

## **1. Executive summary for Public Transport**

### **1.1 The year-to-date in review**

July	<p>Wellington Rail Package 2011 signed on 5 July 2011</p> <p>Three Matangi two-car trains delivered and four trains made available for service</p>
August	<p>Three Matangi two-car trains delivered and three trains made available for service</p> <p>Rail safety week launched, supported by Greater Wellington</p> <p>Matangi successfully launched on the Kapiti line by the Prime Minister</p> <p>Hearings on the Regional Public Transport Plan held</p> <p>First “totem” Real Time Information display unit installed in Manners Street</p>
September	<p>Two Matangi two-car trains delivered and two trains made available for service</p> <p>Rugby World Cup public transport services provided successfully</p> <p>Funding for the Ganz Mavag refurbishment approved by NZTA</p> <p>Contractual arrangements for Kapiti and Porirua review service changes finalised</p> <p>Upgrade of Taita station subway lighting completed</p> <p>Issue 18 of Metlink News distributed</p> <p>2011 fare increase negotiations with operators completed and contracts signed</p> <p>Real Time Information launched on the Airport Flyer</p>
October	<p>Four Matangi two-car trains delivered</p> <p>Porirua East community bus service trial ends</p>
November	<p>Three Matangi two-car trains delivered and four trains made available for service</p> <p>New public transport fares introduced 1 November</p>

Regional Public Transport Plan adopted by Council 1 November

Fare Structure Review terms of reference adopted by Economic Wellbeing Committee

December Three Matangi two-car trains delivered and two trains made available for service

NZ Bus were advised of intent to renew Trolley Bus contract for a second five year term

Real time information rolled out in the Hutt Valley

Issue 19 of Metlink News distributed

## **1.2 Key results**

### **1.2.1 Outputs for the quarter**

- 264,000 bus, rail and ferry services funded by Greater Wellington
- 9.48 million passenger trips across all public transport modes
- 60,777 Total Mobility trips
- 141,900 calls taken by Metlink information line
- 524,080 visits to the Metlink website
- 109,246 visits to the Metlink mobile website
- six public transport news releases

### **1.2.2 Financial**

- Year-to-date expenditure on operations \$46.3 million compared to the budget of \$46.6 million
- Year-to-date capital expenditure and improvements project expenditure \$64.3 million compared to the budget of \$90.8 million, primarily because of changes to the timing of payments for the new Matangi trains.

### **1.2.3 Management**

- Wellington Rail Package 2011 signed with KiwiRail resulting in the transfer of \$104 million of rolling stock, station and depot assets to Greater Wellington Rail Limited for \$1, together with licences for car parks

- Corporate planning and financial requirements met.

## **1.3 Looking ahead**

### **1.3.1 Improvements**

#### **(a) Rail**

- More Matangi trains available for service
- Commencement of Ganz Mavag refurbishment programme
- Commencement of work on Naenae, Kenepuru and Tawa stations
- Completion of asset management plans for rail infrastructure and rolling stock together with detailed condition assessment for rail infrastructure
- Council agreement of an asset investment priority framework
- Finalising rail package related lease and licence agreements
- Signing a track access agreement with KiwiRail
- Development of KiwiRail Network Management Plan
- Review and update of Regional Rail Plan
- Future rail reporting including the Rail Annual Report

#### **(b) Other**

- Financial audit and re-negotiation of contract terms and (potentially) contract price for the Trolley Bus contract for a second five year term
- Awaiting advice from the Minister of Transport on the Public Transport Operating Model to allow further work on contractual and Regional Public Transport Plan changes. An announcement may be delayed due to a change of Minister of Transport after the recent election
- Real time information rollout in North Wellington, Porirua and Kapiti, and on-street displays in Wellington CBD
- Completion of asset management plans for bus infrastructure
- Consultation on proposed changes to the Wellington bus network arising from the Wellington service review

- Further consultation and implementation of the Otaki and Wairarapa service reviews
- Continue work on the review of fare structures, with the intention of going to public consultation in the fourth quarter of this financial year
- Commence work on changes to the Regional Public Transport Plan to reflect the impact of the Wellington City Bus Review, the Regional Rail Plan and PTOM
- Commence work on the annual fare review, with implementation intended for late 2012.

## **1.4 Public transport operations**

### **1.4.1 Services and patronage**

#### **(a) Contracted services**

The contracted services funded by Greater Wellington through the quarter have remained at a similar level to the last reported quarter, almost 264,000 services, comprising:

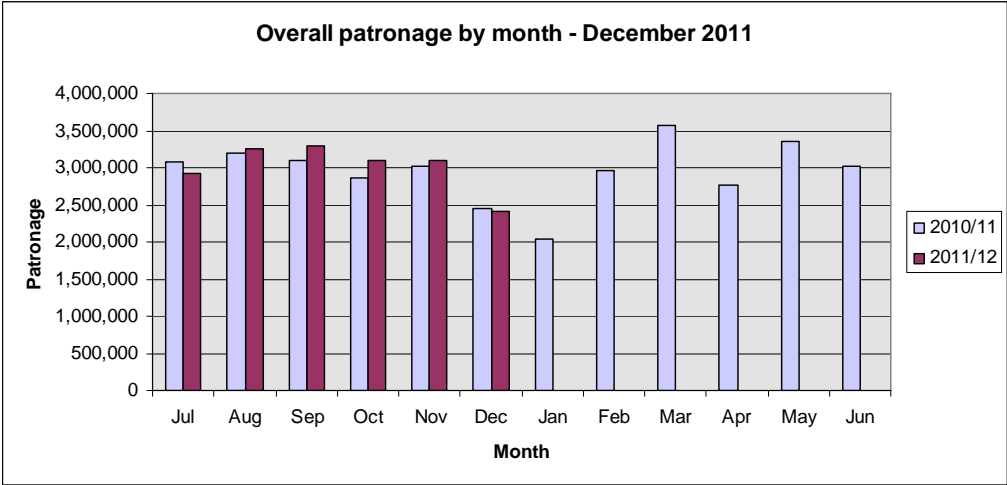
- 233,250 bus services
- 28,500 rail services
- 2,000 ferry services

#### **(b) Punctuality**

In the year-to-date 99.9% of bus services ran on time compared to 99.8% for the last full year. A bus service is defined as being “on time” when it runs within ten minutes of scheduled time at departure and destination.

In the year-to-date 88.7% of train services ran on time compared to 83.8% for the last full 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.

(c) Overall patronage

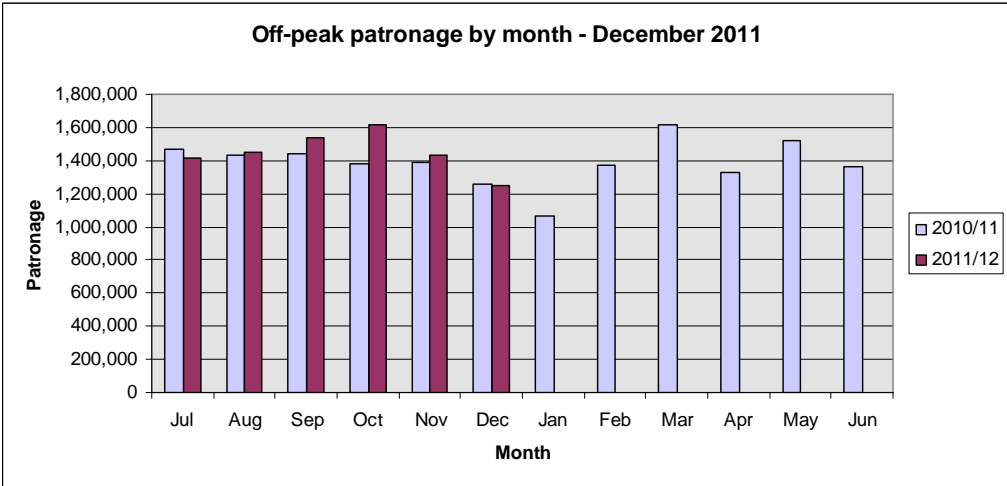


The graph shows patronage by month for 2011/12 compared to the previous year across all public transport modes (Bus, Rail and Ferry).

Patronage for the quarter of 8.6 million is 3% higher than the corresponding patronage for the same quarter in the previous year. Patronage in October 2011 is 8% up on October 2010 which may be attributed to increased demand during the Rugby World Cup 2011.

