

# Agenda 2020

## Greater Christchurch Public Transport Joint Committee

Date: Friday, 27 November 2020

Time: 3.30pm – 4.30pm

Venue: Parkview Room, The George Hotel, 50 Park Terrace, Christchurch





# **Greater Christchurch Public Transport Joint Committee**

## **Membership**

<b>Independent Chair</b>	Alister James
<b>Christchurch City Council</b>	Mayor Lianne Dalziel Councillor Mike Davidson Councillor Sara Templeton
<b>Environment Canterbury</b>	Chair Jenny Hughey Councillor Phil Clearwater Councillor Tane Apanui
<b>Selwyn District Council</b>	Councillor Nicole Reid
<b>Waimakariri District Council</b>	Mayor Dan Gordon
<b>New Zealand Transport Agency</b>	Jim Harland
<b>Canterbury District Health Board</b>	Dr Anna Stevenson

## Common Acronyms

CCC	Christchurch City Council
CDHB	Canterbury District Health Board
ECan	Environment Canterbury (Canterbury Regional Council)
GCPTJC	Greater Christchurch Public Transport Joint Committee
LGA	Local Government Act 2002
LTMA	Land Transport Management Act 2003
LTP	Long Term Plan
Metro	Brand for Christchurch network of bus routes and services
NZTA	Waka Kotahi NZ Transport Agency
PBC	Programme Business Case
PT	Public Transport
PTAG	Public Transport Advisory Group
RLTP	Regional Land Transport Plan
RPTP	Regional Public Transport Plan
SDC	Selwyn District Council
TMG	Transport Managers Group
WDC	Waimakariri District Council
YTD	Year to Date



# Greater Christchurch Public Transport Joint Committee

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- 1. Apologies**
- 2. Conflicts of Interest**
- 3. Call for General Business**

## 4. Minutes

**Minutes of the 17<sup>th</sup> meeting of the Greater Christchurch Public Transport Joint Committee held in the Council Chamber, Environment Canterbury, 200 Tuam Street, Christchurch, on Wednesday, 19 August 2020 commencing at 4.37pm**

### Contents

- Welcome
- 1. Apologies
- 2. Conflicts of Interest
- 3. Call for General Business
- 4. Minutes of Previous Meeting – 17 June 2020
- 5. Matters Arising
- 6. Correspondence
- 7. Deputations and Petitions
- 8. Reports
  - 8.1 Metro Monitoring Report
- 9. Public Excluded
- 10. Extraordinary and Urgent Business
- 11. General Business
- 12. Next Public Meeting:

### Present

Alister James (Independent Chair)  
Mayor Dan Gordon (Waimakariri District Council)  
Councillor Mike Davidson (Christchurch City Council)  
Councillor Sara Templeton (Christchurch City Council)  
Councillor Nicole Reid (Selwyn District Council) - via MS Teams  
Chair Jenny Hughey (Environment Canterbury)  
Councillor Phil Clearwater (Environment Canterbury)  
Councillor Tane Apanui (Environment Canterbury)  
Jim Harland (Waka Kotahi NZ Transport Agency)

### In Attendance

#### Councillors

Cr Vicky Southworth (Environment Canterbury) - via MS Teams  
Cr Elizabeth McKenzie (Environment Canterbury) - via MS Teams

#### Environment Canterbury

Stewart Gibbon	Len Fleete - via MS Teams
Edward Wright	Vivienne Ong (Minutes)

#### City and Territorial Authorities

Darren Fidler (Christchurch City Council) - via MS Teams  
Joanne McBride (Waimakariri District Council) - via MS Teams



## Stakeholders

Barry Mein (Future Public Transport Business Case Programme Director)

### **1. Welcome, introduction and apologies**

The Chairperson welcomed everyone to the meeting and acknowledged Councillors Vicky Southworth and Elizabeth McKenzie's attendance via audio visual link (MS Teams).

An apology was received from Mayor Lianne Dalziel (Christchurch City Council).

### **2. Conflicts of interest**

No conflicts of interest were declared.

### **3. Call for General Business**

No matters were raised for General Business.

### **4. Minutes of the previous meeting – 17 June 2020**

*(Refer page 8 of the agenda)*

#### **RESOLVED**

**That the Greater Christchurch Public Transport Joint Committee:**

- 1. Confirms the minutes of the meeting held 17 June 2020 as a true and correct record.**

Cr Apanui / Cr Clearwater  
CARRIED

### **5. Matters Arising**

*(Refer page 13 of the agenda)*

There were no matters arising from the minutes.

### **6. Correspondence**

*(Refer page 13 of the agenda)*

There was no correspondence.

## **7. Deputations and Petitions**

*(Refer page 13 of the agenda)*

There were no deputations or deputations.

## **8. Reports**

### **8.1 Streamlining Collaborative Transport Government Committees**

*(Refer page 14 of the agenda)*

Members spoke in support of disestablishing the Greater Christchurch Public Transport Joint Committee (GCPTJC) and having the Committee's strategic functions incorporated within the revised Terms of Reference of the Greater Christchurch Partnership Committee (GCPC).

Acknowledgement was given to the Chair and members of the Committee for their excellent work, especially in the development of the Regional Public Transport Plan.

It was noted the next meeting may be the final meeting of the Greater Christchurch Public Transport Joint Committee.

#### **Resolved:**

**That the Greater Christchurch Public Transport Joint Committee (GCPTJC):**

- 1. receives the advice from the Chief Executives Advisory Group (CEAG)**
- 2. completes the work on the Future Public Transport Foundations investment package**
- 3. recommends to partner councils that this Committee is disestablished**
- 4. recommends that the Greater Christchurch Partnership (GCP) determines appropriate arrangements to integrate the necessary functions of this Committee to ensure a collaborative and integrated approach to future transport and land use decision making**
- 5. notes that a paper outlining draft Terms of Reference (ToR) for the GCP subcommittee (and any associated changes to the main GCP Committee ToR where necessary to capture strategic functions of the GCPTJC) will be prepared for the next CEAG meeting to enable a paper to be presented to the GCP Committee in September.**

Mayor Gordon / Cr Davidson  
CARRIED

## **9. Deputations and Petitions**

There were no deputations or deputations.

## 10. **General Business**

There was no General Business.

## 11. **Next Meeting**

Date of next meeting to be advised.

## 12. **Closure**

The meeting closed at 4.52pm.

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**Independent Chair**

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**Date**

**5. Matters Arising**

**6. Correspondence**

**7. Deputations and Petitions**

## 8. Reports

### 8.1. Metro Monitoring Report

#### Greater Christchurch Public Transport Joint Committee

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<b>Date of meeting</b>	27 November 2020
<b>Author</b>	Len Fleete

#### Purpose

1. This paper provides members with an update on greater Christchurch patronage, as summarised in the attached monitoring dashboard

