greater WELLINGTON
REGIONAL COUNCIL
Te Pane Matua Taiao

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Committee	Sustainable Transport
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Feasibility of Wi-Fi at Public Transport Interchanges

1.   Purpose

The report addresses the costs and benefits of installing and operating free Wi-Fi at major rail stations and bus interchanges.

2.   Background

On 10 August 2016 the Sustainable Transport Committee resolved (in response to a notice of motion from Cr Kedgley - Report 16.369):

1.   That officers report back to Council in November 2016 on the logistics and cost of installing free Wi-Fi in all major train stations and bus interchanges in the Wellington region and a timetable for implementing this, with a view to including this in the 2017/18 Annual Plan and rolling it out thereafter.

2.   That as part of this process, officers explore whether there are opportunities for commercial partnerships that could assist in the roll out of free Wi-Fi in all major train stations and bus interchanges in the Wellington region.

3.   Comment

A feasibility study on the installation of free Wi-Fi at major train stations and bus interchanges has been undertaken. The study included discussions with five telecommunication providers who provide public Wi-Fi services to other stakeholders including Auckland Transport, a literature review and a review of customer feedback.

All five of the telecommunication providers confirmed that they are not interested in a commercial partnership where they contribute to the costs of the network. They all have the view that there would be insignificant commercial gain to justify the expense. In some cases this view was based on previous experience of investment in free public Wi-Fi networks.

GWRC requested costing proposals on the basis of providing free Wi-Fi at 50 sites across 36 major train stations and bus interchanges. The proposals ranged

from $1.4 million to $1.8 million for the first 3 years of operation, excluding the one off costs of physical installation and power supply. With an allowance for these deployment costs, the estimated cost over 3 years would be $1.8 to $2.2 million.

Some stations and interchanges have existing free Wi-Fi provided through CBD free in the Wellington CBD or Welly Wi-Fi, including Upper Hutt Station where the installation of public Wi-Fi was included in the recent re-build. The existing infrastructure was taken into account by the service providers when they developed their costings.

The feasibility study identified a number of practical issues that would need to be worked through in any deployment of free Wi-Fi, ranging from investigation of technical issues at specific sites through to the development of user guidelines, user terms and conditions, and privacy and security protocols. None of these issues is likely to present major problems, and would start from the base provided by Welly Wi-Fi, but they are not addressed in the costings provided above.

Customer Feedback

In the most recent Metlink customer satisfaction survey, customers were asked to suggest service improvements they would like to see, and none suggested the provision of free Wi-Fi. Recent qualitative research undertaken as part of the development of the Customer Experience Strategy identified very limited sentiment in favour of such a service.

This is consistent with national and international research that shows customers view free Wi-Fi as a lower priority than other possible service improvements, and generally prefer Wi-Fi on vehicles rather than at stops or stations – for example, the 2015 NZTA research report *Public Transport and the Next Generation*[1] includes the following ranking of customer priorities:

[1] Table E.1 Rive, Thomas, Jones, Frith, & Chang, 2015, available at www.nzta.govt.nz/assets/resources/research/reports/569/docs/569.pdf)

Rank	Generation Y (N=342)	Total %	Older control group (N=291)	Total %
1	Increased frequency (peak)	29.8%	Improved coverage	32.6%
2	Improved coverage	24.6%	Increased frequency (peak)	28.2%
3	Bus priority lanes	22.2%	Increased frequency (evening and weekend off-peak)	22.3%
4	Free service transfers	20.5%	Integrated ticketing	21.0%
5	Increased frequency (evening and weekend off-peak)	22.8%	Shorter overall trip times	17.5%
6	Shorter overall trip times	19.3%	Bus priority lanes	13.4%
7	Integrated ticketing	16.4%	Increased frequency (daytime off-peak)	16.5%
8	Increased frequency (daytime off-peak)	13.7%	Cycle facilities on-board	14.8%
9	Improved real-time info	15.2%	Short transfer wait times	14.1%
10	Wifi on services	10.5%	Bus signal priority at lights	11.7%

Table 1: Top 10 priorities ranked by the proportion of people responding to this as one of their top priorities

Based on customer feedback, and national and international research, the introduction of free Wi-Fi at major stations and stops is unlikely to result in increased patronage. As a result, the project would not meet the requirements for new NZTA investment and would need to be fully funded from rates and public transport fares.

Future Opportunities

GWRC may in future seek to use wireless infrastructure for operational purposes – for example, for:

- Tracking of the customer movement patterns via their Bluetooth devices using Smart Beacon technology – for example for planning crowd control, and improvements to station layouts, and safety initiatives such as tracking of employees.

- Tracking of GWRC assets with smart tags.

- Encouraging the use of GWRC digital channels (eg subscriptions to My Metlink).

- Gaining insights into customer journeys which could then be used for planning routes and capacity.

- Downloading 'real time' information from trains and buses including vehicle data, CCTV footage etc.

If wireless infrastructure is being installed for any or all of these purposes, the incremental cost of installing free Wi-Fi would be small.

Summary

The estimated cost of installing free Wi-Fi at major train stations and bus interchanges would be $1.8 to $2.2 million over 3 years. No opportunities for commercial partnerships have been identified, and there is limited customer demand.

There may be opportunities to provide free public Wi-Fi through the Public Transport Transformation Programme if there is a business case for wireless infrastructure to be used for operational purposes or to meet a specific customer need on a case by case basis. If wireless infrastructure is being installed at a location for operational purposes, the incremental cost of installing free Wi-Fi is likely to be justified.

4. The decision-making process and significance

The matters requiring decision in this report have 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.

4.1 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 and engagement policy and decision-making guidelines into account. Officers recommend that the matter be considered to have low significance.

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

4.2 Engagement

In accordance with the significance and engagement policy, no engagement on the matters for decision is required.

5. Recommendations

That the Committee:

1. **Receives** *the report.*

2. **Notes** *the content of the report.*

3. **Notes** *that installing free Wi-Fi at major train stations and bus interchanges is estimated to cost $1.8 to $2.2 million over 3 years, and that no opportunities for commercial partnerships have been identified.*

4. **Requests** *officers to include consideration of free Wi-Fi in Public Transport Transition Programme projects where opportunities arise*

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