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Committee Transport and Access
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Proposed Seatoun Ferry Service

1. Purpose

To consider amending the contract for the Harbour Ferry Service to include a daily return trip to Seatoun.

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

This council currently contracts East By West Company Ltd to provide ferry services between Wellington City and Days Bay in Eastbourne. The contract has recently been extended through to 2010.

East By West is keen to operate one of its morning and evening sailings via Seatoun. The company believes there are many people in Seatoun who would use a service to Wellington City. There are also several Scots College (which is near Seatoun) boys who currently travel from the Eastbourne area by bus who have indicated that they would use the proposed ferry service.

The possibility of Seatoun being included in the ferry service was addressed during the 2007 Greater Wellington review of the ferry service. However a Greater Wellington survey of Seatoun residents indicated limited support for the proposed service. In addition, passengers on the sailings that would travel via Seatoun indicated that they did not want their trip time lengthened by having to travel via Seatoun. They further indicated that they were likely to change their travel patterns (either to other sailings (which are already well patronised), or another mode).

Council was also mindful of the Petone trial undertaken by East By West in 2006, which was unsuccessful and abandoned after only a short period of time.

Council decided to make no changes to the service as a result of the review, but agreed to consider the matter of a Seatoun service again in early 2008.

There are wharf facilities in Seatoun - the ferry already goes there at weekends on its commercial, harbour cruise, services. However the facilities are not ideal, and berthing is difficult in strong northerlies, and the service is likely to be more weather affected than the Eastbourne service.

4. The Proposal

The East By West proposal is the same as was considered by the Passenger Transport Committee in June 2007, i.e. that the 8.10am sailing from Days Bay go to Wellington via Seatoun. The 5.40pm sailing from Wellington would go via Seatoun to Days Bay. No other services would be affected (although East By West propose to add a new commercial service from Seatoun to Days Bay to cater for the Scots College users returning home at the end of the school day).

East By West propose that the price for Eastbourne passengers on the services that travel via Seatoun be lowered in an attempt to retain them on those services.

East By West have proposed a trial of at least three months, starting on 3 March.

East By West have indicated that any changes will be made at no cost to Council. [It should be noted that East By West is unable, because it does not have sufficient vessels, to undertake the trial without affecting the contracted services. Thus it needs the approval of Greater Wellington to alter one of the contracted services].

5. Comment

When considering this proposal, the potential benefits of new passengers need to be weighed against the negative effect on the existing patronage.

The potential for new passengers from Seatoun was measured as minimal in the Greater Wellington survey in 2007. And there is the likelihood, as indicated in the Greater Wellington survey of users who would be affected by a diversion to Seatoun, of upsetting existing passengers resulting in them no longer using the ferry.

While there is no initial cost to Greater Wellington from this proposal, there is the risk of losing patronage from the existing services, and thus ultimately increasing the contract price. There is also likely to be some publicity costs associated with publicising the changes to the service.

Conversely however, if the new service is successful, any increase in overall patronage is likely to ultimately mean a lower contract price.

The original decision of the Passenger Transport Committee to make no change to the service was partly made because recent changes had been made to the ferry service (in July 2006, when the number of services was increased), and the impact from these changes was still to be evaluated.

There is some risk associated with the proposal, but there is also some potential benefit. This risk and potential benefit is to both Greater Wellington and East By West, and it is difficult to estimate if the benefits are greater than the risks.

But in the interests of trying to grow patronage and improve overall service levels and options, it is suggested that the East By West proposal be approved. The risks involved are small, and if the trial does not work, then normal service can be resumed.

The approval should be on the basis that the trial be undertaken at no cost to this Council (including any promotional costs, which should be met by East By West), that the service should be evaluated monthly, and that after three months a decision should be made by Council regarding its continuance.

In order for the new service to continue, passenger numbers on the relevant services (the diverted trips, and the ones either side of them) should show a net growth.

6. Communication

Any change in services will need to be communicated to current and potential passengers.

7. Recommendations

That the Committee:

1. ***Receives the report.***
2. ***Notes the content of the report.***
3. ***Agrees to approve a three month trial ferry services to Seatoun in accordance with the proposal in this paper.***
4. ***Notes that the trial will be at no cost to this Council.***

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