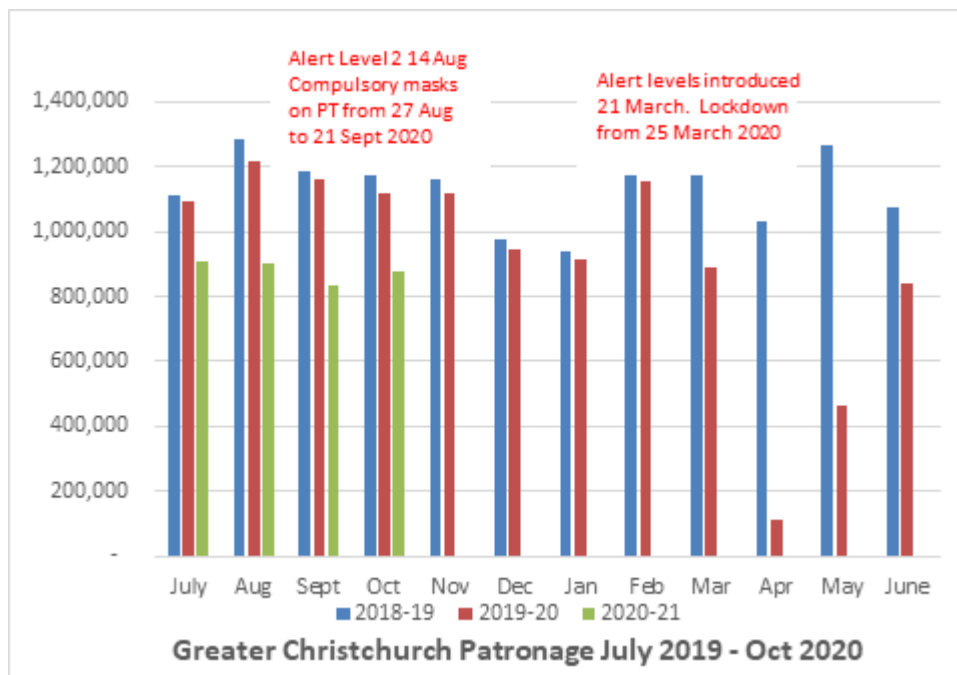
#### Recommendations

**That the Greater Christchurch Public Transport Joint Committee:**

1. **Receives this report for information**

#### Key points

2. The latest Monitoring Dashboard for the four-month period from May to August 2020 is attached. This report also provides more recent (to October) updates on the key metrics of patronage and cost recovery.
3. Since March this year patronage has understandably been adversely affected by the global COVID 19 epidemic. For those months where NZ COVID Alert Level has been steady at level 1, month on month patronage is comparatively down around 20 - 25% when compared to last year. Waka Kotahi analysis at a national level suggests this is a consistent trend across New Zealand as people are adapting to changes in trip making.



4. The decline also appears consistent across most routes, although not surprisingly routes serving the Airport have been particularly hard hit given both COVID and the decline in passenger travel through the airport.
5. October 2020's farebox recovery was 29.1 taking the 2020/21 year to date ratio to 35.6 a decrease of 3.0 compared to the same time last year. The reduced patronage as a result of COVID has a direct impact on farebox.
6. Waka Kotahi NZTA have confirmed that they will continue to underwrite reduced fare revenues nationally through to 31 December 2020.

## Attachments

7. Greater Christchurch Public Transport Monitoring Dashboard May to August 2020.

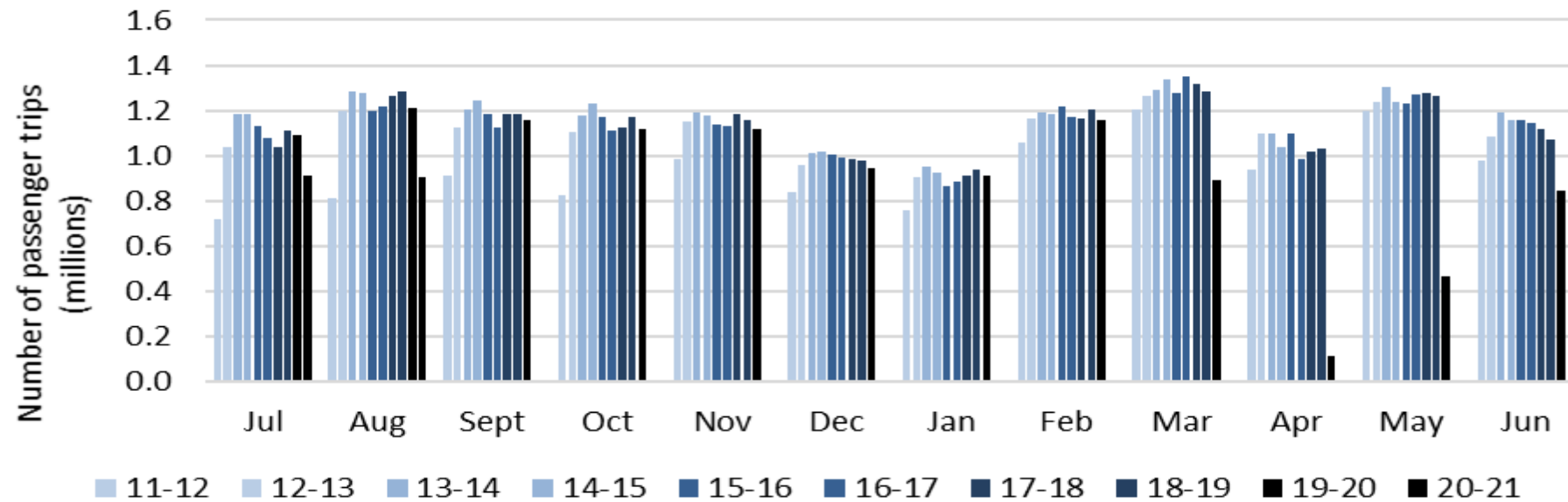
<b>File reference</b>	<a href="https://punakorero/groups/PubTransport/PTCommittee/20201127_MonitoringReport.docx">https://punakorero/groups/PubTransport/PTCommittee/20201127_MonitoringReport.docx</a>
<b>Peer reviewers</b>	Edward Wright, Manager Strategy Planning and Marketing Stewart Gibbon,

# Greater Christchurch Public Transport Monitoring Dashboard May—August 2020 (2nd Quadrimester)

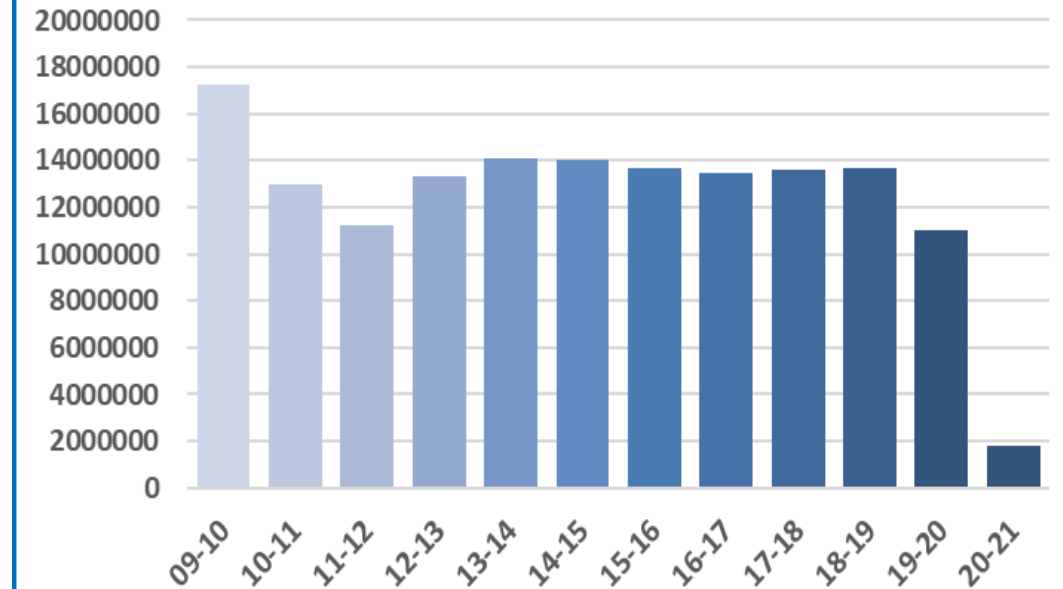
**2020 Target:** Increase patronage in Greater Christchurch and Timaru to 20 million passenger trips per year. **Farebox Target:** Maintain or improve on the current level ie 38.2%, by 2024.

