



Public Transport Group 30 June 2011 Quarterly and Year End Review

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1. Executive summary

1.1 The year in review

July	First Matangi train arrives in Wellington 500 Braille signs installed on bus stop poles
August	Economic Wellbeing Committee agrees to trial new Public Transport Operating Model
September	Total Mobility Electronic System (TMES) introduced Issue 14 of Metlink News distributed Matangi train official public/media launch
October	New public transport fares introduced
November	Pomare car park opened
December	First Matangi carries paying passengers Trolley Bus Overhead Agreement signed Issue 15 of Metlink News distributed Promotion of Christmas timetables
January	Double tracking and electrification to Waikanae completed
February	New station buildings at Waikanae and Paraparaumu opened Waikanae Station car park extension opened New rail and bus timetables introduced Rail services extended to Waikanae Porirua and Kapiti bus service reviews implemented Petone west car park opened Porirua station major refurbishment completed Taita car park lighting upgrade completed New CCTV cameras installed at Porirua station Economic Wellbeing Committee approves revised Terms of Reference for Wellington bus service review
March	First 4-car Matangi train into regular revenue service

	Real time information system launched
	Short term measures introduced to deal with rail capacity issues
	Removal of the surcharge on Wellington bound Wairarapa trains
	Issue 16 of Metlink News distributed
	New prototype bus shelters installed at 6 sites
	Economic Wellbeing Committee approves revised Terms of Reference for Otaki and Wairarapa bus service reviews
April	New “bikes on trains” policy introduced
	Services withdrawn from Muri station
	Takapu Road car park lighting upgrade completed
May	Prototype refurbished Ganz Mavag unit entered peak hour revenue service
	Crown approves \$88 million for deferred rail network renewals
	New bus shelters installed at 11 sites
	19 standing pads installed in Porirua
	Subway and platform lighting upgrade programme at Waterloo Interchange completed
	Metlink City Safari
	Initial public consultation on Otaki bus review commenced
June	Purchase of Wellington Metro Passenger Rail Assets
	Rail network substantially Matangi compliant
	30 Matangi cars in Wellington and 18 available for service
	Thorndon EMU depot upgrade completed
	Council approves full Ganz Mavag refurbishment in principle
	Proposed Regional Public Transport Plan approved for consultation
	Issue 17 of Metlink News distributed

Changes to Wellington school bus services commenced

Initial public consultation on Wairarapa public transport review commenced

1.2 Key results - outputs

- 1.1 million bus, rail and ferry services funded by Greater Wellington
- 35.4 million passenger trips across all public transport modes in 2010/11, up 1.0% on 2009/10
- 245,000 Total Mobility trips
- 320 new park and ride car parks
- 563,000 calls to the Metlink information line
- 1.8 million visits to the Metlink website
- 143,000 visits to the mobile website
- 18 public transport news releases

1.3 Key results - financial

- Total expenditure on operations was \$84.5 million compared to the budget of \$85.8 million
- Capital expenditure and improvements projects \$126.7 million compared to the budget of \$228.5 million. This reduction in expenditure is primarily because of changes to the timing of payments for the new Matangi trains.
- Budget increases for 2011/12 year minimised

1.4 Key results - management

- High number of responses to OIAs (42) and Annual Plan submissions (142)
- Corporate planning and financial requirements met
- Rail funding issues resolved
- Future rail operating model confirmed
- Trolley bus overhead agreement signed

1.5 Presentations

Conference on Railway Engineering (CORE) 2010 (Wellington): Session Chairperson - "NZ Metro Rejuvenation and Renaissance" 12-14 September 2010

Waikanae Women's Probus: Presentation "Wellington Regional Rail Upgrade: Matangi EMU" 11 November 2010

Urban Transport World Australia 2011 - Sustainable transport development for sustainable cities – February 2011

NZ Rail 2011 Conference (Wellington): Presentation "Case study: Wellington Regional Rail Upgrade Update" 5 April 2011

UrbanRAIL 2011 (Sydney): Panel member - topic "Conditions of success for the planning and delivery of major urban rail projects" 10-11 May 2011

Chartered Institute of Logistics & Transport - Central section luncheon: Presentation "Matangi Electric Trains Procurement and Delivery" 25 May 2011

Transport New Zealand Summit 2011 - Future Challenges and Opportunities for Public Transport in Wellington – June 2011

1.6 Looking ahead – improvements

- Full Ganz Mavag refurbishment programme commenced
- Real time information rolled out in Hutt Valley, north Wellington, Porirua and Kapiti together with on-street displays in these areas and Wellington city
- Station and car park upgrades – programme and priorities to be determined
- Implementation of the Wellington, Otaki and Wairarapa service reviews

2. Achievements

2.1 Public Transport operations

2.1.1 Contracted services

During the year Greater Wellington funded almost 1.1 million services comprising:

- 933,000 bus services
- 114,000 rail services
- 8,000 ferry services

2.1.2 Reliability

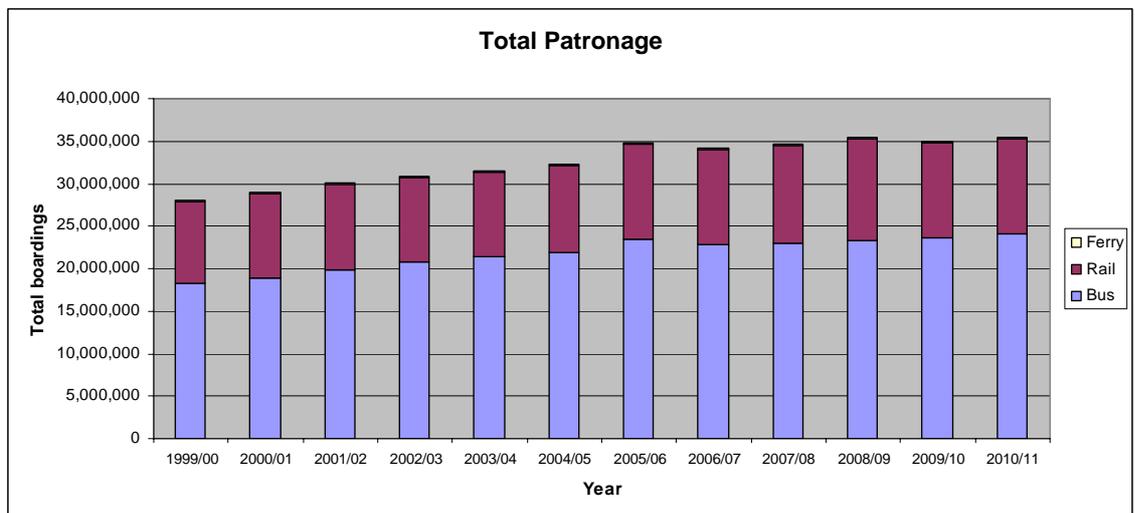
99.8 % of bus services operated on time, an increase of 0.1% from the previous year. A bus service is defined as being “on time” when it runs within 10 minutes of scheduled time at departure and destination.

83.8 % of rail services operated on time, an increase of 1.6% from the previous year. A train service is defined as being “on time” when it departs from or arrives at Wellington Railway Station within three minutes of its scheduled time.

2.1.3 Overall patronage

There were 35.4 million passenger trips in 2010/11, an increase of 1% on the 35.0 million passenger trips in 2009/10. Of these, 29.0 million were on services contracted by Greater Wellington with public service operators. The remainder were on commercial services run by the operators with no public subsidy.

The following graph shows patronage since 1999/00 split into ferry, rail and bus services.



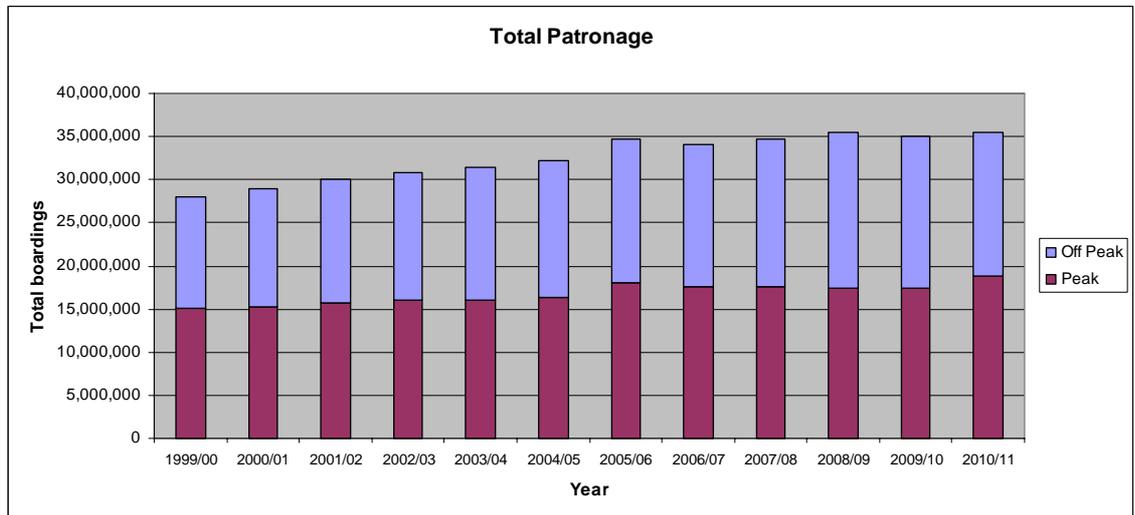
2.1.4 Peak vs off-peak patronage

There were 18.8 million peak passenger trips in 2010/11, an 8.8% increase on the 17.4 million passenger trips in 2009/10.

The Wellington Regional Land Transport Strategy 2010-2040 (RLTS) has a strategic target of 23 million peak passenger trips by 2020. The new Matangi trains, rail extension and double tracking to Waikanae, the introduction of Real Time Passenger Information and other proposed public transport enhancements are expected to grow patronage and contribute towards achieving the RLTS patronage target.

