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Committee Strategy and Policy  
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## Newlands Link Bus Service

### 1. Purpose

To seek approval for the discontinuation of the Newlands Link bus service due to consistently low patronage numbers.

### 2. Background

The Newlands Link (LNK) originated as a replacement connector service when routes which in the 1990s travelled from the Lynfield Lane area to Wellington CBD were amended to stop at Newlands Road.

The Newlands Link route is a **free transfer peak only feeder service** linking local streets in the city-end Newlands area with Newlands Road buses to and from Wellington. The service operates Monday to Friday and consists of 12 trips per day (7 in the morning peak, and 5 in the evening peak). As the service is a peak only feeder its primary function is as a connector route rather than offering any type of peak congestion relief.

In the morning there are 4 trips originating at Salford Street and in addition to these there are 3 trips originating at Wakely Road and travelling via Lynfield Lane. In the afternoon there are 5 trips which travel the whole of the loop to and from Salford Street. **Attachment 1** details a route map of this service.

The operator of the services currently uses a small 21 seat bus to operate the route; there is no potential to reduce the vehicle size in an attempt to reduce the cost of operation of the service.

A free transfer ticket is offered to customers on this service; therefore the cost recovery is zero. As there is no charge to customers on this service there is no opportunity to offer discounted fare initiatives to increase patronage. There is no information readily available as to why the decision was made to apply a free transfer ticket type to be used on this service.

The operator of this service maintains a manual count of users which is the information on which the data in this report is based.

### **3. Decision Making Criteria**

The Newlands Link route is considered a Targeted Service under the Wellington Regional Public Transport Plan 2011-2021 (RPTP). This type of service is one which provides “*a cost effective way of meeting specific transport needs.....*”

The reviewing of public transport services is detailed in the RPTP, the specific detail in relation to Targeted Service Reviews is that they should be undertaken to “*enable more responsive and timely adjustments to service levels.....and can be carried out for a number of reasons, e.g. poor performance, high costs....*”

The specific decision-making criteria used to review targeted services previously<sup>1</sup> are:

#### **At least 4 Passengers per trip and at least 20% cost recovery**

Service retained for further trial period.

#### **At least 4 passengers per trip run but less than 20% cost recovery**

Service retained for a further trial period and cost cutting measures investigated

#### **Less than 4 passengers per trip run**

The service will cease operation on a date to be confirmed.

The relevant point in the Decision Making Criteria applicable to the Newlands Link service is the one which states services will cease to run if they carry less than 4 passengers per trip. As no fare is charged on the service it is not possible to calculate the cost recovery and as such apply the other measures in the above criteria.

### **4. Service Performance**

#### **4.1 Data Collection**

No electronic ticketing data is collected specifically for this route. Tickets are purchased on the connecting Newlands Road buses – this ticket is then shown to the Link driver in order to allow travel.

The following table estimates the subsidy per passenger on the Newlands Link from October 2012 to February 2014.

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<sup>1</sup> These criteria are detailed in Report 11.341 concerning the Porirua East Community Transport Service

Average number of passengers carried per bus trip	1.8 (physical count made by operator)
Estimated subsidy per passenger trip	\$11.75

An option to charge a fare specifically for the Newlands Link service was considered by officers in order to improve the cost recovery of the service. This option would most likely reduce patronage further however as users would be required to pay for a service which at present is free to use.

The following table details the range of passengers per month. The table shows the low usage of this service with the majority of trips carrying less than 4 passengers. It should be noted that while on occasion there are 4 or more passengers carried on particular trips, this is a small variance overall.

Month	Total Monthly Trips	% of trips with under 4 pax per trip	% of trips with 4 to 7 pax per trip	% of trips with 8 to 10 pax per trip	% of trips with 10 + pax per trip
Jul 2013	276	78%	19%	2%	1%
Aug 2013	264	79%	20%	1%	-
Sep 2013	252	81%	18%	1%	-
Oct 2013	264	84%	16%	-	-
Nov 2013	252	91%	9%	-	-
Dec 2013	186	91%	9%	-	-
Jan 2014	228	87%	11%	1.5%	0.5%
Feb 2014	228	87%	12.5%	-	0.5%

**Attachment 2** shows the average number of passengers carried on each trip during the month stated.

## 5. Operating cost of the Newlands link

As this service is grouped with other routes in the same northern suburbs contract there is not an individual contract cost for it. The annual contract price which includes routes 52, 56, 57, 58 and the Newlands Link is over \$1million - using previously negotiated contract variation unit rates there is the potential for a contract saving in the order of \$60K per annum.