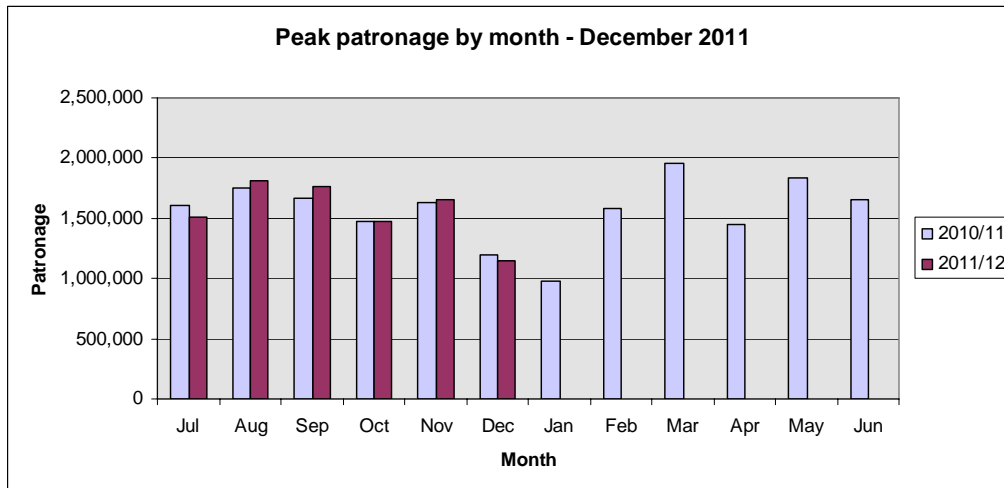
(d) Peak vs off-peak patronage

The following graphs show the changes in peak and off-peak patronage by month for 2011/12 compared to the previous year.



There were 4.3 million peak passenger trips in the quarter, a 0.6% decrease on the same quarter in the previous year. Year-to-date peak patronage stands at 9.4 million, a 0.3% increase on the same period last year.

Growth of 2.3% is required to meet Wellington Regional Land Transport Strategy (RLTS) targets. The RLTS has an annual target of 23 million peak passenger trips by 2020.

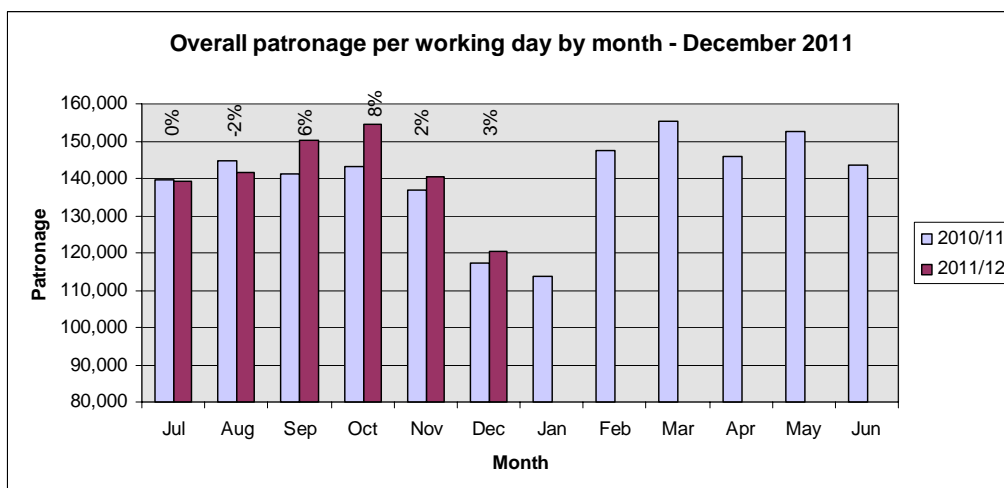


There were 4.3 million off-peak passenger trips in the quarter, an increase of 4.1% on the same quarter in the previous year. Year-to-date off peak patronage totals 8.7 million, an increase of 4.1% on the same period last year.

The growth in off peak passenger trips is above the 3.7% growth required to meet RLTS targets. However, a significant proportion of the increase can be attributed to increased demand during the Rugby World Cup 2011.

The RLTS has an annual target of 23 million off-peak passenger trips by 2020.

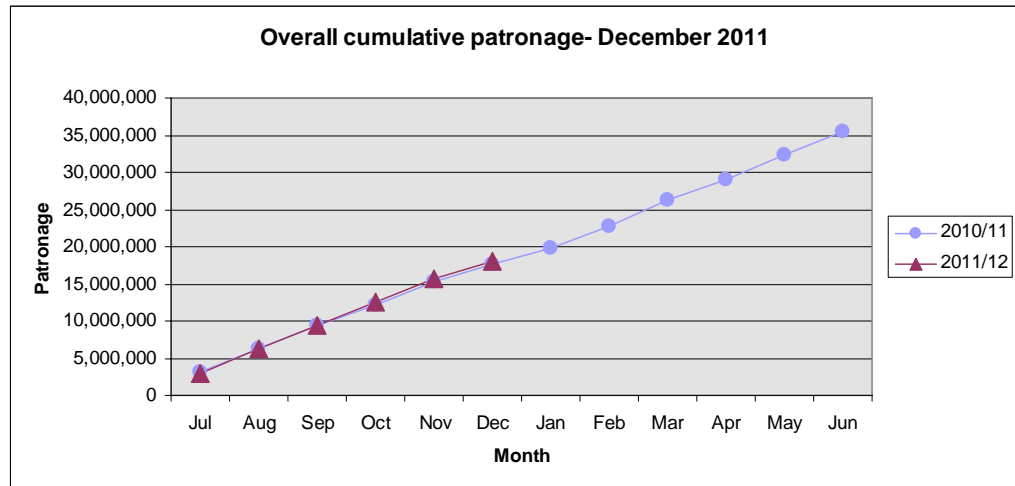
(e) Overall patronage per working day by month (bus, rail and ferry)



The graph shows patronage per working day by month for 2011/12 compared to the previous year.

Increases in September and October can be attributed to increased demand during the Rugby World Cup 2011, however patronage per working day remains strong through both November and December.

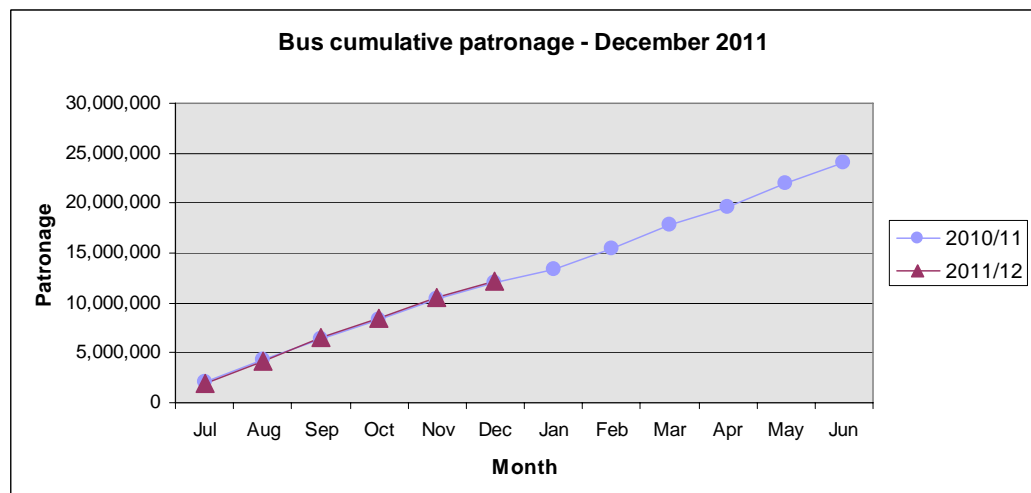
(f) Overall cumulative patronage 2011/12 vs 2010/11 (bus, rail and ferry)



The graph shows the cumulative year-to-date patronage for 2011/12 compared to the previous year across all public transport modes.

Overall year-to-date patronage in 2011/12 is 18.1 million, 2.1% higher than 2010/11.

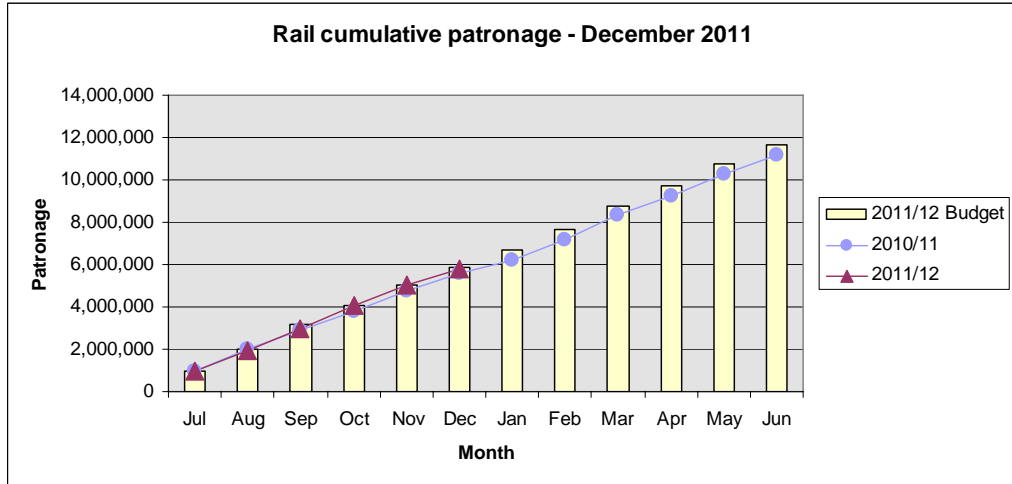
(g) Bus patronage



The graph shows the cumulative year-to-date patronage for 2011/12 compared to the previous year for bus services.

