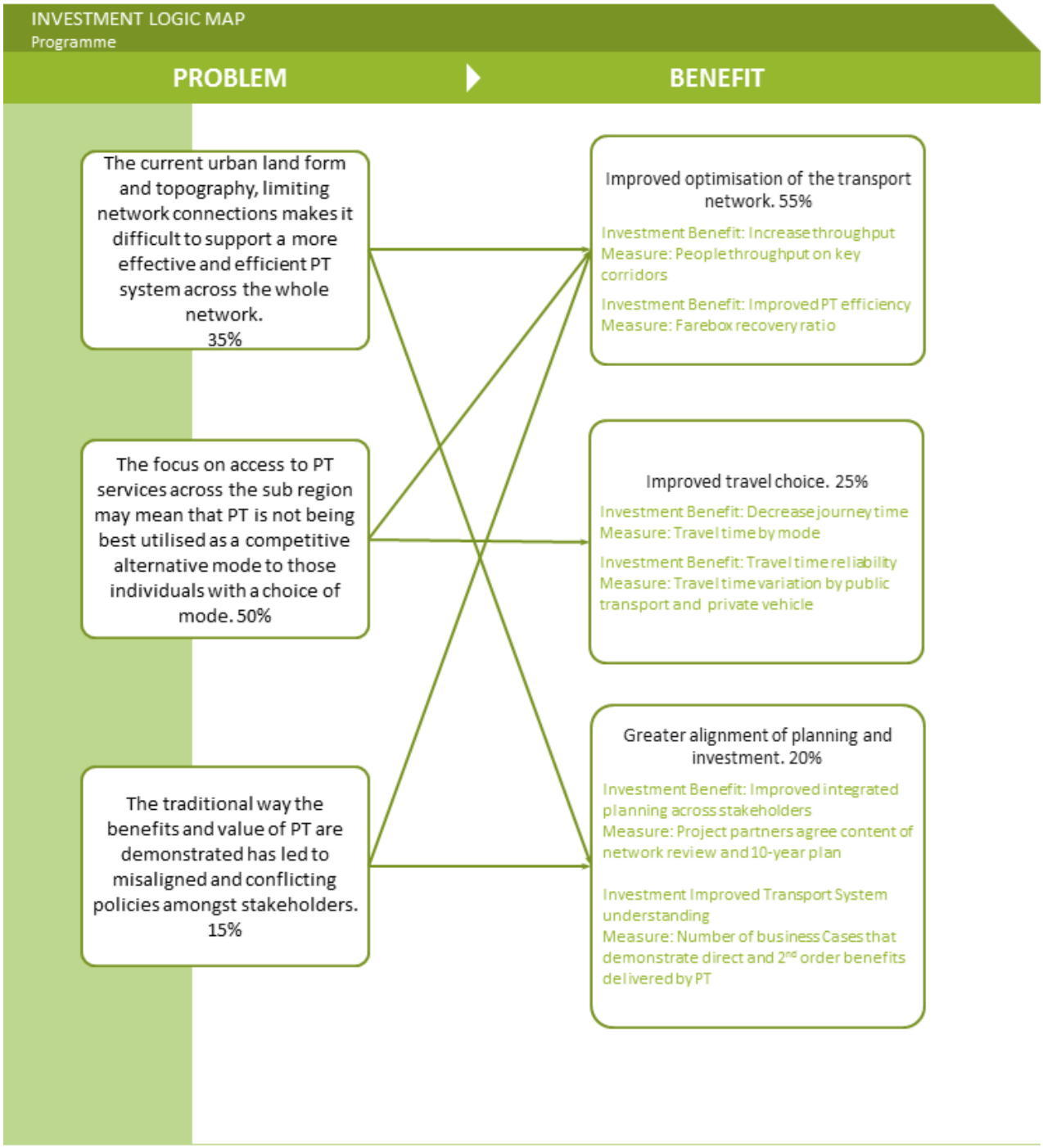
Route	Description	Weekday Frequency	Weekend Frequency
80	Katikati – Tauranga	3 services per day	No service
81	Omokoroa – Tauranga	2 services per day	No service
82	Waihi Beach – Katikati – Tauranga	2 services per day (Tuesdays, Thursdays and Saturdays only)	No service
221	Te Puke – Tauranga	3 services per day	No service
222	Te Puke – Tauranga	2 services per day (Wednesdays and Fridays only)	No service
222a	Maketu – Bayfair	1 service per day	No service

Appendix C: Investment Logic Map

Bay of Plenty Regional Council

Tauranga Passenger Transport Network Review

INVESTMENT LOGIC MAP
Programme



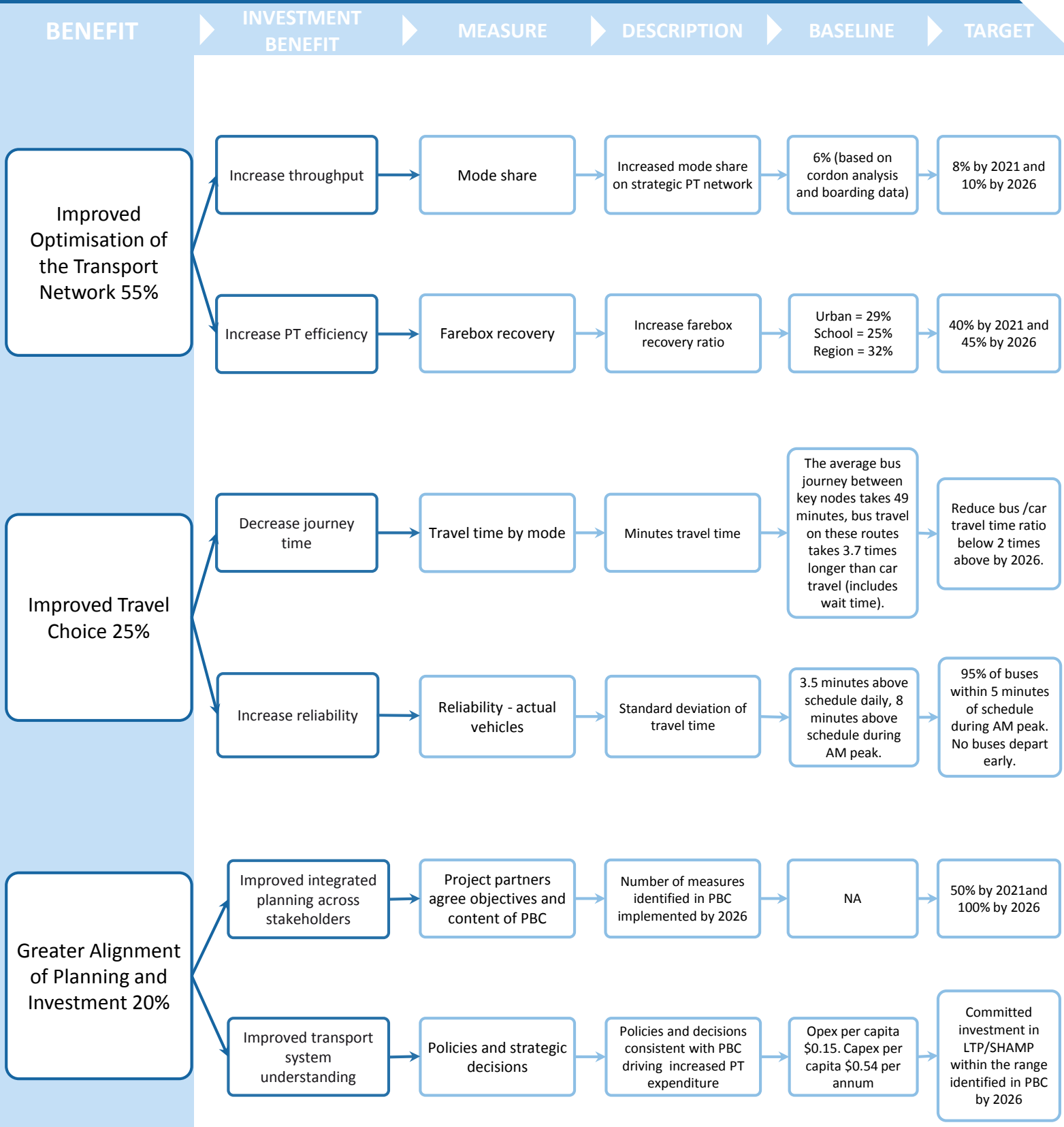
Business Problem Owner: Joe Metcalfe
Facilitator: Matt Barnes
Accredited Facilitator: No

Version no: 0.4
Initial Workshop: 29/04/2015
Last modified by: Joe Metcalfe 17/02/2016
Template version: 5.0

Appendix D: Benefits Map

Tauranga / Western Bay of Plenty PT Network Review PBC

BENEFIT MAP



RESPONSIBILITY FOR DELIVERING THE BENEFITS		
Name	Position	dd/mm/yyyy

Appendix E: Shortlist Programme Diagrams

WESTERN BOP PT BLUEPRINT
Key initiatives and indicative changes to existing services.

High Performance Plus "May see rationalisation of routes to allow higher frequencies on key corridors. May require transfers from collector services to express services. Likely to see a 20min frequency between the CBD, Mount, Bayfair, Tauranga Hospital and Greerton. May include express services to satellite communities. Additional investment in ITS, access to stops and bus priority infrastructure."

Omokoroa / Katikati services to be reviewed. Additional peak period services. Basic park and ride facility at Omokoroa

CBD - Mount - Bayfair (20 minutes)

Bus Priority Corridor

i Interchange

Existing Routes

Existing route changes

Western Connection (30 minutes)

Western suburbs network redesigned, more direct routes, increased frequency.

Routes 30, 33, 36 complete redesign. More direct routes.

Improved service levels for Matapihi and Mangatawa.

Papamoa East Express (30 minutes peak periods)

Tauriko Express (30 minute peak periods)

Cross Town Connector (30 minutes)

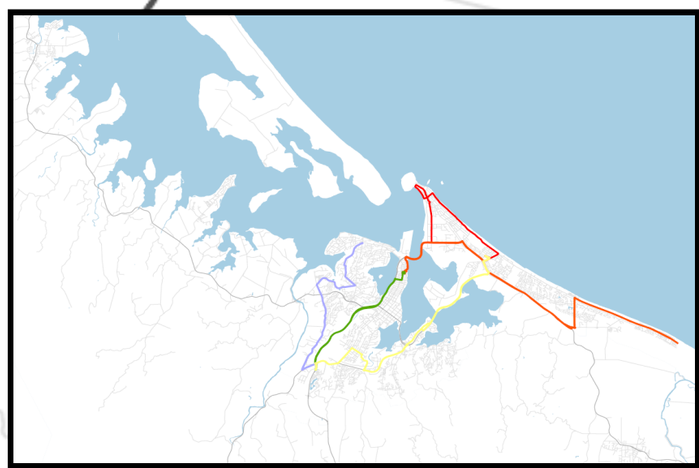
Te Puke / Maketu / Paengaroa services redesign. Increased frequency in peak periods.

Welcome Bay two loops, increased frequency.

Polytech high frequency to CBD. Improved interchange.

Route 1 and 2 truncated at CBD, connecting to Mt Maunganui increased frequency.

Ohauiti coverage expanded with improved frequency.



Additional investment; Improved access to stops, ticketing upgrade, real time information, parking price changes, district plan changes, PT planning / analysis tools.

WESTERN BOP PT BLUEPRINT
Key initiatives and indicative changes to existing services.

Growth Enabler "Focus on improving services to growth areas and satellite communities with increased frequencies and all day services to these areas. Similar frequencies to existing within the Tauranga urban area. Park and ride facilities on strategic routes. Bus priority infrastructure on key corridors."

Omokoroa / Katikati circulating buses, greater coverage and increased frequency. All day services to Tauranga.

CBD - Mount - Bayfair - Airport - CBD (30 minutes)

Greerton Express P&R (30 minutes)

Katikati / Omokoroa Express P&R (all day)

Western suburbs network redesigned, more direct routes, increased frequency.

Routes 30, 33, 36 complete redesign. More direct routes.

Improved service levels for Matapihi and Mangatawa.

Papamoa Growth Area Express P&R (all day)

Tauriko Express (all day)

Cross Town Connector (30 minutes)

Te Puke Connector (30 minutes)

Welcome Bay two loops, increased frequency.

Te Puke / Maketu / Paengaroa services redesign. Greater coverage and increased frequency.

Polytech high frequency to CBD. Improved interchange.

Pyes Pa Route 1 truncated at CBD, connecting to Mt Maunganui route.

Ohauiti coverage expanded with improved frequency.

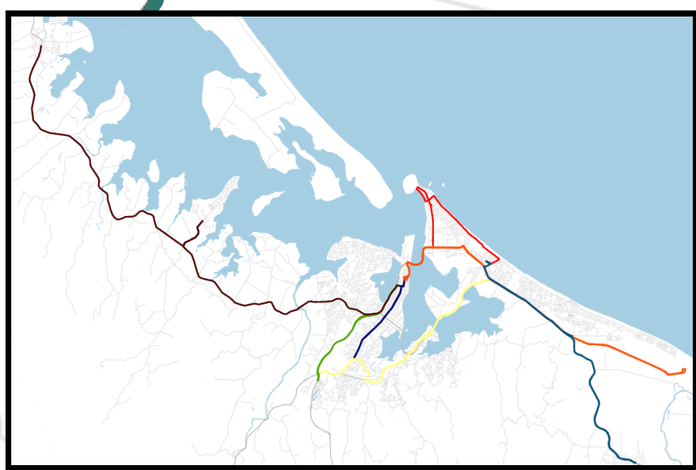
Additional investment; Ticketing upgrade, real time information, parking price changes, district plan changes.

Bus Priority Corridor

i Interchange

Existing Routes

Existing route changes



WESTERN BOP PT BLUEPRINT
Key initiatives and indicative changes to existing services.

Balanced Plus "Similar network structure to existing with and additional services being balanced between serving existing and new areas. May include some cross city and express services, park and ride facilities and higher frequency services. Will have increased level of service to some / all areas. Includes priority infrastructure for buses."

Omokoroa / Katikati services to be reviewed. Increased service levels. Park and ride at Omokoroa

CBD - Mount - Bayfair - Airport - Hospital (30 minutes)

Bus Priority Corridor

Interchange

Existing Routes

Existing route changes

Western suburbs network redesigned, more direct routes, increased frequency.

Katikati / Omokoroa P&R (peak periods)

Routes 30, 33, 36 complete redesign. More direct routes.

Improved service levels for Matapihi and Mangatawa.

Papamoa Growth Area P&R (peak periods)

Tauriko Express (peak periods)

Cross Town Connector (30 minutes)

Western Connection (30 minutes)

Welcome Bay two loops, increased frequency. Possible Waitao extension

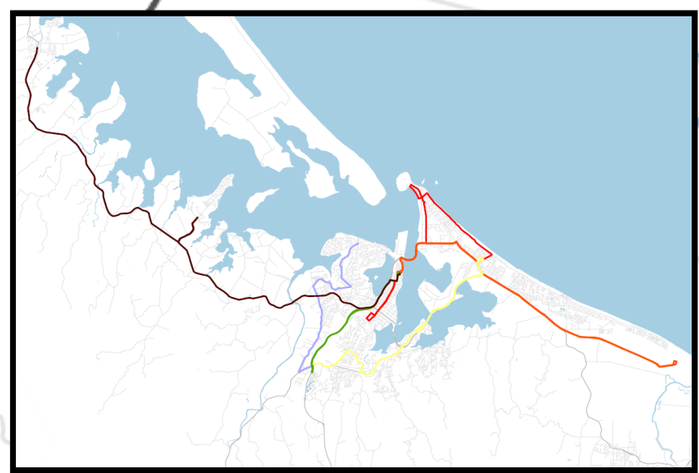
Polytech high frequency to CBD. Improved interchange.

