

Report 08.777
Date 10 October 2008
File TF/02/02/08

Committee Transport & Access Committee
Author Kerry Saywell

Regional Land Transport Programme

1. Purpose

To seek agreement of the new projects and activities to be input into the Draft Regional Land Transport Programme.

2. Significance of the decision

The matters for decision in this report **do not** trigger the significance policy of the Council or otherwise trigger section 76(3)(b) of the Local Government Act 2002.

3. Background

The Land Transport Management Amendment Act 2008 requires that each Regional Transport Committee prepares a Regional Land Transport Programme (RLTP) every three years. Preparation of the programme is a detailed process with a number of requirements which are outlined in the remainder of this section.

The RLTP needs to contain:

- The activities or combinations of activities proposed by approved organisations (Regional Councils and Territorial Authorities) for the next three years
- The state highway activities proposed by the New Zealand Transport Agency (NZTA)
- An indication of significant activities for the following three years and
- A 10 year financial forecast.

4. Content of RLTP

The RLTP must contain, for the three financial years to which the programme relates, **all** activities that are to receive funding from the National Land

Transport Fund. There are in effect two categories of activity: those that must be included in the programme; and those for which the RTC has discretion to include. The first category is:

- Activities identified by approved organisations in the region, relating to local road maintenance, local road renewals and local road minor capital works, and existing public transport services (including minor improvements).

The second (discretionary) category is:

- Any activities that the Regional Transport Committee decides to include in the RLTP which may include:
 - Other activities proposed by approved organisations
 - State highway activities proposed by NZTA
 - Other activities that NZTA may propose.

This second category of activities is also subject to a prioritisation process.

Each approved organisation is required to complete an assessment of the activities that it is submitting in a format specified by the Regional Transport Committee. This assessment would relate to the activities objectives, costs, duration, funding sources and other relevant information (including any information requirements prescribed by NZTA). The RTC will not be specifying any information requirements for the first RLTP process.

The Regional Transport Committee must assess how the programme:

- Contributes to the aim of achieving an affordable, integrated, safe, responsive and sustainable land transport system; and
- Contributes to economic development, assisting safety and personal security, improving access and mobility, protecting and promoting public health and ensuring environmental sustainability; and
- Is consistent with the relevant Government Policy Statement and any relevant Land Transport Strategy

And how the programme takes into account any:

- National Land Transport Strategy; and
- National Energy and Conservation Strategy; and
- Relevant national policy statement and any relevant regional policy statements or plans that are for the time being in force under the Resource Management Act 1991; and
- Likely funding from any source

The Regional Transport Committee determines the order of priority of these activities except for local road maintenance, local road renewals and local road minor capital works, and existing public transport services.

After working through a number of other considerations, the Regional Transport Committee produces a draft RLTP for consultation with the community and specified organisations. Following this consultation the RLTP must be submitted to the full regional council for approval before it can be lodged with NZTA for consideration as part of the National Land Transport Programme. Each regional council is required to approve the RLTP by 30 June 2009.

The Act also contains provisions to allow amendment of the programme at any time during the three years the RLTP is in force. Public consultation only needs to be carried out for those variations that are considered to be significant under the RTC's significance policy.

Inclusion of projects or activities in the RLTP does not guarantee NZTA funding. Projects must still be assessed by NZTA against its own legislative requirements and procedures.

5. Implications for Greater Wellington

The significance of this new process is that, for projects or activities to be eligible for NZTA funding, they must be included in the Regional Land Transport Programme.

Existing public transport services need to be included in the programme but are not subject to prioritisation by the Regional Transport Committee. Similarly, minor service enhancements do not need to be prioritised. NZTA's interpretation of minor services means that for Greater Wellington, service enhancements with a combined value of around \$3.4 million per annum would not need to be prioritised.

Where projects have been approved by NZTA and contracts let, they are regarded as committed and are not subject to the prioritisation process.

