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Report to the Regional Land Transport Committee From Dr D J Watson, Divisional Manager Transport

Tranz Metro Wellington Issues

1. **Purpose**

To update the Committee on Tranz Metro Wellington performance and ownership issues.

2. **Performance issues**

There have been two Tranz Metro Wellington performance reports circulated to Committee members in recent weeks, the combined February/March report and one for April. The first report prompted both the Regional Council Chairperson and General Manager to write to Tranz Rail Ltd's Managing Director, Mr Michael Beard, seeking an immediate response to the underlying maintenance problems that had seen a significant drop in customer service performance. A meeting was held with Mr Beard on 10 May and assurances were received that performance would be improved. The April performance report shows a distinct improvement in overall performance.

3. Ownership issues

A regional mayoral forum "enhanced contract" proposal to deliver urban rail services was tabled at a meeting of the forum members with the Regional Council held on 14 May 2002. The proposal was put forward as an alternative to the Regional Council's proposal for a Joint Venture Company to own Tranz Metro Wellington.

All councils of the region agree on the desired outcome which is a long term contract with the owner of Tranz Metro Wellington that provides improved urban rail services over the long term at a price acceptable to the ratepayers of the region. What is currently under debate is how to achieve this common goal. The Regional Council is meeting on 24 May 2002 to examine the merits of the alternative approaches. Any decision will be reported to the Committee.

4. Communications

There is nothing additional to communicate on these issues.

5. Recommendation

That the report be received.

DAVE WATSON Divisional Manager, Transport