Te Puke / Maketu / Paengaroa services redesign. Some interchange to express services from Bayfair.

Routes 1 and 2 truncated at CBD, connecting to Mt Maunganui high frequency.

Ohauiti coverage expanded with improved frequency.

Additional investment; Improved access to stops, ticketing upgrade, real time information, PT planning / analysis tools.



Appendix F: NZTA Evaluation Tables

Alternative:	High Performance Plus		
Estimated total public sector funding requirement:		Lower	Upper
	Total capital investment over 10 years ($m):	$8.5M	$9.5M
	Net property cost ($m):	n/a	n/a
	Opex ($m/40yr):	$14.5M	$15M
	Maintenance ($m/40yr):	Not assessed at this stage	Not assessed at this stage
	Present value of cost to govt. (40 years $m):	$215M	$225M
Estimated annual passenger trips (after 10 yrs)		3M	3.2M
Estimated BCR range:		1	1.5
Timing of need:	*Optimal programme:* 10 Years	*Likely:*	10 Years

Investment objectives	
Objective:	**Performance against investment objective:**
Achieve a bus passenger mode share of 10% by 2026.	The option is expected to achieve approximately 3.1M bus trips per year. This is expected to equate to a mode share of approximately 8% in peak periods. Therefore additional measures, e.g. marketing and promotion, will be required in addition to the identified programme actions to encourage bus use and achieve the desired target.
Increase the fare box recovery ratio to 45% by 2026.	This option is expected to achieve a fare box recovery of 40%. Again if increased uptake can be achieved through soft measures such as marketing and promotion the target may be achievable.
Reduce bus journey times between key destinations by 20% by 2026.	High frequency services delivered in this option with proposed bus priority on Cameron Road should improve bus travel especially between Greerton, CBD, Mt Maunganui and Bayfair. More direct routes and increased frequencies will also assist in reducing journey times.
95% of bus services will operate within five minutes of schedule during the AM peak.	Bus priority measures along Cameron Road should help to address key delays on the network and improve the punctuality of buses.
Implement at least 50% of the projects identified in the PBC by 2021 and 100% by 2026.	Implementation will depend on funding.
Commit 100% of the necessary funding as defined in the PBC by 2026.	This option has lower costs that the two alternative options and as such there is more certainty that the objective can be achieved.

Rationale for selection or rejection of alternative:	The option performs reasonably well against the investment objectives. Whilst the expected mode share and fare box recovery are below the desired levels, the results are not far off the targets and the option performs better than the alternative options in this regard. There is no strong reason to discount the option at this stage.
Implementability appraisal of option	
Feasibility:	Delivery of the option is expected to be feasible if the necessary funding is available. The option requires land for bus interchange including park and ride sites and the availability of land is the only apparent risk to the feasibility of the option.
Affordability:	The increase in cost is a relatively low proportion of existing costs and the additional investment should better align local spending with other regions in New Zealand, and is as such considered affordable.
Public/Stakeholders:	The lead stakeholder group was involved in development of the option. Public consultation will be undertaken in 2017.

Multi-criteria assessment of option

Criterion	Scale of impact	Significance of impact	Supporting information
Safety:	Minor benefit	Minor	By achieving mode shift the option will reduce private car use and in doing so reduce the risk of crashes. There may be increased personal safety risk with more people using the bus, but this would not be a significant risk and can be mitigated through safety in design principles.
Economy:	Moderate benefit	Moderate	By achieving a higher uptake of public transport use the option will save private vehicle transport costs and help to relieve congestion on the road network. This in turn may allow investment in additional road network capacity to be delayed or postponed.
Environmental and social:	Moderate benefit	Moderate	The option will increase PT use and thereby reduce private vehicle kilometres travelled and associated air quality and climate impacts. There are social benefits associated with higher PT uptake, inducing more activity around transportation nodes for example and increased physical activity, improving social wellbeing.

Alternative:	Growth Enabler			
Estimated total public sector funding requirement:		Lower	Upper	
	Total capital investment over 10 years ($m):	$12.5M	$13.5M	
	Net property cost ($m):	n/a	n/a	
	Opex ($m/40yr):	$15.5M	$16M	
	Maintenance ($m/40yr):	Not assessed at this stage	Not assessed at this stage	
	Present value of cost to govt. (40 years $m):	$235M	$245M	
Estimated annual passenger trips (after 10 yrs)		2.7M	2.9M	
Estimated BCR range:		0.8	1.2	
Timing of need:	*Optimal programme:*	10 Years	*Likely:*	10 Years

Investment objectives	
Objective:	**Performance against investment objective:**
Achieve a bus passenger mode share of 10% by 2026.	The option is expected to achieve 2.75M bus trips per year which will not equate to a 10% mode share. The option achieves lower patronage uptake than the other two options which reflects the lower passenger catchments in the growth areas.
Increase the fare box recovery ratio to 45% by 2026.	The option is expected to achieve a fare box recovery of approximately 39%.
Reduce bus journey times between key destinations by 20% by 2026.	Proposed bus priority on Cameron Road will improve the journey time for bus travel especially between Greerton, CBD, Mt Maunganui and Bayfair. Lower frequencies in this option mean the option is less likely to achieve this objective than the HPP or BP option.
95% of bus services will operate within five minutes of schedule during the AM peak.	Bus priority measures along Cameron Road should help to address key delays on the network and improve the punctuality of buses.
Implement at least 50% of the projects identified in the PBC by 2021 and 100% by 2026.	Implementation will depend on funding.
Commit 100% of the necessary funding as defined in the PBC by 2026.	The option has the highest capital and operational costs due to the need to provide higher levels of service to locations further from the CBD therefore there is more risk that the necessary funding will not be achieved.

Rationale for selection or rejection of alternative:	The option should achieve some of the investment objectives and there is no reason to discontinue the option, but the option does not perform as well as the HPP option against the investment objectives.

Implementability appraisal of option	
Feasibility:	Delivery of the option is expected to be feasible if the necessary funding is available. The option requires land for bus interchange including park and ride sites and the availability of land is the only apparent risk to the feasibility of the option.
Affordability:	The costs associated with this option are higher than other options and the benefit cost ratio (BCR) is lower, with the BC likely to sit below one funding of the option will be less certain.
Public/Stakeholders:	The lead stakeholder group was involved in development of the option. Public consultation will be undertaken in 2017.

Multi-criteria assessment of option			
Criterion	**Scale of impact**	**Significance of impact**	**Supporting information**
Safety:	Minor benefit	Minor	By achieving mode shift the option will reduce private car use and in doing so reduce the risk of crashes. There may be increased personal safety risk with more people using the bus, but this would not be a significant risk and can be mitigated through safety in design principles.
Economy:	Moderate benefit	Moderate	By achieving a higher uptake of public transport use the option will save private vehicle transportation costs and help to relieve congestion on the road network. This in turn may allow investment in additional road network capacity to be delayed.
Environmental and social:	Moderate benefit	Moderate	The option will increase PT use and thereby reduce private vehicle kilometres travelled and associated air quality and climate impacts. There are social benefits associated with higher PT uptake, inducing more activity around transportation nodes for example and increased physical activity, improving social wellbeing.

Alternative:	Balanced Plus		
Estimated total public sector funding requirement:		Lower	Upper
	Total capital investment over 10 years ($m):	$11.5M	$12.5M
	Net property cost ($m):	n/a	n/a
	Opex ($m/40yr):	$15M	$15.5M
	Maintenance ($m/40yr):	Not assessed at this stage	Not assessed at this stage
	Present value of cost to govt. (40 years $m):	$225M	$235M
Estimated annual passenger trips (after 10 yrs)		2.9M	3.1M
Estimated BCR range:		0.9	1.3
Timing of need:	*Optimal programme:*	10 years	*Likely:* 10 years

Investment objectives	
Objective:	**Performance against investment objective:**
Achieve a bus passenger mode share of 10% by 2026.	The option is expected to achieve approximately 3M bus trips per year which should result in a bus mode share of approximately 8%. Therefore, additional measures e.g. marketing and promotion, will be required in addition to the identified programme actions to encourage bus use and achieve the desired target.
Increase the fare box recovery ratio to 45% by 2026.	This option is currently expected to achieve a fare box recovery of 45%.
Reduce bus journey times between key destinations by 20% by 2026.	This option should improve the bus journey time through bus priority on Cameron Road (although the length of this is shorter in this option than other options) and improved frequency (although again this option has lower average frequencies than the HPP option.
95% of bus services will operate within five minutes of schedule during the AM peak.	Bus priority measures along Cameron Road should help to address key delays on the network and improve the punctuality of buses although this option proposes less bus priority than other options.
Implement at least 50% of the projects identified in the PBC by 2021 and 100% by 2026.	Implementation will depend on funding. Implementability is discussed in the following section.
Commit 100% of the necessary funding as defined in the PBC by 2026.	This option has higher costs than the HPP option but lower than GE. Funding is therefore more likely to be achieved than the GE option, but may be less likely than the HPP option.

Rationale for selection or rejection of alternative:	The option performs reasonably well against the investment objectives with a reasonable likelihood of achieving the desired mode split and fare box recovery. There is no reason to discount the option.

Implementability appraisal of option	
Feasibility:	Delivery of the option is expected to be feasible if the necessary funding is available. The option requires land for bus interchange including park and ride sites and the availability of land is the only apparent risk to the feasibility of the option.
Affordability:	The costs associated with this option are higher than the HPP option and the benefit cost ratio (BCR) is lower, with the BCR likely to sit below one funding of the option will be less certain.
Public/Stakeholders:	The lead stakeholder group was involved in development of the option. Further stakeholder engagement will take place as the ABC is developed. Public consultation will be undertaken in 2017.

Multi-criteria assessment of option			
Criterion	**Scale of impact**	**Significance of impact**	**Supporting information**
Safety:	Minor benefit	Minor	By achieving mode shift the option will reduce private car use and in doing so reduce the risk of crashes. There may be increased personal safety risk with more people using the bus, but this would not be a significant risk and can be mitigated.
Economy:	Moderate benefit	Moderate	By achieving a higher uptake of public transport use the option will save private vehicle transport costs and help to relieve congestion on the road network. This in turn may allow investment in additional road network capacity to be delayed or avoided.
Environmental and social:	Moderate benefit	Moderate	The option will increase PT use and thereby reduce private vehicle kilometres travelled and associated air quality and climate impacts. There are social benefits associated with higher PT uptake, inducing more activity around transportation nodes for example and increased physical activity, improving social wellbeing.

Appendix G: Indicative Economic Assessment

High Performance Plus - Indicative Benefit Cost Analysis

Operating Costs - Future

			WEEKDAY								WEEKENDS AND PUBLIC HOLIDAYS										
Urban								Cost of in hour						total dist	Cost of km	Cost of	Cost of in hour	Cost per			
Route #	Length (km)	# of buses	Operating hours	# of trips per day	total dist travelled	Cost of km travelled	Cost of vehicles	service	Cost per weekday	Annual weekday cost	# of buses	Operating hours	# of trips per day	travelled	travelled	vehicles	service	Weekend day	Annual WE / PH cost	**Total Annual Cost**	**Retain?**
1	26.4	2	15	45	1188	$ 1,544.40	$ 272.00	$ 1,050.00	$ 2,866.40	**$ 716,600**	1	15	15	396	$ 514.80	$ 136.00	$ 525.00	$ 1,175.80	**$ 135,217**	**$ 851,817**	Y
2	25	2	15	45	1125	$ 1,462.50	$ 272.00	$ 1,050.00	$ 2,784.50	**$ 696,125**	1	15	15	375	$ 487.50	$ 136.00	$ 525.00	$ 1,148.50	**$ 132,078**	**$ 828,203**	Y
30	22	3	15	45	990	$ 1,287.00	$ 408.00	$ 1,575.00	$ 3,270.00	**$ 817,500**	1	15	15	330	$ 429.00	$ 136.00	$ 525.00	$ 1,090.00	**$ 125,350**	**$ 942,850**	Y
33	46	4	15	30	1380	$ 1,794.00	$ 544.00	$ 2,100.00	$ 4,438.00	**$ 1,109,500**	2	15	15	690	$ 897.00	$ 272.00	$ 1,050.00	$ 2,219.00	**$ 255,185**	**$ 1,364,685**	Y
36	0	0	0	0	0	$ -	$ -	$ -	$ -	**$ -**	0	0	0	0	$ -	$ -	$ -	$ -	**$ -**	**$ -**	N
40	16.8	2	15	45	756	$ 982.80	$ 272.00	$ 1,050.00	$ 2,304.80	**$ 576,200**	1	15	15	252	$ 327.60	$ 136.00	$ 525.00	$ 988.60	**$ 113,689**	**$ 689,889**	Y
52	0	0	0	0	0	$ -	$ -	$ -	$ -	**$ -**	0	0	0	0	$ -	$ -	$ -	$ -	**$ -**	**$ -**	N
55	36	2	15	30	1080	$ 1,404.00	$ 272.00	$ 1,050.00	$ 2,726.00	**$ 681,500**	2	15	15	540	$ 702.00	$ 272.00	$ 1,050.00	$ 2,024.00	**$ 232,760**	**$ 914,260**	Y
59	27.6	2	15	45	1242	$ 1,614.60	$ 272.00	$ 1,050.00	$ 2,936.60	**$ 734,150**	1	15	15	414	$ 538.20	$ 136.00	$ 525.00	$ 1,199.20	**$ 137,908**	**$ 872,058**	Y
60	16.1	2	15	45	724.5	$ 941.85	$ 272.00	$ 1,050.00	$ 2,263.85	**$ 565,963**	1	15	15	241.5	$ 313.95	$ 136.00	$ 525.00	$ 974.95	**$ 112,119**	**$ 678,082**	Y
62	17.5	2	15	45	787.5	$ 1,023.75	$ 272.00	$ 1,050.00	$ 2,345.75	**$ 586,438**	1	15	15	262.5	$ 341.25	$ 136.00	$ 525.00	$ 1,002.25	**$ 115,259**	**$ 701,696**	Y
70	14.7	2	15	45	661.5	$ 859.95	$ 272.00	$ 1,050.00	$ 2,181.95	**$ 545,488**	1	15	15	220.5	$ 286.65	$ 136.00	$ 525.00	$ 947.65	**$ 108,980**	**$ 654,467**	Y
78	20	1	2	2	40	$ 52.00	$ 136.00	$ 70.00	$ 258.00	**$ 64,500**	1	15	15	300	$ 390.00	$ 136.00	$ 525.00	$ 1,051.00	**$ 120,865**	**$ 185,365**	Y
79	24	1	2	2	48	$ 62.40	$ 136.00	$ 70.00	$ 268.40	**$ 67,100**	1	15	15	360	$ 468.00	$ 136.00	$ 525.00	$ 1,129.00	**$ 129,835**	**$ 196,935**	Y
Regional																					
80	74	2	3	4	296	$ 384.80	$ 272.00	$ 210.00	$ 866.80	**$ 216,700**	0	0	0	0	$ -	$ -	$ -	$ -	**$ -**	**$ 216,700**	Y
81	45.6	1	4	8	364.8	$ 474.24	$ 136.00	$ 140.00	$ 750.24	**$ 187,560**	0	0	0	0	$ -	$ -	$ -	$ -	**$ -**	**$ 187,560**	Y
82	80	1	4	2	160	$ 208.00	$ 136.00	$ 140.00	$ 484.00	**$ 121,000**	0	0	0	0	$ -	$ -	$ -	$ -	**$ -**	**$ 121,000**	Y
221	54	2	4	4	216	$ 280.80	$ 272.00	$ 280.00	$ 832.80	**$ 208,200**	0	0	0	0	$ -	$ -	$ -	$ -	**$ -**	**$ 208,200**	Y
222	58	1	4	3	174	$ 226.20	$ 136.00	$ 140.00	$ 502.20	**$ 125,550**	0	0	0	0	$ -	$ -	$ -	$ -	**$ -**	**$ 125,550**	Y
New Routes																					
City to surf	24	3	15	45	1080	$ 1,404.00	$ 408.00	$ 1,575.00	$ 3,387.00	**$ 846,750**	1	15	15	360	$ 468.00	$ 136.00	$ 525.00	$ 1,129.00	**$ 129,835**	**$ 976,585**	Y
Cross town connector	35	2	15	30	1050	$ 1,365.00	$ 272.00	$ 1,050.00	$ 2,687.00	**$ 671,750**	1	15	15	525	$ 682.50	$ 136.00	$ 525.00	$ 1,343.50	**$ 154,503**	**$ 826,253**	Y
Tauriko express	18	1	3	6	108	$ 140.40	$ 136.00	$ 105.00	$ 381.40	**$ 95,350**	1	15	15	270	$ 351.00	$ 136.00	$ 525.00	$ 1,012.00	**$ 116,380**	**$ 211,730**	Y
Pap east express	47	2	3	6	282	$ 366.60	$ 272.00	$ 210.00	$ 848.60	**$ 212,150**	1	15	15	705	$ 916.50	$ 136.00	$ 525.00	$ 1,577.50	**$ 181,413**	**$ 393,563**	Y
Western Connection	28	2	15	30	840	$ 1,092.00	$ 272.00	$ 1,050.00	$ 2,414.00	**$ 603,500**	2	15	15	420	$ 546.00	$ 272.00	$ 1,050.00	$ 1,868.00	**$ 214,820**	**$ 818,320**	Y
Greerton Express	0	0	0	0	0	$ -	$ -	$ -	$ -	**$ -**	0	0	0	0	$ -	$ -	$ -	$ -	**$ -**	**$ -**	N
40A (Welcome Bay)	16.8	2	15	45	756	$ 982.80	$ 272.00	$ 1,050.00	$ 2,304.80	**$ 576,200**	1	15	15	252	$ 327.60	$ 136.00	$ 525.00	$ 988.60	**$ 113,689**	**$ 689,889**	Y
Wairakei express	0	0	0	0	0	$ -	$ -	$ -	$ -	**$ -**	0	0	0	0	$ -	$ -	$ -	$ -	**$ -**	**$ -**	N
Te Puke, Katikati loop services	0	0	0	0	0	$ -	$ -	$ -	$ -	**$ -**	0	0	0	0	$ -	$ -	$ -	$ -	**$ -**	**$ -**	N
City to surf to hosp	0	0	0	0	0	$ -	$ -	$ -	$ -	**$ -**	0	0	0	0	$ -	$ -	$ -	$ -	**$ -**	**$ -**	N
Wairakei express	0	0	0	0	0	$ -	$ -	$ -	$ -	**$ -**	0	0	0	0	$ -	$ -	$ -	$ -	**$ -**	**$ -**	N
Schoolhopper																					