Any new projects and activities that Greater Wellington submits will be prioritised against projects and activities submitted by territorial authorities in the region and NZTA. At this stage it is uncertain exactly what prioritisation means for distinctly different projects i.e. a public transport project compared to a new road. NZTA intends to provide regional guidance on the available funding for each type of activity – but this information is not yet available. However, it is clear that for any project to access the remaining uncommitted Crown (C) funding available to Wellington, the prioritisation process may determine which projects are funded and which miss out.

Inclusion of projects or activities in the RLTP does not guarantee NZTA funding, and correspondingly it does not commit Greater Wellington. New projects or activities will be subject to our usual Long-term Council Community Plan (LTCCP) and Annual Plan processes.

6. Timetable

The following timetable has been prepared to meet the requirement to have a RLTP adopted in June 2009. Consultation and approval of the Long-term Council Community Plan and the Regional Land Transport Programme are separate processes but will be run concurrently.

22 October	Transport and Access Committee endorse the projects for prioritisation
14 November	Draft programmes entered into LTP Online (acts as database for to Regional Transport Committee)
November	Management review of proposed LTCCP budgets
9 December	Proposed Councillors workshop on LTCCP – overall position
December to February	Regional Land Transport Programme prioritisation process
10 February	Council meeting to approve proposed overall Greater Wellington rate numbers
Late February	LTP Online updated to reflect proposed RLTP
9 March	Council approve proposed LTCCP
March	RTC approves proposed RLTP
March to April	Public submissions on LTCCP & RLTP
Mid May	Submission hearings on LTCCP
Mid May	RTC hearings on RLTP
Early June	Council meeting to approve overall Greater Wellington rate numbers
Late June	RTC approves RLTP and sends to GW
Late June	Council approve LTCCP and RLTP LTP Online updated to reflect final RLTP

We are seeking endorsement of the projects for prioritisation at this early stage so they can form an input into the development of LTCCP budgets as well as submission to the Regional Land Transport Programme.

7. Greater Wellington input into the Regional Land Transport Programme

Our initial categorisation of activities and projects in accordance with the new legislation and NZTA guidance is as follows:

7.1 Existing services

Existing services comprises bus and ferry concession fares, bus services, ferry services, passenger rail services, public transport facilities maintenance and

operation, total mobility operations, wheelchair hoists and total mobility flat rate payments.

Greater Wellington expects to spend around \$74 million a year on these over the next three years. A detailed review of these budgets will commence later this month as part of the review of the Long-term Council Community Plan.

Existing services may also include renewal and replacement of existing infrastructure required to provide these services. Greater Wellington expects to spend around \$6.0 million a year over the next three years on renewal of trolley bus infrastructure, rolling stock heavy maintenance, rail infrastructure renewals and carpark renewals.

We are still seeking clarification from NZTA on whether these services can be included as 'existing services'. It is possible that this asset renewal expenditure may not be classified as existing services and will therefore be subject to prioritisation.

Existing services also include minor service enhancements. NZTA have interpreted minor service enhancements to mean changes to routes, service frequency or service quality of no more than 5% of the organisation's total passenger services allocation, or \$250,000, whichever is greater. Greater Wellington's approved 2008/09 allocation for passenger transport services is \$67.5 million, 5% of this figure is \$3.4 million.

7.2 Projects already approved (or will be approved by June 2009)

Committed projects and activities for which NZTA funding has been approved need to be included in the programme but are not prioritised. Greater Wellington is currently funding significant investments in rail infrastructure and rail rolling stock as well as a number of other projects and activities.

Projects already approved (or expected to be approved by June 2009) include:

- Mackays to Waikanae double tracking and electrification
- The new Matangi passenger trains
- Station platform upgrades required for the new trains
- Traction and signals upgrade required for the new trains
- An upgrade of the Johnsonville line for the new trains
- An upgrade of Wellington depot and stabling
- The real time information project
- Greater Wellington's travel demand management programme
- A prototype refurbishment of a Ganz Mavag train to establish the feasibility and cost of refurbishment.