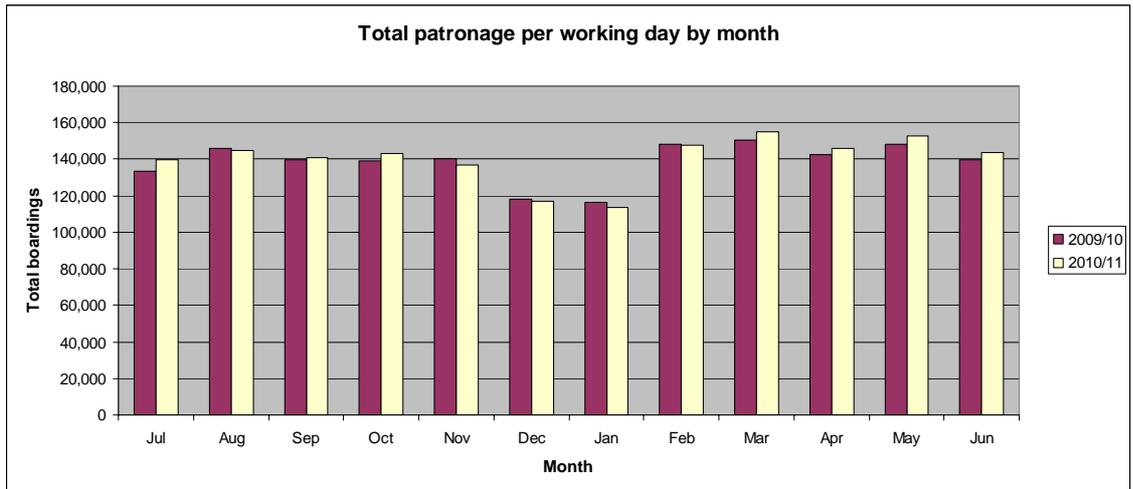
There were 16.6 million off-peak passenger trips in 2010/11, a decrease of 5.5%. The Wellington Regional Land Transport Strategy 2010-2040 (RLTS) has a target of 23 million off-peak passenger trips by 2020.

The following graph shows the changes in peak and off-peak patronage since 1999/00.



2.1.5 Overall patronage per working day by month (bus, rail and ferry)

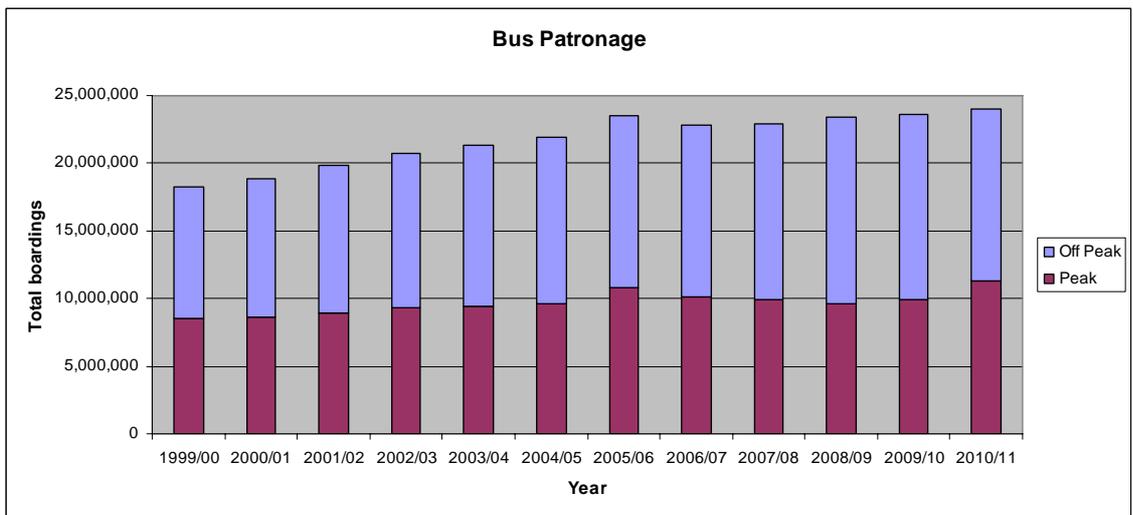
This graph shows patronage per working day by month for 2010/11 compared to 2009/10. The graph shows that, on an adjusted basis, patronage since March 2011 has been above the corresponding patronage for the same month in the previous year.



2.1.6 Bus patronage

There were 24.0 million passenger trips on bus services in 2010/11, a 1.6% increase on the previous year. Peak passenger trips increased by 13.5% to 11.3 million and off-peak passenger trips decreased by 7.0% to 12.7 million.

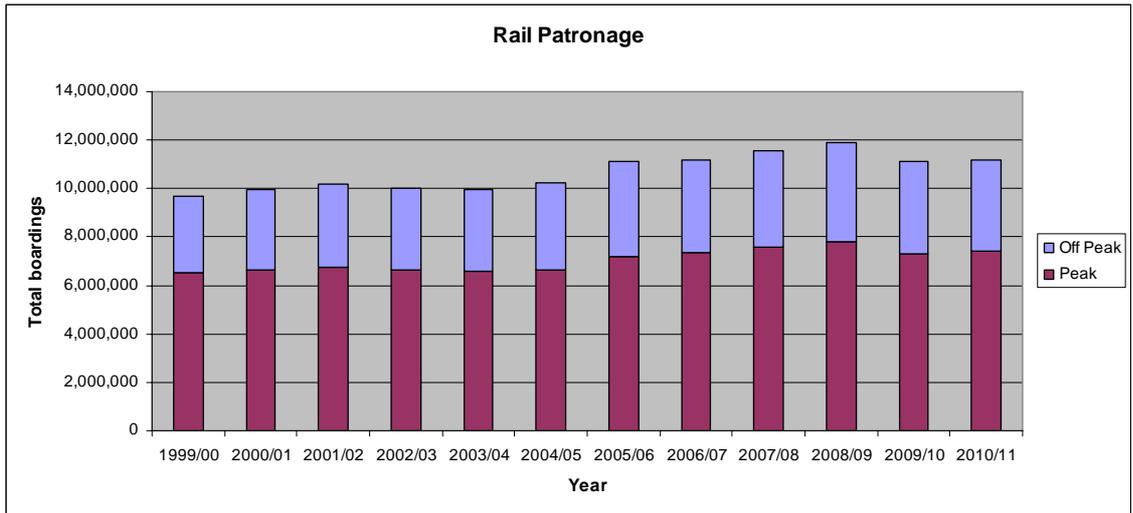
Total bus patronage was higher than at any time in the past 12 years.



2.1.7 Rail patronage

There were 11.2 million passenger trips on the rail network in 2010/11, a 0.6% increase on the previous year. Higher fuel prices during the year have been conducive to growth, however there have been service disruptions as major infrastructure works were completed as well as reliability issues with older rolling stock. There is evidence of increased growth in patronage since March 2011

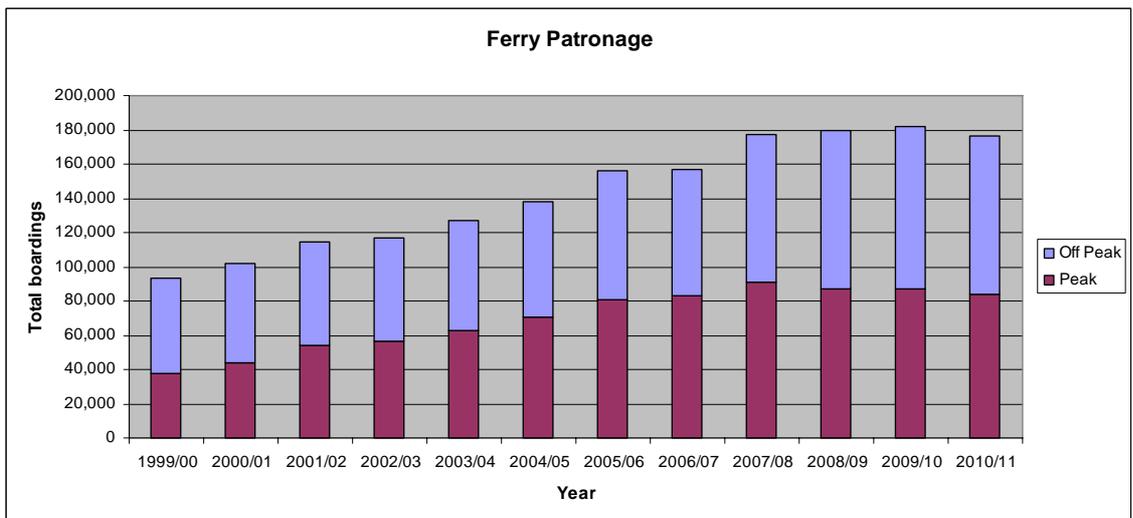
Peak passenger trips increased by 1.2% to 7.4 million and off-peak passenger trips decreased by 0.4% to 3.8 million.



2.1.8 Ferry patronage

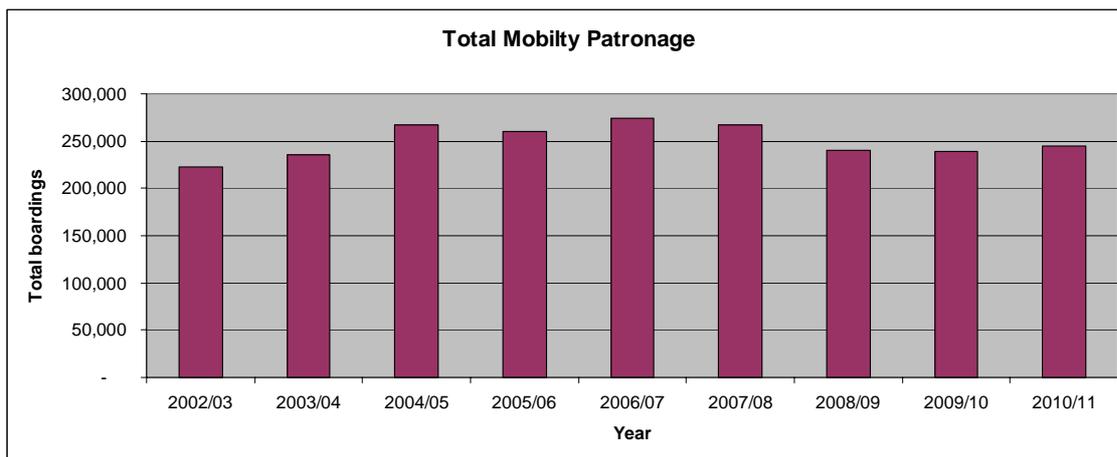
There were 176,581 passenger trips on ferry services in 2010/11, a 3.0% decrease on the previous year.

This decrease in patronage in 2010/11 was driven by both peak and off-peak patronage with slightly more of the decrease on the off-peak services.



2.1.9 Total Mobility Scheme usage

There were 245,219 total mobility trips in 2010/11, a 2.6% increase on the previous year.