Schoolhopper	$ 1,914,972.36
Sub Total	$ 13,655,656
Efficiency	$ 819,339
Total Op Cost	**$ 14,751,289**

Infrastructure Costs

	QTY	Cost	Year	NPV	
Bus priority	12350	$ 5,175,000	2019	**$ 4,345,000**	
Interchange	Type	Cost			Routes
Bayfair	Expansion	$ 250,000	2022	**$ 176,200**	City to surf,Cross town connector,Pap east express,2,30,33,36
CBD	Expansion		2025	**$ -**	City to surf,Pap east express,Tauriko express,Greerton Express,1,2,33,36,40,55,59,60,62,80,70,81,82,221,222
Hairini	Minor	$ 350,000	2020	**$ 277,200**	Cross town connector,40,36
Greerton	Minor	$ 350,000	2020	**$ 277,200**	Greerton Express,Cross town connector,1,2,55,59,52
Polytech	Minor	$ 250,000	2018	**$ 222,500**	Cross town connector,2,55
Tauriko	Minor	$ 250,000	2018	**$ 222,500**	Cross town connector,Tauriko express,Western Connection,52
Park and ride					
Omokoroa	100	$ 450,000	2020	**$ 356,400**	Spaces * cost + minor interchange
Access to stops	QTY				
Improve access to stops	10	$ 1,500,000	2017	**$ 1,415,100**	
Investigation Design Mgnt Planning		$ 1,300,000	2017	**$ 1,226,400**	
		$ 9,875,000	**Total**	**$ 8,518,500**	**NPV**

Total Costs

Annual Operating Costs	$ 14,751,289	
NPV Operating Costs (40 yrs)	$ 214,216,432	NPV
New Infrastructure Costs (10yrs)	$ 8,518,500	NPV
Total Option Costs (40 yrs)	**$ 222,734,932**	NPV

Passenger Growth

	Route	Existing	Network Changes	Frequency	Bus Priority	Interchange	Promotional Benefits	Parking Sensitivity	Park and Ride	Change	Forecast Patronage	Fare	Retain Factor	Increase due to priority
	1	270764	-50%	13%	29%	4%	2%	1%	0%	99%	268271	$ 1.50	1	79152
	2	328004	-50%	13%	31%	8%	2%	1%	0%	105%	343473	$ 1.50	1	101255
	30	97885	-10%	27%	0%	2%	2%	1%	0%	121%	118617	$ 2.00	1	0
	33	236100	-10%	0%	2%	4%	2%	1%	0%	99%	233255	$ 2.00	1	5387
	36	173250	-100%	40%	0%	0%	2%	1%	0%	43%	0	$ 2.00	0	0
	40	134624	-50%	13%	8%	4%	2%	1%	0%	78%	104544	$ 2.00	1	10514
	52	5999	-100%	40%	0%	0%	2%	1%	0%	43%	0	$ 2.00	0	0
	55	154514	10%	0%	0%	6%	2%	1%	0%	119%	183119	$ 2.00	1	0
	59	51137	10%	27%	7%	4%	2%	1%	0%	150%	76623	$ 2.00	1	3405
	60	127552	0%	13%	0%	2%	2%	1%	0%	118%	150315	$ 2.00	1	0
	62	98661	0%	13%	0%	2%	2%	1%	0%	118%	116268	$ 2.00	1	0
	70	147177	0%	13%	0%	2%	2%	1%	0%	118%	173443	$ 2.00	1	0
	78	190	0%	0%	5%	0%	2%	1%	0%	108%	205	$ 2.00	1	10
	79	635	0%	0%	4%	0%	2%	1%	0%	107%	678	$ 2.00	1	28
	80	6751	0%	0%	0%	2%	2%	1%	0%	105%	7056	$ 2.50	1	0
	81	6751	0%	0%	0%	0%	0%	1%	130%	230%	28036	$ 5.00	1	0
	82	6751	0%	0%	0%	2%	2%	1%	0%	105%	7056	$ 2.50	1	0
	221	6751	0%	0%	0%	2%	2%	1%	0%	105%	7056	$ 2.50	1	0
	222	6751	0%	0%	0%	2%	2%	1%	0%	105%	7056	$ 2.50	1	0
	Schoolhopper	576870									576870	$ 1.17	1	
	New Routes									**Growth (3%pa)**	73,114			
Y	City to surf	0								100%	179630	$ 1.50		
Y	Cross town connector	0								100%	89815	$ 2.00		
Y	Tauriko express	0								100%	60152	$ 2.50		
Y	Pap east express	0								100%	152171	$ 5.00		
Y	Western Connection	0								100%	112017	$ 2.00		
N	Greerton Express	0								0%	0	$ 2.00		
Y	40A (Welcome Bay)	0								100%	104544	$ 2.00		
N	Wairakei express	0								0%		$ 5.00		
N	Te Puke, Katikati loop services	0								0%		$ 2.00		
N	City to surf to hosp	0								0%		$ 2.00		

	Total existing trips	**2,437,121**	Total future trips **3,173,384**

	Assumptions
30%	of Routes 1 & 2
50%	Estimated of C2S
100%	of Route 52 20% Route 1
30%	All Papamoa Routes
30%	All Western Routes
0%	Route not in use
100%	Route 40
0%	Route not in use
0%	Route not in use
0%	Route not in use

Benefits

Revenue	Passengers	Revenue	NPV
Existing patronage	2,437,121	$ 3,561,847	$ 51,724,711
Estimated patronage	3,173,384	$ 5,908,899	$ 97,547,626
Increase in passengers	736,263	$ 2,347,052	$ 38,746,530

Bus priority				
Travel time saving	Time	Passengers		
Maunganui Road to Bayfair IB	1.5	1177684		
Maunganui Road to Bayfair OB	1.5	845882		
Marina IB	0.6	1177684		
Dive Crescent	0.9	1177684		
Elizabeth St to 15th Ave	5.1	465341		
Elizabeth St to Greerton	17.1	611745		
Bethlehem Shoulder Running IB	0.0	0		
Bethlehem Shoulder Running OB	0.0	0		
Total		291280	Passenger Hours	
Cost Saving		$1,272,893	Travel Time Savings (2002$)	
		$1,832,966	Annual Travel Time Savings	Undiscounted

PT user benefit			
Total Passengers	3173384	$5,864,415	(2008$)
		$ 6,274,924	
Reliability improvement benefit		$ 3,434,359.06	
		$190,546,333	NPV

Total Benefits	**$ 288,093,960**

	Existing	Forecast	Incremental
Operating Costs	$ 183,010,418	$ 214,216,432	$ 31,206,014
New Infrastructure	$ -	$ 8,518,500	$ 8,518,500
Total	$ 183,010,418	$ 222,734,932	$ 39,724,514
Passenger Revenue	$ 51,724,711	$ 97,547,626	$ 38,746,530
Benefits	$ 63,527,880	$ 190,546,333	$ 127,018,454
Total	$ 115,252,591	$ 288,093,960	$ 165,764,984

Indicative Benefit Cost Ratio	**0.630**	**1.293**	**4.173**
Estimated fare recovery	28%	46%	

Growth Enabler - Indicative Benefit Cost Analysis

Operating Costs - Future

			WEEKDAY								WEEKENDS AND PUBLIC HOLIDAYS										
	Route #	Length (km)	# of buses	Operating hours	# of trips per day	total dist travelled	Cost of km travelled	Cost of vehicles	Cost of in hour service	Cost per weekday	Annual weekday cost	# of buses	Operating hours	# of trips per day	total dist travelled	Cost of km travelled	Cost of vehicles	Cost of in hour service	Cost per Weekend day	Annual WE PH cost	**Total Annual Cost**	**Retain?**
Urban																					
	1	26.4	2	15	30	792	$ 1,029.60	$ 272.00	$ 1,050.00	$ 2,351.60	**$ 587,900**	1	12	12	316.8	$ 411.84	$ 136.00	$ 420.00	$ 967.84	**$ 111,301.60**	**$ 699,201.60**	Y
	2	25	2	15	30	750	$ 975.00	$ 272.00	$ 1,050.00	$ 2,297.00	**$ 574,250**	1	12	12	300	$ 390.00	$ 136.00	$ 420.00	$ 946.00	**$ 108,790.00**	**$ 683,040.00**	Y
	30	22	2	15	30	660	$ 858.00	$ 272.00	$ 1,050.00	$ 2,180.00	**$ 545,000**	1	12	12	264	$ 343.20	$ 136.00	$ 420.00	$ 899.20	**$ 103,408.00**	**$ 648,408.00**	Y
	33	46	4	15	30	1380	$ 1,794.00	$ 544.00	$ 2,100.00	$ 4,438.00	**$ 1,109,500**	2	12	12	552	$ 717.60	$ 272.00	$ 840.00	$ 1,829.60	**$ 210,404.00**	**$ 1,319,904.00**	Y
	36	0	0	0	0	0	$ -	$ -	$ -	$ -	**$ -**	0	0	0	0	$ -	$ -	$ -	$ -	**$ -**	**$ -**	N
	40	16.8	2	15	30	504	$ 655.20	$ 272.00	$ 1,050.00	$ 1,977.20	**$ 494,300**	1	12	12	201.6	$ 262.08	$ 136.00	$ 420.00	$ 818.08	**$ 94,079.20**	**$ 588,379.20**	Y
	52	0	0	0	0	0	$ -	$ -	$ -	$ -	**$ -**	0	0	0	0	$ -	$ -	$ -	$ -	**$ -**	**$ -**	N
	55	36	2	15	30	1080	$ 1,404.00	$ 272.00	$ 1,050.00	$ 2,726.00	**$ 681,500**	2	12	12	432	$ 561.60	$ 272.00	$ 840.00	$ 1,673.60	**$ 192,464.00**	**$ 873,964.00**	Y
	59	27.6	2	15	30	828	$ 1,076.40	$ 272.00	$ 1,050.00	$ 2,398.40	**$ 599,600**	1	12	12	331.2	$ 430.56	$ 136.00	$ 420.00	$ 986.56	**$ 113,454.40**	**$ 713,054.40**	Y
	60	16.1	2	15	30	483	$ 627.90	$ 272.00	$ 1,050.00	$ 1,949.90	**$ 487,475**	1	12	12	193.2	$ 251.16	$ 136.00	$ 420.00	$ 807.16	**$ 92,823.40**	**$ 580,298.40**	Y
	62	17.5	2	15	30	525	$ 682.50	$ 272.00	$ 1,050.00	$ 2,004.50	**$ 501,125**	1	12	12	210	$ 273.00	$ 136.00	$ 420.00	$ 829.00	**$ 95,335.00**	**$ 596,460.00**	Y
	70	14.7	2	15	30	441	$ 573.30	$ 272.00	$ 1,050.00	$ 1,895.30	**$ 473,825**	1	12	12	176.4	$ 229.32	$ 136.00	$ 420.00	$ 785.32	**$ 90,311.80**	**$ 564,136.80**	Y
	78	20	1	2	2	40	$ 52.00	$ 136.00	$ 70.00	$ 258.00	**$ 64,500**	1	12	12	240	$ 312.00	$ 136.00	$ 420.00	$ 868.00	**$ 99,820.00**	**$ 164,320.00**	Y
	79	24	1	2	2	48	$ 62.40	$ 136.00	$ 70.00	$ 268.40	**$ 67,100**	1	12	12	288	$ 374.40	$ 136.00	$ 420.00	$ 930.40	**$ 106,996.00**	**$ 174,096.00**	Y
Regional																					
	80	74	2	15	22.5	1665	$ 2,164.50	$ 272.00	$ 1,050.00	$ 3,486.50	**$ 871,625**	1	12	12	888	$ 1,154.40	$ 136.00	$ 420.00	$ 1,710.40	**$ 196,696.00**	**$ 1,068,321.00**	Y
	81	57	2	15	22.5	1282.5	$ 1,667.25	$ 272.00	$ 1,050.00	$ 2,989.25	**$ 747,313**	0	0	0	0	$ -	$ -	$ -	$ -	**$ -**	**$ 747,312.50**	Y
	82	0	0	0	0	0	$ -	$ -	$ -	$ -	**$ -**	0	0	0	0	$ -	$ -	$ -	$ -	**$ -**	**$ -**	N
	221	54	2	15	22.5	1215	$ 1,579.50	$ 272.00	$ 1,050.00	$ 2,901.50	**$ 725,375**	1	12	12	648	$ 842.40	$ 136.00	$ 420.00	$ 1,398.40	**$ 160,816.00**	**$ 886,191.00**	Y
	222	0	0	0	0	0	$ -	$ -	$ -	$ -	**$ -**	0	0	0	0	$ -	$ -	$ -	$ -	**$ -**	**$ -**	N
New Routes																					
	City to surf	24	2	15	30	720	$ 936.00	$ 272.00	$ 1,050.00	$ 2,258.00	**$ 564,500**	1	12	12	288	$ 374.40	$ 136.00	$ 420.00	$ 930.40	**$ 106,996.00**	**$ 671,496.00**	Y
	Cross town connector	35	2	15	30	1050	$ 1,365.00	$ 272.00	$ 1,050.00	$ 2,687.00	**$ 671,750**	1	12	12	420	$ 546.00	$ 136.00	$ 420.00	$ 1,102.00	**$ 126,730.00**	**$ 798,480.00**	Y
	Tauriko express	18	1	15	22.5	405	$ 526.50	$ 136.00	$ 525.00	$ 1,187.50	**$ 296,875**	1	12	12	216	$ 280.80	$ 136.00	$ 420.00	$ 836.80	**$ 96,232.00**	**$ 393,107.00**	Y
	Pap east express	0	0	0	0	0	$ -	$ -	$ -	$ -	**$ -**	0	0	0	0	$ -	$ -	$ -	$ -	**$ -**	**$ -**	N
	Western Connection	0	0	0	0	0	$ -	$ -	$ -	$ -	**$ -**	0	0	0	0	$ -	$ -	$ -	$ -	**$ -**	**$ -**	N
	Greerton Express	12	1	15	30	360	$ 468.00	$ 136.00	$ 525.00	$ 1,129.00	**$ 282,250**	1	12	12	144	$ 187.20	$ 136.00	$ 420.00	$ 743.20	**$ 85,468.00**	**$ 367,718.00**	Y
	40A (Welcome Bay)	16.8	2	15	30	504	$ 655.20	$ 272.00	$ 1,050.00	$ 1,977.20	**$ 494,300**	1	12	12	201.6	$ 262.08	$ 136.00	$ 420.00	$ 818.08	**$ 94,079.20**	**$ 588,379.20**	Y
	Wairakei express	44	2	15	22.5	990	$ 1,287.00	$ 272.00	$ 1,050.00	$ 2,609.00	**$ 652,250**	1	12	12	528	$ 686.40	$ 136.00	$ 420.00	$ 1,242.40	**$ 142,876.00**	**$ 795,126.00**	Y
	Te Puke, Katikati loop services	40	2	15	30	1200	$ 1,560.00	$ 272.00	$ 1,050.00	$ 2,882.00	**$ 720,500**	2	12	12	480	$ 624.00	$ 272.00	$ 840.00	$ 1,736.00	**$ 199,640.00**	**$ 920,140.00**	Y
	City to surf to hosp	0	0	0	0	0	$ -	$ -	$ -	$ -	**$ -**	0	0	0	0	$ -	$ -	$ -	$ -	**$ -**	**$ -**	N
	Schoolhopper																			Schoolhopper	$ 1,914,972.36	
																				Sub total	$ 14,841,533	
																				Efficiency	$ 890,492	
																				Total Op Cost	**$ 15,866,013.47**	