## Patronage

### Greater Christchurch Monthly Patronage



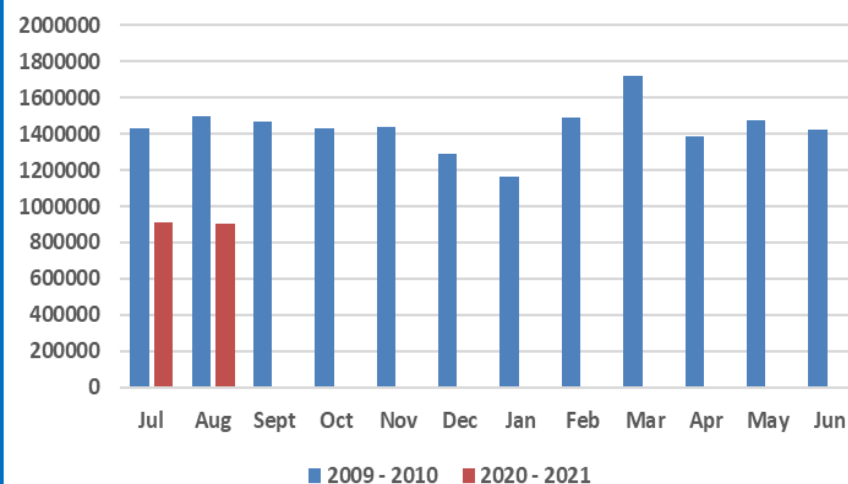
### Yearly Patronage 2009 - 2021



PATRONAGE BY TYPE	Frequent	Connector	Local	Other
May-Aug 2020 patronage	1,730,974	758,291	494,189	139,194
% of total patronage	55.4%	24.3%	15.8%	4.5%
May-Aug 2020 vs May-Aug 2019	↓32.3%	↓34.5%	↓33.6%	↓25.4%

FREQUENT LINES	Purple	Yellow	Orbiter	Orange	Blue
May-Aug 2020 vs May-Aug 2019	↓35.1%	↓30.1%	↓31.1%	↓31.6%	↓34.6%

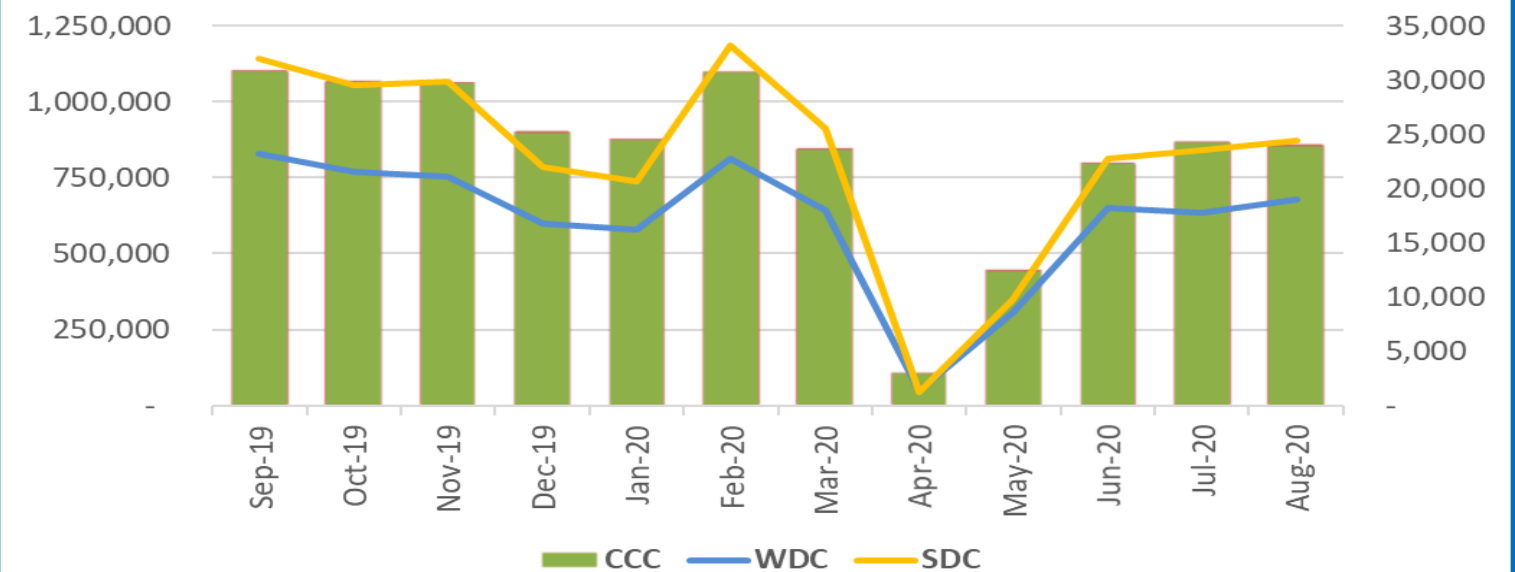
### Monthly Patronage 2009 - 2010 vs 2020 - 2021



### ROUTE DEFINITION:

**Frequent** = high patronage  
**Connector** = patronage and coverage  
**Local** = coverage and accessibility  
**Other** = serve specific target markets e.g. schools

### Monthly Patronage by Council



PATRONAGE BY COUNCIL	May20	Jun20	Jul20	Aug20	May-Aug 2020 vs May-Aug 2019
Christchurch City Council (CCC)	446,149	800,576	869,149	858,938	↓32.7%
Waimakariri District Council (WDC)	8,558	18,198	17,733	18,973	↓31.8%
Selwyn District Council (SDC)	9,766	22,758	23,494	24,459	↓37.0%

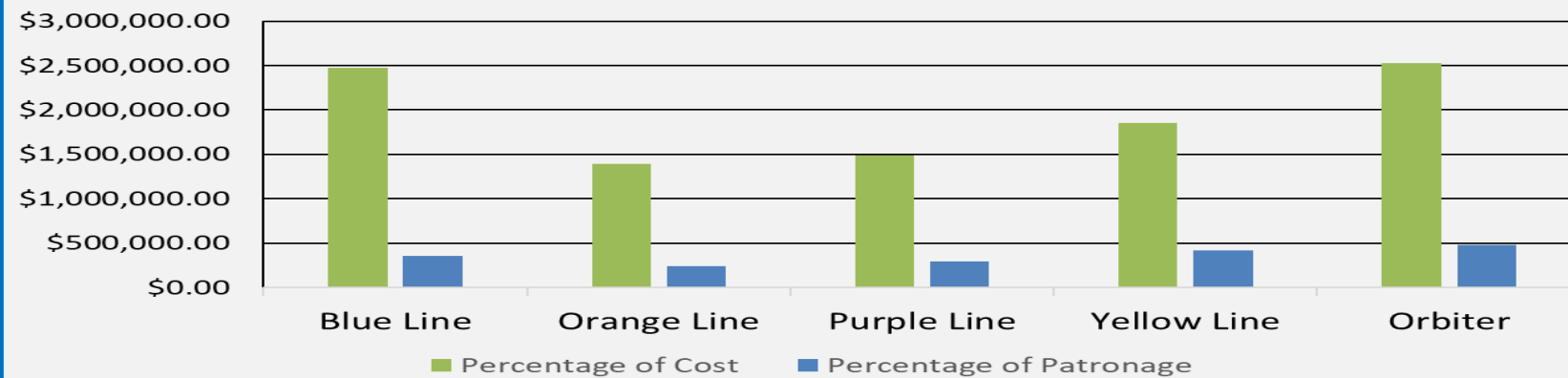
## Performance

	MONTH				QUADRIMESTER		YEAR	
	May20	Jun20	Jul20	Aug20	May-Aug20	May-Aug20 vs May-Aug19	Year to date	19/20 vs 18/19
Patronage	466,870	843,032	910,376	902,370	3,122,648	↓32.8%	1,812,746	↓21.4%
Average passenger trips per weekday	16,847	33,440	33,633	34,794	29,679	↓23.9%	35,001	↓23.9%
Ave passenger trips per weekend day	10,967	15,357	17,080	17,161	15,141	↓13.8%	16,168	↓18.0%
Farebox Recovery	42.51	32.63	29.44	28.55	33.3	↓4.6	29.0	↓9.9