Year-to-date bus patronage of 12.2 million in 2011/12 is 1.1% higher than 2010/11.

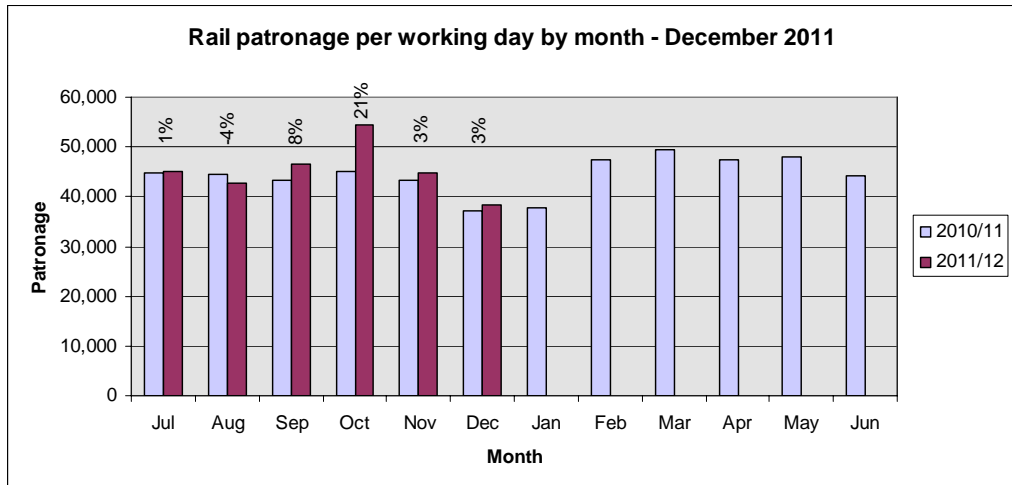
(h) Rail patronage



The graph shows the cumulative year-to-date patronage for 2011/12 compared to the previous year and compared to budget for rail services.

Rail patronage is 4.3% higher than 2010/11 numbers but slightly less than the 2011/12 budget.

(i) Rail patronage per working day by month



The graph shows rail patronage per working day by month for 2011/12 compared to the previous year.

The graph shows significant increases in rail patronage per working day, much of which is attributable to increased demand during the Rugby World Cup 2011.

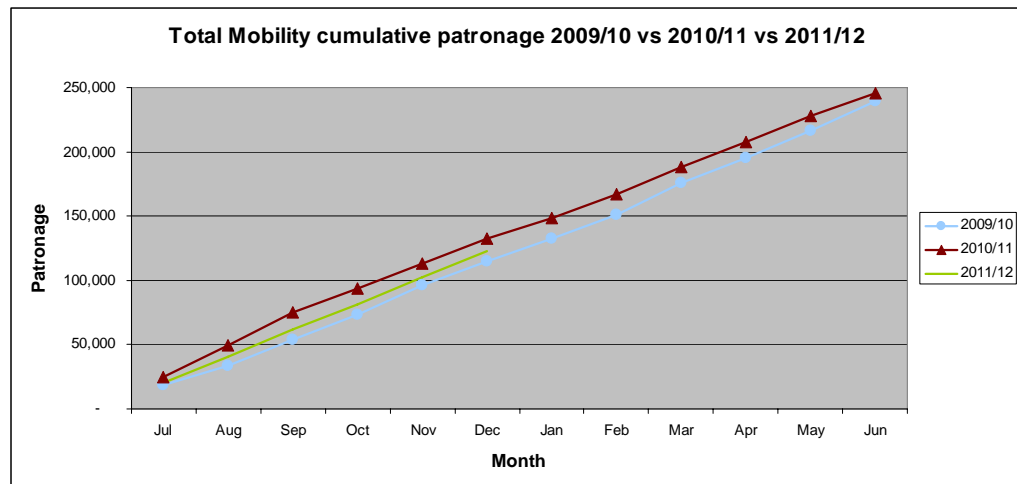


Year-to-date rail patronage per working day is currently 5.3% above 2010/11 levels for the same period.

(j) Total Mobility Scheme usage

There were 60,777 total mobility trips in the quarter, a 6.3% increase on the same quarter in the previous year.

(k) Total Mobility cumulative trips by month



The graph shows the cumulative year-to-date trips for 2011/12 compared to 2009/10 and 2010/11 for Total Mobility.

Year-to-date trips in 2011/12 are tracking just below the 2010/11 levels, and above 2009/10 levels.

## 1.4.2 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.

It was hoped the much anticipated advice from the Minister of Transport regarding the Public Transport Operating Model would have been announced in this quarter. However the recent election and change of Minister of Transport may now be contributing to the further delay in an announcement.

Following finalisation of the PTOM model and completion of a new bus network plan for Wellington City, work will begin to implement the new model across the Wellington region. This will include defining the region into units, updating the

Regional Public Transport Plan, transition planning, and development of new contracts.

(b) **Porirua services**

A review of Porirua school bus services was undertaken and as a consequence some school bus services from Bishop Viard, Aotea and Mana Colleges were cancelled, with sufficient capacity on equivalent public service to meet this demand.

Following feedback from schools, there will be some minor changes to the timing of public bus services to and from Titahi Bay in late February 2012. This will allow time for schools to notify students, and Greater Wellington to advise other users.

The Porirua East Community Transport (Bus) Service was introduced at the time of the 20 February 2011 Porirua changes but did not perform to expectation. The community was informed that unless there was a significant increase in patronage the service would cease. A number of methods were used to further promote the service, including direct contact with community organisations by Porirua City Council, letters to community leaders and churches, radio advertising, and a two week period of 'free' fares during school holidays. Patronage did not increase and the service was terminated from 28 October 2011.

(c) **Trolley bus services**

A high level of diesel replacements for trolley bus services will continue to occur over the year because of ongoing overhead network renewals.

Work on maintenance and renewals of the Seatoun section of the trolley bus overhead wire began in December and will continue until the end of March 2012. While this work continues trolley buses are being replaced by diesel buses on route 11.

Work will commence on the upgrade of the Karori tunnel at the end of February, for 9 months. Trolley buses are being replaced by diesel buses while this work is undertaken. Additional diesel buses will be introduced into the Wellington fleet to ensure the services are delivered.

The Hataitai bus tunnel is also due for major works shortly. The extent of the works is still to be finalised.

### 1.4.3 Rail services

(a) **New Matangi trains**

Matangi trains are running regular services on both the Hutt and Kapiti lines in 2-4-6 and occasionally 8 car formations.

At the end of December 65% of the fleet had been delivered and nearly half were commissioned and ready for service.

Matangi trains are scheduled to enter service on the Johnsonville Line in March 2012. Johnsonville Line commuters will enjoy Matangi trains 100% of the time, unlike the other lines that will always have a mix of Ganz Mavags and Matangi.



(b) Reliability and capacity constraints

With the introduction of more Matangi trains the capacity constraints are easing. A shortage of train drivers is an ongoing constraint for Tranz Metro, which is not expected to ease until later in the 2012/13 year.

(c) Track access negotiations

Greater Wellington and Auckland Transport (AT) continue to negotiate a Track Access Agreement and Common Access Terms with KiwiRail Network (KRN). Greater Wellington has an interim agreement with KRN until July 2012, as a result of the Rail Package negotiations, however AT's access status is more fluid.

Collectively AT, GW and KRN are making good progress on the Common Access Terms, and AT and KRN are largely attempting to resolve Auckland specific issues in the Auckland Access Agreement.

Full attention should be able to return to the Wellington Agreement in March.

Ultimately all parties require a detailed long term (at least 70 years) arrangement that gives certainty of access rights, network services, asset management and funding.

#### 1.4.4 Rugby World Cup 2011

The RWC was successfully concluded on 9 October 2011. Provision of extra bus and train services for matches played in Wellington, as well as semi-finals and the final played in Auckland operated well.

Following the first match played in Wellington some additional bus services were provided to ensure movement of people as quickly as possible. Signage was also improved and feedback was positive.