Infrastructure Costs

	QTY	Cost	Year	NPV	
Bus priority	21350	9,675,000	2020	**$ 7,663,500**	
Interchange	Type	Cost			Routes
Bayfair	Expansion	125000	2022	**$ 88,100**	City to surf,Cross town connector,Pap east express,,2,30,33,36
CBD	Expansion	125000	2022	**$ 88,100**	City to surf,Pap east express,Tauriko express,Greerton Express,1,2,33,40,55,59,60,62,80,70,81,82,221,222
Hairini	Minor	250000	2020	**$ 198,000**	Cross town connector,40
Greerton	Minor	250000	2020	**$ 198,000**	Greerton Express,Cross town connector,1,2,55,59
Polytech	Minor	250000	2020	**$ 198,000**	Cross town connector,2,55
Tauriko	Minor	100000	2020	**$ 79,200**	Cross town connector,Tauriko express,Western Connection
Park and ride					
Katikati / Omokoroa P&R	100	700000	2020	**$ 554,500**	Spaces * cost + minor interchange
Papamoa Growth Area P&R	300	1600000	2020	**$ 1,267,300**	Spaces * cost + minor interchange
Access to stops	0	0	2021	$ -	
Investigation Design Mgnt Planning		$ 1,300,000	2017	**$ 1,226,400**	
		$ 14,375,000 Total		**$ 11,561,100.00** NPV	

Total Costs

Annual Operating Costs	$ 15,866,013	
NPV Operating Costs	$ 230,404,329.34	NPV
New Infrastructure Costs	$ 11,561,100	NPV
Total Option Costs	**$ 241,965,429**	NPV

Passenger Growth

	Route	Existing	Network Changes	Frequency	Bus Priority	Interchange	Promotional Benefits	Parking Sensitivity	Park and Ride	Change	Forecast Patronage	Fare	Retain Factor	Increase due to priority
	1	270764	**-50%**	0%	6%	4%	2%	0.51%		62%	168093	$ 1.50	1	15077
	2	328004	**-50%**	0%	6%	8%	2%	0.51%		66%	217771	$ 1.50	1	19287
	30	97885	**-10%**	20%	0%	2%	2%	0.51%		115%	112091	$ 2.00	1	0
	33	236100	**-10%**	0%	2%	4%	2%	0.51%		99%	233255	$ 2.00	1	5387
	36	173250	**-100%**	40%	0%	2%	2%	0.51%		45%	0	$ 2.00	0	0
	40	134624	**-50%**	0%	8%	4%	2%	0.51%		64%	86594	$ 2.00	1	10514
	52	5999	**-100%**	40%	0%	0%	2%	0.51%		43%	0	$ 2.00	0	0
	55	154514	**10%**	0%	0%	6%	2%	0.51%		119%	183119	$ 2.00	1	0
	59	51137	**10%**	20%	7%	4%	2%	0.51%		143%	73214	$ 2.00	1	3405
	60	127552	**0%**	0%	0%	2%	2%	0.51%		105%	133309	$ 2.00	1	0
	62	98661	**0%**	0%	0%	2%	2%	0.51%		105%	103113	$ 2.00	1	0
	70	147177	**0%**	0%	0%	2%	2%	0.51%		105%	153819	$ 2.00	1	0
	78	190	**0%**	0%	5%	0%	2%	0.51%		108%	205	$ 2.00	1	10
	79	635	**0%**	0%	4%	0%	2%	0.51%		107%	678	$ 2.00	1	28
	80	6751	**0%**	0%	0%	2%	2%	0.51%	130%	234%	15806	$ 5.00	1	0
	81	6751	**0%**	0%	0%	2%	2%	0.51%	130%	234%	15806	$ 5.00	1	0
	82	6751	**0%**	0%	0%	2%	2%	0.51%		105%	0	$ 2.50	0	0
	221	6751	**0%**	0%	0%	2%	2%	0.51%		105%	7056	$ 5.00	1	0
	222	6751	**0%**	0%	0%	2%	2%	0.51%		105%	0	$ 2.50	0	0
	Schoolhopper	576870									576870	$ 1.17		
	New Routes									**Growth (3%pa)**	73,114			
Y	City to surf	0								100%	179630	$ 1.50		
Y	Cross town connector	0								100%	89815	$ 2.00		
Y	Tauriko express	0								100%	114304	$ 2.50		
N	Pap east express	0								0%	0	$ 2.00		
N	Western Connection	0								0%	0	$ 2.00		
Y	Greerton Express	0								100%	84213	$ 2.00		
Y	40A (Welcome Bay)	0								100%	86594	$ 2.00		
Y	Wairakei express	0								100%	152171	$ 5.00		
Y	Te Puke, Katikati loop services	0								100%	3376	$ 1.50		
N	City to surf to hosp	0								0%	0	$ 1.50		
	Total existing trips	**2,437,121**								Total future trips	**2,864,017**			

	Assumptions		
30%	of Routes 1 & 2		
50%	Estimated of C2S		
100%	of Route 52	40%	Route 1
0%	Route not in use		
0%	Route not in use		
10%	Route 1	100%	all of route 52 and 59
100%	Route 40		
30%	All Papamoa Routes		includes PNR Demand
50%	Regional Routes		
0%	Route not in use		

Benefits

Revenue	Passengers	Revenue	NPV	
Existing patronage	2437121	$ 3,561,847	$ 51,724,711.48	
Estimated patronage	2864017	$ 5,446,276	$ 89,910,372.24	
Increase in Passengers	426896	$ 1,884,429	$ 38,185,661	

Travel time saving	Bus priority Time	Passengers		
Maunganui Road to Bayfair IB	1.5	951804		
Maunganui Road to Bayfair OB	1.5	772173		
Marina IB	0.6	951804		
Dive Crescent	0.9	951804		
Elizabeth St to 15th Ave	5.1	426032		
Elizabeth St to Greerton	17.1	470077		
Bethlehem Shoulder Running IB	3.2	199706		
Bethlehem Shoulder Running OB	3.2	199706		
Total		256059	Passenger Hours	
Cost Saving		$1,076,729	Travel Time Savings (2002$)	
		$1,550,489.37	Annual Travel Time Savings	Undiscounted
PT user benefit				
Total Passengers	2864017	$4,989,117		
		$5,338,354.99		
Reliability improvement benefit		$ 2,253,798.13		
		$150,932,200	NPV Travel Time Savings	

Total Benefits **$ 240,842,572**

	Existing	Forecast	Incremental
Operating Costs	$ 183,010,418	$ 230,404,329	$ 47,393,912
New Infrastructure		$ 11,561,100	$ 11,561,100
Total	$ 183,010,418	$ 241,965,429	$ 58,955,012
Passenger Revenue	$ 51,724,711	$ 89,910,372	$ 38,185,661
Benefits	$ 63,527,880	$ 150,932,200	$ 87,404,320
Total	$ 115,252,591	$ 240,842,572	$ 125,589,980

