

9 November 2015

Tony Randle
fyi-request-3035-49d0526d@requests.fyi.org.nz

Dear Tony

Request made under the Official Information Act 1982

Thank you for your email of 9 October 2015 requesting the following information under the Official Information Act 1982:

- a. the source document for the cost estimate of \$2.3Million to be provided to the GWRC to "improve the Wairarapa Line" (although you stated it was actually for improving the Hutt Line).
- b. a description of the work that the \$2.3Million was to support (I understand the GWRC claimed the funding is to "go toward replacing corroded rail and rolling out more powerful DFB diesel locomotives" but that NZTA is only funding track replacement).
- c. the funding memo notes that poor track causes "an average loss of travel time of 10 minutes generates negative travel time benefits of approximately \$5 million per annum, based on an average travel time value of \$5 per hour (combined peak and off peak values), delay of ten minutes and 6,382,000 passenger trips on the Hutt Valley Line" for all commuters. A copy of the source that outlines the 10 minutes estimate for travel time loss currently affecting 6,382,000 passenger trips on the Hutt Valley Line that will be address by this funding investment to be provided.
- d. any meeting notes or correspondence associated with the \$2,290,000 investment by the NZTA to the GWRC to "bring forward and substantially address the deferred maintenance" as outlined in the NZTA Memo.
- e. the specific calculations that showed, as outlined in the NZTA Memo, "Under the Benefit Cost Appraisal tool the impact of increased investment in the GWRC is a Benefits to Efficiency ratio for the GWRC rail programme of 4.8.
- f. written confirmation of whom within the NZTA a 100% FAR investment as outlined in the NZTA Memo when it states "To facilitate the advancement of renewals and maintenance on the Hutt Valley Line (HVL) investment at 100% FAR in the GWRC PT Programme ... by the NZ Transport Agency is recommended".

I note that your latest request follows from your earlier request of 12 August 2015, our response of 2 September 2015 which attached the memo dated 25 June 2015 and entitled "Hutt Valley Line On-Time Reliability - Business Case", and conversations with Wayne Heerdegen, Principal Investment Advisor, during the week of 7 September 2015.

Documents relevant to your request of 9 October 2015

We have interpreted your request as broadly pertaining to the \$2.29 million funding increase approved by the NZ Transport Agency's Chief Executive on 25 June 2015 for track maintenance and renewals of

the Hutt Valley Line (which is the name for the section of the Wairarapa Line railway between Wellington and Upper Hutt).

The following documents are in scope of the six parts of your request and are attached:

a. *the source document for the cost estimate of \$2.3 million*

- Attachment 1: Emails between an official from KiwiRail, Angus Gabara from the Greater Wellington Regional Council and Wayne Heerdegen (Transport Agency) dated 12 June 2015, and pdf attachment from Greater Wellington – re Wairarapa Line Modernisation Budget
- Attachment 2 and Attachment 2a: Email and memo from Dave Brash to Lyndon Hammond and Wayne Heerdegen (all from the Transport Agency) dated 19 June 2015, re: HVL Reliability Assessment Memo June 2015.

Attachment 1 provides an initial source of cost information to estimate what feasible short term actions could be taken to address reliability on the Hutt Valley Line. Attachment 2 documents further analysis undertaken by the Transport Agency on value for money of investment and the alignment of investment with the outcomes sought by the Transport Agency. The memo attached as Attachment 2a is a draft version of the memo dated 25 June 2015 that was provided to you with our response of 2 September 2015.

b. *A description of the work that the \$2.3 million was to support*

As signalled in the 25 June 2015 memo (provided to you with our response of 2 September 2015), the \$2.29 million is a one-off payment to Greater Wellington Regional Council in 2015/16 to bring forward a programme of maintenance and renewals works on the Hutt Valley Line under the Council's Public Transport Programme for Work Category 515 – Passenger Rail Services Track Access Agreement with KiwiRail. The objective of this work is to improve journey time reliability and travel time predictability for passengers on the Hutt Valley Line. Details of the works to be funded are set out in the Track Access Agreement.

c. *A copy of the source that outlines the 10 minutes estimate for travel time loss*

- Attachment 3: Tranz Metro Punctuality, Screen Shot of On Time Performance for Hutt Valley Line

Attachment 3 identifies Tranz Metro punctuality information as a source of information for an approximate estimation of the travel time loss/delay on the Hutt Valley Line. The loss of 10 minutes is an estimation derived from the 85 percent level of reliability provided for trips arriving within 5 minutes of their scheduled time, compared to the performance target of 95 percent of trips arriving within 5 minutes of their scheduled time.

d. *Any meeting notes or correspondence associated with the \$2,290,000 investment*

- Attachment 4: Wayne Heerdegen, undated (approximately 12 June 2015). Handwritten note of conversation with Greater Wellington Regional Council regarding the Hutt Valley Line reliability issues.

Attachment 4 outlines a conversation with GWRC on Hutt Valley Line reliability issues, what outcomes are being sought by the NZ Transport Agency, what components of reliability (track asset management elements) are funded through the Track Access Agreement between GWRC and KiwiRail. These form

part of the broader GWRC Passenger Rail Services programme which the NZ Transport Agency invests in to deliver the outcomes set out in the Government Policy Statement on Land Transport¹.

e. specific calculations that show a Benefits to Efficiency ratio for the increased investment in the GWRC rail programme of 4.8

- Attachment 5: Benefits to Efficiency Ratio calculation for the increased \$2.9 million investment in the GWRC programme

Attachment 5 shows the Benefits to Efficiency Ratio (BER) Calculation for the GWRC rail programme. The BER is a cost effectiveness tool provided for the benefit cost appraisal of public transport programmes. We use this to assess public transport programmes on key performance indicators:

- benefit efficiency ratio
- farebox recovery ratio
- cost per service km, and
- service utilisation.

The public transport programme benefit cost appraisal methodology and Benefit to Efficiency Ratio tool is provided in the Transport Agency planning and investment knowledge base (PIKB) and is available from the following link:

www.pikb.co.nz/assessment-framework/benefit-and-cost-appraisal/public-transport-programme-benefit-cost-appraisal/

f. Written confirmation of whom within the NZTA [...] a 100% FAR investment as outlined in the NZTA Memo

I have interpreted this part of your request to be asking who has the authority within the Transport Agency to either recommend or approve the FAR level that will apply.

As Group Manager of Planning Investment it is my role to *recommend* the level of FAR that will apply. The Chief Executive has the delegated authority from the Transport Agency Board to *approve* the FAR that will apply.

Certain information has been withheld from the attached documents as follows under section 9 of the Official Information Act 1982:

Attachment 1

- 9(2)(a) to protect the privacy of natural persons
- 9(2)(j) to enable a Minister of the Crown or any department or organisation holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).
- Information not relevant to the scope of your request has been removed

Attachment 1a:

- 9(2)(j) to enable a Minister of the Crown or any department or organisation holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).
- Information not relevant to the scope of your request has been removed

¹ GPS 2015 www.transport.govt.nz/assets/Uploads/Our-Work/Documents/GPS-2015.pdf

Attachment 4:

- 9(2)(a) to protect the privacy of natural persons

With respect to the information that has been withheld, I do not consider there are any other factors which would render it desirable, in the public interest, to make the information available.

If you would like to discuss this reply with the NZ Transport Agency, please contact Wayne Heerdegen, Principal Investment Advisor, by email to wayne.heerdegen@nzta.govt.nz or by phone on (04) 894 6295.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Dave Brash', with a long horizontal flourish extending to the right.

Dave Brash
GM Planning and Investment
New Zealand Transport Agency