#### 1.4.5 Christmas timetables

Christmas timetables were developed taking into account a major block-of-line on the rail network which saw rail services replaced by buses for an extended period over Christmas/New Year.

An internal post implementation review meeting will be held with the operator to discuss where further improvements can be made for future extensive block-of-lines.

#### 1.4.6 Total Mobility Scheme

##### (a) Total Mobility Electronic System

The TMES continues to operate without interruption for our customers and contracted taxi operators. A number of system updates since the launch date have occurred, providing enhancements to back office usability and reporting services.

An update to enhance error messaging and transaction process functionality of in-taxi terminals, which was planned for the end of April 2011, commenced in November 2011 after delays due to issues with one of the supplier's sub-contractors. The update involves the physical uploading of new software into the in-taxi terminals, and includes the future ability to complete software updates remotely (similar to a Windows update through wireless internet). The update has been installed in 95% of the taxi fleet and the remaining 5% will be installed as vehicles are made available.

## **1.5 Maintain infrastructure and invest in new infrastructure and systems**

### **1.5.1 Rail rolling stock**

#### **(a) Ganz Mavag refurbishment**

The prototype refurbished Ganz Mavag has completed final system optimisation, with very good results. The testing carried out illustrates that the new Adaptive Traction Control Unit (ATCU) is capable of maintaining close to total control of the Ganz Mavag's traction system under all conditions. The existing Ganz Mavag Traction Control system is susceptible to fluctuating track conditions. ATCU also provides additional protection systems to guard against possible failure conditions, and will minimise possible consequential damage as a result of the failure. The recent optimisation and testing has increased confidence that the Traction Control Upgrades proposed for the refurbishment will deliver significant reliability benefits and (in the longer term) unplanned maintenance cost savings.

The prototype refurbished vehicle is now available for full operational service, and will be monitored closely to further identify any remaining issues. Greater Wellington is expecting to receive the final prototype reliability performance report from KiwiRail in March.

Greater Wellington and KiwiRail are working closely together regarding production schedule, scope and cost with an objective to sign the full production refurbishment contract in March.

#### **(b) Kapiti stations**

Work has now been completed by contractors in order to control water leaks at Paraparaumu Subway caused by the water table and membrane issues. Some adjustments to water drainage and wall linings have been completed to effect control with the situation being continually monitored. The wall tiling and floor levelling work has now been completed.

#### **(c) Station upgrade work**

No physical progress was made over the Christmas block of line at Naenae but design concepts continue to be developed with a positive outcome for both the heritage features and design for ease of maintenance and anti vandalism. Works are expected to start early 2012 and be completed by 30 June 2012.

Kenepuru station underwent platform construction works in order to strengthen and resurface the paved areas. This work was completed in January 2012.



(d) Tawa Station building condition

Officers had been preparing to replace the roof covering on the Tawa building, but this has been put on hold due to the poor condition of the overall building. Investigations have revealed extensive damage in the roof framing, the exterior cladding, internal wall framing and the building foundation supports. The extent of the floor damage is demonstrated by one side of the building being 100mm lower due to the rotten pilings. Officers are reviewing the latest report in order to make recommendations on the future of the building.

(e) Park and ride

The park and ride maintenance programme for 2011/12 is currently in progress and the following car parks have been resealed:

- Pomare second coat chipseal
- Featherston second part reseal
- Tawa reseal
- Paramata West reseal
- Waterloo bus terminal reseal.

Parking spaces at the Waikanae park and ride car park adjacent to SH1 were re-marked as angle parks, providing an additional seven parking spaces.

Officers continue reviewing the programme of works, checking that the existing space is used efficiently and that an appropriate standard of surface condition is maintained.

Recent inspections have indicated that we are experiencing a high level of surface failures / potholes due to the amount of rain during the early part of the summer period.

(f) **Cycle Facilities**

Since Greater Wellington took over the administration and maintenance of cycle lockers at train stations a number of lockers have been repaired and reopened for service. Lockers at Upper Hutt are being serviced and will be offered for hire very soon. There are waiting lists for lockers at Wellington, Porirua and Melling, however all the lockers at Plimmerton are available and a few still available at Waterloo.

1.5.2 **Other infrastructure**

(a) **Metlink bus shelters**

Six Metlink prototype bus shelters have now completed a six month trial. Indications are positive in terms of customer satisfaction. Further work is being conducted on an improved solution to weather protection from the shelters' perforated panels.

Officers are to issue a tender to market for the manufacture and installation of this year's allocation of Metlink shelters by the end of January 2012, with installation to be completed by 30 June 2012.



Metlink Prototype Bus Shelter

(b) **Retrofitted bus shelter panels**

A trial of a new perforate polycarb option in bus shelters will commence shortly. The polycarb option is being considered as an alternative solution in areas where a higher level of weather protection is required than the current perforated panels can provide.

Basic mock-up models have been tested with positive results for wind protection and resistance to graffiti and full size prototypes for two key graffiti hotspot locations are currently being developed.



A mock-up of a new style retro fitted shelter



### 1.5.3 Real Time Information System(RTI)

#### (a) Street display installations

Twenty-seven street display signs were installed and commissioned during the quarter, bringing the total to date to 91. The majority of the latest sites are in the Hutt Valley, where preparatory civil and electrical works for further sites on Eastbourne and Wainuiomata routes were also initiated during the quarter.

A number of residual sites in the Wellington urban area have also been completed, following the lifting of the embargo on street works associated with the Rugby World Cup. Preparation for display installations in the northern suburbs, Porirua and the Kapiti coast RTI locations is underway.

Uncertainty over the status of the 14 'totem' displays programmed for installation on the Golden Mile continues. These sites have been incorporated in Wellington City Council's review of pedestrian safety, commissioned following the Post Construction Safety Audit on the Golden Mile Restoration Project. The review is expected to report in early 2012, and to clarify any implications for the RTI display locations and the physical design of the support structures.

The planned Willis Street improvements, including a new pedestrian crossing, will take place from January 2012. In advance of being able to finalise the design of the RTI support structures, it has been agreed that sub-surface provision for electrical connection of RTI displays will be incorporated in the works, to avoid subsequent disturbance of the new footpath surfaces.

#### (b) Operator roll-out

RTI was extended beyond the Airport Flyer service in four further phases across the complete Valley Flyer network, before the end of the quarter. These phases covered the major Valley trunk services, subsidiary services, Eastbourne services and Wainuiomata services, and were linked as closely as possible to the installation and commissioning of RTI displays in the relevant areas.

The fitting of RTI equipment to Mana Newlands buses and the preparation of the operational data required for RTI were almost complete by the end of the quarter, with proving in a test environment scheduled to commence in January.

Initial planning for the installation of display signs on Kapiti and Johnsonville Line railway stations has been undertaken. Further stations will follow and installation will be progressed following the street display installation programme. Display signs of two different types will initially provide scheduled rail information and up-to-date network disruption messages to passengers at stations.

(c) RTI impact and performance

The roll-out of RTI inevitably creates numerous ‘touch points’ on other operational management and service provision areas. This has exposed some longstanding or previously unknown shortcomings in data accuracy or operational practices, which may impact on other operational or business processes, from revenue collection to service reliability. RTI is therefore creating the opportunity for Greater Wellington and service providers to jointly and constructively investigate and address such issues, providing a stronger basis for improving and maintaining levels of service quality.

Solutions to a small number of technical RTI system issues are being actively pursued.

Procedures to enable RTI to accommodate changed Christmas period timetables were successfully put in place. Development of existing Metlink systems to automate this data export process is in progress.

## 1.6 Planning public transport services

### 1.6.1 Service reviews

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

(a) Wellington

Final design of the proposed network for consultation was completed during the quarter. Several meetings were held with bus operators and Wellington City Council to confirm details during this period. Targeted public consultation was used to test aspects of the proposed network in November, before the network was finalised.

Detailed planning has now commenced for general public consultation, which will take place in February-March 2012.

(b) Otaki

Bus service options developed in response to initial community consultation were consulted on during November and December 2011. Eighty two submissions were received with over 70% of respondents supporting options for extending two weekday shopper trips to Coastland and introducing a Sunday bus service. Both options involve removing poorly used trips to provide the changes proposed without additional cost.

The results of the consultation will be referred to the Otaki Public Transport Review Reference Group on 26 January 2012 before finalising a timetable for introduction later in 2012.

(c) Wairarapa

Following the completion of public consultation and a train survey in July the reference group met again in late September to consider the results. As an outcome some options for improving the rail services are currently with KiwiRail to be operationally developed and costed and will be provided to Greater Wellington in February for consideration.