Indicative Benefit Cost Ratio **0.630** **0.995** **2.130**

Estimated fare recovery 28% 39%

Balanced Plus - Indicative Benefit Cost Analysis

Operating Costs - Future

Urban

		WEEKDAY									WEEKENDS AND PUBLIC HOLIDAYS										
Route #	Length (km)	# of buses	Operating hours	# of trips per day	total dist travelled	Cost of km travelled	Cost of vehicles	Cost of in hour service	Cost per weekday	Annual weekday cost	# of buses	Operating hours	# of trips per day	total dist travelled	Cost of km travelled	Cost of vehicles	Cost of in hour service	Cost per Weekend day	Annual WE PH cost	**Total Annual Cost**	**Retain?**
1	26.4	2	15	45	1188	$ 1,544.40	$ 272.00	$ 1,050.00	$ 2,866.40	**$ 716,600**	1	12	12	316.8	$ 411.84	$ 136.00	$ 420.00	$ 967.84	**$ 111,301.60**	**$ 827,901.60**	Y
2	25	2	15	45	1125	$ 1,462.50	$ 272.00	$ 1,050.00	$ 2,784.50	**$ 696,125**	1	12	12	300	$ 390.00	$ 136.00	$ 420.00	$ 946.00	**$ 108,790.00**	**$ 804,915.00**	Y
30	22	2	15	30	660	$ 858.00	$ 272.00	$ 1,050.00	$ 2,180.00	**$ 545,000**	1	12	12	264	$ 343.20	$ 136.00	$ 420.00	$ 899.20	**$ 103,408.00**	**$ 648,408.00**	Y
33	46	4	15	30	1380	$ 1,794.00	$ 544.00	$ 2,100.00	$ 4,438.00	**$ 1,109,500**	2	12	12	552	$ 717.60	$ 272.00	$ 840.00	$ 1,829.60	**$ 210,404.00**	**$ 1,319,904.00**	Y
36	0	0	0	0	0	$ -	$ -	$ -	$ -	**$ -**	0	0	0	0	$ -	$ -	$ -	$ -	**$ -**	**$ -**	N
40	16.8	2	15	30	504	$ 655.20	$ 272.00	$ 1,050.00	$ 1,977.20	**$ 494,300**	1	12	12	201.6	$ 262.08	$ 136.00	$ 420.00	$ 818.08	**$ 94,079.20**	**$ 588,379.20**	Y
52	0	0	0	0	0	$ -	$ -	$ -	$ -	**$ -**	0	0	0	0	$ -	$ -	$ -	$ -	**$ -**	**$ -**	N
55	36	3	15	45	1620	$ 2,106.00	$ 408.00	$ 1,575.00	$ 4,089.00	**$ 1,022,250**	2	12	12	432	$ 561.60	$ 272.00	$ 840.00	$ 1,673.60	**$ 192,464.00**	**$ 1,214,714.00**	Y
59	27.6	2	15	45	1242	$ 1,614.60	$ 272.00	$ 1,050.00	$ 2,936.60	**$ 734,150**	1	12	12	331.2	$ 430.56	$ 136.00	$ 420.00	$ 986.56	**$ 113,454.40**	**$ 847,604.40**	Y
60	16.1	2	15	45	724.5	$ 941.85	$ 272.00	$ 1,050.00	$ 2,263.85	**$ 565,963**	1	12	12	193.2	$ 251.16	$ 136.00	$ 420.00	$ 807.16	**$ 92,823.40**	**$ 658,785.90**	Y
62	17.5	2	15	45	787.5	$ 1,023.75	$ 272.00	$ 1,050.00	$ 2,345.75	**$ 586,438**	1	12	12	210	$ 273.00	$ 136.00	$ 420.00	$ 829.00	**$ 95,335.00**	**$ 681,772.50**	Y
70	14.7	2	15	45	661.5	$ 859.95	$ 272.00	$ 1,050.00	$ 2,181.95	**$ 545,488**	1	12	12	176.4	$ 229.32	$ 136.00	$ 420.00	$ 785.32	**$ 90,311.80**	**$ 635,799.30**	Y
78	20	1	2	2	40	$ 52.00	$ 136.00	$ 70.00	$ 258.00	**$ 64,500**	1	12	12	240	$ 312.00	$ 136.00	$ 420.00	$ 868.00	**$ 99,820.00**	**$ 164,320.00**	Y
79	24	1	2	2	48	$ 62.40	$ 136.00	$ 70.00	$ 268.40	**$ 67,100**	1	12	12	288	$ 374.40	$ 136.00	$ 420.00	$ 930.40	**$ 106,996.00**	**$ 174,096.00**	Y
Regional																					
80	74	3	4	8	592	$ 769.60	$ 408.00	$ 420.00	$ 1,597.60	**$ 399,400**	0	0	0	0	$ -	$ -	$ -	$ -	**$ -**	**$ 399,400.00**	Y
81	57	3	4	8	456	$ 592.80	$ 408.00	$ 420.00	$ 1,420.80	**$ 355,200**	0	0	0	0	$ -	$ -	$ -	$ -	**$ -**	**$ 355,200.00**	Y
82	80	2	8	8	640	$ 832.00	$ 272.00	$ 560.00	$ 1,664.00	**$ 416,000**	0	0	0	0	$ -	$ -	$ -	$ -	**$ -**	**$ 416,000.00**	Y
221	54	2	4	4	216	$ 280.80	$ 272.00	$ 280.00	$ 832.80	**$ 208,200**	0	0	0	0	$ -	$ -	$ -	$ -	**$ -**	**$ 208,200.00**	Y
222	58	2	8	8	464	$ 603.20	$ 272.00	$ 560.00	$ 1,435.20	**$ 358,800**	0	0	0	0	$ -	$ -	$ -	$ -	**$ -**	**$ 358,800.00**	Y
New Routes																					
City to surf	0	0	0	0	0	$ -	$ -	$ -	$ -	**$ -**	0	0	0	0	$ -	$ -	$ -	$ -	**$ -**	**$ -**	N
Cross town connector	35	3	15	30	1050	$ 1,365.00	$ 408.00	$ 1,575.00	$ 3,348.00	**$ 837,000**	1	12	12	420	$ 546.00	$ 136.00	$ 420.00	$ 1,102.00	**$ 126,730.00**	**$ 963,730.00**	Y
Tauriko express	18	1	6	12	216	$ 280.80	$ 136.00	$ 210.00	$ 626.80	**$ 156,700**	1	12	12	216	$ 280.80	$ 136.00	$ 420.00	$ 836.80	**$ 96,232.00**	**$ 252,932.00**	Y
Pap east express	0	0	0	0	0	$ -	$ -	$ -	$ -	**$ -**	0	0	0	0	$ -	$ -	$ -	$ -	**$ -**	**$ -**	N
Western Connection	28	2	15	30	840	$ 1,092.00	$ 272.00	$ 1,050.00	$ 2,414.00	**$ -**	2	0	0	0	$ -	$ 272.00	$ -	$ 272.00	**$ -**	**$ -**	N
Greerton Express	12	1	15	30	360	$ 468.00	$ 136.00	$ 525.00	$ 1,129.00	**$ 282,250**	1	12	12	144	$ 187.20	$ 136.00	$ 420.00	$ 743.20	**$ 85,468.00**	**$ 367,718.00**	Y
40A (Welcome Bay)	16.8	2	15	30	504	$ 655.20	$ 272.00	$ 1,050.00	$ 1,977.20	**$ 494,300**	1	12	12	201.6	$ 262.08	$ 136.00	$ 420.00	$ 818.08	**$ 94,079.20**	**$ 588,379.20**	Y
Wairakei express	44	2	6	12	528	$ 686.40	$ 272.00	$ 420.00	$ 1,378.40	**$ 344,600**	1	12	12	528	$ 686.40	$ 136.00	$ 420.00	$ 1,242.40	**$ 142,876.00**	**$ 487,476.00**	Y
Te Puke, Katikati loop services	0	0	0	0	0	$ -	$ -	$ -	$ -	**$ -**	0	0	0	0	$ -	$ -	$ -	$ -	**$ -**	**$ -**	N
City to surf to hosp	32	3	15	45	1440	$ 1,872.00	$ 408.00	$ 1,575.00	$ 3,855.00	**$ 963,750**	1	12	12	384	$ 499.20	$ 136.00	$ 420.00	$ 1,055.20	**$ 121,348.00**	**$ 1,085,098.00**	Y
Schoolhopper																			Schoolhopper	$ 1,914,972.36	

Infrastructure Costs

	QTY	Cost	Year	NPV	
Bus priority	21350	$ 9,675,000	2020	**$ 7,663,500**	
Interchange	Type	Cost			Routes
Bayfair	Expansion	$ 125,000	2022	**$ 88,100**	City to surf,Cross town connector,Pap east express,2,30,33
CBD	Expansion	$ 125,000	2022	**$ 88,100**	City to surf,Pap east express,Tauriko express,Greerton Express,1,2,33,40,55,59,60,62,80,70,81,82,221,222
Hairini	Minor	$ 250,000	2020	**$ 198,000**	Cross town connector,40
Greerton	Minor	$ 250,000	2020	**$ 198,000**	Greerton Express,Cross town connector,1,2,55,59
Polytech	Minor	$ 250,000	2020	**$ 198,000**	Cross town connector,2,55
Tauriko	Minor	$ 100,000	2020	**$ 79,200**	Cross town connector,Tauriko express,Western Connection
Park and ride					
Katikati / Omokoroa P&R	100	$ 700,000	2020	**$ 554,500**	Spaces * cost + minor interchange
Access to stops	5	$ 750,000	2021	**$ 560,400**	
Investigation Design Mgnt Planning		$ 1,300,000	2017	**$ 1,226,400**	
		$ 13,525,000	Total	**$ 10,854,200**	

Sub total	$	14,049,533
Efficiency	$	842,972
Total Op Cost	**$**	**15,121,533.47**

Total Costs

Annual Operating Costs	$ 15,121,533	
NPV Operating Costs	$ 219,593,080.79	NPV
New Infrastructure Costs	$ 10,854,200	NPV
Total Option Costs	**$ 230,447,281**	NPV

Passenger Growth

	Route	Existing	Network Changes	Frequency	Bus Priority	Interchange	Promotional Benefits	Parking Sensitivity	Park and Ride	Change	Forecast Patronage	Fare	Retain Factor	Increase due to priority
	1	270764	-50%	13%	29%	4%	2%	0%		99%	266882	$ 1.50	1	79152
	2	328004	-50%	13%	31%	8%	2%	0%		104%	341791	$ 1.50	1	101255
	30	97885	-10%	20%	0%	2%	2%	0%		114%	111589	$ 2.00	1	0
	33	236100	-10%	0%	2%	4%	2%	0%		98%	232044	$ 2.00	1	5387
	36	173250	-100%	40%	0%	0%	2%	0%		42%	0	$ 2.00	0	0
	40	134624	-50%	0%	8%	4%	2%	0%		64%	85903	$ 2.00	1	10514
	52	5999	-100%	40%	0%	0%	2%	0%		42%	0	$ 2.00	0	0
	55	154514	10%	13%	0%	6%	2%	0%		131%	202928	$ 2.00	1	0
	59	51137	10%	27%	7%	4%	2%	0%		149%	76361	$ 2.00	1	3405
	60	127552	0%	13%	0%	2%	2%	0%		117%	149661	$ 2.00	1	0
	62	98661	0%	13%	0%	2%	2%	0%		117%	115762	$ 2.00	1	0
	70	147177	0%	13%	0%	2%	2%	0%		117%	172688	$ 2.00	1	0
	78	190	0%	0%	5%	0%	2%	0%		107%	204	$ 2.00	1	10
	79	635	0%	0%	4%	0%	2%	0%		106%	675	$ 2.00	1	28
	80	6751	0%	0%	0%	2%	2%	0%	130%	234%	15771	$ 5.00	1	0
	81	6751	0%	0%	0%	2%	2%	0%	130%	234%	15771	$ 5.00	1	0
	82	6751	0%	0%	0%	2%	2%	0%		104%	7021	$ 2.50	1	0
	221	6751	0%	0%	0%	2%	2%	0%		104%	7021	$ 2.50	1	0
	222	6751	0%	0%	0%	2%	2%	0%		104%	7021	$ 2.50	1	0
	Schoolhopper	576870									576870	$ 1.17	1	
	New Routes									**Growth (3%pa)**	73,114			
N	City to surf	0								0%	0	$ 2.00		
Y	Cross town connector	0								100%	97486	$ 2.00		
Y	Tauriko express	0								100%	60152	$ 2.50		
N	Pap east express	0								0%	0	$ 2.50		
N	Western Connection	0								0%	0	$ 2.00		
Y	Greerton Express	0								100%	84213	$ 2.00		
Y	40A (Welcome Bay)	0								100%	85903	$ 2.00		
Y	Wairakei express	0								100%	152171	$ 5.00		
N	Te Puke, Katikati loop services	0								0%	0	$ 2.00		
Y	City to surf to hosp	0								100%	194972	$ 2.00		

			Assumptions	
0%	Route not in use			
50%	Estimated of C252H			
100%	of Route 52	20%	Route 1	
0%	Route not in use			
0%	Route not in use			
10%	Route 1	100%	all of route 52 and 59	
100%	Route 40			
30%	All Papamoa Routes			
0%	Route not in use			
30%	of Routes 1 & 2 &59			

Total existing trips **2,437,121**

Total future trips **3,133,976**

Benefits

Revenue	Passengers	Revenue	NPV
Existing patronage	2437121	$ 3,561,847	$ 51,724,711.48
Estimated patronage	3133976	$ 5,928,373	$ 97,869,117.85
Increase in Passengers	696855	$ 2,366,526	$ 46,144,406.36

	Bus priority		
Travel time saving	Time	Passengers	
Maunganui Road to Bayfair IB	1.5	993767	
Maunganui Road to Bayfair OB	1.5	993767	
Marina IB	0.6	993767	
Dive Crescent	0.9	993767	
Elizabeth St to 15th Ave	5.1	856841	
Elizabeth St to Greerton	0.0	0	
Bethlehem Shoulder Running IB	0.0	0	
Bethlehem Shoulder Running OB	0.0	0	
Total		145194	Passenger Hours
Cost Saving		$622,518	Travel Time Savings (20025)
		$896,425.52	Annual Travel Time Savings Undiscounted
PT user benefit			
Total Passengers	3133976	$5,625,487	
		$6,019,270.65	
Reliability improvement benefit		$ 1,609,855.81	
		$140,744,901	NPV Travel Time Savings

Total Benefits **$ 238,614,019**

	Existing	Forecast	Incremental
Operating Costs	$ 183,010,418	$ 219,593,081	$ 36,582,663
New Infrastructure		$ 10,854,200	$ 10,854,200
Total	$ 183,010,418	$ 230,447,281	$ 47,436,863
Passenger Revenue	$ 51,724,711	$ 97,869,118	$ 46,144,406
Network Efficiency Improvements	$ 63,527,880	$ 140,744,901	$ 77,217,021
Total	$ 115,252,591	$ 238,614,019	$ 123,361,428

Indicative Benefit Cost Ratio **0.630** **1.035** **2.601**

Estimated fare recovery 28% 45%

Report To: Public Transport Committee

Meeting Date: 17 February 2017

Report From: Garry Maloney, Transport Policy Manager

Proposed variation to Regional Public Transport Plan Contracting Units

Executive Summary

To ensure the Bay of Plenty Regional Council obtains the best value for money from the tender of Western Bay bus contracts this year, we propose a change to the contracting units. The contracting units are a legislative requirement required to be stipulated in the Regional Public Transport Plan and therefore a variation to this Plan is required. The Committee has the delegated authority to amend the plan.

Unit changes will enable Council to achieve improved outcomes from the tender of western Bay services in 2017 with no significant impact on our customers. Improved outcomes include:

- maximising market participation in upcoming tenders for Tauranga urban, SchoolHopper and Western Bay bus services;
- ensuring unit sizes are adequate to achieve economies of scale;
- providing unit operators with the best opportunity to achieve efficiencies; and
- more surety around service quality during the nine year contract period.

Following initial feedback from bus operators from around the country, a preferred option for the unit structures has been identified – Option One - two units each consisting of urban, school and regional routes and an additional unit to accommodate future deployment of new services and changing technology.

The variation would see the existing Tauranga Urban and three SchoolHopper units (and therefore contracts) combined and then split geographically into an eastern unit and a western unit. This would be effective for the upcoming service tenders in the sub-region.

In order to enact the variation and meet legislative requirements, a formal consultation process is required and will be entered should the Transport Committee adopt Option 1. Any final decision to vary the Regional Public Transport Plan will require a decision from the Transport Committee in May.

Recommendations

That the Public Transport Committee under its delegated authority:

1 Receives the report, Proposed variation to Regional Public Transport Plan Contracting Units;

2 Endorses for consultation, the proposed variation to the Regional Public Transport Plan of the unit structures identified as Option One in the report, Proposed variation to Regional Public Transport Plan Contracting Units.

1 Purpose

The purpose of this report is to seek endorsement from the Public Transport Committee to consult on a variation to the Regional Public Transport Plan (RPTP). A further decision form the Committee will be required in May to adopt the variation following that targeted consultation.

The Committee has the delegated authority to "Approve and review the Bay of Plenty Regional Public Transport Plan".

2 Purpose of the variation

The Bay of Plenty Regional Council will undertake procurement for the operation of the majority of bus services in the Western Bay and Tauranga City areas in mid-2017. The contracted areas are likely to comprise approximately 12 urban, 30 school bus and four regional routes; these numbers will be confirmed through the Public Transport Blueprint.

Under central government's Public Transport Procurement Model (PTOM) these services must be organised into groups, called "Units", and must be specified within the operative RPTP.

A variation to the current RPTP is being sought ahead of a full review of the RPTP in the 2016 calendar year, due to the timing of the western Bay services tender process. To incorporate the proposed contracting units within this process the variation is required prior to releasing tenders.

The reorganisation of the units will:

- maximise market participation in upcoming tenders for Tauranga urban, SchoolHopper and Western Bay bus services;
- ensure unit sizes are adequate to achieve economies of scale;
- provide unit operators with the best opportunity to achieve efficiencies; and
- provide a high quality service once a contract is let.

Figure 1 below shows the stages and timing for varying the RPTP.

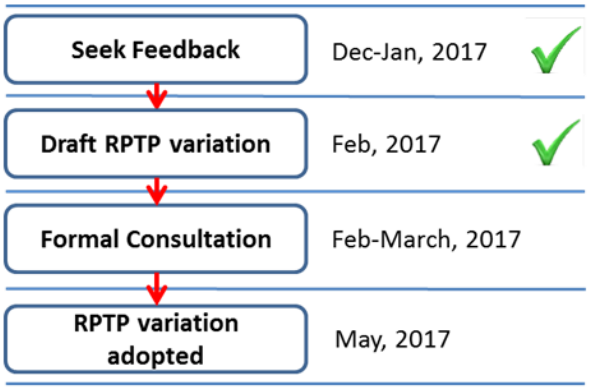


Figure 1 - RPTP variation process and timings

Feedback from operators has been sought to provide industry preferences for unit structures and a draft variation to the RPTP has been prepared. Prior to undertaking formal consultation with affected parties, we are seeking endorsement from the Committee of our preferred option.

3 Formal consultation

The RPTP is a statutory document and consultation is required when reviewed or undergoing a "significant variation" as per with Sections 125 and 126 of the Land Transport Management Act 2003. Changes to the unit structures are a significant variation.

