

1 December 2023

File Ref: OIAPR-1274023063-24266

Tony Randle

By email: fyi-request-24655-d958a3e0@requests.fyi.org.nz

Tēnā koe Tony

Request for information 2023-281

I refer to your request for information dated 4 November 2023, which was received by Greater Wellington Regional Council (Greater Wellington) on 4 November 2023. You have requested the following:

"I am interested in the extent to which Wellington public transport is subsidised.

I would also note that this information has been requested of the GWRC and provided in the past: <https://fyi.org.nz/request/21598-ptom-unit-patronage-fare-and-subsidy-information-from-june-2019#incoming-82048>

For each PTOM unit for Greater Wellington public transport services (bus, train and ferry) for the years 2021/22 and 2022/23, can the GWRC please provide:

- 1) The patronage data for the unit by month*
- 2) The fare Revenue for the unit by month*
- 3) The data that shows the extent to which the unit is subsidised by month*
- 4) The Commerciality Ratio for the unit by month*

If this information is held in electronic form, it is preferred that the information is provided in its complete and original format."

Greater Wellington's response follows:

Please refer to **Attachment 1** which contains the requested information.

We note that we have provided you with the requested information for the 2021-2022 financial year in our previous response to you dated 20 February 2023 (File Ref: OIAP-7-27001 re: LGOIMA-2023-

011). On that basis, the Attachment 1 to this response is an updated version of the Attachment 1 to LGOIMA 2023-011 with the information for the financial year 2022-23 added.

Attachment 1 contains the information you have requested as follows:

- Table 1 provides patronage information for each operating unit by month
- Table 2 provides fare revenue information for each operating unit by month
- Table 3 provides SuperGold fare revenue information for total network and units by month
- Table 4 provides operating expenditure information for each operating unit by month
- Table 5 provides the expenditure at 51% Funding Assistance Rate for each unit by month
- Table 6 provides Commerciality Ratios for each bus operating unit and for the network

The Commerciality Ratios are calculated for the financial years 2020/21, 2021/22 and 2022/23 based on the approach and formula set out in Appendix H of Waka Kotahi's Procurement Manual which can be found at: <https://www.nzta.govt.nz/resources/procurement-manual/>.

Appendix H of the procurement manual requires calculation of Commerciality Ratios only for the region as a whole, and for each unit of public transport services identified in the Regional Public Transport Plan (RPTP) and separated by mode. Therefore, Greater Wellington does not calculate Commerciality Ratios for each month.

Please note that:

- The Commerciality Ratios provided in **Attachment 1** are not representative of Greater Wellington Regional Council's Revenue and Financing policies in the Long Term Plan.
- Greater Wellington does not use the Commerciality Ratios as a performance measure to inform its budget and funding structure in the Long Term Plan or Annual Plans.
- Greater Wellington does not consider Commerciality Ratios as an appropriate measure to monitor the extent or distribution of subsidy over time. This is primarily on the basis that the cost components used to calculate the Commerciality Ratios do not include the expenses that are necessary to deliver the services, including the capital expenditure associated with fleet, network access charges for rail services, infrastructure maintenance and upgrades, and network-wide costs such as ticketing and real-time information.
- Metlink ferry services are operated under a net contract. Therefore, the cost component of the Commerciality Ratio includes the fare revenue as a proxy for the balance of the costs after contract price to estimate the gross operating costs.
- The ferry fare revenue is provided in this attachment as a total annual sum and used to calculate the Commerciality Ratios in Table 6.

- For the bus network, the expenditure includes the Base Service Fee, indexation, and Special Event Service Fee and the SuperGold funding is allocated to units based on their share of the total SuperGold patronage.
- The fare revenue values do not include government funding of half-price fares and COVID-19 funding support of the foregone revenue.
- The Airport Express service has been in operation as Unit 20 without funding contribution from central Government. Greater Wellington has been fully subsidising the Airport Express services.

If you have any concerns with the decision(s) referred to in this letter, you have the right to request an investigation and review by the Ombudsman under section 27(3) of the Local Government Official Information and Meetings Act 1987.

Please note that it is our policy to proactively release our responses to official information requests where possible. Our response to your request will be published shortly on Greater Wellington's website with your personal information removed.

Nāku iti noa, nā



Samantha Gain

Kaiwhakahaere Matua Waka-ā-atea | Group Manager Metlink