At the November EWC meeting it was decided to split the review into two as the proposed bus changes could be implemented independently of any future rail change. A letter will be distributed to previous review submitters and a leaflet on Masterton bus services early in January asking for comments on the proposed bus changes. Final recommendations will be tabled at the March EWC meeting following negotiations with the incumbent Wairarapa bus operator.

(d) Other reviews

A relatively minor review of Wainuiomata bus services is also planned should it be found that current issues with performance are not able to be resolved through changes to the operation of the services.

A post implementation review of the new rail timetable and other new bus timetables that were introduced in February is also due.

(e) Petone Railway Station Traffic lights

Hutt City Council (HCC) informed Greater Wellington of a non-notified resource consent to remove the traffic island and install traffic lights at the Petone Rail junction due to a supermarket development. Greater Wellington raised concerns that this would have an adverse effect on bus routes and the concept of an integrated network.

Subsequently Greater Wellington has worked with HCC on traffic flow options that mean only minor changes to bus operations and the integrated network. These plans have been shared with the bus operator (Valley Flyer) who has also been asked for feedback.

The change will only be implemented when the proposed supermarket development proceeds.

(f) 'Taxi Fair'

A review of Taxi Fare schemes has commenced in light of the new policy adopted as part of the Regional Public Transport Plan.

(g) Coastlands Mall

Request to fund maintenance work in the Mall Car Park. Officers attended a meeting there and have verbally and in writing stated that Greater Wellington's

position is that we do not fund maintenance projects on private land which is the responsibility of the land owner.

#### 1.6.2 Scheduling and planning tool

Investigation and meetings have been held with Trapeze Austrics Ltd on the potential to supply a scheduling and planning software tool for use in route and resource planning.

Austrics will enable route planning across potential PTOM units showing efficient use of resources, allowing greater accuracy in route planning and costings across units. Integration with our Journey Planner software is also a positive outcome of this, allowing for a seamless software package from planning routes to costing to printing timetables and entering these onto Journey Planner.

The current Wellington Review would benefit from Austrics also in regard to the automated planning of timetable for the new routes and parameters entered. This would eliminate a very labour intensive process.

As an added benefit there are options of using Austrics in relation to Greater Wellington interests in Tranz Metro to allow greater efficiency in use of resources.

#### 1.6.3 Fares

##### (a) Annual Fare Review 2011

The 2011 fare increase took place on 1 November 2011. We are now in receipt of information required from operators that relates to fare revenue for the 12 month period to 31 October 2011, in order to reset the subsidy paid to the operators.

##### (b) Fare Structure Review

Work commenced on this project at the beginning of October 2011. The Terms of Reference for the review were approved by EWC at the November meeting. Both the Greater Wellington internal working group and the project reference group had their first meetings just before Christmas.

#### 1.6.4 Regional Public Transport Plan

The Wellington Regional Public Transport Plan 2011-21 was adopted by Council on 1 November 2011.

Statutory requirements under the PTMA (s11 C) were met with the distribution of the Plan to detailed parties. All 109 submitters were individually written to with responses to their submissions; these were signed by the Chair of the Economic Wellbeing 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 that have an affect on the Plan.

Thus the Plan will be reviewed following adoption of the Long Term Plan in June 2012 and will incorporate any changes at that time.

#### 1.6.5 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.

### 1.7 Marketing and information management

#### 1.7.1 Metlink News

Issue 19 of Metlink News was distributed at the Wellington Station in December 2011. Commuters remain keen on reading the information we're providing in this format.

#### 1.7.2 Printed timetables

A total of 214,000 timetables were printed and distributed in the quarter. This included a total of 87,000 Christmas timetables.

#### 1.7.3 Metlink website

The Metlink website continues to experience strong growth with 524,080 visits this quarter, a 24.3% increase from the same time last year.

The proportion of unique visitors also continues to grow, up 25% (216,051) from the same quarter last year, demonstrating the site is attracting new users.

Direct traffic accounts for roughly 31% of the hits, traffic from search engines accounts for 58% of the hits and traffic from referring sites (e.g. operators' websites) accounts for 11% of the hits.

#### 1.7.4 Mobile application website

The number of visits to the mobile website continues to increase dramatically and now accounts for 23% of total web traffic (based on total page views). There were 109,246 visits for the quarter, a 341% increase on the same period in the previous year.

It is expected that as the number of services tracked by the real time system increases, along with the awareness of the mobile site, visitor numbers will continue to experience significant growth.

#### 1.7.5 Twitter

Metlink now has 1931 followers on Twitter, up from almost 1800 at the end of the last quarter. Twitter enables Metlink to communicate quickly and easily 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.

#### 1.7.6 txtBUS and txtTRN

TxtBus usage remained static for the quarter with 7,845 messages received, roughly the same number of messages as the same quarter last year.

TxtTRAIN usage figures provided by Fronde report a 78.6% increase with 3183 messages received compared to 1782, but there have been reporting software problems so these figures have not been verified.

Real time information is yet to be integrated into the txt messaging service, however, it is expected that this will follow once all applicable bus services are tracked within the system.

#### 1.7.7 Metlink information line

There were 141,900 calls to the Metlink information line during the last quarter, a decrease of 2.0% from the same quarter last year. Of these calls 96.0% were answered and customers provided with the necessary travel information.

There were no major disruptions to travel over this quarter. Visitors in the region after the Rugby World Cup (RWC) increased call volumes during the month of October.

From the 24 December 2011 until early January 2012 buses replaced trains on all lines. As commuter numbers were lower than usual over this period there were few complaints. Many passengers were confused by the public holidays following Christmas and New Year and this increased call volumes on those days.

## **2. Group financial summary**

### **2.1 Operating result overview**

#### **2.1.1 Year-to-date operating result**

The net operating deficit from operations for the Public Transport Group for the six months ended 31 December 2011 was \$0.5 million compared to the budgeted deficit of \$0.8 million.

Total expenditure on operations was \$46.3 million compared to the budget of \$46.6 million. The most significant variances are:

- SuperGold card expenditure was \$0.2 million above budget because of increased patronage
- Systems & information expenditure was \$0.3 million below budget because of reduced expenditure on printed timetables and real time information maintenance
- Administration expenditure was \$0.4 million below budget – this reflects the timing of expenditure.

Total revenue from operations was \$45.8 million which is the same as the budget.

If operating costs and revenues associated with capex are also included, then the overall operating deficit is \$4.1 million compared to the budgeted deficit of \$7.5 million.

#### **2.1.2 Forecast full year operating result**

The full year forecast net operating deficit from operations is \$2.3 million compared to the budgeted deficit of \$1.8 million.

Total expenditure on operations is forecast to be \$95.6 million compared to the budget of \$93.6 million. The main drivers of this change in the forecast are:

- Rail operations expenditure is forecast to be \$37.4 million which is \$1.1 million above budget. This forecast includes higher projected costs for rolling stock maintenance and insurance, offset by a decrease in TranzMetro costs (largely because of increased fare revenue).

The latest forecast from KiwiRail Mechanical shows a \$1.2 million deficit in the rolling stock maintenance expenditure. Greater Wellington officers are working closely with KiwiRail to better understand the cost, but early indications are that these are real increases in costs for materials on the Ganz Mavag trains which are running more kilometres than anticipated when the budgets were set in June 2011.

- Diesel bus operating contract expenditure is forecast to be \$29.1 million which is \$0.1 million above budget. The forecast assumes that oil prices and the NZ/US exchange

rate stay at current levels. Greater Wellington is in the process of calculating the fare clawback from the 1 November fare increase and any change from the budgeted amount would result in a change to this forecast.

- SuperGold expenditure is forecast to be \$0.6 million above budget because of increased patronage. This expenditure is 100% funded by NZTA.
- Systems and information expenditure is forecast to be \$0.3 million below budget because of reduced expenditure on printed timetables and real time information maintenance.
- Administration expenditure is forecast to be \$10.2 million which is \$0.5 million above budget. Increased expenditure is forecast on work associated with the new rail operating model (asset condition assessment and asset management plan).

Revenue from operations is forecast to be \$93.3 million compared to budgeted revenue of \$91.8 million:

- Grants and subsidy revenue is forecast to be \$1.0 million above budget because of the overall forecast increase in expenditure and an increase in the Total Mobility financial assistance rate to 60%.
- SuperGold card revenue is forecast to be \$0.6 million above budget because of increased patronage.

When capital and improvement projects are taken into account, the overall forecast operating position becomes a deficit of \$29.2 million compared to the budgeted deficit of \$48.8 million.

## **2.2 Capital expenditure and improvement projects overview**

### **2.2.1 Year-to-date result**

Year-to-date improvement projects and capital expenditure is \$64.3 million compared to the budget of \$90.7 million. The year-to-date numbers show reduced expenditure on rail infrastructure upgrades, rail package station/carpark upgrades, the new Matangi trains, trolley bus infrastructure renewals and the real time information project.