2.1.10 Bus services

(a) Public Transport Operating Model

The Public Transport Operating Model (PTOM) is a new way of contracting bus and ferry passenger services with an objective of achieving increased patronage with less reliance on government subsidies

In August 2010 the Transport & Access Committee approved GW entering into a trial of PTOM. Since then a number of workshops have been held with the industry, MoT, NZTA and Auckland Transport (AT) in order to progress the development of the PTOM. AT and GW are working closely together on this and to date a number of meetings have been held to establish a common understanding between the organisations in order to progress the trial.

(b) Porirua services

The implementation of the 20 February 2011 Porirua bus services changes went well with only some minor issues with signage and shelters. Corrections to signage were made at the earliest opportunity, and a new shelter was installed at the main Porirua CBD stop at Lyttleton Avenue stop near the Countdown Supermarket.

A review of Porirua school bus services has also been undertaken now that patronage on the new public services is able to be established. At the time of writing our proposal is before Mana Coach Services Ltd.

The Porirua East Community Transport (Bus) Service was introduced at the time of the 20 February changes but has not been performing to expectation. The community has been informed that unless there is a significant improvement in patronage over the coming months the service will cease.

(c) Wellington school services

A review of Wellington City school bus services has been undertaken. This has resulted in some minor changes to the way some buses from the southern suburbs operate and includes the amalgamation of two trips; withdrawal of a

poorly used afternoon service from Wellington College; and the addition of an extra morning bus from Wrights Hill to Wellington College via Kelburn. These changes commenced in June 2011.

(d) Trolley bus services

A high level of diesel replacements for trolley bus services occurred over the year because of ongoing overhead network renewals. In addition Route 7 Kingston services were operated with diesel buses for an extended period because five trolley buses were temporarily withdrawn from service to correct a mechanical fault.

Otherwise, trolley bus operations have been successful this year – including an acid test during re-routing of buses through Manners Mall where trolley buses were being operated on battery power for extended periods.

A new contract was signed in December 2010 with Wellington Cable Car Limited for the operation, maintenance and renewal of the trolley overhead wire network.

(e) Kate Sheppard Exchange development

The proposed Kate Shepherd building development over the bus operating area at the Lambton Interchange has the potential to significantly affect the flow of services through the bus/rail interchange.

We have submitted on and given evidence in support of our stance on the development to the resource consent hearing. Any change to the current arrangements may have operational and infrastructure consequences along with associated costs. At the time of writing we are awaiting a decision from the hearing commissioners before deciding on what, if any, further action is required.

2.1.11 Rail services

(a) New Matangi trains

At the end of June 2011 15 new Matangi units (30 cars) were in Wellington. The ongoing delivery plan is discussed later in this report.

Feedback about travelling on the new trains has been very positive; people are enjoying the smooth, quiet ride and have been fascinated by the fact that you can see all the way down a two car unit. Passengers also tell us they are quickly getting used to the manually controlled doors and that they like the electronic information displays inside the train.

(b) Reliability and capacity constraints

Rail services have suffered this year from reliability issues and subsequent to the introduction of the new timetable, capacity constraints. The longer term resolution to these issues are continuing improvements to the network, further

introduction of Matangi units and the refurbishment of the aging Ganz Mavag units.

A number of short term measures were employed to deal with the short term capacity issues in March and April 2011 including:

- **Collection of fares on station platforms**

Collection of fares was managed by temporarily contracted staff on station platforms in Tawa, Porirua and Lower Hutt because train guards were unable to get through the trains to collect fares. Greater Wellington staff members were on-hand from time to time to assist with customer enquiries.

- **Melling line bus replacement**

Melling line services were replaced by buses. Buses replacing trains are not ideal, however this measure provided increased capacity on the main lines during the morning peak. There was some discounting of monthly ticket prices to compensate passengers for the disruption to normal services.

- **Wairarapa Surcharge**

The minimum fare for Hutt Valley passengers using the Wairarapa trains was temporarily removed for Wellington-bound services, to provide more capacity within the Hutt Valley during the morning peak. This was subsequently confirmed as permanent policy.

- **Customer Services**

Greater Wellington staff manned an information desk at Wellington station to ensure commuters had one point of contact for comments, complaints and feedback. This was well received by commuters and a few took the opportunity to make regular detours to the stand every day. The feedback received was shared with Tranz Metro, who responded directly to the commuters.

Greater Wellington and Tranz Metro website information was also regularly updated.

(c) **Buses replacing train services**

Greater Wellington has participated as an advisor and evaluator on the Tranz Metro led tender for the supply of train replacement bus services. The tender has been awarded and a joint operating plan for delivery of the services is now being worked through.

(d) **Buses replacing trains signage**

A project to improve “buses replacing trains” signage has commenced. There are approximately 60 bus stopping places required across the rail network, 13 of these are at locations which are not official bus stops (Greater Wellington

and Tranz Metro will work with the NZTA [for stops on state highways] and local authorities where necessary to formalise these stops). The purpose of this work is to standardise signage and information, so that customers are better informed about bus replacements. The initial stage of the signage rollout commenced on the Kapiti line in June 2011.

The photos below show a stop that is shared with regular bus services (Stop 2003) and one where the location is exclusive to the railway station (Porirua).



Existing signage at railway stations used to inform customers that trains are being replaced by buses does not work well. Deployment of these signs is a very labour intensive process which can not be activated quickly, requiring a security guard or train personnel to unlock and then re-lock up to 3 signs at each affected station.

Alternative solutions are being considered, including a prototype 'lightbox' type sign that is currently being tested. It can be activated easily and quickly by mobile phone technology and would display a fixed message such as 'Buses are Replacing Trains'. It will also be capable of audio announcements.

2.1.12 Ferry services

Ferry services were disrupted for approximately four weeks during March and April 2011. This was due to a very unfortunate event where one of the two ferries operating took on water after a freak wave broke over the bow.

Emergency procedures were invoked and the Skipper immediately put out a mayday call for assistance which arrived promptly. Everyone was accounted for quickly and transferred safely to the vessels that came to the stricken ferry's aid.

2.1.13 Total Mobility Electronic System

The Total Mobility Electronic System (TMES) went live in September 2010 and continues to operate well. A number of system updates since the launch date have occurred providing enhancements to back office usability and reporting services.

An update to enhance the error messaging and transaction processing functionality of taxi terminals, which had been planned for the end of April 2011, has been delayed due to issues with one of the systems supplier's sub-contractors. Our supplier is working hard to progress matters as this also impacts on our final acceptance of the system and transition into a warranty period.

2.1.14 Contractor audits

(a) Bus services

The regular audit program of operators has continued throughout the year with each bus operator being audited at least once every 12 months. The bus operator audits primarily cover the areas of health and safety, customer complaints, vehicle quality and incident reporting.

(b) Trolley Bus Overhead Wires

The first audit of Wellington Cable Car Limited (WCCL) has been completed. The WCCL audit focussed on stock level management relating to the overhead trolley bus wires.

(c) Total Mobility Taxi Operators

The first taxi operator audit was conducted on 14 June 2011 following a new requirement that any taxi company wishing to provide Total Mobility services within the Wellington must be under contract with Greater Wellington. The audit included reviewing internal systems for dealing with transactions, customer complaint handling, vehicle fleet management and staff training (each driver is required to complete the NZQA Unit Standard '1748 Passenger Service: Demonstrate Skills Required to Assist Passengers with Special Needs').

2.2 Maintain infrastructure assets and invest in new infrastructure and systems

2.2.1 Rolling stock

(a) Matangi trains

At the end of June 2011, 30 Matangi cars (15 two-car units) were in Wellington and 18 cars (nine two-car units) are available for regular revenue service. Six-car and four-car trains now run in regular peak services.

All 96 cars are now in the production process. The next shipment contains 6 cars (3 two-car units) and is due in July. After that delivery 40% of the vehicles will be in Wellington.

Matangi trains have been hit by at least two significant incidents of tagging. The tagged units have not run on the network until cleaned, which does delay commissioning and/or service introduction. Security measures, both temporary and long term, are being investigated.

A reported issue with the auxiliary power units (APU) which took the units out of service for one day in May has been referred back to the manufacturer for resolution.





(b) Ganz Mavag refurbishment

The prototype refurbished two-car unit entered peak hour revenue service on 19 May 2011 as part of a six-car train. Thus far the performance has been very good.

The refurbished Ganz has attracted considerable attention. Commuters have enjoyed their journey on this train with some passengers not noticing that this isn't one of the new Matangi trains.

GW has begun working with NZTA to arrange the procurement and funding processes required to commence the likely fleet refurbishment.



(c) Wellington depot upgrade

The Thorndon EMU depot upgrade, new extension, new administration block, wheel lathe and train wash were all completed in the last quarter.

The depot has been upgraded specifically to house the new Matangi trains, and the older EMU fleets. A new wheel lathe has been installed which replaces a very old lathe that broke down more than the very old trains – often compounding the down time of trains needing wheel repairs.

The 1940s section of the old depot is targeted to be demolished once all Matangi have been commissioned.



2.2.2 Rail track infrastructure

(a) Mackays Crossing to Waikanae double tracking

The double tracking from Mackays Crossing to Waikanae and the electrification from Paraparaumu to Waikanae were successfully completed and rail services commenced from the new Waikanae Station on 20 February 2011. The passenger uptake was immediate and enthusiastic, with longer trains having to be added within a week.

Since the Waikanae opening and despite ongoing disruptions and Matangi services not planned to start until August, the Kapiti Line has seen strong peak growth.

(b) Kaiwharawhara Throat

The third line and bi-directional signalling upgrade to the Kaiwharawhara Throat entrance to Wellington station became fully operational on 26 July 2010.

The first week of operation saw a 50% improvement in on-time performance for key peak arrivals into the station.

(c) Power and signalling upgrade

Status of power upgrades:

- Upper Hutt line complete
- Johnsonville line complete
- Significant progress on NIMT

All track circuits (signals) on the entire electrified metro network are Matangi compliant except for north of Paekakariki and some bonding work on the Johnsonville Line. These last sections will be completed by July 2011.

2.2.3 Rail stations

(a) Paraparaumu

The new southbound station building came into operation on the 20 February 2011. This purpose built station building includes a waiting room capable of accommodating up to 44 customers, a sales kiosk for tickets and information, customer toilets, and a refreshment kiosk.



A new pedestrian subway was also installed which replaces the single access footbridge that previously spanned the rail crossing from west to east. The new subway aligns with the original Coastlands subway giving access under State highway 1 to the railway station.

In addition to the works completed on the station building and platform, CCTV security equipment has been installed throughout the station and commuter car park areas.

