

Report to FERC December 2007

Public Transport Division Asset Management Plans

1. Background

In 2004 legislation changed which enabled regional councils to own transport infrastructure. At this time the Council already owned Waterloo Rail Station and in 2005 became owner of Petone Rail Station. Also at this time the Council was considering ownership of rail rolling stock. Thus at the end of 2006 GHD Ltd was engaged to assist the Public Transport Division to develop its first Asset Management Plan (AMP). A preliminary draft was completed in the first quarter 2007, which was based on the first draft of the Regional Passenger Transport Plan (RPTP). Following a major restructure of the RPTP and its adoption by Council the AMP required a major re-draft to incorporate the RPTP changes. This work is currently being undertaken.

The AMP is being developed to ensure that it follows the principals and best practice guidelines as prescribed by the National Asset Management Steering (NAMS) Group.

2. Principals and objects

The principals and objectives of the AMP are aligned to the following key documents:

- the Council's Long Term Council Community Plan (LTCCP); and
- the Regional Land Transport Strategy (RLTS); and
- the Regional Passenger Transport Plan (RPTP).

With respect to public transport, Greater Wellington is committed to best appropriate practice asset management and to achieving the following key objectives:

- Continuous improvements in maintaining and operating assets.
- Ensure capital projects are robust, meet sustainability criteria and are delivered to plan.
- Comply with statutory requirements.

3. Basis of preparation

Greater Wellington Regional Council is the key agency for implementing passenger transport activities and is responsible for the development of the RPTP. GW's principal involvement is as the provider of funding for contracted public transport services and as the owner of key public transport assets such as bus and rail infrastructure.

The asset management plan is being developed on the basis that Greater Wellington intends to be responsible for the provision of the public transport activity (specifically excluded from this AMP are rail infrastructure such as signalling, track and electrification), for the Wellington Region, and considers the provision of the public transport activity to be an essential function of Council.

The AMP is also being prepared in accordance with the requirements of the Local Government Act 2002 (LGA). The LGA specifically requires asset management plans to have a strong emphasis on the following:

- Demand – In relation to estimated additional capacity and the associated costs and funding sources, including maintenance renewal and upgrades.
- Levels of Service (LoS). Intended LoS performance targets and other measures by which actual levels of service provision may be meaningfully assessed, and the estimated costs of achieving and maintaining identified LoS, including sources of funding.

These areas are being specifically covered within 2 chapters of the draft AMP. The AMP is taking a long-term planning approach, which is considered necessary given the large capital and operating expenditure, the long lives of the assets and the lead times in planning for upgrades, replacements and the purchase or building of new assets.

4. Levels of Service (LoS)

Levels of service define the quality of delivery for a particular activity or service against which service performance can be measured. The AMP enables the relationship between levels of service and the cost of the service (the price/quality relationship) to be determined. This relationship is then evaluated in consultation with the community, via the LTCCP and Public Transport Division Annual Customer Satisfaction Survey, to determine the levels of service the community is willing to pay for.

The various levels of service defined within the draft AMP have been developed by Council Staff using information from previous community consultations i.e. current LTCCP, RLTS 2007-2016, RPTP 2007-2016, Metlink values, and the April 2007 Customer Satisfaction Survey. The current draft LoS need to be refined further then presented in an appropriate way for further community consultation, which is anticipated to be with the next LTCCP.

5. Time Scale

The next draft AMP will be available for internal review by the end of the first quarter 2008. Provided that the AMP is accepted it will remain as a live document until the next full review to coincide with the next LTCCP. The AMP will cover a 20-year timeframe

6. Review and evaluation of AMPs

The plan assumes that the transport assets as a whole have an indefinite life and the main focus of the plan is determining the strategies required maintaining, rehabilitating and replacing components over the next 20 years. It is intended that the plan be reviewed every year to measure performance against target and to update costing assumptions. The AMP will undergo a major update every three years prior to the LTCCP process. It is anticipated that both a peer review and an Audit NZ review will be carried out as part of the major update process.