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Committee Passenger Transport
Author Dave Watson Divisional Manager Transport

Evaluation of Hutt Valley Service Changes

1. Purpose

To inform the Committee how the new Hutt Valley bus services will be evaluated over time.

2. Background

The Hutt Valley bus service review was undertaken using a new approach. Previous reviews had concentrated on measuring current patronage and the trip making habits of existing users. The review attempted to respond to the measured demand and to rationalise service provision. The Hutt Valley review has two new elements; qualitative market research was undertaken prior to the development of the proposed new services. The review was also undertaken within the framework of the Council's new strategic direction. The switch in concept was moving away from a "commuter" service to a "community" service. Early indications from an after survey and actual passenger numbers is that the new services are meeting expectations. However it is too early to be certain about the long term benefits from the changes.

3. Proposed review process

There are two current key sources of information that will provide information that can be used to evaluate the benefit of the change to the Hutt services. There is the operator generated costs and patronage and there is the annual service performance survey. Our intention is to upgrade the annual survey to include specific additional questions related to the Hutt Valley services.

These two sources of information will provide:

- an understanding of the customer satisfaction with the new services over time
- data on costs and patronage that will be compared with previous costs and patronage.

It is not appropriate to try and judge change over a short period. At least two years data is needed to provide valid comparisons. The service changes were introduced in October 2003 so the review period should run up to October 2005. The annual customer survey takes place around this time of year. We will have three data points for this aspect by October 2005. Patronage data is provided every month but because of differences between months on a year to year comparison it is best to aggregate this data into no less than six monthly periods. The first six monthly comparison will be possible in April/May this year then every six months thereafter. This data will provide overall cost, patronage and patronage revenue. We will be able to track subsidy per passenger and per passenger kilometre and compare this to other services.

The first set of comparative figures will therefore be provided in April/May 2004. This will then be repeated every six months through to October/November 2005. By 2005 the effect of the changes should be fully known.

4. How to judge services

The customer satisfaction survey will provide a trend in customer perceptions. Clearly a trend upwards will be seen as success.

The financial benefits of the service changes can be estimated through applying the current Transfund patronage growth values to new patronage. This will provide a "road user benefit" value which can be related to the change in net service costs. The closer this value is to covering the extra service costs the more successful the outcome.

5. Communications

There is nothing to be communicated at this time.

6. Recommendation

That the report be received.

Report prepared by:

Dave Watson
Divisional Manager Transport