Consultation is required with parties likely to be affected by the proposed variation and must include:

- the New Zealand Transport Agency;
- every bus operator in the Region;
- notified exempt service operators;
- the Regional Transport Committee;
- the Ministry of Education;
- territorial authorities;
- railway line access provider (Kiwirail); and
- other affected parties.

Consultation should be carried out in a manner that '*encourages parties to present their opinions to Council in a manner and format that is appropriate*'. Given the limited impact of the changes, the supportive feedback received from operators to date and the nature of the organisations being consulted, staff consider that a letter and written response is the appropriate consultation method.

4 Proposed Variation

The proposed unit structure which is the basis for the variation to the RPTP is set out in Figure 2 below.

Appendix One of this report shows the current unit structure.

Proposed Unit Structures	
Unit	**Description**
Northern Corridor (existing and unchanged)	Katikati/Ōmokoroa – Tauranga
Tauranga East and Te Puke	Tauranga Urban and School routes east of harbour bridge Te Puke and Maketū services
Tauranga West	Tauranga Urban and School routes west of harbour bridge
Western Bay Innovation	Unit to support future deployment of self-drive, electric, hybrid, or other innovative vehicles or services in the Western Bay

Figure 2 - Proposed variation to unit structures

The variation would see the existing Tauranga Urban and the three SchoolHopper units combined and then split geographically in to two units as shown in Figure 3 below.

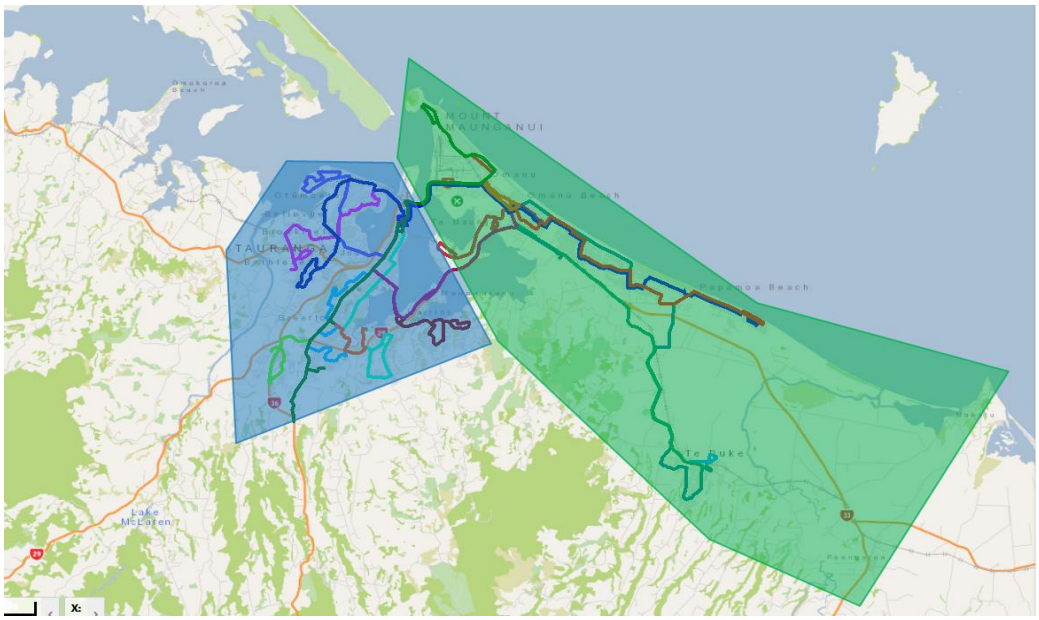


Figure 3 - Tauranga East and Tauranga West unit operating areas

This would allow operators of these units to:

- run a fleet comprising of school and urban buses potentially allowing the interchange of buses between services;

- make better use of their bus fleet, if demand reduces on either the urban or school services, buses can be redeployed as needed; and
- locate their depots in positions that reduce the time vehicles spend operating but not in service.

Staff do not believe that the proposed change to unit structures will have much impact on customers currently using the service.

While the change in unit structure may result in some loss in clarity as to which operator queries should be directed to, staff believe this will be minor. Currently, in the first instance queries are directed to a Council contracted call centre rather than the operators themselves. To minimise that impact further, appropriate information is and will continue to be provided to the call centre and Baybus website.

5 Options considered

Options are presented in the following section. Each option also includes the addition of a single unit to accommodate the future deployment of new services and changing technology (for example, driverless, electric, or hybrid vehicles).

5.1 (Preferred) Option 1 – two units each consisting of urban, school and regional networks

This option:

- maintains at least two sizeable operators in Tauranga providing a more competitive environment;
- maintains a reasonable scale of contract to encourage operators not currently in the region to tender for services; and
- reduces the overall number of contracts that are managed by Council in the western Bay from six to three (these figures include Ōmokoroa/Katikati unit which is not included in the variation).

The option also provides some competition in the market for ancillary services (i.e. coach hire) and future tender rounds.

5.2 Option 2 – one unit. All networks included

This option would likely attract the most attention from external parties to the market but could result in the departure of operators offering ancillary services. It would also be harder for smaller operators in the region to compete for this scale of tender. Future tender rounds may become less competitive with one operator holding such a large market share for bus services.

5.3 Option 3 – three units. One unit for school services; two units for urban and regional services.

This option maintains a reasonable scale of contract within the three units. It is expected that this will allow smaller operators to competitively tender for a single unit whilst a combination of units would offer incentive for operators outside the region to compete.

Arranging contracts in this manner may result in the loss of vehicle efficiencies that could result in combining school and urban services within in a single contract.

This option also provides competition in the market for ancillary services and future tender rounds.

5.4 Option 4 – five units. Two units for school services; two units for urban; and one unit for regional services

This could produce small school contracts ideally suited to smaller operators whilst combined urban or urban and school units would allow for larger operators to tender.

Arranging contracts in this manner may result in the loss of vehicle efficiencies that could result from combining school and urban services within in a single contract. It would also result in less opportunity for school services to be combined or modified to improve efficiency and there would be a minor increase in the administration required of Council staff.

5.5 Option 5 – four units. Based on geographic areas

This would allow for small operators to compete for single units that combine both school and urban services. Agglomeration of units would provide scale for larger market competitors. This could result in six separate contracts that would be less efficient to manage from a Council perspective.

Having large number of operators in the market would potentially make operation of pulse timetables (where buses need to meet at a given location and time to facilitate passenger transfers) less feasible due to the coordination required between operators. There would also be less ability to improve the efficiency of the networks as combining routes would become more difficult.

6 Feedback from Operators

Feedback on the options above from operators was sought though the Government Electronic Tenders System (GETS) and three responses were received from bus operators.

- One operator preferred Option 3 but supported Option 1.
- One operator preferred Option 1 but would also support Option 2.
- One operator preferred Option 1 but would like the option to tender both units as a group.

On the balance of feedback provided, I am comfortable that proceeding with Option 1 will not pose any significant impediments to operators tendering for services in the western Bay.

7 Council's Accountability Framework

7.1 Community Outcomes

This proposal directly contributes to the Regional Collaboration & Leadership and Economic Development Community Outcome in the Council's Long Term Plan 2015-2025.

7.2 Long Term Plan Alignment

This work is planned under the Passenger Transport Activity in the Long Term Plan 2015-2025.

Current Budget Implications

This work is being undertaken within the current budget for the Passenger Transport Activity in the Annual Plan 2016/17 or Year 2 of the Long Term Plan 2015-2025.

Future Budget Implications

There are no direct implications for future budgets. Obtaining the right unit structure will maximise the value of tenders.

Joe Metcalfe
Senior Transport Planner

for Transport Policy Manager

9 February 2017

APPENDIX 1

Appendix One - Unit structures from the Regional Public Transport Plan

5.6.2 Units

All bus and ferry services in the Bay of Plenty have been segmented into units and will be provided under exclusive contracts. This Plan will identify the principles for establishing the region's units, the policies for procuring units and the services that council intends to assist financially. The units below have been established using an analysis of options and discussions with key stakeholders. Future units will be established based on community demand analysis of service options and consultation.

The following table describes the region's units:

Unit	Service Level	Description	Commencement
Northern Corrdidor	Rural Connector Routes	Katikati/Omokoroa - Tauranga	31 January 2015
Eastern Corridor	Rural Connector Routes	Ōhope - Whakatane Ōpōtiki – Whakatāne Kawerau – Whakatāne Matatā – Whakatane Whakatane - Tauranga	30 June 2015
		Pōtaka- Opotiki	29 September 2014
Tauranga Urban	Regional Strategic Corridors and Urban Connector Routes	All Tauranga Urban Routes includes Te Puke service (excludes school bus services)	1 February 2015
Rotorua	Urban Connector	Rotorua	29 June 2014
Murupara	Rural Connector Routes	Murupara	
Matakana Ferry	Rural Connector Routes		
Tauranga Schools Unit 1	School Connector Routes	TBA	15 January 2015
Tauranga Schools Unit 2	School Connector Routes	TBA	
Tauranga Schools Unit 3	School Connector Routes	TBA	
Tauranga Schools Unit 4	School Connector Routes	Unallocated Unit	TBA
Tauranga Schools Unit 5	School Connector Routes	Unalloated Unit	TBA
Twin City	Commercial Unit	Rotorua to Tauranga	Current

5.6.3 Total Mobility

BOPRC proposes that Total Mobility in the Bay of Region operates according to the specifications in Figure 10.

Discount	Registered users of the scheme are eligible for a 50% discount on taxi fares to a maximum of $25 on any trip.
Areas serviced	Tauranga, Te Puke, Rotorua, Kawerau, Whakatane, Opotiki and adjacent rural areas.
Hours of operation	Seven days a week, 24 hours per day. Reduced service offered in Kawerau and Opotiki.
Wheelchair services	Wheelchair services are offered in Tauranga, Rotorua and Whakatane.

Figure 10 Total Mobility service specifications.

Report To: Public Transport Committee

Meeting Date: 17 February 2017

Report From: Garry Maloney, Transport Policy Manager

Bike Racks on Tauranga Buses

Executive Summary

There is renewed interest in providing bike racks on Tauranga buses.

The Western Bay Public Transport Blueprint (the Blueprint) sets out a number of initiatives for the Tauranga urban bus fleet. One of these is the introduction of bike racks for the start of the new bus service contract (or contracts) in July 2018.

As there are several issues that make the immediate introduction of bike racks problematic and as this course would deliver a less effective and efficient outcome, this report recommends that bus bike racks should not be provided prior to the start of the next contract(s).

Recommendations

That the Public Transport Committee under its delegated authority:

1 Receives the report, Bike Racks on Tauranga Buses;

2 Not introduce bike racks on buses at this time, but consider their introduction as part of approving the Western Bay Public Transport Blueprint.

1 Introduction

Of late, there has been renewed interest in providing bike racks on Tauranga buses.

As members are aware, the Council is currently preparing the Western Bay Public Transport Blueprint (the Blueprint). It is a ten year plan for public transport in the western Bay of Plenty sub-region that will set out a number of initiatives for how the bus service will develop in that time. Providing bike racks on buses is one of those. The Blueprint proposes the introduction of bike racks into the Tauranga urban bus fleet at the start of the new contract/s in July 2018.

2 The case for bike racks

The Bay of Plenty Regional Public Transport Plan identifies the investigation into bike racks on buses as a method for achieving high quality infrastructure. Bike racks encourage multimodal travel by allowing bicycle trips to be incorporated with public transport trips, providing a greater range of travel options to travellers. There are also health benefits for some bus users that elect to use bicycles for part of the journey

On 9 December 2014, the Public Transport Subcommittee resolved to make bike racks on Rotorua buses a mandatory tender requirement for the Rotorua urban bus services fleet. Initial bike rack trials commenced as part of the transition to the new contract, and were followed by a rollout to all buses in the Rotorua fleet. This is now nearing completion.

In mid-2016 Council also introduced bike racks onto the Ōhope to Whakatāne and the Whakatāne to Tauranga bus services. The initial uptake has been in line with expectations, with the racks being used 2-3 times per day in Ōhope, and 1-2 times per week on the Whakatāne to Tauranga service.

In the past, operators across the country have raised concerns regarding liability and insurance, complying with the Vehicle Dimensions and Mass Rule, and the role of the bus driver in loading bikes onto the rack. Over time, these concerns seem to have been addressed and resolved and bike racks are now a common feature in New Zealand bus fleets.

3 Bike rack costs

There is widespread support for the introduction of bike racks, and ideally their introduction would occur sooner rather than later. However, there are several issues that make their immediate introduction problematic and as this course would deliver a less effective and efficient outcome, staff do not recommend providing racks prior to the start of the next contract/s in July 2018.

The table below shows several aspects of bike rack purchase, installation and ongoing management, and the implications of bringing these aspects forward from the planned timeframe. These are weighed against the implications of retaining the current planned timeframe of providing bike racks as part of the tender conditions for the new contract(s).

	If bike racks are installed mid-contract	**If bike racks are a tender condition and installed in July 2018**
Purchase costs	Council purchases and funds in a one off payment	Operator purchases and spreads the cost to Council over the contract term
Ownership	Council retains ownership. (transferring ownership to the operator could potentially confer them with an advantage at tender time). With ownership, Council would general retain liability and responsibility for insurance	The successful tenderer owns, with all tenderers in the same competitive position. Liability and responsibility for insurance would fall to the operator, which would be included in the tender bid.

	If bike racks are installed mid-contract	**If bike racks are a tender condition and installed in July 2018**
Shipping and import logistics	Council arranges and funds	Operator arranges and pays for, spreading the cost to Council over the contract term
Installation	Operator arranges and on-charges costs to Council, with little incentive to minimise costs	Operator arranges and pays for and is incentivised to minimise costs
Ongoing maintenance	Operator arranges and on-charges costs to Council, with little incentive to minimise costs	Operator arranges and pays for and is incentivised to minimise costs through driver management
Removal and installation on new fleet at start of new contract	Council funds	Not required
Driver training	Separate driver training module funded by Council	Incorporated into training for the new contract
Communications and marketing of the initiative	Council funds	Council funds
Time between purchase and launch	If the decision was made to install bike racks mid contract, the time to launch would be approximately 8 weeks if airfreighted, or 17 weeks if shipped by ocean. This is made up of approximately 5 weeks manufacture and airfreight or approximately 14 weeks ocean freight. An additional 3 weeks would be required in New Zealand for installation and driver training.	Launched at the start of the new contract in July 2018.

Staff estimate that the cost of purchasing, shipping, installing and maintaining bike racks mid contract on the Tauranga bus network would be approximately $115,000 if shipped by air, or approximately $82,000 if shipped by sea. This is for the 40 buses operating the Tauranga Bayhopper urban services, excluding school bus services.

If installed mid-contract, the bus operator would have very little incentive to minimise costs to Council. If we introduce them as a mandatory tender requirement, the operator will be highly motivated to minimise costs, and the cost will be spread across the nine-year term of the contract. Spread over the contract, the cost would be less than $13,000 per financial year.

4 Community/Stakeholder views

In preparing this report staff contacted the New Zealand Transport Agency (NZTA) and Toi Te Ora Public Health Service. Both reiterated the support they provided in 2014. Both parties raised this matter in relation to the Rotorua bus service, prior to the new contract being procured.