Installation of improved directional signage at the station and in the subway is nearing completion. Greater Wellington worked in collaboration with KCDC on the design of the signage.



(b) Waikanae

The opening ceremony of the new Waikanae rail station occurred on 19 February 2011 and the station began service operations on 20 February 2011.

The new Waikanae station building comprises of a waiting room, a ticket sales and information kiosk, and customer toilets. The building, platforms and car parks also benefit from improved security arrangements by way of CCTV.



The new car park on the Eastern side of Waikanae railway station provides a further 92 spaces to the existing 66 spaces provided in the original western car park. Usage of the car parks on both sides of the railway has been high.

Bus stopping facilities have been provided in the original car park alongside the new platform to improve the interchange between bus and rail.

One cycle cone, which accommodates 8 cycles, was installed for the station opening, but due to high demand a second cone was installed on 4 March 2011.

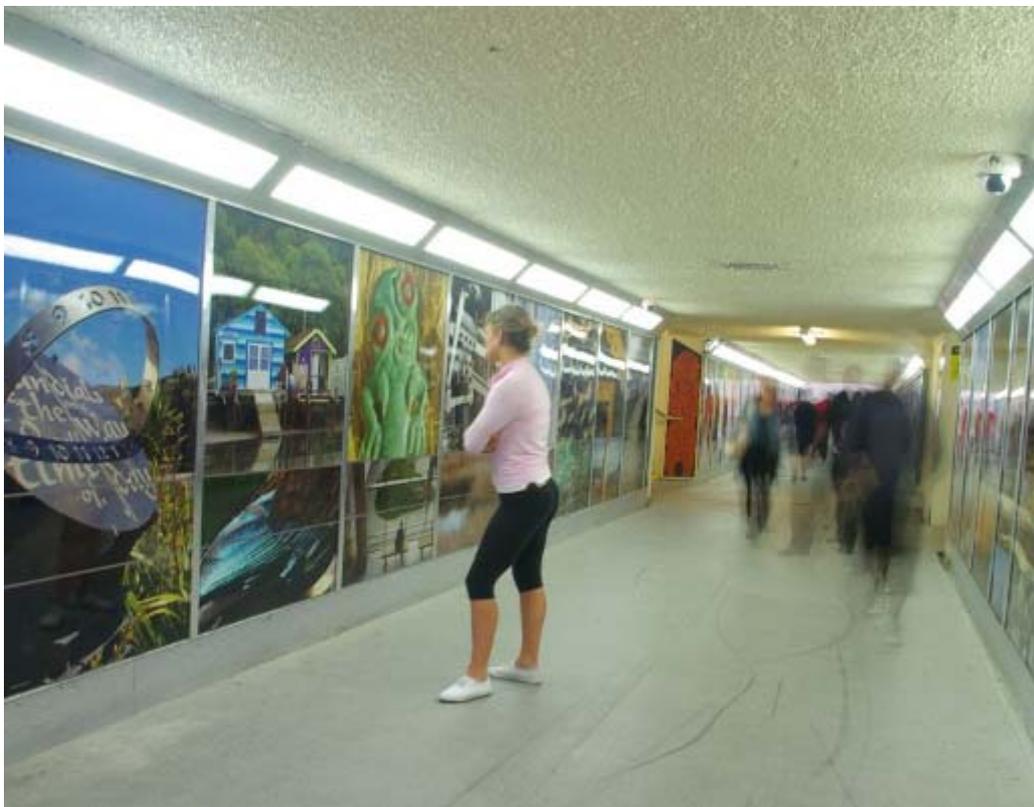
(c) Porirua



The Porirua station major refurbishment was completed. The refurbishment was primarily targeted at improving access, safety and security at the rail station and bus interchange. The works included additional CCTV equipment in the subway and at the bus interchange; improved lighting in all areas; remodelling of footpaths, walkways and stairs to improve grip, visibility and appearance; and painting and repair of the bus interchange shelters. The work was completed with the assistance of Porirua City Council.



A number of local artists also contributed to large scale murals and photographic panels to help further improve the general atmosphere of the subway area. It is hoped that the improved environment will also reduce the level of vandalism previously experienced at this location.

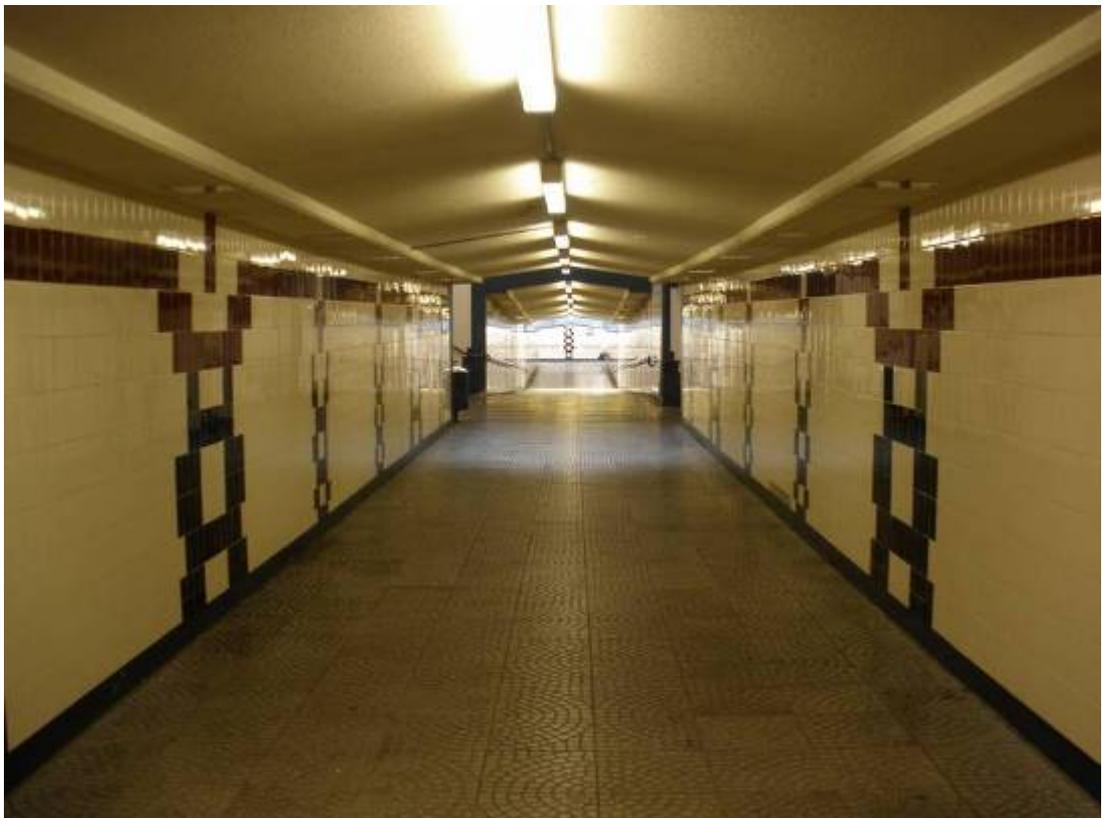


Clear directional information has been provided throughout the station to provide clear routes to the town centre and local facilities from the rail and bus interchange.

(d) Waterloo Interchange

Waterloo Interchange now benefits from a brighter, safer and cost efficient lighting system now that the upgrade of the subway lighting has been completed.

Thirty-two existing 26 watt light packs have been replaced with 14 centrally fitted twin 58 watt light units, and six single globe light units under the Perspex covered walkway have been replaced with three new Phillips 150 watt mini 300 units.



The replacement lamp programme for the Waterloo platforms (which include the replacement of 39 roof lights, 14 halogen units and 39 fluorescence units) has recently been completed.

2.2.4 Park and ride

(a) Maintenance

Following the first annual inspection of all commuter car parks an updated resurfacing programme was prepared. The programme identifies for each car

park across the region its surface condition, when it requires resurfacing, and the expected cost.

All urgent pot holes were repaired at the following stations: Johnsonville (main through road) not part of the actual park and ride, Upper Hutt, Paremata (bus stand area), Porirua main car park (with additional repairs made to land owned by NZTA), Tawa, Pukerua Bay, and Paremata West.

The resealing programme for the 2010/11 year was completed. The parking areas resealed were:

- Porirua SH1 on ramp 4000 m² (driving lanes only)
- Waterloo Cambridge Terrace south car park 3390 m²
- Naenae Oxford Terrace 151 m²
- Taita Eastern Hutt road 1170 m²
- Solway and Mana car parks
- Upper Hutt Station Crescent 1600 m²
- Featherston 2000 m² (driving lanes only).

(b) Petone West overflow park and ride construction

The construction of the Petone car park was completed in February and immediately was filled to 75% capacity. Since then all spaces have been fully utilised on various weekdays. The car park itself has the capacity to hold 92 cars which includes two disability parking areas. Security features include five CCTV cameras linked to the existing system at Petone Station.

2.2.5 Cycle Facilities

Cycle storage has been increased at railway stations at Silverstream, Ava, Paremata, Tawa, Linden, Takapu Road, Melling, Petone, Ngaio, Crofton Downs, Raroa, Waikanae, and Johnsonville. The cycle cones installed hold up to eight cycles and provide lockable loops and limited shelter.



Greater Wellington has taken over the administration and maintenance of cycle lockers at most train stations and a number of lockers have now been repaired and put back into service. This has meant a reduction in waiting times for locker users at Waterloo, Petone, Melling, Paekakariki and Porirua.

2.2.6 Bus shelters and bus stops

(a) Accessibility

Following the recent bus route changes within Porirua, Greater Wellington recently completed the installation of a further 19 standing pads in the Porirua area. This is a continuation of the previous project where 11 standing pads were successfully installed in the Porirua area at the beginning of the financial year.



(b) Suburban shelter design for Wellington

Four Metlink prototype shelters are being trialled in the Lower Hutt area and a further two shelters have recently been installed in Wellington. The trial will monitor ergonomics, comfort, space, exposure, durability, and cost comparisons with standard shelter purchase costs.

Expectations are that the new Greater Wellington designed and owned Metlink shelters will be more robust, cheaper to maintain and supply and will produce a smaller carbon footprint, as the prototypes are made from part recycled aluminium and the seat constructed out of wood from a sustainably replenished source.



Examples of new Metlink shelters: Lyall Bay left; Upper Hutt right.



