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Committee Economic Wellbeing
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Rail Report 2011/12

1. Purpose

Greater Wellington has for the first time produced an annual report on the performance of Wellington's metro rail service, titled the 'Wellington Metropolitan Rail 2011/12 Annual Report' (the Report).

This paper sets out the background to the Report, its content and its intended audience. A copy of the pre-production proof of the Report is attached for noting by the Committee (**Attachment 1**).

2. The decision-making process and significance

The matter requiring decision in this report has been considered by officers against the requirements of Part 6 of the Local Government Act 2002 (the Act).

3. Background

In late 2009 Government introduced a 'Metropolitan Rail Operating Model' (the Model) along with a requirement that the Model be implemented by Greater Wellington and Auckland Transport.

Government's intention is that implementation of the Model will provide confidence that the substantial taxpayer support provided to metropolitan rail in Wellington and Auckland will return best value for money.

The Model requires:

- Clear roles for all of the parties involved in metro rail
- Contestable contracts for the operation of metro rail services and routine maintenance of metro rolling stock (at the discretion of Greater Wellington and AT)
- A strong focus on performance-based contracts with appropriate transfer of risks for the delivery of metro rail services

- A strong focus on transparency so that costs, accountability and who pays can be clearly identified.

4. Purpose and content of the Annual rail Report

The Wellington Metropolitan Rail 2011/12 Annual Report meets the requirement of the Metropolitan Rail Operating Model for transparency.

The content of the Report is focussed on three broad areas for which Greater Wellington is accountable:

- Service outcome performance
- Asset management performance
- Financial performance.

Though its primary audience is Government via the Ministry of Transport and NZTA, Greater Wellington has designed the Report so that is useful and informative to a wide range of external stakeholders.

The copy of the Report that accompanies this report is complete except for relatively minor changes to the notes to the financial statement required by the audits (PWC), and the addition of the Auditor's statement.

5. Communication

Greater Wellington intends to:

- Publish the Report on it website
- Provide a hard copy of the Report to Councillors
- Proactively mail copies of the Report to the following external stakeholders under cover of a letter from the Chair:
 - The Minster of Transport
 - The Chief Executives of NZTA and MOT
 - All MPs within the region
 - All Mayors within the regions
 - KiwiRail and other key suppliers
 - Representatives of public transport interest groups.

6. Recommendations

That the Committee:

- 1. Receives the report.*

2. *Notes the content of the 'Wellington Metropolitan Rail 2011/12 Annual Report' (Attachment 1).*
3. *Notes that the 'Wellington Metropolitan Rail 2011/12 Annual Report' will be widely circulated to external stakeholders.*

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Attachment 1: Draft Wellington Metropolitan Rail 2011/12 Annual Report