Approximately \$310 million is expected to be spent on these projects over the next three years.

There is a risk that some projects may not get NZTA approval by the time the prioritisation process gets underway and they would therefore be subject to prioritisation.

7.3 Projects subject to prioritisation

The following table shows new projects and activities that would be subject to prioritisation by the Regional Transport Committee. An assessment of these projects will also be completed when the projects are entered into LTP Online.

At this stage we are not considering the funding or affordability of the activities and projects. These projects will be considered by Council as part of Greater Wellington's Long-term Council Community Plan and by the Regional Transport Committee when they consider the region's overall funding needs.

\$ Million	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Electronic Ticketing - Opex			3.2	5.3	5.5	5.6	5.8	5.9	6.1	6.3
Electronic Ticketing - Capex	0.5	8.7	6.7							
Kapiti Stations	5.0	9.3								
Transport Model Upgrade		0.6	0.6	0.6						
Wairarapa Log Freight	0.5	0.5	0.3							
Bus Service Enhancements	2.0	4.0	6.0	8.0	10.0	12.0	14.0	16.0	18.0	20.0
Travel Demand Management		1.0	1.0	1.0	1.1	1.1	1.1	1.2	1.2	1.2
Ng' to Airport PT Measures Study			1.0							
Ng' to Airport Scheme Assessment					6.0					
Strategies and Studies	0.4	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Ganz Mavag Refurbishment	10.3	23.8	24.5	25.2	12.9					
Regional Rail Plan - RS1 Opex					12.4	11.9	11.9	11.9	11.9	11.9
Regional Rail Plan - RS1 Capex	11.4	16.4	32.9	42.0	39.6	4.4	8.6	2.8	1.0	15.0
Regional Rail Plan - RS2 Opex								2.7	2.7	2.7
Regional Rail Plan - RS2 Capex			-12.0	-18.0	13.2	54.6	83.4	13.0	6.0	5.1
	30.1	64.4	64.3	64.3	100.7	89.7	124.9	53.5	47.0	62.3

7.3.1 Electronic / Integrated Ticketing

This project is for the design, construction and operation of a rail electronic ticketing system for the region. This project is the first step towards regional integrated ticketing.

The preliminary cost estimate is \$19 million over the first three years and \$49 million over the ten year period to 2018/19. The project is scheduled to start in 2009/10.

7.3.2 Kapiti Stations

This project is for the upgrade of Paraparaumu Station and reconstruction of the station at Waikanae required as part of the electrification and double tracking to Waikanae. Funding approval and commencement of this project had been expected in 2008/09, however consultation with affected parties has taken longer than anticipated and construction is now forecast to start in 2009/10.

The preliminary cost estimate is \$15 million spread over the first three years of the plan.

7.3.3 Transport Model Upgrade

The Wellington Transport Strategic Model (WTSM) is used for forecasting the effect of transport initiatives in the region and forms an essential input into regional strategies and studies.

WTSM is scheduled for a significant rebuild following the 2011 Census. Work is expected to commence in 2010/11 at an estimated total cost of \$3.1 million.

7.3.4 Wairarapa Log Freight

This project is a rail freight initiative to bring logs from the Wairarapa to Wellington by rail and reduce the number of trucks on the road.

The estimated cost of this project is \$1.9 million (with some cost still projected to occur in 2008/09). This project is expected to be 100% funded by NZTA.

7.3.5 Bus Service Enhancements

This project is the estimated operational costs of meeting the governments GPS target of 3% growth per year. Some of this increased expenditure would be classified as minor service enhancements and would not be subject to the prioritisation process.

To meet the GPS targets the preliminary estimate is that another \$2.0 million of expenditure would be required each year on a compounding basis. On this basis the cost would be \$12 million over the first three years and \$100 million over the ten year period to 2018/19.