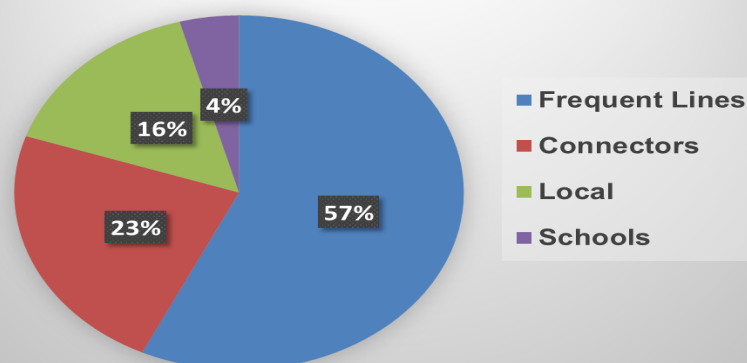
PAYMENT TYPE	Unique Metrocards	Metrocard %	Cash %	SuperGold card %	Adult %	Cash & Metrocard Transfers	
						%	2020 vs 2019
May20	911	0.0%	2.3%	1.2%	73.5%	0.0%	↓100.0%
Jun20	25,030	79.4%	10.1%	5.7%	63.8%	12.7%	↓58.3%
Jul20	28,824	77.5%	11.1%	11.3%	68.1%	24.2%	↓15.6%
Aug20	45,184	79.6%	9.4%	10.9%	63.6%	23.9%	↓25.2%

FINANCIALS	May20	May19	Jun20	Jun19	Jul20	Jul19	Aug20	Aug19
Average fare (exc GST)	\$0.01	\$1.58	\$0.79	\$1.60	\$1.69	\$1.68	\$1.65	\$1.64
Subsidy per passenger (exc GST)	\$5.94	\$2.39	\$4.29	\$3.09	\$4.06	\$2.83	\$4.14	\$2.42

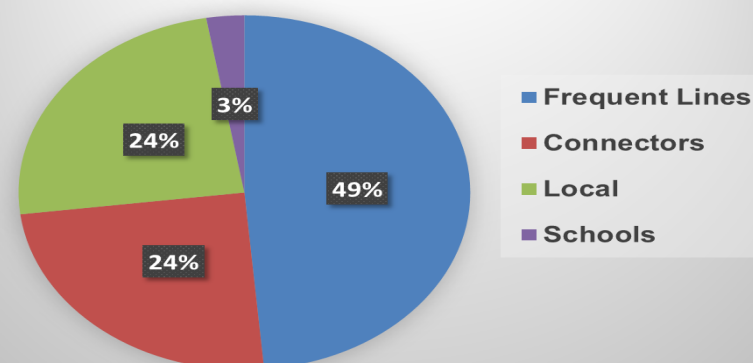
### Metro Lines Cost vs Patronage May - August 2020



### Percentage total cost per route type May - August 2020



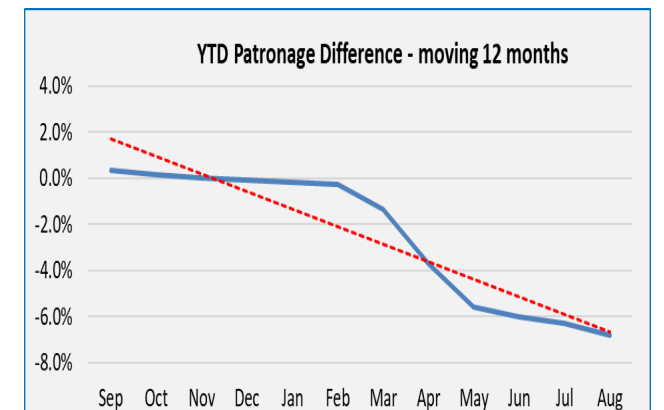
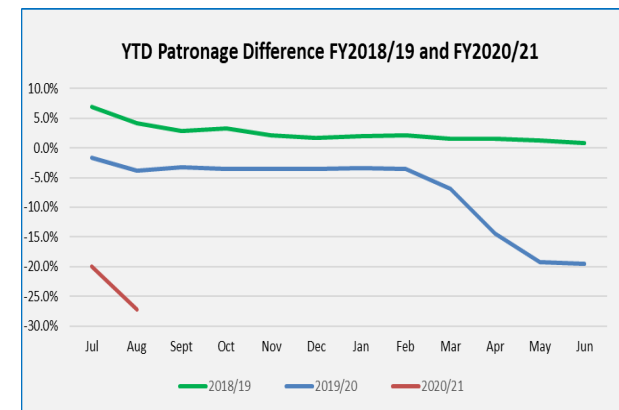
### Percentage total patronage per route type May - August 2020



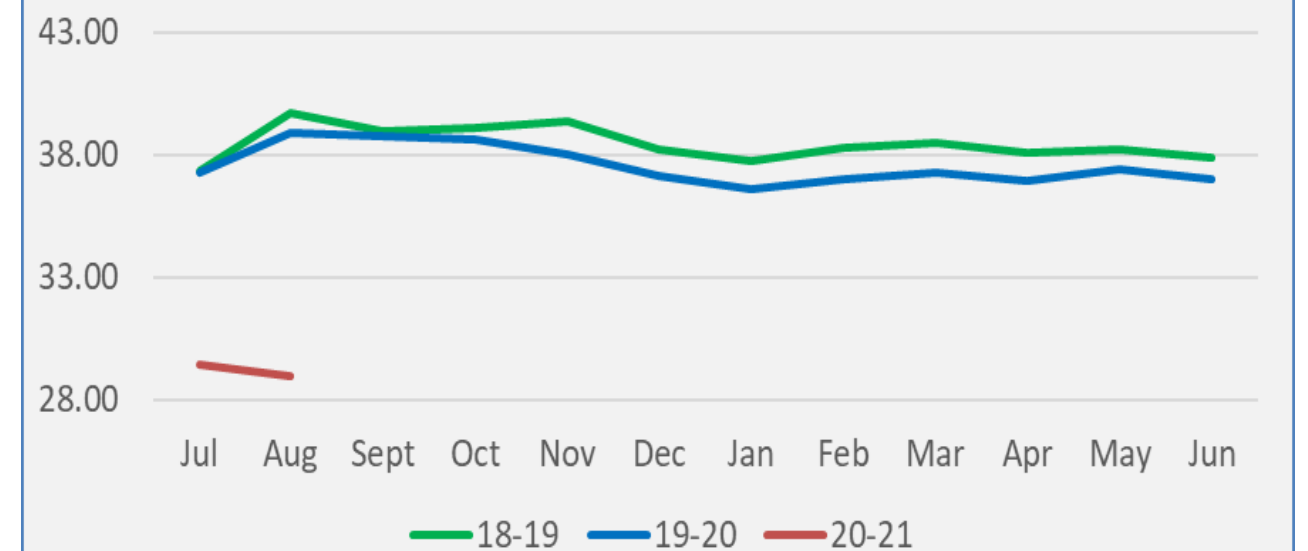
## Customer Feedback

Feedback Type	Count				% of total passenger trips (May-Aug 2020)
	May20	Jun20	Jul20	Aug20	
Complaints	123	170	136	166	0.019%
Compliments	15	30	35	35	0.004%
General Feedback	88	57	59	101	0.010%

## Patronage and Commerciality Trends



### YTD Farebox Recovery Comparison FY2018/19 to FY2020/21





## 8.2. Greater Christchurch Public Transport Futures Report

### Greater Christchurch Public Transport Joint Committee

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<b>Date of meeting</b>	27 November 2020
<b>Author</b>	Stewart Gibbon

#### Purpose

1. This paper presents an update on progress on the Greater Christchurch Public Transport Futures Business Case.

#### Key points

2. Mr Barry Mein, on behalf of the Public Transport Futures Steering Group, has provided the attached update on the Public Transport Futures programme and will be at the meeting to speak to his report.

#### Attachments

- Public Transport Futures: Combined Business Case and Investment Package Paper
- Greater Christchurch Public Transport Futures Combined Business Cases NON-TECHNICAL SUMMARY (attachment to follow)

<b>File reference</b>	<a href="https://punakorero/groups/PubTransport/PTCommittee/PTJC%20PTF%20paper%2027%20Nov%202020_.docx">https://punakorero/groups/PubTransport/PTCommittee/PTJC%20PTF%20paper%2027%20Nov%202020_.docx</a>
<b>Peer reviewers</b>	Edward Wright

## Public Transport Futures: Combined Business Case and Investment Package

### Greater Christchurch Public Transport Joint Committee

<b>Meeting Date</b>	<b>27 November 2020</b>
<b>Author</b>	<b>Barry Mein, Public Transport Futures Programme Director</b>

### Purpose

This report presents a summary of the combined Foundations and Rest of Network business case that has been prepared as part of the Greater Christchurch Public Transport Futures programme (PT Futures). It describes the strategic approach to the development of the Greater Christchurch public transport system over the next decade and sets out a recommended investment programme for consideration by the PT Futures partners.