NZTA reiterated that they *"see no reasons for not incorporating mounted bike racks as a mandatory feature for the upcoming Tauranga urban bus services tender.*

It will contribute towards increased mode share and likely to give people options to travel using bike/bus, hence encouraging the patronage growth" (Kelly Jiang, Senior Investment Advisor, NZTA).

Toi Te Ora have also written in support, saying that *"commuting by means of active transport (such as walking and cycling) is an effective way to incorporate physical activity into everyday life. This helps prevent some chronic diseases related to inactivity and helps reduce motor vehicle use, which in turn means reduced congestion and safer roads for everyone. This also leads to improved air quality and a reduction in greenhouse gas emissions.*

Infrastructure and urban planning that supports active transport (including public transport use) has an important role in improving population health.

Bike racks on buses will enable Tauranga district residents to have a greater choice in transport options that benefit their health and wellbeing. Toi Te Ora - Public Health Service strongly supports this initiative."

The views of Tauranga City Council and Western Bay of Plenty District Council were also sought. Martin Parkes, Manager: Transportation, *stated "TCC strongly supports the initiative to have front mounted bike racks as a standard accessory on Bay Hopper buses. Providing racks will give our residents more travel choices and supports the vision for a fully integrated transport system for the city. There are a number of benefits to being able to put your bike on a bus; ride to work in the morning, take your bike on the bus on the way home, or vice versa; if it's raining stick your bike on the bus; you can avoid having to ride home in the dark."*

Jim Paterson Transportation Infrastructure Manager at Western Bay of Plenty District Council also supports bike racks.

Staff support the above views, however, for the reasons outlined in this report, this paper recommends that bike racks are not introduced prior to the start of the next Tauranga contracts(s).

5 Council's Accountability Framework

5.1 Community Outcomes

This proposal directly contributes to the delivery of our passenger transport activity, under the Economic Development and Regional Collaboration and Leadership Community Outcomes in the Council's Long Term Plan 2015-2025.

5.2 Long Term Plan Alignment

This work is part of the Blueprint, planned under the Economic Development and Regional Collaboration and Leadership activity in the Long Term Plan 2015-2025.

Current Budget Implications

There are no current budget implications for the decision recommended. Should Council wish to install bike racks sooner than the new contract, then the net cost to Council would be approximately $80,000 or $115,000 depending on the shipping option. This cost is not provided for in the Long Term Plan, or in the current work being done on the 2017/18 Annual Plan

Future Budget Implications

Council will consider future budget implications as part of the Blueprint.

Mike Furniss
Transport Operations Officer

for Transport Policy Manager

9 February 2017

Report To: Public Transport Committee

Meeting Date: 17 February 2017

Report From: Garry Maloney, Transport Policy Manager

Future of Trial Rural Services

Executive Summary

This paper reviews the following three trial bus services funded through the 2015/2025 Long Term Plan process.

- Ruatāhuna to Rotorua, which has gradually increased patronage and has become a valuable service for an isolated community. It is recommended that this service should be made permanent.
- Waihī Beach to Tauranga, which did not initially provide sufficient time in Tauranga. The trial has been changed to a separate additional service and it is recommended that this trial is continued in 2017/18.;
- Paengaroa and Maketū to Tauranga, which is no longer required as the trips provided have been added to other services.

The trials were budgeted for the years 2015/16 and 2016/17 so a decision is required on the future of the Ruatāhuna and Waihī Beach services for at least the 2017/18 financial year.

The additional budget for the Ruatāhuna permanent service will be $18,000 and the revised Waihī Beach trial will be $11,000; bringing the total budget required for the two services to $29,000.

Recommendations

That the Public Transport Committee under its delegated authority:

1 Receives the report, Future of Trial Rural Services;

That the Public Transport Committee recommend that the Regional Council:

1 Approves the continuation the Waihī Beach trial bus service for 2017/18; at a net additional cost to Council of $11,000, and includes it in the Annual Plan 2017/18.

2 Approves the continuation of the Ruatāhuna to Rotorua bus service for the life of the Rotorua contract at a net cost to Council of $18,000 and include it in the Annual Plan 2017/18.

1 Background

Council, as part of the 2015 – 25 Long Term Plan process agreed to trial and fund for two years, three new services:

1. a service linking Ruatāhuna with Murupara and Rotorua;
2. a service linking Waihī Beach with Katikati and Tauranga; and
3. a link from Paengaroa and Maketū to Tauranga.

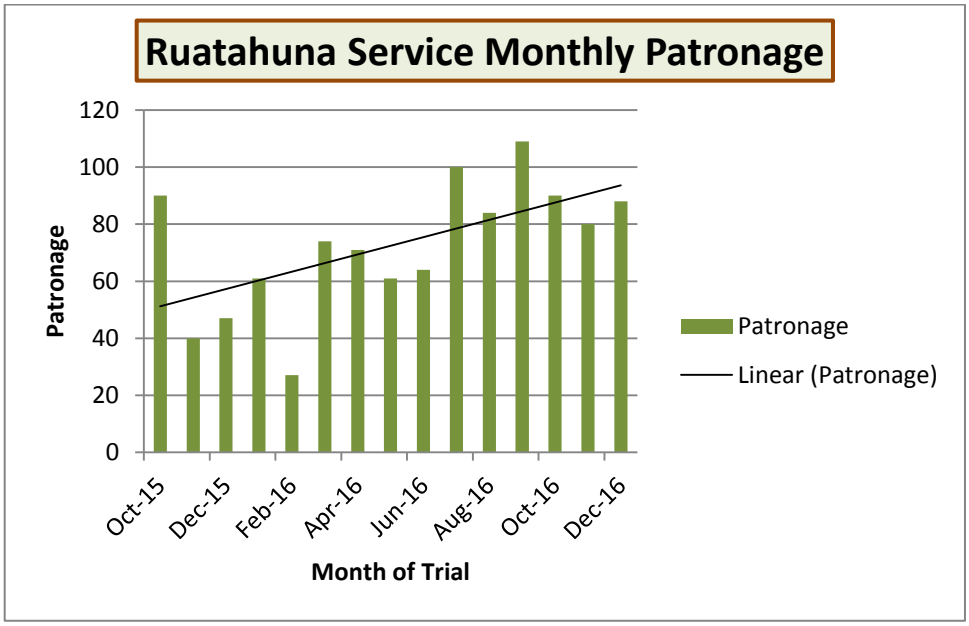
The trials have been designed using extensions to existing routes where possible; this being the most cost effective. A decision is required from Council on whether to continue to fund the Ruatāhuna and Waihī Beach trials for the for the 2017/18 financial year.

2 Ruatāhuna

This trial has been operating from October 2015, providing a link between the isolated communities of Ruatāhuna and Minginui and essential services in Murupara and Rotorua. The service which operates on Fridays (except public holidays) is operated by Reesby Rotorua Limited.

Ruatāhuna, Minginui and Murupara all experience high levels of deprivation, at level ten, the highest level of deprivation in the NZ Deprivation Index 2013. Much of the road between Te Whātai and Ruatāhuna is also unsealed and subject to seasonal damage through weather events, occasionally affecting services.

2.1 Passenger data



Passenger numbers have been increasing since the trial began apart from occasional cancellations due to slips. On average, nine passengers were carried per single trip in 2015/2016, rising to eleven in 2016/17 to date. Currently 37% of passengers are adult and 62% SuperGold cardholders.

2.2 Recommendation

This service has shown a steady increase in patronage during the fifteen months of the trial and performs a valuable function in providing a regular connection between otherwise isolated settlements.

It is the view of staff that the service has performed as intended and should be made permanent. The net annual cost to Council to continue the service would be $18,000 per annum from Year 3 of the current Long Term Plan onwards.

In future, it is expected that Council would annually review the performance of the service and should demand diminish significantly, one option would be to terminate the service.

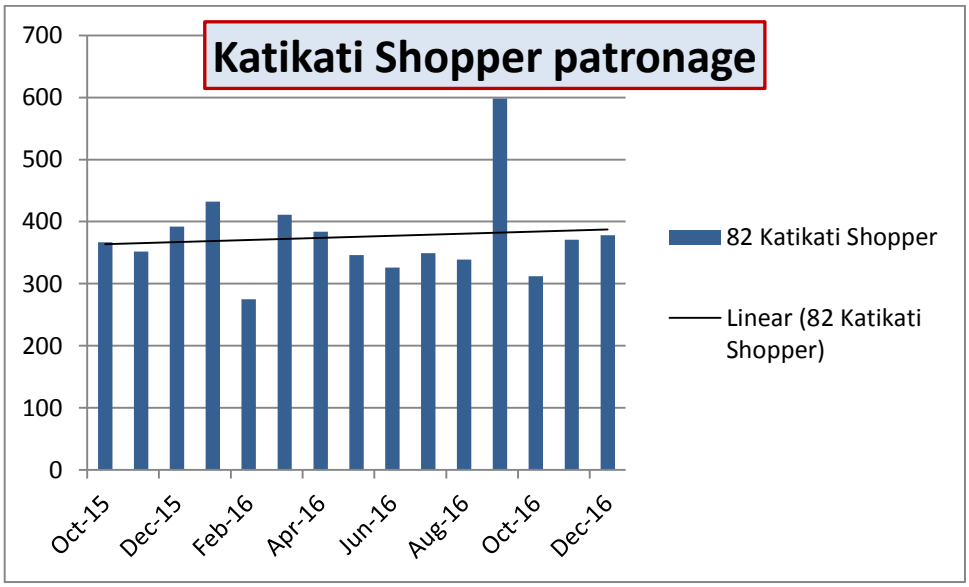
3 Waihī Beach

The removal of the Waihī Beach stop in the daily Intercity and Mana coach services isolated the settlement from Katikati (24 km away) and other settlements. The Waihī Beach trial first operated from 1 October 2015 as an extension to the Katikati to Tauranga Shopper service running three times weekly on Tuesday, Thursday and Saturday between the morning and afternoon commuter services. As part of the trial design, the Tauranga trip between Wharf Street and the Lakes was removed.

The constraint of fitting the shopper service between morning and evening commuter services and the increased distance have resulted in a shorter time available in Tauranga; from 3 hours 50 minutes to 2 hours 25 minutes for the trial.

The trial has not resulted in increased patronage, which for the Shopper has remained fairly stable.

3.1 Passenger data



The reduction in time available in Tauranga has been unpopular and from 9 January 2017 the trial has been changed, adding a direct service between Waihī Beach and Tauranga on Fridays in place of the Shopper addition.

3.2 Recommendation

The 2016/17 budget for this trial is $9,000. The actual cost for the first six months of the year is $4,500 and for the subsequent six months including the revised trial from January will be $5,500.

The revised trial has recently started and some positive feedback has been received as it increases both the time available in Tauranga as well as providing an additional direct shopper service between Katikati and Tauranga. I recommend that the trial is continued as a trial into the 2017/18 year at a net annual contract cost of $11,000 and its future be reviewed again as part of the 2018-28 Long Term Plan process.

4 Paengaroa/Maketū

Paengaroa and Maketū were linked by two services:

- diverting the Twin City service between Rotorua and Tauranga five days a week; and
- extending the Te Puke Shopper service twice weekly.

The trial was terminated in August 2016 as alternative shopper services were available and the commuter service was terminated by the operator.

5 Council's Accountability Framework

5.1 Community Outcomes

This proposal directly contributes to the Regional Collaboration and Leadership and Economic Development Community Outcomes in the Council's Long Term Plan 2015-2025. Both services create connections to isolated settlements facilitating economic development and integrated transport planning across the region.

5.2 Long Term Plan Alignment

This work is planned under the Passenger Transport Activity in the Long Term Plan 2015-2025 and links to the following level of service:

- "*The Council provides a quality public transport system where fares cover a reasonable proportion of operating costs*"

5.3 Regional Public Transport Plan

The trials are generally consistent with the Regional Public Transport Plan (2013), through Policy 4 – *'Provide public transport services on rural connector routes that link to Regional Strategic Corridors and maintain access to essential community goods and services*' and Policy 8 *'Work with rural or isolated communities to develop targeted, innovative transport services to improve access to essential community goods and services'.*

Both services provide links to essential community goods and services not provided by other means of public transport.

Current Budget Implications

This work is being undertaken within the current budget for the Passenger Transport Activity in the Annual Plan 2016/17.

Future Budget Implications

The trial services are provided for in Council's Long Term Plan 2015-2025 for the 2016/17 year, but to continue as recommended will require an additional allocation of $29,000 for the 2017/18 year.

Stella Norris
Senior Transport Operations Officer

for Transport Policy Manager

Report To: Public Transport Committee

Meeting Date: 17 February 2017

Report From: Garry Maloney, Transport Policy Manager

Proposed response to Te Puke commuter service overloading

Executive Summary

Route 221, the Te Puke to Tauranga service, has been experiencing overloading on the first morning commuter service, which departs Te Puke at 7:45am. Passengers have been refused travel on occasions due to the vehicle being at capacity and, in doing so; drivers have reportedly experienced verbal abuse because of this.

Similarly, the afternoon service, which departs Tauranga CBD at 5:40pm, has also experienced overloading.

A demand exists for increased provision of public transport between Te Puke and Tauranga to address the overloading issue, build trust in the reliability of the service and allow for subsequent growth opportunities.

The preferred option for addressing the overloading issue is to introduce an additional morning and afternoon express service. This service would travel direct from Te Puke to Tauranga and return, i.e. not via Bayfair as is the case for the current service.

The following options were considered to resolve the issue and the preferred option is option 2:

1. status quo until new contract starts, which is timed for July 2018;

2. reallocation of a larger vehicle from another service;

3. overflow to be carried on commercially provided bus services; and

4. Toi-Ohomai Institute of Technology Tauranga make provisions for their student's transport.

Savings derived from a change to the Ōmokoroa service (Route 81) where an unpatronised section of route between Wharf Street and The Lakes in Tauranga has been removed, will provide sufficient funds within current budgets to implement Option 2.

Recommendations

That the Public Transport Committee under its delegated authority:

1 Receives the report, Proposed response to Te Puke commuter service overloading;

2 Approves an additional morning express service from Te Puke to Tauranga and an additional afternoon express service from Tauranga to Te Puke to be through to the end of the contract in July 2018 to be funded from savings in the existing budget.

3 Notes that those savings have resulted from removing an unpatronised portion of Route 81 (Ōmokoroa to Tauranga) from Wharf Street to the Lakes in Tauranga.

1 Background

The 7:45 am departure from Te Puke to Tauranga (Route 221) has been experiencing overloading. The current vehicle on Route 221 is a Mitsubishi Rosa with capacity for 24 seated passengers. Patronage reports show that this service experiences high passenger loadings during tertiary semesters and typically during the first half of the week (Monday, Tuesday and Wednesday mornings).

Route 221 carries a high proportion of tertiary students (see Figure 1). In 2016, Route 221 (first inbound journey only) carried 3,756 passengers - 83% of whom were tertiary students, compared with only 15% adults. Tertiary students must show their student ID and are charged a discount on a concession cash fare. They pay $3.40 cash or $2.74 when using their Smartride Card; this is compared to an adult cash fare of $5.70 or $4.56 when using a Smartride Card.