The locations of the Metlink prototype shelters are as follows:

- 24 Dowse Drive, Lower Hutt
- Eastern Hutt Road, Lower Hutt
- Woburn Road, Outside Bellevue Gardens
- 405a Fergusson Drive, Upper Hutt
- 38 Victory Ave, Karori, Wellington
- Lyall Bay Parade at Onepu Street, Wellington

(c) **New bus shelters**

During the design and development of the new Metlink prototype bus shelter the procurement of bus shelters from external suppliers for this financial year has continued.

New shelters were installed in May at the following locations:

Wellington City	Shelter Type
168 Rongotai Road, Kilbirnie	CAM A series
119 Rongotai Road, Kilbirnie	CAM A series
24 Tairua Street, Strathmore	CAM A series
40 Raukawa Street, Strathmore	CAM A series
160 Buckley Road at Melrose Rd, Southgate	CAM A series

Porirua

Lyttelton Avenue,

CAM B series

Wairarapa

High Street, Masterton

CAM A series

Wairarapa Hospital, Masterton

CAM C series

Lower Hutt

Jackson St, Petone

HM3 Special

Kapiti

Waikanae Tennis Club, Waikanae

GKD Metro

Kapiti Road, next to Mitre 10, Paraparaumu

GKD Metro

2.2.7 Trolley bus overhead wires

A large amount of planned maintenance and replacement work has been completed this year including Lyall Bay, Island Bay, Brooklyn / Kingston, and Newtown.

In addition, a significant amount of work was required to re-route wires through Manners Mall to coincide with bus service changes.





2.3 Planning public transport services

2.3.1 Rail timetable changes

Rail timetables were changed on 20 February 2011, primarily to extend services to Waikanae and operationally separate the lines to allow the phasing in of the Matangi trains. Most bus routes north of Wellington were affected by this change, and were adjusted accordingly. We continue to monitor the new timetables and will adjust them as required.

2.3.2 Service reviews

Two service reviews were completed during the year and implemented with the 20 February rail timetable changes: the Porirua bus review and Kapiti bus review.

The Porirua bus review involved a complete route and timetable restructure. Resulting improvements included better access to the Porirua CBD, increased evening services, better links to Johnsonville, and the introduction of bus services to the large Aotea residential development. We continue to monitor the new timetables and will adjust them as required.

The bus service changes in Kapiti followed a post-implementation review of service changes made in 2009. Several routes and timetables were adjusted to take account of public feedback.

Three service reviews are currently underway: the Wellington City bus review, the Otaki public transport service review, and the Wairarapa public transport service review.

Work on the Wellington review was suspended early in the year, and recommenced in January following completion of rail timetable associated planning. Revised terms of reference were subsequently approved by the Economic Wellbeing Committee in February. Option design then continued with a series of planning workshops with operators and Wellington City Council representatives, and detailed system analysis and assessment. This stage is expected to be completed in August, when preferred options for consultation will be confirmed.

The draft Otaki review terms of reference were approved by the Economic Wellbeing Committee in March, and distributed to Kapiti Coast District Council, the Otaki Community Board and the operator for feedback. Initial public consultation was carried out from 9 May to 16 June with feedback forms distributed to all households in the review area. A reference group has been formed and provided with the results of the primary consultation, to assist in providing guidance with the service options to be explored as part of the next stage of the review.

The draft Wairarapa review terms of reference were approved by the Economic Wellbeing Committee in March, and subsequently endorsed by Wairarapa district councils and the operators. A reference group has been formed and met for the first time in May. Initial public consultation commenced in early June and runs until early July.

2.3.3 Fares

The 1 October 2010 fare increase was implemented. Following the annual fare review in March, Council approved an increase for 2011 to provide additional revenue of 3% in line with the LTCCP and the Annual Plan. The proposed fare schedule was approved by the Council in June 2011 subject to the benefits of the increase flowing back to Greater Wellington.

Work has also been ongoing on development of a new farebox recovery policy as required by NZTA. This forms part of the Regional Public Transport plan (refer below).

2.3.4 Rugby World Cup 2011

Planning for the provision of special services for the Rugby World Cup continued during the year.

Greater Wellington will provide special shuttle buses from Wellington CBD to the stadium for all matches in Wellington. The buses will be free for ticket holders on pool game-days, and free for all on the two quarter-final days. Extra train capacity will also be provided, but train services will not be free.

2.3.5 Regional Public Transport Plan

The Proposed Regional Public Transport Plan was approved for consultation. The consultation period will run through July and the Plan is to be adopted in September. Legislation requires the Plan to be adopted by 31 December 2011.

The Plan seeks to deliver an effective and efficient integrated public transport network and provides the policy framework for public transport over the next ten years. It also describes the services that are proposed to be provided in the region.

The Plan was developed in consultation with statutory and non-statutory stakeholders including public transport operators, local councils, residents' associations and public transport advocates. A public transport operator representative was also appointed to the steering committee.

A number of related activities are still underway or about to commence, including the Wellington City bus review, development of PTOM and the Wellington PT Spine Study as well as significant changes in rail ownership and funding. The Plan will be reviewed following adoption of the Long Term Plan in June 2012 and will incorporate any changes at that time.

2.3.6 Bikes on buses & trains

Free cycle carriage on trains continues. A new operational policy was developed earlier in the year and implemented on 1 April 2011. A campaign to promote folding cycles proved to be successful and will continue until December 2011.

In June a workshop was held to discuss bikes being carried on buses. Councillors, GWRC staff and advocates from the cycling community attended the workshop.

2.4 Marketing and information management

2.4.1 Metlink News

Four issues of Metlink News were printed and distributed during the year. Issue 17 was distributed at the Wellington Station in June 2011 with a larger print run because issue 16 proved very popular. Commuters remain interested in the changes that are happening on the network and the progress on the Matangi trains.

2.4.2 Printed timetables

A total of 785,500 timetables were printed in the year was, an 11% increase over the previous year. This number includes those printed for the timetable changes on 20 February 2011.

2.4.3 Metlink website

The year has seen continued improvement in usage of the Metlink website. Improvements to the website during the year included the integration of real time information.

Total visits to the website for the year was 1.8 million, with the last quarter showing a 26.2% increase over the same period in the previous year. The figures show that the popularity of the Metlink site continues to grow significantly both in terms of attracting new visitors and encouraging existing users to visit the site more often.

Direct traffic accounts for roughly 30% of the hits, traffic from search engines accounts for 60% of the hits and traffic from referring sites (e.g. operators' websites) accounts for 10% of the hits.

2.5.4 Mobile application website

The number of visits to the mobile website continues to increase dramatically. There were 64,000 visits for the quarter, a 415% increase on the same period in the previous year and giving a total of 143,000 visits for the year.

Recent work has increased the number and type of devices able to access the mobile site and this together with the integration of real time information will ensure the number of visits continues to grow.

2.4.4 Twitter

Metlink now has more than 940 followers on Twitter which provides a quick and easy method of communicating with commuters. A large number of messages we send are re-tweeted so they reach large numbers of people who do not actively follow our conversations.

2.5.5 txtBUS and txtTRN

There has been a reduction in usage of txtBUS and txtTRN in recent months. The decrease may be attributed to Metlink and Tranz Metro joining Twitter and proactively sending out messages where significant delays are expected across the network.

The impact of technology trends on these services is hard to assess. When real time information is available by text this service may increase. However there may also be some substitution of text based information with information available from the mobile website. The systems will be reviewed once real time information has been rolled out across all operators.

2.4.6 Metlink information line

There were 563,000 calls to the Metlink information line during the year, an increase of 2.9% from the previous year. Of these calls 95.6% were answered and customers provided with the necessary travel information.

The weeks surrounding Christmas and the New Year holidays saw major disruptions with block of lines on all rail corridors. This activity has continued on selected lines for most weekends since then and generates extra calls to the information line.

The usual summer events in the city and surrounding suburbs followed the annual pattern with February and March being the busiest months of the year. Call lengths also increased with commuters wanting more information on the timetable changes on 20 February 2011.

The new telephone system installed in the Metlink Service Centre in September last year is working well. It enables the team leader to report call statistics more accurately and to monitor staff performance in real time. The new contract is also resulting in call savings of over \$3,000 per month and it is hoped that active promotion of the local dialling number will result in further savings.

2.4.7 Display information

Information in the 17 Pylon and Wayfinder signs across the region has been kept up-to-date and reprinted as necessary to ensure the most accurate information is available to commuters. Changes made ensure that we are now able to reprint part of the information as required, which results in significant savings in printing and installation costs.

A generic Metlink poster has been designed and printed to be used as a placeholder for event posters across the region. When no events or disruptions are anticipated, these posters will provide generic Metlink information.

2.4.8 Promotional events

Successful promotional events held during the year were:

- Launch of Matangi train at Wellington Station on 9 September 2010
- Introduction of the first Matangi into revenue service on 23 December 2010
- The opening of Waikanae Station, by the Hon Steven Joyce, on 19 February 2011
- The launch of Real Time Information at Lambton Interchange on 31 March 2011
- The signing of the Wellington Rail Package 2011 on 5 July 2011

2.4.9 Public information

The main public information focus for this year was the introduction of new timetables on 20 February 2011. Timetable changes of this scale are extensive and labour intensive. Positive feedback on the timeliness of the new timetables was received from a large number of commuters.

Promotion and information provision for the public consultation element of the Otaki and Wairarapa service reviews was completed.

Considerable resources have also been employed on publicity around the fare review and Christmas timetables

Throughout the year there were also a lot of media releases as issues arose

2.4.10 Real time information (RTI)

The first phase of the project was taken live at a launch event on 31 March at Lambton interchange. This phase comprises all Go Wellington bus services, the first street display signs and the availability of RTI via the Metlink website (including its corresponding mobile version). The event was extensively promoted and media attendance and comment was high. A marketing campaign, promoting real time information, followed the launch.

Some early issues with the capacity of the Metlink website were quickly resolved, and the summary display sign at Lambton interchange has been relocated to improve visibility. The bus operator has been very proactive in ensuring that the operational and customer service potential of the system is maximised.



Two types of RTI sign are being installed, with a larger Totem type display for the CBD Golden Mile and smaller flag type displays for suburban locations. The installation of the signs was delayed due to the Christchurch earthquakes, where the flag support structures and CBD Totems are being manufactured. Production has resumed and the first prototype totem was completed and evaluated offsite. It will be installed in Manners Street prior to the Rugby World Cup. A further two Totem displays are in production, but will not be able to be installed until after the Rugby World Cup because of city restrictions on civil works during that period.

Site works have progressed well on over 60 locations around Wellington City for installation of flag type signs. The full rollout of up to 190 bus stop locations will continue through 2011/12.