Subject to endorsement by the Joint Committee, the next step is for the business case outputs to be considered by the partner organisations, and for the recommended investments to be included in their respective draft Long-term plans, and the Regional Land Transport Plan, for public consultation.

### Recommendations

It is recommended that the Committee:

- 1. receives the paper**
- 2. endorses the recommended investment package**
- 3. recommends to the partner councils (Environment Canterbury, Christchurch City Council, Waimakariri and Selwyn District Council), that each partner:**
  - a. endorses the strategic approach to public transport outlined in the combined business case; and**
  - b. makes provision for the recommended investment programme in their respective draft Long-term plans**
- 4. requests Environment Canterbury, on behalf of the partners, to:**
  - a. include provision for the recommended investment programme in the draft 2021-31 Regional Land Transport Plan**
  - b. submit the combined business case to Waka Kotahi NZ Transport Agency for its consideration and endorsement**

### Background

The Greater Christchurch PT Futures programme involves the development of three related business cases:

- **Foundations:** focused on improvements to the five existing core high frequency bus routes (Blue, Purple, Yellow, Orange and Orbiter)
- **Rest of Network:** focused on the improvements to the remainder of the existing bus network, and system-wide interventions such as marketing and promotion, information, etc.

- Mass Rapid Transit (MRT): to identify preferred route(s) and mode(s) for future MRT, the staging of delivery, and triggers for investment

The Foundations and Rest of Network business cases are oriented toward short to medium term public transport improvements to the existing bus network, while the MRT IBC has a longer term view toward identifying a preferred MRT corridor to serve and potentially catalyse anticipated growth within Greater Christchurch.

Work on the Foundations and Rest of Network business cases has proceeded in tandem, recognising the need for the future network to operate in an integrated manner. This has resulted in a combined business case which identifies a recommended 10-year investment programme for the full network, with more detail for the priority investments that are recommended in the shorter term (1-6 years). A non-technical summary of the combined business case is included as **Attachment A**. The contents of the summary document are consistent with the more detailed business case documentation which is currently being finalised for submission to Waka Kotahi.

Work on the MRT business case has commenced more recently, with an initial focus on the strategic case for MRT, including problem statements and investment objectives. This work is being undertaken by the same consulting team as the other PT Futures business cases, but its future governance will be through the Greater Christchurch Partnership Committee. Accordingly, this report does not contain any further detail on the MRT business case.

## Previous reports

The Public Transport Joint Committee has been regularly briefed on progress as the PT Futures business case work has developed, including workshop sessions where progressive refinements to the investment package have been discussed. This is summarised in the Table 1 below.

**Table 1: Previous Committee discussion of PT Futures business case**

Date	Issues covered
19 Feb 2020 (meeting)	Overview of business case process
1 May 2020 (workshop)	Summary of work to date, including growth projections, customer insights, investment objectives, and an assessment of long-list options
17 June 2020 (workshop)	Assessment of short-listed options, including impacts on ridership and accessibility, and preliminary economic assessment
19 Aug 2020 (workshop)	Present the emerging preferred investment package following further refinement

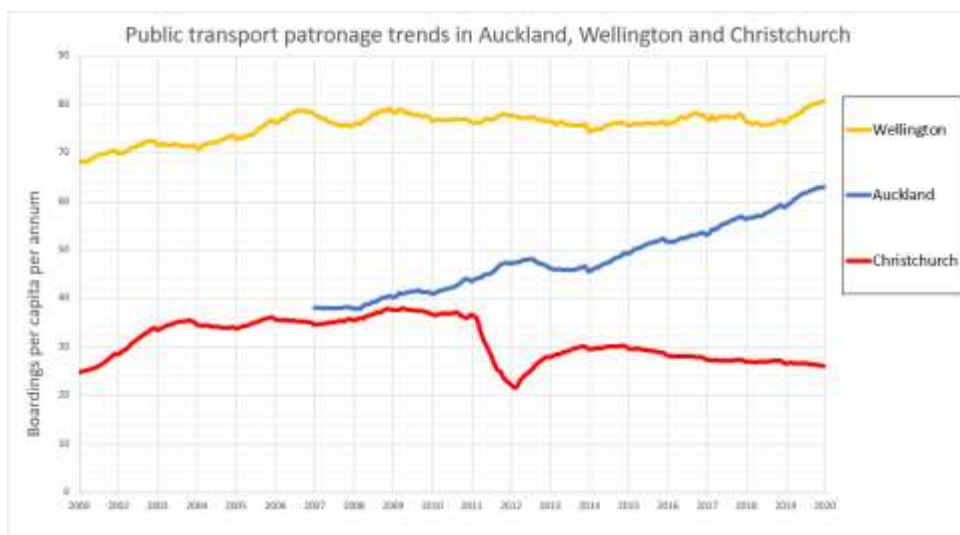
In addition, the project partners have been updated on progress, including briefings on the recommended investment programme to council partners in November 2020.

## Issues and investment objectives

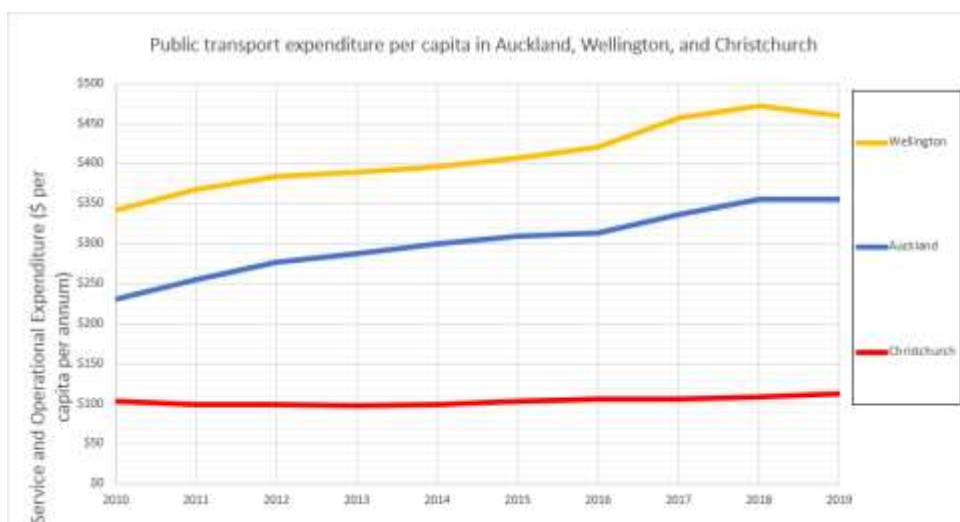
The initial stage of the business case process, including customer insights, identified the following issues with public transport in Greater Christchurch that the business case needs to address:

- Greater Christchurch will experience an increased need for travel due to the projected population and employment growth and this will result in growing congestion with associated negative environmental impacts
- The use of public transport in Christchurch lags Auckland and Wellington (see Figure 1), as does the level of public investment in public transport (Figure 2).

**Figure 1: Per capita public transport patronage in main centres, 2000-2020**



**Figure 2: Per capita public transport operating expenditure in main centres, 2000-2020**



- The issues that contribute to the low uptake relate to the relative uncompetitive journey times of buses over private vehicles, the limited number of opportunities that bus users can access within an acceptable journey time, and limitations on the relative ease and comfort of using and understanding how the bus system operates and its benefits.

To respond to these issues, three **investment objectives** were identified:

1. Improve journey time and reliability of PT services relative to private vehicles
2. Improve PT services to and from highly populated/ growth areas and key destinations across Greater Christchurch
3. Remove barriers to the uptake of PT.