### **2.2.2 Forecast full year result**

The full year capital and improvement expenditure forecast is \$157.5 million compared to the budget of \$174.4 million. We are forecasting savings on rail infrastructure upgrades, new Matangi trains, Ganz Mavag refurbishment and the real time information project, offset by a small increased expenditure on the rail package station / carpark upgrades.

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.

## 2.3 Funding overview

The year-to-date funding surplus above budget (represented by decreased transfer from reserves) is \$1.3 million. The forecast full year funding surplus above budget is \$0.2 million.

## 2.4 Group financial statements

The financial performance of the group for the six months ended 31 December 2011 is shown on the following table.

In the Public Transport group, grants to other organisations for capital works are treated as operating expenditure. This has the effect of distorting both grants and subsidies expenditure and government grants and subsidies revenue. The table in section 2.5 separates the income statement into ongoing operations and capital expenditure and may provide better information to the reader.

Last Year YTD Actual \$000	YTD Actual \$000	YTD Budget \$000	YTD Variance \$000	Public Transport Division Income Statement 6 month ended 31 December 2011	Last Year FY Actual \$000	Full Year Forecast \$000	Full Year Budget \$000	Full Year Variance \$000
19,997	22,487	22,487	-	Rates & Levies	39,994	44,974	44,974	-
81,799	83,486	106,388	(22,902)	Government Grants & Subsidies	159,908	178,885	174,315	4,570
237	266	278	(12)	External Revenue	722	253	312	(59)
78	99	84	15	Investment Revenue	(1,082)	167	167	-
69	60	60	-	Internal Revenue	134	120	120	-
<b>102,180</b>	<b>106,398</b>	<b>129,297</b>	<b>(22,899)</b>	<b>TOTAL INCOME</b>	<b>199,676</b>	<b>224,399</b>	<b>219,888</b>	<b>4,511</b>
				less:				
1,757	1,651	1,912	261	Personnel Costs	3,365	3,592	3,770	178
981	1,438	1,489	51	Materials, Supplies & Services	2,374	2,538	3,102	564
77	34	98	64	Travel & Transport Costs	130	62	121	59
1,781	511	632	121	Contractor & Consultants	3,687	1,666	1,486	(180)
100,054	103,251	128,214	24,963	Grants and Subsidies Expenditure	194,405	237,760	251,376	13,616
1,350	1,384	1,401	17	Internal Charges	2,697	2,771	2,771	-
<b>106,000</b>	<b>108,269</b>	<b>133,746</b>	<b>25,477</b>	<b>Total Direct Expenditure</b>	<b>206,658</b>	<b>248,389</b>	<b>262,626</b>	<b>14,237</b>
726	1,248	2,070	822	Financial Costs	1,624	3,214	4,140	926
-	-	-	-	Bad Debts	-	-	-	-
610	649	649	-	Corporate & Department Overheads	1,220	1,297	1,297	-
312	336	314	(22)	Depreciation	620	674	629	(45)
	(11)	(4)	7	Loss(Gain) on Sale of Assets / Investments	-	(4)	(4)	-
<b>107,648</b>	<b>110,491</b>	<b>136,775</b>	<b>26,284</b>	<b>TOTAL EXPENDITURE</b>	<b>210,122</b>	<b>253,570</b>	<b>268,688</b>	<b>15,118</b>
<b>(5,468)</b>	<b>(4,093)</b>	<b>(7,478)</b>	<b>3,385</b>	<b>OPERATING SURPLUS/(DEFICIT)</b>	<b>(10,446)</b>	<b>(29,171)</b>	<b>(48,800)</b>	<b>19,629</b>
312	336	314	22	Add Back Depreciation	620	674	629	45
-	(11)	(4)	(7)	Other Non Cash	1,238	(4)	(4)	-
(452)	(1,647)	(2,983)	1,336	Net Asset Acquisitions	(3,335)	(3,386)	(3,990)	604
				Net External Investment Movements	-	-	-	-
<b>(5,608)</b>	<b>(5,415)</b>	<b>(10,151)</b>	<b>4,736</b>	<b>NET FUNDING BEFORE DEBT &amp; RESERVE MOVEMENTS</b>	<b>(11,923)</b>	<b>(31,887)</b>	<b>(52,165)</b>	<b>20,278</b>
7,393	6,787	10,871	(4,084)	Debt Additions / (decrease)	14,744	33,982	54,589	(20,607)
(1,170)	(1,552)	(2,180)	628	Debt Repaid	(3,086)	(3,832)	(4,360)	528
(615)	180	1,460	1,280	Net Reserves (Increase) / decrease	265	1,737	1,936	199
-	-	-	-	<b>NET FUNDING SURPLUS (DEFICIT)</b>	-	-	-	-

Last Year YTD Actual \$000	YTD Actual \$000	YTD Budget \$000	YTD Variance \$000	Public Transport Division Capital Expenditure Statement 6 month ended 31 December 2011	Last Year FY Actual \$000	Full Year Forecast \$000	Full Year Budget \$000	Full Year Variance \$000
35	-	32	32	Total Asset Acquisitions	38	32	32	-
417	1,658	2,961	1,303	Capital Project Expenditure	3,308	3,363	3,967	604
-	(11)	(10)	1	Asset Disposal Cash Proceeds	(11)	(10)	(10)	-
<b>452</b>	<b>1,647</b>	<b>2,983</b>	<b>1,336</b>	<b>Net Capital Expenditure</b>	<b>3,335</b>	<b>3,385</b>	<b>3,989</b>	<b>604</b>
-	-	-	-	Investments Additions	-	-	-	-
<b>452</b>	<b>1,647</b>	<b>2,983</b>	<b>1,336</b>	<b>Net Capital and Investment Expenditure</b>	<b>3,335</b>	<b>3,385</b>	<b>3,989</b>	<b>604</b>

## 2.5 Detailed operating result

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

### Public Transport Group Financial Performance by Programme for the Period Ended 31 December 2011

	Year To Date				Full Year			
	Actual \$000	Budget \$000	Variance \$000	Variance %	Forecast \$000	Budget \$000	Variance \$000	Variance %
<b>Revenue from Operations</b>								
Rates Revenue	18,827	18,827	0 F	0%	37,651	37,651	0 F	0%
Grants & Subsidies	23,568	23,894	326 U	-1%	49,166	48,157	1,009 F	2%
Grants & Subsidies - SuperGold Card	2,930	2,695	235 F	9%	5,950	5,390	560 F	10%
External Revenue	266	278	12 U	-4%	253	312	59 U	-19%
Investment & Other Revenue	99	84	15 F	18%	167	167	0 F	0%
Internal Revenue	60	60	0 F	0%	120	120	0 F	0%
<b>Total Revenue from Operations</b>	<b>45,750</b>	<b>45,838</b>	<b>88 U</b>	<b>0%</b>	<b>93,307</b>	<b>91,797</b>	<b>1,510 F</b>	<b>2%</b>
<b>Expenditure on Operations</b>								
Rail Operations	18,191	18,177	14 U	0%	37,449	36,352	1,097 U	-3%
Diesel Bus Operating Contracts	14,411	14,437	26 F	0%	29,099	29,027	72 U	0%
Trolley Bus Operations	3,617	3,579	38 U	-1%	7,113	7,158	45 F	1%
Ferry Operating Contract	145	147	2 F	1%	297	295	2 U	-1%
SuperGold Card	2,930	2,695	235 U	-9%	5,950	5,390	560 U	-10%
Bus Shelters & Signage Maintenance	592	536	56 U	-10%	1,072	1,072	0 F	0%
Total Mobility Scheme	1,131	1,160	29 F	3%	2,420	2,272	148 U	-7%
Design and Development Projects	229	248	19 F	8%	606	591	15 U	-3%
Marketing & Communications	104	122	18 F	15%	283	319	36 F	11%
Systems & Information	358	615	257 F	42%	1,141	1,433	292 F	20%
Admin	4,568	4,924	356 F	7%	10,168	9,662	508 U	-5%
<b>Total Expenditure on Operations</b>	<b>46,276</b>	<b>46,640</b>	<b>364 F</b>	<b>1%</b>	<b>95,598</b>	<b>93,571</b>	<b>2,027 U</b>	<b>-2%</b>
<b>Net Operating Surplus/(Deficit) from Operations</b>	<b>-526</b>	<b>-802</b>	<b>276 F</b>		<b>-2,291</b>	<b>-1,774</b>	<b>517 U</b>	
<b>Revenue associated with Capex</b>								
Rates Revenue	3,661	3,661	0 F	0%	7,323	7,323	0 F	0%
Grants & Subsidies	56,987	79,801	22,814 U	-29%	123,769	120,767	3,002 F	2%
External Revenue	0	0	0 F	0%	0	0	0 F	0%
<b>Total Revenue associated with Capex</b>	<b>60,648</b>	<b>83,462</b>	<b>22,814 U</b>	<b>-27%</b>	<b>131,092</b>	<b>128,090</b>	<b>3,002 F</b>	<b>2%</b>
<b>Expenditure associated with Capex</b>								
Improvement Project Expenditure	62,642	87,757	25,115 F	29%	154,087	170,351	16,264 F	10%
Non-Cash Items (Depreciation)	325	311	14 U	-5%	671	625	46 U	-7%
Financial Costs	1,248	2,070	822 F	40%	3,214	4,140	926 F	22%
<b>Total Expenditure associated with Capex</b>	<b>64,215</b>	<b>90,138</b>	<b>25,923 F</b>	<b>29%</b>	<b>157,972</b>	<b>175,116</b>	<b>17,144 F</b>	<b>10%</b>
<b>Net Revenue &amp; Expenditure Associated with Capex</b>	<b>-3,567</b>	<b>-6,676</b>	<b>3,109 F</b>	<b>47%</b>	<b>-26,880</b>	<b>-47,026</b>	<b>20,146 F</b>	<b>43%</b>
<b>Net Operating Surplus/(Deficit)</b>	<b>-4,093</b>	<b>-7,478</b>	<b>3,385 F</b>		<b>-29,171</b>	<b>-48,800</b>	<b>19,629 F</b>	