Phase 2 extension of RTI to Valley Flyer buses is underway with installation works on the bus fleet expected to be completed in August ready for a possible launch in September. The first Mana bus services are then planned to follow from the end of October.

Discussions were held with KiwiRail on the development requirements and implementation approach of the RTI for rail. Analysis of the train tracking and service linking options, and the means of operational integration with KiwiRail operational management systems, continues.

2.4.11 Integrated ticketing

Greater Wellington continues to participate actively in the emerging national approach to integrated ticketing, led by NZ Transport Agency (NZTA) and involving regions and industry participants. This approach will provide the basis for regional development of integrated ticketing schemes, through a standards-based process enabling cost-effective re-use of the central system infrastructure procured for the Auckland Integrated Fares System (AIFS). Regional input is concerned largely with maintaining development options and contestability as widely as possible.

AIFS progress continues to be highly relevant to the development of Greater Wellington's integrated ticketing project, and is being closely monitored. Specific input from AIFS and NZTA advisors is being sought on the practical implications of the regional extensibility approach for the development of Greater Wellington's integrated ticketing project.

2.5 Management

2.5.1 Wellington Rail Package 2011

A major achievement for the year was putting in place the Wellington Rail Package 2011. This was formalised with the signing of the asset transfer agreement, with effect from 30 June 2011. The package includes:

- KiwiRail transferring ownership of the metro passenger rail fleet (the Ganz Mavag and English Electric units) including the parts inventory to Greater Wellington Rail Limited
- KiwiRail transferring all railway station buildings (excluding Wellington Station) plus the EMU Maintenance Depot and carriage stabling to Greater Wellington Rail Limited
- KiwiRail transferring various park and ride improvements and over-bridges and underpasses to Greater Wellington Rail Limited
- KiwiRail retaining ownership of the land, rail network, the traction and signalling assets, and responsibility for any further investment in the upgrade of these assets
- Greater Wellington transferring those assets that it owns for passenger rail purposes (primarily car park improvements and some station buildings) into Greater Wellington Rail Limited.
- The Crown continuing its prior commitment of \$258 million for approved projects at a financial assistance rate of 90% (the remaining expenditure is primarily the purchase of the Matangi fleet)
- The Crown committing \$88.4 million over the next eight years for upgrading of rail signalling and related infrastructure by KiwiRail
- A phased reduction of the NZTA financial assistance rate for passenger rail services, from 60% to 50% over ten years (i.e. at 1% per year)
- Refurbishment of Ganz Mavag trains by Greater Wellington for an estimated \$80 million, subject to approval of the business case by NZTA and funding at the applicable financial assistance rates
- Greater Wellington funding the \$23 million shortfall (above the Crown's \$258 million) with NZTA funding the debt servicing costs of this at a financial assistance rate of 60%
- Negotiation of sustainable track-access charges to cover the passenger rail share of operations, maintenance and routine renewals of the Wellington rail network
- New performance-based agreements between Greater Wellington and KiwiRail
- Greater Wellington having the option in future to tender out the contracts for the operation and maintenance of the rail services to achieve best value for money for ratepayers and passengers
- Greater Wellington agreeing to use fare increases of 3% annually for planning purposes

- Greater Wellington will provide an annual, audited Metro Rail Report to the Ministry of Transport and NZTA, which is expected to satisfy the Crown's interest in ensuring the long term health and sustainability of the passenger rail operations.

Benefits

The benefits for Greater Wellington are:

- Greater control over the passenger trains and most stations in Wellington, including their maintenance, refurbishment and eventual replacement
- More influence over the timeliness and reliability of the service, through its contract with the operator
- Control over the long term future of these assets, regardless of the operator.
- It will be easier in the future to tender out the operations of the train services. Introducing contestability will provide a greater incentive to improve services and value for money for tax payers, ratepayers and rail users.

3. Group financial summary

3.1 Full year operating result overview

The net operating surplus from operations for the Public Transport Group for the year ended 30 June 2011 was \$45,000 compared to the budgeted deficit of \$1.1 million.

Total expenditure on operations was \$84.5 million compared to the budget of \$85.9 million. The most significant variances are:

- Diesel bus operating contract expenditure was \$1.4 million below budget. Budgeted inflation payments to bus operators were based on a projection of the NZTA index which included oil at \$NZ75 a barrel and the \$NZ/\$US exchange rate at \$0.65. During the year oil prices have been higher than budgeted but these have been offset by a higher than forecast exchange rate.
- Trolley bus operational expenditure was \$0.7 million below budget.
- SuperGold card expenditure was \$0.7 million above budget. This scheme is 100% funded by NZTA and any increased expenditure is offset by increased subsidy revenue.
- Design & development projects expenditure was \$0.3 million below budget. Expected external expenditure on the Wellington review, the PT Plan revision and electronic ticketing have not taken place to the extent anticipated. Expenditure on the Wellington review and electronic ticketing has been re-budgeted to 2011/12.
- Administration expenditure was \$8.9 million which is \$0.4 million above budget primarily because of work involved in implementing the regional rail package and higher administration costs for GWRL leading to higher re-imburement from GWRC.

Total revenue from operations was \$84.5 million compared to the budget of \$84.8 million. The most significant variances are:

- Grants and subsidies revenue was \$1.0 million below budget reflecting the overall reduction in operational expenditure
- SuperGold card revenue was \$0.7 million over budget because of a higher number of SuperGold card passengers.

If operating costs and revenues associated with capex are also included, then the overall operating deficit is \$10.4 million compared to the budgeted deficit of \$19.2 million.

Detailed information on operating results is included in section 4.

3.2 Capital expenditure and improvement projects

Improvement projects and capital expenditure was \$126.7 million compared to the budget of \$228.5 million. The full year numbers show slightly reduced expenditure on rail infrastructure upgrades and rail rolling stock heavy maintenance. There were more significant reduction in expenditure on the new Matangi trains, trolley bus infrastructure renewals and the real time information project.

The full year capital and improvement expenditure was \$126.7 million compared to the forecast of \$129.2 million. This is primarily because of delays to expenditure on the new Matangi trains, with some additional expenditure on rail infrastructure upgrades, and smaller savings on trolley bus infrastructure renewals and real time information.

Detailed information on capital expenditure and improvement projects is included in section 5.

Capital expenditure and improvement project expenditure is funded by a mix of NZTA and Ministry of Transport grants and internal loan funding. Consequently, delay or deferral of these projects has only a relatively minor effect on the overall funding position of the group.

3.3 Funding

The full year funding surplus above budget (represented by a decreased transfer from reserves) was \$1.7 million.

3.4 Statement of Financial Performance

Public Transport Group Financial Performance Statement For the year ended 30 June 2011	Last Year FY Actual \$000	FY Actual \$000	FY Budget \$000	FY Variance \$000
Rates & Levies	36,442	35,356	35,356	-
Government Grants & Subsidies	46,091	48,278	48,510	(232)
External Revenue	477	624	579	45
Investment Revenue	140	156	204	(48)
Internal Revenue	139	134	139	(5)
TOTAL REVENUE	83,289	84,548	84,788	(240)
<i>less:</i>				
Personnel Costs	3,474	3,365	3,629	264
Materials,Supplies & Services	1,942	2,372	2,207	(165)
Travel & Transport Costs	38	130	202	72
Contractor & Consultants	1,286	1,609	1,324	(285)
Grants and Subsidies Expenditure	71,357	73,110	74,595	1,485
Internal Charges	2,690	2,697	2,703	6
Bad Debts	(13)	-	-	-
Corporate & Department Overheads	1,187	1,220	1,220	-
TOTAL EXPENDITURE	81,961	84,503	85,880	1,377
OPERATING SURPLUS/(DEFICIT) FROM OPERATIONS	1,328	45	(1,092)	1,137
Operating Result Associated with Capital Expenditure				
Rates Revenue	2,853	4,638	4,638	-
Government Grants & Subsidies	75,374	111,629	201,710	(90,081)
External Revenue	59	98	-	98
Revenue associated with Capex	78,286	116,365	206,348	(89,983)
Improvement Project Expenditure	83,277	123,375	222,186	98,811
Non Cash Items (Depreciation)	467	621	317	(304)
Loan Revaluation	1,146	1,238	-	(1,238)
Financial Costs	1,157	1,624	2,002	378
Expenditure associated with Capex	86,047	126,858	224,505	97,647
OPERATING RESULT ASSOCIATED WITH CAPEX	(7,761)	(10,493)	(18,157)	7,664
OPERATING SURPLUS/(DEFICIT)	(6,433)	(10,448)	(19,249)	8,801

3.5 Capital Expenditure

Public Transport Group Capital Expenditure Statement For the year ended 30 June 2011	Last Year FY Actual \$000	FY Actual \$000	FY Budget \$000	FY Variance \$000
Capital Project Expenditure	2,932	3,308	6,266	2,958
Total Asset Acquisitions	30	38	72	34
Asset Disposal Cash Proceeds	(12)	(11)	(22)	(11)
NET CAPITAL EXPENDITURE	2,950	3,335	6,316	2,981

3.6 Funding Statement

Public Transport Group Funding Statement For the year ended 30 June 2011	Last Year FY Actual \$000	FY Actual \$000	FY Budget \$000	FY Variance \$000
Operating Surplus(Deficit)	(6,433)	(10,448)	(19,249)	8,801
Add Back				
Non Cash Items (Depreciation)	474	620	324	(296)
Loan Revaluation	1,139	1,238	(8)	(1,246)
Funds from Operations	(4,820)	(8,590)	(18,933)	10,343
Less				
Net Capital Expenditure	2,950	3,335	6,316	2,981
Surplus/(Deficit) before Debt & Reserve Movements	(7,770)	(11,925)	(25,249)	13,324
Internal Debt Additions	10,668	14,744	26,459	(11,715)
Internal Debt Repayments	(2,045)	(3,086)	(3,202)	116
Decrease / (Increase) in Reserves	(853)	267	1,992	(1,725)
NET FUNDING SURPLUS (DEFICIT)	-	-	-	-

4. Detailed net operating result for the Group

Detailed actual operating results for the division are included in the following table and explanations:

Public Transport Group Financial Performance by Programme for the Year Ended 30 Jun 2011