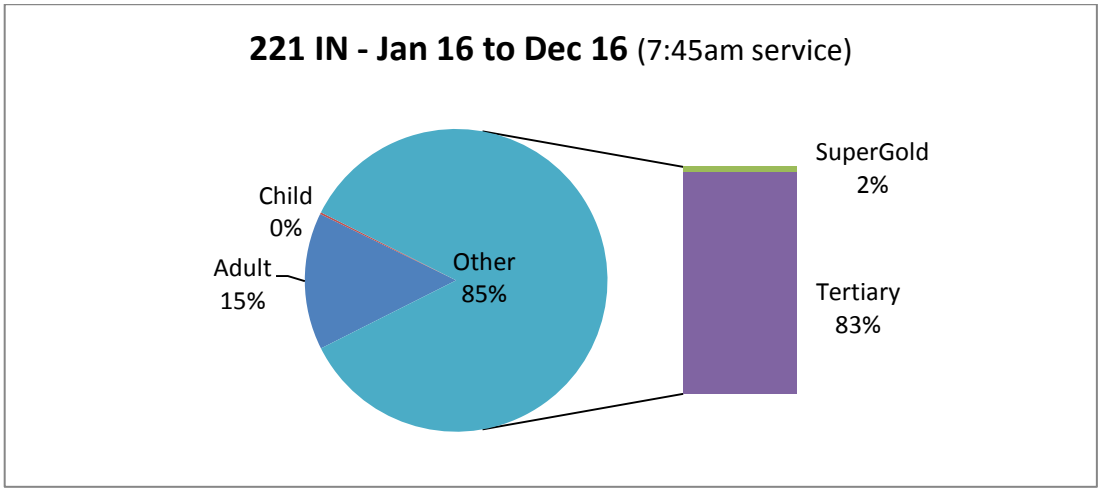


Figure 1 Route 221 Fare Type

2 Passenger data

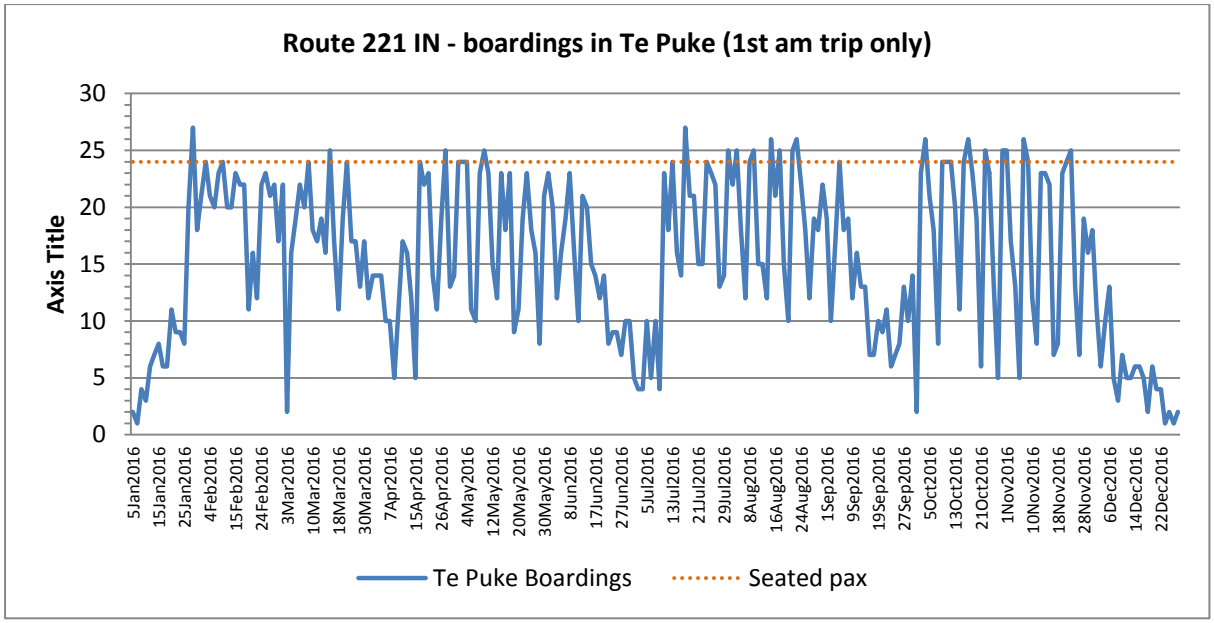


Figure 2 Route 221 passenger boardings in Te Puke – 7:45am journey (Jan-Dec 2016)

Figure 2 above shows that the 7:45 am trip on Route 221 is at capacity, with 31% of the trips carrying more than 20 passengers per trip. On some trips, passenger numbers have exceeded the 24 seated passengers[1] and this can be explained by the contractor operating a larger bus on this service at the time, or where passengers have boarded in Te Puke and alighted at Bayfair and their seat has subsequently been taken by another passenger between Bayfair and the Tauranga CBD.

While the bus can legally take 24 passengers, the level of comfort for the half-hour journey is somewhat compromised with narrow seating and a lack of air conditioning when the bus is at maximum seated capacity.

The Te Puke contract has been extended to align with the Tauranga urban contract and this means any changes will be in place until the new Tauranga bus contract commences in July 2018.

The Te Puke community is currently served by four bus routes each providing one or two trips per day. Table 1 sets out the current service times for Te Puke

The current afternoon commuter service, departing Tauranga at 5:40pm, averages 55% capacity but will reach full capacity, typically during the earlier part of the week when there is a higher proportion of tertiary students travelling. Overloading on this trip has been experienced, albeit to a lesser degree. The 5:40pm journey from Tauranga is the last service to depart Tauranga to return to Te Puke.

Table 1 Current Te Puke Services

Morning services:

Route	Service	Depart Te Puke	Arrive Tauranga
TC	Twin City[2] (from Rotorua)	7:15am	8:20am
221	Te Puke Commuter	7:45am	8:20am
221	Te Puke Commuter	9:00am	9:30am

[1] The 24 seat capacity is shown on the graph as the orange dotted line.
[2] The Twin City service operates between Rotorua and Tauranga and is a commercial service operated by Reesby Rotorua Ltd.

222	Te Puke Shopper[3]	10:05am	10:50am
143	Whakatāne to Tauranga	10:35am	11:15am

Afternoon services:

Route	**Service**	**Depart Tauranga**	**Arrive Te Puke**
222	Te Puke Shopper	1:15pm	1:45pm
143	Whakatāne to Tauranga	2:05pm	2:45pm
221	Te Puke Commuter	2:40pm	3:10pm
TC	Twin City	5:10pm	5:40pm
221	Te Puke Commuter	5:40pm	6:10pm

3 Council's Accountability Framework

3.1 Community Outcomes

This project/proposal directly contributes to the Regional Collaboration and Leadership and Economic Development Community Outcomes in the Council's Long Term Plan 2015-2025.

3.2 Long Term Plan Alignment

This work is planned under the Passenger Transport Activity in the Long Term Plan 2015-2025. The Long Term Plan recognises one of the key challenges in the next ten years as coping with anticipated demand for increased provision and quality of bus services with financial constraints.

Current Budget Implications

Funding is available within the current budget for the Passenger Transport Activity in the 2016-2017 Annual Plan due to savings derived from changes to the Katikati and Ōmokoroa services. The cost to introduce the additional services to the end of the 2016/17 Financial Year is $11,906, offset by savings of $16,769.

Cost to provide additional services for the 2016-2017 Financial Year (27 February to end-June 2017)	$11,906.00
Less savings derived from Route 80 and 81 changes	-$16,769.00
Variance (saving)	-$4,863.00

Future Budget Implications

As a result of the changes to the Katikati and Ōmokoroa services, funding is available within the 2017-2018 Financial Year Budget. The cost to introduce the additional services to the end of the contract in July 2018 is $34,750, offset by savings of $33,990 annually (see below).

Cost to provide additional services for the 2017-2018 Financial Year	$34,750.00
Less savings derived from Route 80 and 81 changes	-$33,990.00
Variance	$760.00

[3] The Te Puke Shopper only operates on Wednesday's and Friday's.

While their appears to be a small funding shortfall, the figures above do not reflect additional patronage and therefore fare revenue that can be expected to accrue. As a result, the proposed variation will not require additional funding from Council.

Future changes to the Te Puke bus service will be planned, designed and costed as part of the Western Bay Public Transport Blueprint project.

Jen Proctor
Transport Operations Officer

for Transport Policy Manager

9 February 2017

Receives Only – No Decisions

Report To: Public Transport Committee

Meeting Date: 17 February 2017

Report From: Garry Maloney, Transport Policy Manager

Progressing Free Public Transport to and from Schools

Executive Summary

At the Council's 2017/18 Annual Plan workshop on 3 February the issue of providing fare-free transport for school students on the Council's contracted bus services was discussed.

While it is difficult to accurately estimate the number of children that currently use the Council's contracted bus services, annual regional school student patronage is likely to be in excess of about 900,000 trips per annum. Those 900,000 trips return about $1.6 million in fare revenue.

Apart from the loss in revenue, making transport for school students free may also result in a range of unintended consequences including:

- failure to achieve perceived outcomes;
- questions of equity; and
- passenger capacity issues on buses resulting in a further loss of fare revenue and reduction in fare recovery and additional costs arising from the need to provide additional vehicles/services.

Based on the current evidence base and noting that there are many reasons why students do/do not currently use public transport (and cost is only one of those), staff at this time would not recommend implementing fare-free travel for school students.

Should there be a desire to progress fare-free travel to school, one way forward would be to conduct a trial and following the trial, seek the views of our community on the future of the initiative through the development of the 2018/28 Long Term Plan.

As part of the Regional Fare Review process, another option available to Council would be to use that exercise to promote public transport for children as a means of reducing congestion at peak times.

Recommendations

That the Public Transport Committee under its delegated authority:

1 Receives the report, Progressing Free Public Transport to and from Schools.

1 Introduction

At the Council's 2017/18 Annual Plan workshop on 3 February the issue of providing fare-free transport for school students on the Council's contracted bus services was discussed.

The following report will provide some background information to enable further discussion by the members on this matter.

2 Current Policy and Operating Environment

The Council's current Regional Public Transport Plan sets the framework for the fares that apply to the Council's contracted bus services. In essence it provides for fare concessions for children on longer-distance rural services, but not on urban patronage services (Tauranga and Rotorua urban bus services). It does not mandate free services for primary through to secondary school students.

The current framework is under review as part of the Regional Fares Review, with a planned implementation date of July 2018 (coinciding with our new electronic ticketing system).

The application of those policies is in some cases different to those set out in the Plan. For example, a flat fare applies in Rotorua (that is, all passengers irrespective of age pay the same fare), while in Tauranga children receive a concession of 40% on the adult fare (inconsistent with current policy).

The child fares in Rotorua are (GST inclusive):

- cash - $2.70
- smartcard - $1.89

The child fares in Tauranga are (GST inclusive):

- cash - $2.00
- smartcard - $1.60

While the Ōhope to Whakatāne service is a coverage service, it also carries a significant number of children and the fares are the same as for Tauranga.

Last year (2016) the Tauranga services carried the following number of children:

- BayHopper – ~ 370,000 (about 20% of total patronage); and
- SchoolHopper – ~ 550,000.

For the same period, the Ōhope to Whakatāne service carried about 8,000 children.

It is difficult to estimate the number of children that currently may be using the Rotorua urban bus service, but based on the last census Rotorua has a slightly higher proportion of children 5 to 19 years old compared to Tauranga (22.7% compared to 19.8%).

As can be seen above, the proportion of children using the Tauranga urban bus service was about the same as the proportion of the total population that were children. As such, a rough estimate of Rotorua urban bus service child patronage is about 170,000 per annum.

An annual rough order of cost estimate to implement fare-free services for primary to secondary students across the region is about $1.6 m per annum (GST exclusive) as follows:

- Tauranga - $1,285,000;
- Rotorua - $284,000;
- Ōhope to Whakatāne - $11,000; and
- other coverage services (e.g. Te Puke and Katikati/Ōmokoroa) - ~$11,000.

The numbers above are a rough estimate that assumes all child passengers pay by smartcard (the predominant but not exclusive payment method) and based on 2016 and not the slightly higher 2017 fares.

3 Unintended Consequences

Making transport for school students free on the Council's contracted bus services may result in a range of unintended consequences including:

- failure to achieve perceived outcomes;
- lack of support from Council's co-investor (the New Zealand Transport Agency) given the information currently available;
- questions of equity – for example, why not tertiary students as well, particularly if one outcome being sought is the removal of barriers to education;
- passenger capacity issues on buses resulting in the displacement of fare-paying passengers (loss in revenue and further reduction in fare recovery);
- passenger capacity issues on buses resulting in the need for additional vehicles (an extra urban bus will cost about $300,000 per annum);
- demand for additional school bus services; and
- if started and then ended after a number of years it becomes a legacy issue around which certain behaviours have grown, no different to the situation faced at the end of 2014 with the cessation of Ministry of Education services in Tauranga.

4 Next Steps

At this time, staff would not recommend implementing fare-free travel for primary to secondary school students on any of Council's contracted bus services. Based on the current evidence base it is very likely that such an initiative would not achieve any tangible outcome, particularly one around solving traffic congestion.

There are many reasons why students do not currently use public transport and cost is only one of many (but certainly significant for low income families, or families with several children at school). For those families prepared to pay, the convenience offered by the services outweighs the cost but does not necessarily translate in to a significant reduction in the need to use a private motor vehicle for other travel (for example, working parent(s) who may drop/pick up their children at/from school as part of their journey to work trip. Even availing themselves of free school transport won't necessarily reduce their need to travel to work by private vehicle).

Should there be a desire to progress fare-free travel to school, one way forward would be to:

- determine the outcome(s) sought from providing fare-free school transport;
- accept that the risks outlined in the previous section of this report may be realised in any trial and can not be resolved at the time;
- determine the parameters under which the trial will operate (for example, region-wide or Tauranga only, etc);
- seek input from our local and central government partners on the proposed initiative;
- determine how the trial will be funded;
- trial the initiative for one or two terms;
- evaluate its success against the outcomes; and
- consult the public on the future of the initiative through the development of the 2018/28 Long Term Plan.

As part of the Regional Fare Review process, another option available to Council would be to use that exercise to promote public transport for children as a means of reducing congestion at peak times.

In the current year we may undertake a bus satisfaction survey and if so, will consider using this tool to gather further evidence around current Tauranga school student use of public transport. This could then provide a baseline for a follow up survey at the completion of the trial.

5 Council's Accountability Framework

5.1 Community Outcomes

This project/proposal directly contributes to the Regional Collaboration & Leadership and Economic Development Community Outcomes in the council's Long Term Plan 2015-2025.

5.2 Long Term Plan Alignment

This work is not planned but would be delivered under the Passenger Transport Activity in the Long Term Plan 2015-2025.

It is not specifically listed in the Long Term Plan but would link to the following level of service (but be inconsistent to):

- The Council provides a quality public transport system where fares cover a reasonable proportion of operating costs.

It links to the following Key performance indicator for the 2016/17 financial year:

- Fare recovery ratio – 35%.

Current Budget Implications

This work is being undertaken within the current budget for the Passenger Transport Activity in the Annual Plan 2016/17.

Future Budget Implications

Continuation of the Passenger Transport Activity is provided for in Council's Long Term Plan 2015-2025.

Garry Maloney
Transport Policy Manager

9 February 2017