### 2.5.1 Revenue

Total revenue from operations was \$45.8 million which was the same as budget. The most significant variances are:

- Grants and subsidies revenue was \$0.3 million below budget which reflects the reduction in operational expenditure in the year-to-date

- SuperGold card revenue was \$0.2 million above budget because of increased patronage.

Revenue from operations is forecast to be \$93.3 million which is \$1.5 million above budget. The most significant variances are:

- Grants and subsidy revenue is forecast to be \$1.0 million above budget because of the overall forecast increase in expenditure and an increase in the total mobility financial assistance rate to 60%
- SuperGold card revenue is forecast to be \$0.6 million above budget because of increased patronage.

## 2.5.2 Expenditure

### (a) Rail operations

The following table provides a more detailed breakdown of rail operations expenditure:

**Public Transport Group**  
**Rail Operations for the Period Ended 31 December 2011**

	Year To Date				Full Year			
	Actual \$000	Budget \$000	Variance \$000	Variance %	Forecast \$000	Budget \$000	Variance \$000	Variance %
Rail Contract	4,402	4,842	440 F	9%	8,802	9,685	883 F	9%
Rail Network - Access Charges	4,704	4,807	103 F	2%	9,613	9,613	0 F	0%
Rail Network - Renewals	3,253	3,135	118 U	-4%	6,270	6,270	0 F	0%
Rolling Stock Maintenance	4,722	4,212	510 U	-12%	9,617	8,423	1,194 U	-14%
Rail Insurance	727	619	108 U	-17%	2,014	1,238	776 U	-63%
Rail Infrastructure Maintenance	383	562	179 F	32%	1,133	1,123	10 U	-1%
<b>Rail Operations Expenditure</b>	<b>18,191</b>	<b>18,177</b>	<b>14 U</b>	<b>0%</b>	<b>37,449</b>	<b>36,352</b>	<b>1,097 U</b>	<b>-3%</b>

Expenditure on rail operations was \$18.2 million which is \$14,000 above budget. The most significant variances are:

- Rail contract expenditure was \$0.4 million below budget primarily because of increased fare revenue due to a higher than budget average fare. Forecast expenditure is \$8.8 million which is \$0.9 million below budget.
- Rail network renewals expenditure was \$3.3 million which is \$0.1 million above budget. The full year forecast expenditure is the same as budget.
- Rolling stock maintenance expenditure was \$0.5 million above budget primarily because of increased EMU depot maintenance costs. Forecast expenditure is \$9.6 million which is \$1.2 million above budget. Greater Wellington officers are working closely with KiwiRail to better understand the costs, but early indications are that these are real increases in costs for materials on the Ganz Mavag trains which are running more kilometres than anticipated when the budgets were set in June 2011.

- Rail insurance expenditure was \$0.1 million above budget. At the time that the budget was set there was incomplete information on the value of assets being transferred from KiwiRail and the likely insurance premium on them. Forecast expenditure is \$2.0 million which is \$0.8 million above budget.
- Rail infrastructure maintenance expenditure was \$0.2 million below budget because of delays in rail infrastructure asset maintenance. The forecast expenditure is close to budget

Overall forecast expenditure on rail operations is \$37.4 million which is \$1.1 million above budget.

(b) Diesel bus operating contracts

Diesel bus operating contract expenditure was \$14.4 million which is the same as budget.

Diesel bus operating contract expenditure is forecast to be \$29.1 million which is \$0.1 million above budget. The forecast assumes that oil prices and the NZ/US exchange rate stay at current levels. Greater Wellington is in the process of calculating the fare clawback from the 1 November fare increase and any change from the budgeted amount would result in a change to this forecast.

(c) SuperGold card

SuperGold card expenditure is \$2.9 million compared to the budget of \$2.7 million. This scheme is 100% funded by NZTA and any increased expenditure is offset by increased subsidy revenue.

SuperGold card expenditure is forecast to be \$6.0 million which is \$0.6 million above budget. Our forecast reflects the fare increase from 1 November and increased patronage.

(d) Systems & Information

Systems and information expenditure is \$0.4 million which is \$0.3 million below budget. This is primarily because of reduced bus and train timetable production costs and real time information maintenance costs.

Forecast expenditure is \$1.1 million, which is \$0.3 million below budget reflecting reduced timetable production and real time information maintenance costs.

(e) Administration

Administration expenditure was \$4.6 million which is \$0.4 million below budget, reflecting changes to the timing of expenditure.

Administration expenditure is forecast to be \$10.2 million which is \$0.5 million above budget. Increased expenditure is forecast on the new rail operating model (asset condition assessment and asset management plan).

(f) **Financial costs**

Financial costs were \$1.2 million or \$0.8 million below budget because of delays to improvement projects and capital expenditure.

The full year forecast expenditure is \$3.2 million which is \$0.9 million below budget.

## **2.6 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 Period Ended 31 December 2011**

	Year To Date				Full Year			
	Actual \$000	Budget \$000	Variance \$000	Variance %	Forecast \$000	Budget \$000	Variance \$000	Variance %
<b>Improvement Projects (Opex)</b>								
Rail Infrastructure Upgrades	-448	229	677 F	296%	1,443	4,837	3,394 F	70%
Rail Rolling Stock Heavy Maintenance	1,379	1,387	8 F	1%	2,774	2,774	0 F	0%
Station / Carpark Renewals	0	1,250	1,250 F	100%	2,691	2,500	191 U	-8%
New Matangi Trains	60,936	83,131	22,195 F	27%	142,828	144,892	2,064 F	1%
Ganz Mavag Prototype	9	72	63 F	88%	99	72	27 U	-38%
Ganz Mavag Refurbishment	0	0	0 F	0%	900	11,900	11,000 F	92%
Trolley Bus Infrastructure Renewals	823	1,688	865 F	51%	3,352	3,376	24 F	1%
Other Projects	-57	0	57 F	0%	0	0	0 F	0%
<b>Improvement Project Expenditure</b>	<b>62,642</b>	<b>87,757</b>	<b>25,115 F</b>	<b>29%</b>	<b>154,087</b>	<b>170,351</b>	<b>16,264 F</b>	<b>10%</b>
<b>Capital Projects</b>								
Real Time Information	1,641	2,812	1,171 F	42%	2,811	3,415	604 F	18%
Bus Shelter Upgrades	17	0	17 U	0%	250	250	0 F	0%
Total Mobility Systems Devt	0	72	72 F	100%	72	72	0 F	0%
Other Capex	0	77	77 F	100%	230	230	0 F	0%
<b>Capital Expenditure</b>	<b>1,658</b>	<b>2,961</b>	<b>1,303 F</b>	<b>44%</b>	<b>3,363</b>	<b>3,967</b>	<b>604 F</b>	<b>15%</b>
Total Asset Acquisition	0	32	32 F	100%	32	32	0 F	0%
<b>Asset Additions</b>	<b>0</b>	<b>32</b>	<b>32 F</b>	<b>100%</b>	<b>32</b>	<b>32</b>	<b>0 F</b>	<b>0%</b>
<b>Improvement Projects and Capital Expenditure</b>	<b>64,300</b>	<b>90,750</b>	<b>26,450 F</b>	<b>29%</b>	<b>157,482</b>	<b>174,350</b>	<b>16,868 F</b>	<b>10%</b>

**2.6.1 Rail infrastructure upgrades (opex)**

These projects include:

- Station platform upgrades for the whole network
- Stabling of the new Matangi trains
- MacKay's to Waikanae double tracking and electrification work.

