



Report 10.164
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Committee Transport & Access Committee
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Public Transport Asset Management Plan

1. Purpose

To seek endorsement from the Committee of the Draft Public Transport Asset Management Plan (“AM Plan”).

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 Local Government Act (LGA) 2002 requires Greater Wellington to formalise its asset management activities and to manage its assets in an effective manner. The AM Plan provides the strategies for Greater Wellington to manage the assets under its care and/or ownership.

In 2004 Land Transport Management Act (LTMA) 2003 came into force 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. Since the LTMA 2003 has been in force the number and value of public transport assets owned and maintained by Greater Wellington has increased. The Public Transport Group has total assets as at 30 June 2008 of \$5.4 million (excludes rail rolling stock).

Working on preparing the AM Plan commenced late in 2006 and has involved substantial collation of information, valuation of assets, and preparation of draft documents.

As part of their LTCCP process Audit New Zealand reviewed and provided feedback on the progressing AM Plan in February 2009. Aecom were then engaged by Greater Wellington to do the a peer review and incorporate the feedback from Audit New Zealand

The AM Plan has been developed to ensure that it follows the principals and best practice guidelines as prescribed by the National Asset Management Steering (NAMS) Group. These being:

- Define timeframes (lifecycle)
- Describe the assets (physical and financial)
- Include financial information (ten years +)
- Recognise the decline in service potential
- State assumptions and confidence levels
- Outline an improvement programme
- Be prepared by qualified people
- Be a firm commitment of the organisation
- Be regularly reviewed.

4. Principals and objects

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

- the Council's Long Term Council Community Plan (LTCCP) 2009-2019; and
- the Wellington Regional Land Transport Strategy (RLTS) 2007-2016; and
- the Regional Passenger Transport Plan (RPTP) 2007-2016.

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.

5. Basis of preparation

Greater Wellington is the key agency for implementing passenger transport activities and is responsible for the development of the RPTP. Greater Wellington'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 AM Plan was developed on the basis that Greater Wellington intends to be responsible for the provision of the public transport activity (specifically excluded from this AM Plan are rail infrastructure such as signalling, track and electrification, and rolling stock), for the Wellington Region, and considers the provision of the public transport activity to be an essential function of Council.

The AM Plan was prepared in accordance with the requirements of the LGA 2002. The LGA 2002 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 specifically covered within two chapters of the draft AM Plan. The AM Plan takes 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.

6. 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 AM Plan 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 Group 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 AM Plan have been developed by Greater Wellington staff using information from previous community consultations i.e. LTCCP 2006-2016, RLTS 2007-2016, RPTP 2007-2016, Metlink values, and the Annual 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.

7. Review and evaluation of the AM Plan

The AM Plan assumes that the public transport assets as a whole have an indefinite life and the main focus of the AM Plan is determining the strategies required to maintain, rehabilitate and replace components over the next 20 years. It is intended that the AM Plan be reviewed every year to measure performance against target and to update costing assumptions. The AM Plan 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.

8. Communication

Once the AM Plan has been adopted and any editorial amendments have been made the AM Plan will be made available to the public on the Greater Wellington website.

9. Recommendations

That the Committee:

1. *Receives the report.*
2. *Notes the content of the report.*
3. *Adopts the Public Transport Asset Management Plan as set out in Attachment 1.*
4. *Agrees that the Chair of the Transport and Access Committee be authorised to approve editorial amendments to the Public Transport Asset Management Plan prior to publication.*
5. *Notes that the Public Transport Asset Management Plan will be reviewed on an annual basis, but updated on a three yearly cycle in line with the development of the Council's Long Term Council Community Plan.*
6. *Notes that the Public Transport Asset Management Plan is consistent with, and gives effect to, the Council's Long Term Council Community Plan, the Regional Land Transport Strategy, and the Regional Passenger Transport Plan.*

Report prepared by:

Report approved by:

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Attachment 1: Draft Public Transport Asset Management Plan