	Full Year			
	Actual \$000	Budget \$000	Variance \$000	Variance %
Revenue from Operations				
Rates Revenue	35,356	35,356	0 F	0%
Grants & Subsidies	42,752	43,710	958 U	-2%
Grants & Subsidies - SuperGold Card	5,526	4,800	726 F	15%
External Revenue	624	579	45 F	8%
Investment & Other Revenue	156	204	48 U	-24%
Internal Revenue	134	139	5 U	-4%
Total Revenue from Operations	84,548	84,788	240 U	0%
Expenditure on Operations				
Rail Operations	29,430	29,436	6 F	0%
Diesel Bus Operating Contracts	27,986	29,337	1,351 F	5%
Trolley Bus Operations	6,801	7,525	724 F	10%
Ferry Operating Contract	279	288	9 F	3%
SuperGold Card	5,526	4,800	726 U	-15%
Real Time Information Operations	253	255	2 F	1%
Shelter, Carpark, Station & Signage	1,850	1,910	60 F	3%
Total Mobility Scheme	2,265	2,085	180 U	-9%
Design and Development Projects	286	616	330 F	54%
Marketing & Communications	257	304	47 F	15%
Systems & Information	559	647	88 F	14%
Service Centre External Costs	115	175	60 F	34%
Admin	8,896	8,502	392 U	-5%
Total Expenditure on Operations	84,503	85,880	1,377 F	2%
Net Operating Surplus/(Deficit) from Operations	45	-1,092	1,137 F	
Revenue associated with Capex				
Rates Revenue	4,638	4,638	0 F	0%
Grants & Subsidies	111,629	201,710	90,081 U	-45%
External Revenue	98	0	98 F	0%
Total Revenue associated with Capex	116,365	206,348	89,983 U	-44%
Expenditure associated with Capex				
Improvement Project Expenditure	123,374	222,185	98,811 F	44%
Non-Cash Items (Depreciation)	621	317	304 U	-96%
Revaluation of Crown Loan	1,238	0	1,238 U	0%
Financial Costs	1,625	2,003	378 F	19%
Total Expenditure associated with Capex	126,858	224,505	97,647 F	43%
Net Revenue & Expenditure Associated with Capex	-10,493	-18,157	7,664 F	42%
Net Operating Surplus/(Deficit)	-10,448	-19,249	8,801 F	

4.1 Revenue

Total revenue from operations was \$84.5 million compared to the budget of \$84.8 million. The most significant variances are:

- Grants and subsidies revenue was \$1.0 million below budget which reflects the overall reduction in operational expenditure
- Grants and subsidies revenue related to SuperGold card expenditure was \$0.7 million above budget because of higher numbers of SuperGold Card passengers.

4.2 Expenditure

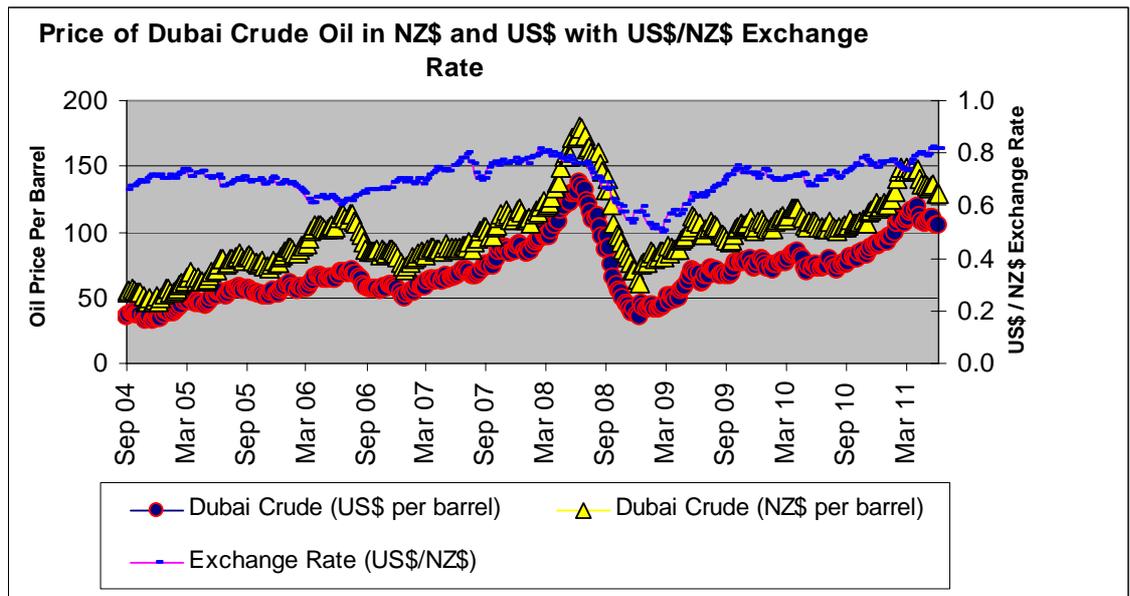
4.2.1 Rail operations

Expenditure on rail operations was \$29.4 million which is the same as budget. Increased expenditure for transloggers, radios and ditch lights offset a reduction in maintenance costs on GWRL owned rolling stock and a reduction in grants to Tranz Metro. Grants to Tranz Metro were \$0.2 million below budget primarily because increased fare revenue of \$0.9 million offset an increase in operating costs.

4.2.2 Diesel bus operating contracts

Diesel bus contract expenditure was \$28.0 million compared to the budget of \$29.3 million. Budgeted inflation payments to bus operators were based on a projection of the NZTA index which included oil at \$NZ75 a barrel and the \$NZ/\$US exchange rate at \$0.65. During the year oil prices have been higher than budgeted but these have been offset by a higher exchange rate.

The following graph shows trends on the price of oil and the US\$/NZ\$ exchange rate. It shows that the NZ dollar price of oil spiked up in the March quarter but has since returned to lower levels. This spike would have increased the price of diesel in NZ for that period and been incorporated in the NZTA index that we use to adjust payments to operators.



4.2.3 Trolley bus operations

Trolley bus operations expenditure was \$6.8 million, which is \$0.7 million below budget.

4.2.4 SuperGold card

SuperGold card expenditure was \$5.5 million compared to the budget of \$4.8 million. This scheme is 100% funded by NZTA and any increased expenditure is offset by increased subsidy revenue.

4.2.5 Shelter, car parks, stations and signage

Bus shelter, car park and station maintenance and security expenditure of \$1.9 million was the same as budget.

4.2.6 Total mobility scheme

Total mobility scheme expenditure was \$2.3 million which is \$0.2 million above budget reflecting increased usage of the scheme. This increased expenditure has been partly offset by reduced operational expenditure because of delays to the Total Mobility Electronic Systems project.

4.2.7 Design and development projects

Design and development project expenditure was \$0.3 million compared to the budget of \$0.6 million. Expected external expenditure on the Wellington review, the PT Plan revision and electronic ticketing have not taken place to the extent anticipated. Expenditure on the Wellington review and electronic ticketing has been re-budgeted to 2011/12.

4.2.8 Systems and information

Systems and information operating expenditure was \$0.6 million which is the same as budget.

4.2.9 Administration

Administration expenditure was \$8.9 million which is \$0.4 million above budget primarily because of work involved in implementing the regional rail package and higher administration costs in GWRL leading to higher reimbursement from GWRC.

4.2.10 Non-cash items (depreciation)

Depreciation was \$0.6 million or \$0.3 million above budget. Some expenditure in 2009/10 that was included in the budget model as operating expenditure was re-classified as capital expenditure at 30 June 2010. This increased depreciation in 2010/11 compared to budget.

4.2.11 Revaluation of Crown loan

The expenditure of \$1.2 million reflects the revaluation of the Crown loan at 30 June 2011. This loan is re-valued each year as the loan gets closer to its contractual repayment date in 2016.

4.2.12 Financial costs

The expenditure was \$1.6 million or \$0.4 million below budget because of the overall reduction in improvement projects and capital expenditure.

5. Detailed capital expenditure and improvement projects

Detailed actual capital expenditure and improvement projects are included in the following table and explanations:

Improvement project expenditure is expenditure on assets that Greater Wellington does not, and will not, own. These projects include:

- Improvements to KiwiRail owned infrastructure (platforms, tunnels, track and signals)
- Investment in rail rolling stock. Legally Greater Wellington cannot have a direct ownership interest in these assets. They are owned by 100% subsidiary, Greater Wellington Rail Ltd (GWRL)
- Trolley bus infrastructure renewals (replacement of poles and overhead wires for the trolley buses).

Capital projects are projects that improve (or create) assets where the asset will be owned by Greater Wellington. These assets include real time information and signage, station buildings, car parks and bus shelters.

Public Transport Group Improvement Projects and Capital Expenditure for the Year Ended 30 Jun 2011

	Full Year			
	Actual \$000	Budget \$000	Variance \$000	Variance %
Improvement Projects (Opex)				
Rail Infrastructure Upgrades	64,099	66,005	1,906 F	3%
Rail Rolling Stock Heavy Maintenance	2,934	3,265	331 F	10%
New Matangi Trains	53,279	147,276	93,997 F	64%
Ganz Mavag Prototype	769	733	36 U	-5%
Trolley Bus Infrastructure Renewals	2,250	4,906	2,656 F	54%
Other Projects	43	0	43 U	0%
Improvement Project Expenditure	123,374	222,185	98,811 F	44%
Capital Projects				
Real Time Information	2,555	5,181	2,626 F	51%
Bus Shelter Upgrades	212	250	38 F	15%
Total Mobility Systems Devt	138	205	67 F	33%
Carpark Developments	393	480	87 F	18%
Other Capex	10	150	140 F	93%
Capital Expenditure	3,308	6,266	2,958 F	47%
Total Asset Acquisition	38	72	34 F	47%
Asset Additions	38	72	34 F	47%
Improvement Projects and Capital Expenditure	126,720	228,523	101,803 F	45%

5.1 Rail infrastructure upgrades (opex)

These projects include:

- Station platform upgrades for the whole network
- Upgrade of the Johnsonville stations, line and tunnels
- Stabling of the new Matangi trains
- Upgrade signals and electrical systems on the whole network
- MacKay's to Waikanae double tracking and electrification work.

Full year expenditure was \$64.1 million compared to the budget of \$66.0 million. This represents changes to the timing of payments on the upgrade work. The projects are substantially complete although some residual expenditure and retentions fall into the 2011/12 year.

5.2 Rail rolling stock heavy maintenance

This project provides for a programme of essential heavy maintenance on passenger rail rolling stock owned by KiwiRail. The programme plan and work is carried out by KiwiRail.

Expenditure was \$2.9 million compared to the budget of \$3.3 million reflecting the savings in traction motor maintenance. The unexpended expenditure has been re-budgeted to 2011/12.