## Option assessment

An initial assessment of a long list of possible interventions to address the issues was undertaken, with the following conclusions:

- improvements to the existing network structure (supply side improvements) have the potential to significantly increase patronage over the next decade.
- accessibility to jobs and key centres by public transport can be significantly improved by frequency improvements to core and secondary routes, which increases the number of households within walking distance of a frequent service.
- enhanced direct services from Waimakariri and Selwyn have the potential to achieve significant mode shift for trips from these areas to the city centre if these services can achieve journey times that are competitive with private vehicles. This can be further enhanced through park and ride.
- there are opportunities to optimise third-tier routes to achieve patronage uplift and enhance accessibility.

As a result, the next phase of work was focussed on detailed consideration of:

- Corridor enhancements to the existing core routes (including improvements to frequency, journey time, priority infrastructure and stop locations) to further leverage off existing and planned development in both infrastructure and services along these routes.
- Frequency improvements to an additional four routes, and adjustments to other routes to support the frequent services and address accessibility gaps
- Additional direct services to the city centre from Selwyn (Rolleston and possibly Lincoln) and Waimakariri (Rangiora and Kaiapoi), with a focus on achieving competitive journey times
- Further changes to the network structure to better support identified growth areas
- Testing the sensitivity of PT patronage to changes in fares, and the availability (or price) of city centre parking

This more detailed work involved an assessment of three short-listed options:

- Enhanced inner core (SL1)
- Branch frequent routes (SL2)
- Enhanced connected grid (SL3)

The assessment concluded that the enhanced inner core option (SL1) should be further developed as the preferred option for investment over the short term; and that the 'branching' option (SL2) should be refined as the next step to follow the enhanced core programme and enable a pathway to a future investment in MRT. The assessment concluded that the enhanced connected grid option (SL3) should not be considered further, given its relatively poor value for money.

The preferred approach was then refined to provide more detail on:

- Capital and operational expenditure to support inclusion in Long-term plans and the Regional Land Transport Plan

- Timing and sequencing of investment
- Financial implications for partner organisations
- Sensitivity analysis on the cost and benefit implications of changing bus fares
- Parts of the network where demand responsive services should be considered

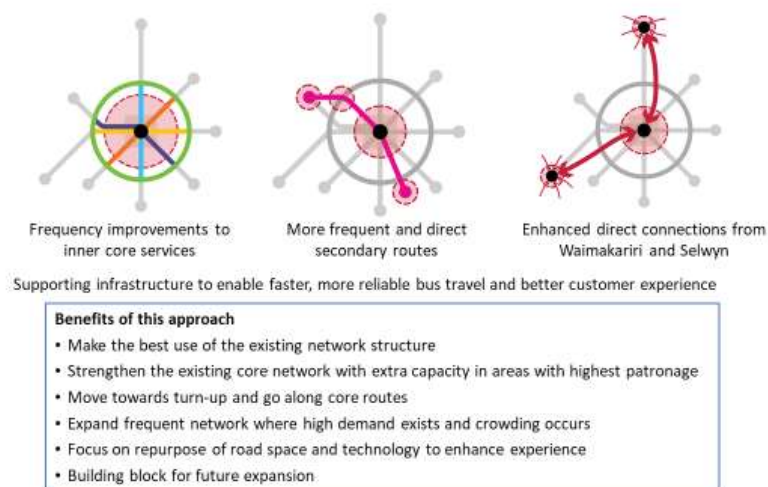
The resulting investment package was presented to a workshop of the Public Transport Joint Committee on 19 August 2020, where Committee members indicated general agreement with the recommended approach, and provided some detailed feedback on the information presented. This was incorporated into the draft business case which is summarised below. For additional detail, refer to the non-technical summary in **Attachment A**.

### **Draft business case: recommended approach**

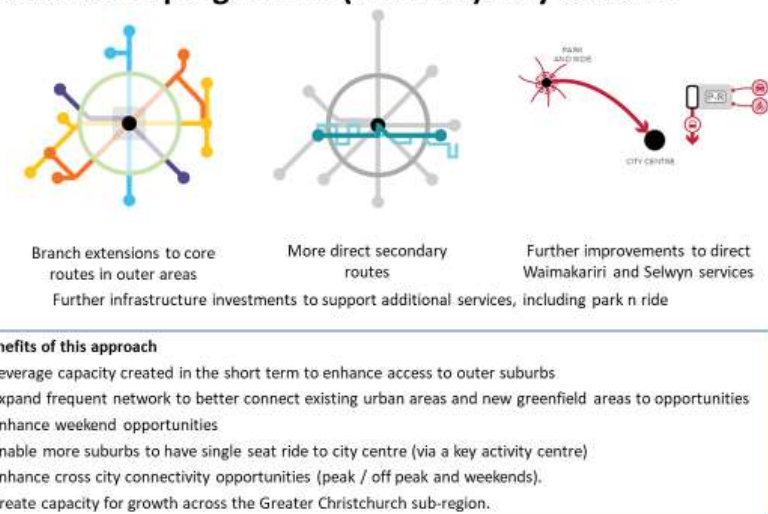
The recommended approach in the draft business case provides for a 10-year programme of improvements to the Greater Christchurch including graduated improvements to bus frequencies and route changes, supported by infrastructure improvements to enable faster and more reliable bus travel times, and more convenient passenger facilities. The programme is divided into two main stages, as illustrated in Figure 3 below: short term changes, which are proposed to be progressively implemented over years 1-6 (two LTP/NLTP cycles); and medium term changes proposed for Year 7 and beyond. The two stages broadly correspond to the short-list options SL1 and SL2.

Figure 3: Recommended short and medium term programme: key features

### Short term programme (Years 1-6): key features



### Medium term programme (Years 7+): key features



## Benefits

The business case includes a detailed assessment of the benefits that can be expected to result from the improvements outlined above. The key benefits include:

- **Growth in patronage**, from under 14 million annual boardings in 2018 to 20 million in 2028, an increase of 44%. This equates to an annual growth rate similar to that experienced in the Auckland bus network (excluding the Northern Busway) over the last decade.

- **Improved journey time and reliability of public transport**, through the provision of over 20 km of bus lanes, bus priority measures at key intersections, integration of real time bus location and traffic signal control along frequent routes, and a headway management system to reduce bus bunching. This will close the gap in travel time between bus and car by between 16% and 36% on core routes, and significantly improve the consistency of bus journey times.
- **Improved access to key destinations by public transport**: the improvements to bus frequency and travel times will result in a 64% increase in the number of households that can access the city centre and other key activity centres within a 30 minute door-to-door journey. The largest increases in access to jobs occur in areas with the highest levels of social deprivation. 39% more people will live within 400 metres of a frequent bus route.
- **Better environmental outcomes**: vehicle travel is projected to decrease by 13.3 million vehicle kilometres per annum, resulting in a reduction in CO2 emissions of 65 tonnes per annum, and a 4.5 tonnes per annum decrease in hydrocarbons.

## Costs

### Capital expenditure

The combined business case has estimated the total capital investment required over the 10-year period at \$115 million, as shown in Table 2 below. This is in addition to investments already underway or planned as part of existing long-term plans. The majority of this expenditure is focussed on bus priority improvements, including the addition of approximately 22km of bus lanes, mainly on core routes, and intersection improvements to ensure buses gain priority at intersections. A \$17 million bus stop improvement programme is also proposed (including shelters and real-time information).

**Table 2: Capital expenditure (\$m)**

Investment	Short term (yr 1-6)	Medium term (yr 7+)	Total
Bus lane priority programme	\$51.6	\$7.5	\$59.1
Intersection improvement programme	\$17.9	\$0.8	\$18.7
Bus stop improvement programme	\$12.5	\$4.8	\$17.3
Park and ride programme	\$2.6	\$3.2	\$5.8
Bus interchange enhancements	\$1.5	\$11.0	\$12.5
Bus headway management system	\$0.9	\$1.0	\$1.9
<b>Total capex</b>	<b>\$87.0</b>	<b>\$28.1</b>	<b>\$115.1</b>

### Operating expenditure

The combined business case has also estimated the operating expenditure that will be needed to support the increased level of public transport activity. This is mainly associated with the cost of operating bus services under contract to Environment Canterbury, which will increase over time in line with the proposed increases in service frequency.