The Newlands Link service requires a dedicated peak bus to operate. The cost of the peak bus makes up the largest proportion of operating the service. The option of reducing the number of trips made on the service would not have a material effect on the contract price as this would only reduce the kilometres travelled and time but would still require a peak bus to operate the service.

## **6. Impact of discontinuing the Newlands Link**

Removing the Newlands Link will impact on a relatively small number of passengers. Patronage data shows limited usage of the service with an average of 1.8 customers per trip.

As the fare for the Link service is incorporated into the original ticket purchase and no fare is paid to the Link service driver there is no additional fare to pay by the passenger for use of the alternate services identified. Passenger fares will not vary due to the discontinuation of this Link service.

SuperGold cards may not be used on any of the Link services as the trips operate outside of the eligibility period for SuperGold cards.

There are alternative public transport options for current Link users which can be reached by a maximum 10 minute walk to an alternative bus stop, these are:

### **6.1 North of Newlands Road**

These customers have the option of walking to either Newlands Road or Helston Road where a range of services depart for travel to either Johnsonville or Wellington. These services are the routes 52, 56, 57, & 58; they offer a 7 day a week service from 6am to 11pm.

The route 55 which travels along Stewart Drive is also an option for these customers; this route offers a 7 day a week all day service.

### **6.2 South of Newlands Road**

These customers have the option of the services outlined above which travel on Newlands Road giving access to both Wellington City and Johnsonville.

### **6.3 Summary of Geography**

The geography of the area the Newlands Link covers contains moderate gradients. To the south on Lynfield Lane and Black Rock Road it is moderately flat with well-formed pavements and pedestrian access to the alternate bus services which can be accessed on Newlands Road.

To the north of Newlands Road the walking gradient is slightly greater than to the south. There is well formed pedestrian access to alternate bus services on both Newlands Road and Stewart Drive. Therefore a customer could choose to walk downhill to catch a bus into Wellington from Newlands Road and on the return journey catch the Route 55 and alight on Stewart Drive, this will enable a downhill walk home.

## **7. Marketing**

Officers considered the option of a marketing campaign in order to increase patronage on the service. It was decided not to proceed in this instance with such a campaign as it was believed the cost /benefit of such a campaign would not derive the desired patronage uplift.

This decision was based on experiences from the marketing strategy carried out for the Porirua East Community Transport Service. A marketing budget was

allocated for a targeted advertising campaign for this service as well as to fund a period where no charge was made for its use. There was no marked increase in usage on this Community Transport Service and as a result the service was discontinued. Officers consider that there is a high likelihood that if a budget was allocated to market the Newlands Link it would have limited to no effect and there would not be an increase in patronage which would be sufficient to make the service viable.

## **8. Communication**

A similar exit strategy to that of the Porirua East Community Transport Service and Leinster Link service will be utilised on the Newlands Link discontinuation. These services were similar to the Newlands Link in terms of their low patronage and relatively specific customer base.

The communication strategy will include but not be limited to the following:

- Communication with the current users of this service. This will take the form of posters on the bus as well as an information flyer given to users by the bus driver.
- Highlighting of the Total Mobility Scheme to those users affected by the discontinuation of the Link route who may be eligible.
- Highlighting of the Lets Carpool scheme to those users affected by the discontinuation of the Link route.
- Notification to Wellington City Council.
- Notification to the local residents group.
- Briefing to the Metlink Call Centre team.

Cancellation of the service has been discussed with the operator who is supportive of this change. Detailed negotiation on the contract variation is required to be undertaken.

## **9. The decision-making process and significance**

Officers recognise that the matters referenced in this report have a high degree of importance to affected or interested parties.

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). Part 6 sets out the obligations of local authorities in relation to the making of decisions.

### **9.1 Significance of the decision**

Part 6 requires Greater Wellington Regional Council to consider the significance of the decision. The term 'significance' has a statutory definition set out in the Act.

Officers have considered the significance of the matter, taking the Council's significance policy and decision-making guidelines into account. Officers recommend that the matter be considered to have low significance.

The Newlands Link is a poorly used service; discontinuation of this service will have a great effect on the very small number of current users. From a wider network perspective it will not have a material effect on public transport users in the region as a whole.

Officers do not consider that a formal record outlining consideration of the decision-making process is required in this instance.

## 10. Recommendations

*That the Committee:*

1. ***Receives the report.***
2. ***Notes the content of the report.***
3. ***Notes that the Newlands Link has low patronage when considered against the performance criteria in this report.***
4. ***Approves the discontinuation of the Newlands Link bus service subject to satisfactory contract negotiations with the operator; cancellation will be on a date to be confirmed between April and June, 2014.***

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