5.3 New Matangi trains

This project is for the purchase of 48 new two-car passenger units (Matangi trains) for the passenger rail network.

The full year expenditure was \$53.3 million compared to the budget of \$147.3 million. Unexpended expenditure has been rebudgeted to 2011/12.

5.4 Ganz Mavag prototype refurbishment

This project is for the prototype refurbishment of a two car Ganz Mavag passenger unit which will establish the scope and cost of refurbishing the entire 44 two-car Ganz Mavag fleet.

Work on the prototype has been substantially completed and actual expenditure was \$0.8 million compared to the budget of \$0.7 million. The slight increase in expenditure relates to work that was not able to be completed by 30 June 2010. The overall project is within budget.

5.5 Trolley bus infrastructure renewals

This project is the capital maintenance programme for the trolley bus overhead network and is managed by Wellington Cable Car Limited (WCCL).

Full year expenditure was \$2.3 million compared to the budget of \$4.9 million. The expenditure mainly involved wire replacement, wire re-tensioning and pole replacement. Most of the work on the overhead wire replacement

programme was completed. Some other elements of the network upgrade were uncompleted this year. These items have been re-budgeted to 2011/12.

5.6 Real time information (capex)

This project is for a system to provide live information indicating the arrival of the next bus or train. Access to this information is through on-street displays and the internet.

Full year expenditure was \$2.6 million compared to the budget of \$5.2 million. There have been some delays to the project. Some planned expenditure has been re-budgeted to 2011/12.

5.7 Total mobility systems development

Full year expenditure was \$0.1 million compared to the budget of \$0.2 million. Unexpended expenditure has been rebudgeted to 2011/12.

5.8 Car park developments

Capital works for the Petone, Pomare and Waterloo car parks were completed. The full year expenditure was \$0.4 million compared to the budget of \$0.5 million. The proposed Silverstream car park development was put on hold.

5.9 Other capex

This budget is for work on upgrading the journey planner customer information system. There was only minimal expenditure this year and the balance has been rebudgeted to 2011/12.

6. Funding and the Transport Rate Reserve

6.1 Funding position

The full year funding surplus above budget (represented by a decreased transfer from reserves) is \$1.7 million.

Public Transport Group Funding for the Year Ended 30 Jun 2011

	Full Year			
	Actual \$000	Budget \$000	Variance \$000	Variance %
Net Operating Surplus/(Deficit)	-10,448	-19,249	8,801 F	
Add back				
Non-Cash items	1,859	317	1,542 F	
Funds from Operations	-8,589	-18,932	10,343 F	
Less				
Capital Expenditure	3,308	6,266	2,958 F	47%
Asset Additions	38	72	34 F	47%
Asset Disposal Cash Proceeds	-11	-22	11 U	
Surplus/(Deficit) before Debt & Reserve Movements	-11,924	-25,248	13,324 F	
Internal Debt Additions	14,744	26,459	11,715 U	
Internal Debt Repayments	-3,087	-3,203	116 F	
Decrease / -Increase in Reserves	267	1,992	1,725 U	
Net Funding Surplus/(Deficit)	0	0	0 F	

6.2 Transport Rate Reserve

Movements in the Public Transport portion of the Transport Rate Reserve and future planned transfers from this reserve are detailed in the following table:

Public Transport Group Transport Reserves for the Year Ended 30 June 2011

	Full Year		
	Actual \$000	Budget \$000	Variance \$000
Opening balance	5,311	5,275	36 F
Transfers to reserves	206	0	206 F
Transfers to reserves - interest	156	204	48 U
Transfers from reserves	-626	-2,196	1,570 F
Closing Balance	5,047	3,283	1,764 F

Represented by:

	Actual \$000
Rebudget - Wellington review	25
Rebudget - Integrated/Electronic ticketing	78
Transport rate reserve	4,944
Closing Balance	5,047

Notes

Variations are stated favourable or unfavourable depending on their effect on the reserve balance

	\$000
In 2011/12	-2,000
Budgeted Transfers from Reserve	-2,000

7. Business plan performance indicators

7.1 Short term targets

Short Term Target	Full Year Budget	Status
<p>A review of Wairarapa bus services will be completed and reported to the Council. Minor service reviews of two contract areas will be completed and reported to the Council. A review of Wellington bus services will be completed and reported to the Council</p>	\$150,000	<p>The Wairarapa review has commenced and is scheduled for completion in December 2011.</p> <p>Two minor reviews (Wainuiomata & Paraparaumu) have been completed. Minor reviews of Otaki services and Kilbirnie town centre operations have commenced.</p> <p>The Wellington review has commenced and is scheduled for completion in early 2012.</p> <p>Actual costs were \$157,000.</p>
<p>Peak-time passenger trips using public transport will increase by 4%, off-peak passenger trips using public transport will increase by 6% and the number of public transport vehicles that are wheelchair accessible will increase from the previous year</p>	<p>All of Greater Wellington expenditure of \$313,664,000 on public transport services will contribute to this target</p>	<p>Peak-time passenger trips using public transport increased by 8.2% and off-peak passenger trips using public transport decreased by 5.5% compared to the previous year.</p> <p>55 trains (including seven two-car Matangi units – 14 cars) were wheelchair accessible at 30 June 2011 compared to 48 trains last year.</p> <p>At 30 June 2011, 298 buses were wheelchair accessible compared to 287 last year.</p> <p>Actual costs were \$213,291,000. Delays to payments on the new Matangi trains were the main contribution to the overall reduction in expenditure.</p>
<p>Further new Matangi electric multiple units (EMU) will arrive in Wellington and enter passenger service</p>	\$147,276,000	<p>Fifteen two-car Matangi units (30 cars) were delivered in Wellington and seven two-car units (14 cars) entered revenue service by the end of June 2011. The first four-car Matangi train on a scheduled peak service ran in March 2011.</p>

		Actual costs were \$53,279,000. The reduction in costs reflects delays to the delivery of Matangi units by the supplier.
15 new bus shelters will be installed across the region	\$250,000	17 new shelters were installed, six of which were the new Metlink prototype design. Actual costs were \$256,000.
A real-time information system will be in operation on the Metlink network	\$5,436,000	Real-time information (RTI) was available for Go Wellington services with four signs operating at Wellington station and live departures on the Metlink website from 1 April 2011. Installation of on-bus equipment for the Valley Flyer fleet was carried out during May/June 2011. By the end of June 2011 civil works were underway for 40 additional on-street RTI signs. Actual costs were \$2,808,000. The remaining expenditure will be incurred in 2011/12.
The rail double-tracking from MacKays Crossing to Paraparaumu and the extension of the electrification to Waikanae will be completed	\$29,877,000	The rail double-tracking from MacKays Crossing to Paraparaumu and the extension of the electrification to Waikanae was completed and trains commenced service on 20 February 2011. Actual costs were \$29,829,000. Some residual costs will be incurred next year.
The upgrade of the Thorndon Rail Depot and the expansion of train stabling for the Matangi EMUs will be completed	\$17,072,000	The Thorndon depot upgrade and extension (including the new wheel lathe and car wash) has been completed although some minor residual costs will be incurred in 2011/12. The 1940s section of the old depot is targeted for demolition once all the new Matangi trains have been commissioned. Actual costs were \$18,083,000, but total costs incurred to 30 June 2011 were within the overall

The upgrade to railway stations across the rail network (to enable the successful introduction into service of the new Matangi EMUs) will be completed

\$3,585,000

project budget.

Work to upgrade the railway stations across the rail network (to enable the successful introduction into service of the new Matangi EMUs) was completed.

Actual costs were \$2,104,000. Total project costs were close to budget because more work was completed in the 2009/10 year.

- More than 90% of residents will rate the service they receive from the Customer Services Service Centre as excellent or very good

\$816,000

78% of residents surveyed in 2011 reported overall satisfaction with the service they received from the Metlink Service Centre, a slight increase from the previous year (77%).

- More than 95% of calls to the Customer Services Service Centre will be answered

95.6% of all calls to the Metlink Service Centre were answered and customers were provided with the necessary travel information.

- Metlink website usage and its usefulness rating will increase from the previous year

Google analytics, used to monitor website traffic, was introduced with the launch of the new site in December 2009. Comparing visits for the 7 months ending June 2010 (906,753) with the same period this year (1,122,837) shows a 23.8% increase. 67% of users surveyed in the Annual Satisfaction monitor found the website useful, up from 65% the previous year.

- Use of txtBUS and txtTRAIN will increase from the previous year

Monthly txtBUS requests averaged 2,808 (down 5.3% on the previous year) while monthly txtTRAIN requests dropped 16.1% to 8,956. These decreases can be attributed to sharp growth in the usage of the Metlink mobile site launched in December 2009. Comparing the number of visits to the mobile site in the seven months to June 2010 (26,347)

with the same period this year (112,835) shows a 328% increase.

Actual costs were \$758,000.

7.2 Long term targets

Long Term Target

Passenger transport will account for at least 25 million peak-period trips per annum by 2016

Active means of travel will account for at least 15% of region wide journey to work trips by 2016

Transport generated CO₂ emissions will remain below 1,065 kilotonnes per annum until 2016

Average congestion on selected roads will remain below 20 seconds delay per km despite traffic growth

There will be no road crash fatalities attributable to roading network deficiencies

All new large subdivisions and developments will include appropriate provision for walking, cycling and public transport

Achievement

In the 2010/11 financial year passenger transport accounted for 18.8 million peak period trips. Bus trips made up 60% of the total trips, rail trips 39% and ferry trips less than 1%.

13% of region-wide journey to work trips were made by walking and cycling in 2006 (Progress towards this target will next be measured by the 2013 NZ Census).

The trend over the last few census periods shows these trips are increasing towards the target.

In the 2010/2011 financial year, transport generated CO₂ emissions totalled 1,075 kilotonnes, a decrease of 1.9% compared to 2009/10.

All-day average congestion was 21.6 seconds delay per kilometre travelled in 2010/11. This is a decrease of 1.8 seconds from the previous year.

Congestion is greater in the AM peak, than the PM peak and inter-peak.

A method for monitoring fatalities attributable to roading network deficiencies has yet to be developed.

There is no baseline data available for this measure. A 2008 review concluded that provisions for walking, cycling and public transport were being included to varying degrees in new local authority planning documents in the region.

The Regional Policy Statement, Wellington Regional Strategy and Regional Land Transport Strategy all include policy support for this measure.

There will be improved road journey times for freight traffic between key destinations

All day average travel times for freight traffic between key destinations were found to be 24.3 minutes in March 2011 a decrease from 26.3 minutes in March 2010