



**Report**                **04.523**  
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**Committee**        **Passenger Transport Committee**  
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## **Urban Rail Update**

### **1. Purpose**

To formally update the Committee on the progress being made to secure a long term contract for urban passenger rail services in the Wellington region.

### **2. Comment**

#### **2.1 The contract**

On 1 September 2004 officers from the Council and Toll NZ/Tranz Metro Wellington met to finalise the wording of the urban rail contract. The contract and its negotiation is the Transfund approved procurement procedure for urban rail services. The group is expected to continue meeting over the next few weeks with a self imposed deadline of the end of October.

Any material changes to the draft contract document will need to be brought to the attention of Transfund New Zealand for approval.

#### **2.2 The business case**

The business case has been completed, after considerable consultation with Transfund officials, and will go before the Transfund Board at their September meeting. Once the Board has accepted the business case this ensures that Wellington urban rail services are included in the ten year National Land Transport Programme. This means that the Council does not have to relitigate the business case every time it seeks Transfund funding approval for rail expenditure.

#### **2.3 The business plan**

The business plan is a feature of the proposed contract and will specify capital expenditure necessary to retain and enhance the urban rail system. This plan will only be complete once the contract is finalised.

## **2.4 Refurbishments**

The refurbishment programme for the English Electric carriages was formally announced on 26 August 2004. This is just the first step in a comprehensive rolling stock refurbishment and purchase programme designed to ensure urban rail continues as a reliable and viable service.

The announcement acknowledges the growing relationship between Toll and the Council. There may be further refurbishment initiatives prior to the finalisation of the long term contract. Any such refurbishments will relate to providing security of service prior to the purchase of any new rolling stock.

## **2.5 Community consultation**

The programme of expenditure that might result once the contract (including the business plan) is finalised will necessitate a formal review of the Council's LTCCP. Information on the contents of the business plan and the potential effects that might have on services, fares and community charges will need to be shared with the community and the Council's key stakeholders over the coming months. A modest programme of media releases and market research will be actioned to ensure the public is fully informed prior to necessary formal public consultation programme required to change the LTCCP. The funding for this communications programme will come from current budgets.

## **3. Communications**

There is nothing new to communicate at this point.

## **4. Recommendation**

*That the report be received.*

Report prepared by:

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