Incremental improvements to bus services are forecast to increase gross operating expenditure on bus services from a baseline of \$65.5 million to \$116.2 million per annum (in 2020 dollars) by the end



of the 10-year programme, an increase of \$50.7 million (77%). The timing of this investment is discussed in more detail below.

Farebox revenue is also forecast to increase in line with the increased ridership. Total net operational expenditure (net of farebox revenue) is estimated to increase by approximately \$31.85 million per annum to \$71 million per annum by the end of the 10-year programme.

The business case has also included estimates of operating expenditure for supporting activities including travel demand management, information and promotion, bus lane enforcement, and contract management. These additional costs are forecast to increase to \$1.7 million per annum by Year 10.

## Impacts of Covid-19

The analytical work underpinning the business case commenced before the Covid-19 pandemic, and the initial outputs of the draft business case did not include any adjustments to take account of its possible impacts.

While the situation remains uncertain, there are two main impacts that will need to be taken into account in planning for public transport investments:

- **Impact on demand for public transport:**

Despite a return to Level 1 alert settings, bus patronage in Christchurch is around 20% below the pre-Covid levels, as shown in Figure 4. It appears likely that demand will remain suppressed for the short-to-medium term in response to a change in travel patterns. This may be through a combination of factors such as an increase in working from home, requirements for social distancing and mask use on public transport, and slower economic growth impacting on central city employment. Treasury and Waka Kotahi have analysed the likely future demand, and have concluded that the long term outlook (i.e. 10 years+) is likely to be largely unchanged from pre-Covid projections.

**Figure 4: Covid-19 impact on bus patronage, NZ main centres**



- **Impact on partner budgets:**

Covid-19 has had a significant impacts on partner revenues and their ability to service the recommended level of investment, especially in the short term, given other post-Covid expenditure priorities.

In combination, the reduced demand and tighter financial conditions in the short-to-medium term suggest that the partners should follow a slower investment trajectory than that envisaged in the draft business case, while still committing to the overall strategic approach over the longer term.

As a result, the recommended staging of investment has been adjusted from that originally set out in the draft business case, as outlined below.

## Recommended investment staging

The recommended staging maintains the overall strategic direction of the business case over the 10-year period, but reduces the financial burden for partners in the short term, especially years 1-3. This has been achieved by slowing the pace of infrastructure investment and frequency improvements, effectively stretching out the early part of the programme over a longer period.

The approach to staging has been to take advantage of recent improvements to public transport infrastructure and services, and to prioritise investments that support these and other projects that are already underway or for which funding has been committed. A particular focus is on investments that support the NZ Upgrade Programme (NZUP) investment planned for SH75 Halswell Road.

Figure 5 below summarises the staging approach for the main services (including the 5 core routes, and the other 3 routes that are recommended for frequency improvements to bring them up to frequent service status). Compared to the draft business case, implementation is delayed for the blue, yellow, purple and orbiter lines, but the orange line (which operates along Halswell Rd) remains as an early priority. Similarly, improvements to frequency for routes 17 and 28 has been retained as an early priority.

**Figure 5: Recommended alternative investment staging**

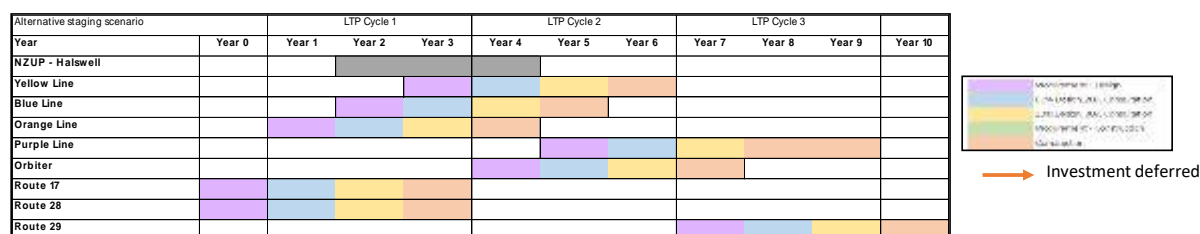
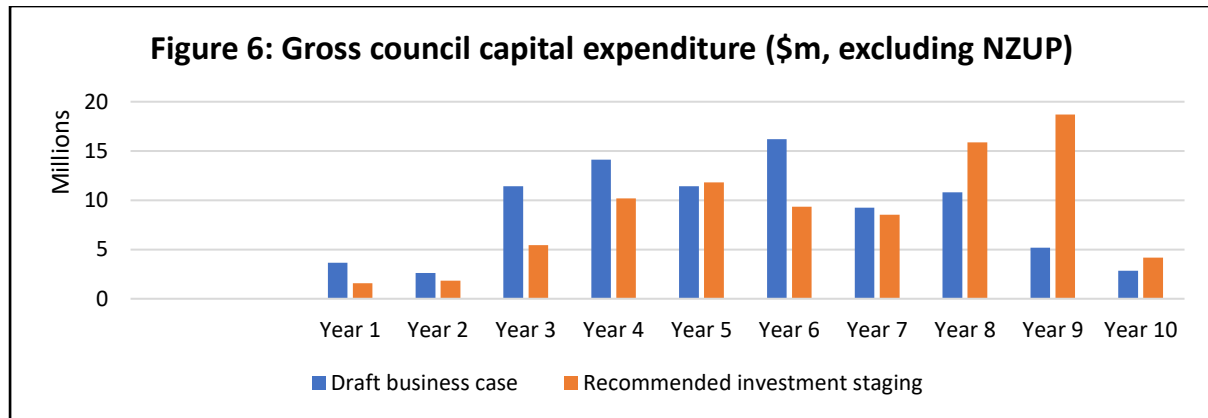


Figure 6 shows the impact of the alternative staging approach on the gross capital investment profile for Council partners. Note that this excludes capital investment already committed in council Long-term plans, and the NZUP Halswell Road project. It shows that gross council capex (in addition to that already included in LTPs) totals \$8.9 million in years 1-3, mostly in Christchurch City. This is approximately half of the amount that had been identified in the draft business case.

Projected gross council capex for year 4-6 totals \$31.3 million – approximately \$10 million less than the draft business case. However, the deferral of investments to later years means larger capex in years 8-10.

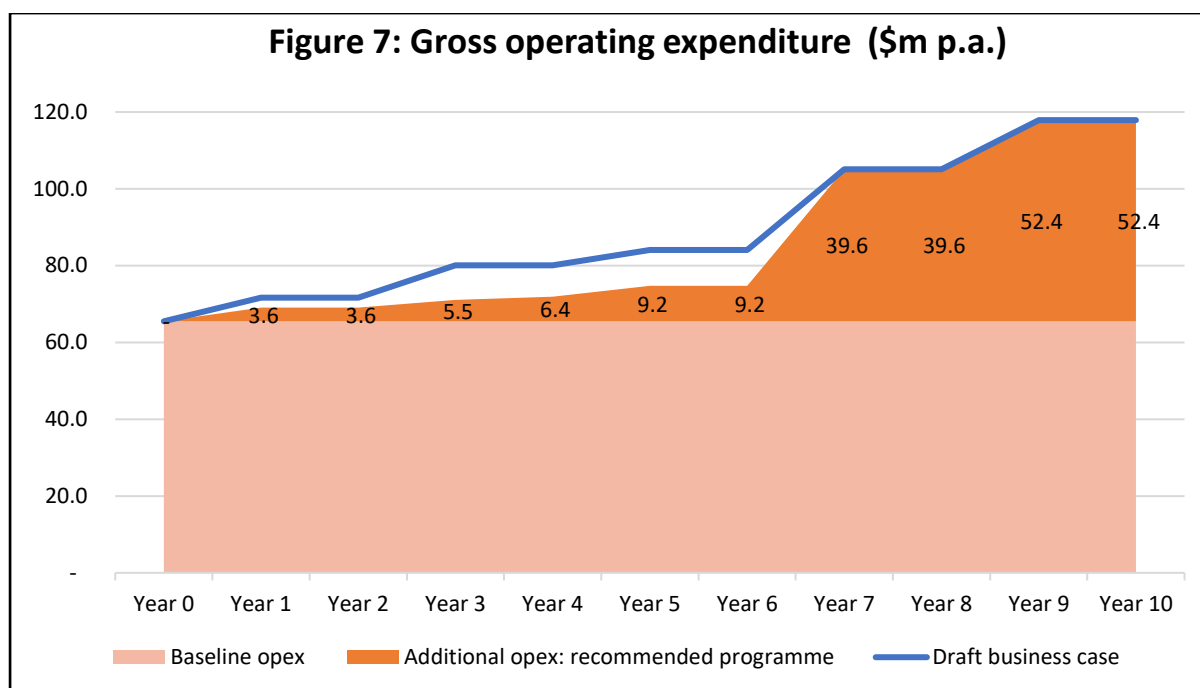
Note that these gross capital amounts can be expected to be co-funded from Waka Kotahi at the current financial assistance rate of 51%.