Rail infrastructure upgrade expenditure showed a credit of \$0.4 million compared to the year-to-date budget of \$0.2 million.

These projects were substantially completed by 30 June 2011 with some residual expenditure and retentions falling into this year. The full year forecast shows a savings of \$3.4 million.

**2.6.2 Rail station / carpark renewals**

This programme is for the renewal of stations and car parks on the rail network.

An assessment of the condition of the stations and car parks has been made. Naenae Station will be replaced and major repairs made to the platform. The work will be completed by June 2012. Kenepuru Station has undergone major repairs over the Christmas rail shutdown and will be complete by the end of January 2012. The full year forecast expenditure of \$2.7 million or \$0.2 million above budget.

### 2.6.3 New Matangi trains

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

Actual expenditure was \$60.9 million compared to the budget of \$83.1 million and reflects some changes to the timing of payments. The full year forecast is \$142.8 million compared to the budget of \$144.9 million.

### 2.6.4 Trolley bus infrastructure renewals

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

Year-to-date expenditure was \$0.8 million compared to the budget of \$1.7 million. Less work has been done to minimise disruption during the Rugby World Cup.

The full year forecast expenditure of \$3.4 million is the same as budget.

### 2.6.5 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.

Year-to-date expenditure was \$1.6 million compared to the budget of \$2.8 million. While good progress has been made on the project there have been some delays to the full roll-out of the project, (Rugby World Cup construction halt and Wellington City Council review of pedestrian safety).

The full year expenditure is forecast to be \$2.8 million compared to the budget of \$3.4 million, reflecting the delays to the project.

## 2.7 Detailed funding and reserves

### 2.7.1 Funding position

The year-to-date funding surplus above budget (represented by a decreased transfer from reserves) is \$1.3 million. The forecast full year funding surplus above budget is \$0.2 million.

**Public Transport Group  
Funding for the Period Ended 31 December 2011**

	Year To Date				Full Year			
	Actual \$000	Budget \$000	Variance \$000	Variance %	Forecast \$000	Budget \$000	Variance \$000	Variance %
Net Operating Surplus/(Deficit)	-4,093	-7,478	3,385 F		-29,171	-48,800	19,629 F	
<b>Add back</b>								
Non-Cash items	325	310	15 F		670	625	45 F	
<b>Funds from Operations</b>	<b>-3,768</b>	<b>-7,168</b>	<b>3,400 F</b>		<b>-28,501</b>	<b>-48,175</b>	<b>19,674 F</b>	
<b>Less</b>								
Capital Expenditure	1,658	2,961	1,303 F	44%	3,363	3,967	604 F	15%
Asset Additions	0	32	32 F	100%	32	32	0 F	0%
Asset Disposal Cash Proceeds	-11	-10	1 F		-10	-10	0 F	
<b>Surplus/(Deficit) before Debt &amp; Reserve Movements</b>	<b>-5,415</b>	<b>-10,151</b>	<b>4,736 F</b>		<b>-31,886</b>	<b>-52,164</b>	<b>20,278 F</b>	
Internal Debt Additions	6,787	10,871	4,084 U		33,982	54,589	20,607 U	
Internal Debt Repayments	-1,552	-2,180	628 F		-3,832	-4,360	528 F	
Decrease / -Increase in Reserves	180	1,460	1,280 U		1,736	1,935	201 U	
<b>Net Funding Surplus/(Deficit)</b>	<b>0</b>	<b>0</b>	<b>0 F</b>		<b>0</b>	<b>0</b>	<b>0 F</b>	

2.7.2 Reserves

Movements in Public Transport reserves are detailed in the following table:

**Public Transport Group  
Transport Reserves as at 31 December 2011**

	Year to Date			Full Year		
	Actual \$000	Budget \$000	Variance \$000	Forecast \$000	Budget \$000	Variance \$000
Opening balance	5,047	4,449	598 F	5,047	4,449	598 F
Transfers to reserves	0	0	0 F	0	0	0 F
Transfers to reserves - interest	99	84	15 F	167	167	0 F
Transfers from reserves	-277	-1,545	1,268 F	-1,903	-2,103	200 F
<b>Closing Balance</b>	<b>4,869</b>	<b>2,988</b>	<b>1,881 F</b>	<b>3,311</b>	<b>2,513</b>	<b>798 F</b>

**Represented by:**

	Actual \$000	Forecast \$000
Rebudget - Wellington review	0	
Rebudget - Electronic ticketing review&investigation	0	
Transport rate reserve	4,869	3,311
<b>Closing Balance</b>	<b>4,869</b>	<b>3,311</b>

**Notes**

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



## 2.8 Business plan performance indicators

### 2.8.1 Short term targets

Short Term Target	Full Year Budget	Status
<p>Service reviews of two contract areas will be completed and reported to the Council.</p>	<p>\$250,000</p>	<p>The Wairarapa review has commenced and is scheduled for completion in early 2012.</p> <p>The Otaki review final round of consultation was completed in December. The review is scheduled for completion in early 2012.</p> <p>The Wellington review has commenced and is scheduled for completion in 2012 after which detailed implementation planning will commence.</p> <p>A post-implementation review of the rail timetable, introduced in February 2011, will commence in early 2012.</p> <p>Actual year-to-date costs were \$180,000</p>
<p>Peak-time passenger trips using public transport will increase by 4%, off-peak passenger trips using public transport will increase by 6%</p> <p>The number of public transport vehicles that are wheelchair accessible will increase from the previous year</p>	<p>All of Greater Wellington's expenditure of \$267,481,000 on public transport services will contribute to these targets</p>	<p>Peak-time public transport passenger trips decreased by 0.63% and off-peak public transport passenger trips increased by 6.85%, compared to the same quarter in the previous year.</p> <p>79 trains (including 31 two car Matangi trains) were wheelchair accessible, compared to 55 trains last year.</p> <p>298 buses were wheelchair accessible, compared to 287</p>

<p>The number of bus and train services running on time will improve from the previous year</p>		<p>last year.</p> <p>In the year-to-date 88.7% of train services ran on time compared to 83.8% for the last full year. In the year-to-date 99.9% of bus services ran on time compared to 99.8% for the last full year.</p> <p>Actual year-to-date costs were \$112,108,000</p>
<p>All 48 new Matangi two-car trains will be in passenger service</p>	<p>\$144,893,000</p>	<p>At the end of December 2011, 62 cars (31 two-car Matangi trains) are in Wellington and 22 have been tested, commissioned and are available for service. Delivery and commissioning of the remaining trains will continue through 2012.</p> <p>Actual year-to-date costs were \$60,936,000</p>
<p>A rail station and carpark upgrade programme will commence.</p>	<p>\$2,500,000</p>	<p>Naenae Station will be replaced and major repairs made to the platform. The work will be completed by June 2012. Kenepuru Station will also undergo major repairs over the Christmas rail shutdown and will be completed by the end of January 2012.</p> <p>Actual year-to-date costs were \$nil</p>
<p>15 new bus shelters will be installed across the region</p>	<p>\$250,000</p>	<p>15 new shelters will be installed by the end of the financial year. Consultation at the proposed sites has commenced. The contract is currently being prepared and will be released for tender in early February 2012.</p>

		Actual year-to-date costs were \$17,000
<p>More than 90% of residents will rate the service they receive from the Metlink Service Centre as excellent or very good</p> <p>More than 95% of calls to the Metlink Service Centre will be answered</p> <p>Metlink website usage and its usefulness rating will increase from the previous year</p> <p>Use of txtBUS and txtTRAIN will increase from the previous year</p>	\$817,000	<p>The quality of the service will be measured when the next customer survey is completed in April 2012.</p> <p>95.2% of all calls to the Metlink Service Centre for the year-to-date were answered and customers provided with the necessary travel information.</p> <p>In the year-to-date there were 524,080 visits compared to 421,746 in the same period last year, a 24.3% increase in usage. The usefulness rating will be measured when the next customer survey is completed in April 2012.</p> <p>txtBUS usage remained static during the quarter with 7,845 requests. txtTRAIN usage figures provided by Fronde report a 78.6% increase in usage with 3183 messages received for the quarter, but there have been reporting software problems so these figures have not been verified. It is hoped that usage will increase with the introduction of the Real Time Information System over the next year</p> <p>Actual year-to-date costs were \$360,000</p>

### 2.8.2 Long term targets

These will be reported at the end of the year.

## 2.9 **Key risks**

There have been no changes in this quarter.