7.3.6 Travel Demand Management

This activity is the continuation of school and work travel demand programmes designed to change behaviour thereby reducing road congestion. The current approved funding is expected to run out in 2009. Further funding is subject to the prioritisation process.

The preliminary cost is estimate is \$2 million over the first three years and \$10 million over the ten year period to 2018/19.

7.3.7 Ngauranga to Airport PT Measures Study

This study is the feasibility study of a high quality public transport system signalled in the Ngauranga to Wellington Airport Corridor Plan.

The expected cost is \$1 million in 2011/12.

7.3.8 Ngauranga to Airport Scheme Assessment

This is a more detailed assessment of a high quality public transport system signalled in the Ngauranga to Wellington Airport Corridor Plan.

The expected cost is \$6 million in 2013/14.

7.3.9 Other Strategies and Studies

A number of other corridor studies and strategies that underpin the Regional Land Transport Strategy will be required over the ten years of the plan. These include the Hutt and Wairarapa corridor plan reviews, modelling support for these, as well as reviews of other aspects of the strategy.

Notional amounts included for these are \$0.6 million over the first three years of the plan and \$1.2 million over the ten year period to 2018/19.

7.3.10 Ganz Mavag Refurbishment

The Ganz Mavag passenger trains are nearing the end of their useful life and will need to be refurbished or replaced within the ten year planning horizon. A pilot refurbishment is planned in the 2008/09 year which should provide detailed information on the costs of refurbishing the trains. This will inform any decision on whether refurbishment or replacement is the best option.

At this stage a nominal amount of \$97 million has been included for the refurbishment of the trains. This includes \$58 million over the first three years of the plan with work to commence in 2009/10.

7.3.11 Regional Rail Plan

Development of the Regional Rail Plan has suggested two packages of work designed to increase rail patronage and enable Greater Wellington to meet its GPS targets. These are titled RS1 and RS2 and both have capital expenditure and operational expenditure elements. RS1 and RS2 represent a staged implementation pathway i.e. RS2 can be adopted progressively once RS1 is in place.

RS1 delivers enhancements to the passenger rail system (infrastructure and rolling stock) that improve service reliability, frequency, capacity, safety and journey time. Key projects include:

- 20 additional Matangi passenger trains
- Station and carpark (park n ride) upgrades
- Measures to increase in peak frequencies and capacity
- Double tracking on the Hutt line between Trentham and Upper Hutt
- Minor improvements to the North South junction single track section

These improvements are required to meet GPS, NZ Transport Strategy and Passenger Transport Plan targets.

The preliminary cost estimate for RS1 is \$61 million over the first three years and \$246 million over the ten year period to 2018/19. Work would commence in 2009/10.

RS2 delivers further enhancements beyond RS1 with minor infrastructure upgrades to further improve frequency, capacity and journey time. The key project expenditure is ordering an additional 44 Matangi passenger trains

(additional to the 20 in RS1). RS2 improvements are designed to meet the GPS, NZ Transport Strategy and Passenger Transport Plan targets for the long term (i.e 2026). These measures can be implemented progressively after the implementation of RS1.

The preliminary cost is estimate for RS2 is \$142 million over the ten year period to 2018/19. Expenditure would start being incurred from 2013/14.

8. Communication

Existing services, approved projects and projects for prioritisation will be updated in LTP Online by 14 November. They will then be prioritised by the Regional Transport Committee.

No other communications are required.

9. Recommendations

That the Committee:

1. **Receives** the report.
2. **Notes** the content of the report.
3. **Notes** that Greater Wellington's input to the draft regional land transport programme must be entered into LTP Online by 14 November.
4. **Agrees** to include the existing services, projects already approved and projects subject to prioritisation set out in section 7 of the report, as Greater Wellington's input into to the Draft Regional Land Transport Programme.

Report prepared by:

Report approved by:

Report approved by:

Kerry Saywell
Business Manager, Public
Transport

Wayne Hastie
Divisional Manager, Public
Transport

Jane Davis
Divisional Manager, Transport
Policy and Strategy