The forecast impact on gross operating expenditure from the recommended staging approach is illustrated in Figure 7 below. (Note that gross operating costs are funded from a combination of farebox revenues and Waka Kotahi grants, in addition to Council funding).

Gross operating expenditure is expected to gradually increase over the first 6 years. The delay in frequency improvements on some of the core routes means that the increase in operating expenditure is not as much as had been forecast under the draft business case. By Year 6, gross operating expenditure is forecast to be \$9.2 million (14%) higher than the current 2020 level.

However, more significant increases in operating expenditure are required from Year 7 if the full programme of improvements is to be completed within the 10-year timeframe. This level of increase may be difficult to sustain, and it may therefore be necessary to extend the programme beyond 10 years. Note that decisions on the specific timing of improvements in the later years can be made in future long-term plans.



## Financial implications for partners

### Capital expenditure

The capital investment by each of the partner organisations, based on the recommended staging approach, is summarised in Table 3. As noted above, this is in addition to the investments already included in partner long-term plans.

The majority of the capital expenditure is incurred by Christchurch City Council, from Year 4 onwards. This largely reflects the investments in bus lane and intersection priorities in the inner core area, together with a significant share of the bus stop improvement programme. Provision has also been included for an upgrade to the Bus Exchange in the latter part of the programme.

Selwyn and Waimakariri District Councils also have ongoing capital expenditure on bus stop improvements throughout the 10-year programme. In addition, park and ride investment is programmed for Selwyn from Year 7. Environment Canterbury capital expenditure includes provision for on-bus headway management units, onboard announcements and screens.

A \$27.5 million allocation for the NZUP Halswell Road bus priority project is also included in the capital expenditure estimates, with completion by year 4.

**Table 3: Recommended capital expenditure by partner, years 1-10 (\$000)**

\$000	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total
CCC	1,219	1,217	5,068	9,244	11,442	8,936	7,605	14,239	15,386	1,889	76,247
SDC	156	156	156	156	156	156	709	956	2,636	2,076	7,313
WDC	204	204	204	204	204	204	204	204	204	204	2,037
ECan	-	261	-	576	-	52	-	490	490	-	1,870
NZUP	-	2,043	2,732	22,762	-	-	-	-	-	-	27,538
<b>Total</b>	<b>1,578</b>	<b>3,881</b>	<b>8,160</b>	<b>32,942</b>	<b>11,802</b>	<b>9,348</b>	<b>8,518</b>	<b>15,889</b>	<b>18,717</b>	<b>4,169</b>	<b>115,004</b>

## Operating expenditure

Table 4 shows the projected increase in gross operating expenditure based on the recommended staging approach, for each of the council partners. As noted above, the major component of new operating expenditure relates to Environment Canterbury bus operating contracts. While gross cost of bus operations is projected to increase by 14% over baseline levels by Year 6, the net financial impact on Environment Canterbury will depend on the extent to which farebox revenues offset part of this cost. This in turn will be influenced by the level of post-Covid demand for bus services, and future decisions on fare levels that may be made in response to Environment Canterbury's proposed fare review.

In addition to bus contracts, the business case has identified operating expenditure for supporting activities such as travel demand management, information and promotion, bus lane enforcement, and contract management.

**Table 4: Projected increase in gross operating expenditure by partner, years 1-10 (\$000)**

Opex \$000	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
ECan bus contracts	3,093	3,093	4,892	4,892	7,985	7,985	38,214	38,214	50,682	50,682
Other Opex:										
ECan	279	279	346	716	610	610	677	677	831	831
CCC	82	82	296	761	655	655	711	711	876	876
SDC	63	63	-	-	-	-	11	11	-	-
WDC	84	84	-	-	-	-	11	11	-	-
<i>Sub-total</i>	<i>508</i>	<i>508</i>	<i>643</i>	<i>1,478</i>	<i>1,264</i>	<i>1,264</i>	<i>1,410</i>	<i>1,410</i>	<i>1,707</i>	<i>1,707</i>
<b>Total opex</b>	<b>3,600</b>	<b>3,600</b>	<b>5,535</b>	<b>6,370</b>	<b>9,249</b>	<b>9,249</b>	<b>39,624</b>	<b>39,624</b>	<b>52,389</b>	<b>52,389</b>

## Next steps

Due to its integrated nature, the successful implementation of the investment programme described in this paper requires active participation and financial commitments from each of the project partners. It is important that the investment in improved service levels is supported by infrastructure investment, and vice-versa. Subject to Committee endorsement, the next step in the process is to seek formal endorsement of the package from each of the partners, with the aim of including the necessary investments in their respective draft Long-term plans and the Regional Land Transport Plan.

On behalf of the partners, Environment Canterbury will then submit the business case to Waka Kotahi for endorsement, which is a necessary step to enable future Waka Kotahi funding. Note that collective partner endorsement is required to enable Environment Canterbury to submit the business case on behalf of all partners.

It is also important to note that endorsement of the business case does not commit the partner organisations to any specific funding allocations at this stage, as this must be done via the Long-term plan and National Land Transport Programme processes, which include public consultation. It is also possible for the partners to vary the pace of future implementation, through a collaborative monitoring and review process which allows the partners to review progress and adjust the investments through future long-term planning cycles.

## **Attachment A: Non-Technical Summary**

(separate document)

## **8.3. Dissolving of the Greater Christchurch Public Transport Joint Committee**

### **Greater Christchurch Public Transport Joint Committee**

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<b>Date of meeting</b>	Friday, 27 November 2020
<b>Author</b>	Edward Wright, Environment Canterbury

#### **Purpose**

1. This paper sets out the process to dissolve this committee now that work on the Future Public Transport Foundations investment package is complete.

#### **Recommendations**

**That the Greater Christchurch Public Transport Joint Committee:**

1. **agrees to dissolve this committee, now that work on the Future Public Transport Foundations investment package is complete**
2. **recommends to partner councils that they each resolve to dissolve this committee**

#### **Background**

2. At the last meeting of the Greater Christchurch Public Transport Joint Committee (GCPTJC) meeting on 19 August 2020 it was resolved that it be recommended to partner councils that the committee be disestablished after work on the Future Public Transport Foundations investment package is completed.
3. The report on today's agenda completes the work on the Future Public Transport Foundations investment package from the GCPTJC's perspective.
4. To move forward with the dissolving of the committee, a resolution to dissolve the committee is needed.
5. Each partner council then needs to resolve to dissolve the committee. The Independent Chair will write to each partner Council asking that they do this.
6. The strategic functions of this committee will move to the Greater Christchurch Partnership Committee (GCPC). This includes the governance of the remaining part of the Future Public Transport Business Case, which investigates Mass Rapid Transit.
7. If the committee agrees to these resolutions, this will be the last meeting of this committee.



## Next steps

8. The Independent Chair of this committee will write to each of the partner Councils asking that they resolve to dissolve it.

## Attachments

Nil

Peer reviewer	Stewart Gibbon
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**9. Extraordinary and Urgent Business**

**10. General Business**

**11. Next Meeting**

**12. Mihi/Karakia Whakamutunga - Closing**