

28 February 2023

File Ref: OIAP-7-27100

[REDACTED]

Tēnā koe [REDACTED]

Request for information 2023-020

I refer to your request for information dated 31 January 2023 which was received by Greater Wellington Regional Council (Greater Wellington) on 31 January 2023. You have requested the following:

“Metlink Is there somewhere we can find the contracts with NZBus and Tranzurban? They’ve both absolutely failed at living up to their end of the bargain.

I’d love to know how much we’re paying them and how much they’re being penalised for poor performance and non-delivery (if at all).

They’ve failed to recruit more driver because they refuse to pay them a decent amount and provide decent working condition - this is entirely on them. How much has this cost Metlink/GWRC in addition I spend? How much has Metlink had to spend on driver recruitment marketing for example? Decent public transport results in positive local economic outcomes, has there been any analysis on what these interruptions have cost in terms of wider local economic impact?

Apologies for the long comment - happy to send this in as an email, or an OIA if that’s easier. I do really appreciate all the work you do. I don’t believe this is Metlink’s fault, that is assuming you are holding the providers accountable.”

Greater Wellington’s response follows:

Background

The Bus Partnering Contract (which includes a number of Schedules and Annexures) is the principal document governing the respective rights and obligations of the parties in relation to the provision of bus services on the Wellington Bus Network. The Wellington Bus Network is divided into 16 Units. A unit refers to a Metlink service or group of services established for contracting purposes. There is a separate Bus Partnering Contract for each Unit.

Contracts awarded by Greater Wellington, in respect of Units (irrespective of mode), broadly follow a similar structure as one another. The Bus Partnering Contracts are largely the same for each bus Unit. However, the detailed content of each Unit Contract is tailored to the specific requirements and circumstances of the individual Bus Unit.

Greater Wellington has entered into a Bus Partnering Contract with each of the Operators, namely:

- Mana Coach Services Limited (Units 8 and 18)
- Madge Coachlines Limited (Uzabus) (Unit 14)
- Tranzit Group Limited (Tranzurban) (Units 1, 4, 7, 9, 10, 11, 13 and 15)
- Wellington City Transport Limited and Cityline Limited (NZ Bus) (Units 2, 3, 5, 6 and 12).

Greater Wellington has published a representative (generic) version of the Bus Partnering Contracts on its website.

The representative contract published on our website identifies information that we elected to redact; the ground relied on is identified beside each redaction. A copy of the representative contract can be found at <https://www.metlink.org.nz/about/legal/contracts-for-rail-and-buses/>.

Contracts with NZBus and Tranzurban

You can find a copy of a representative contract between Greater Wellington and our operators on our website (<https://www.metlink.org.nz/about/legal/contracts-for-rail-and-buses/>). The representative contract reflects the arrangements with both NZ Bus and Tranzurban. The information withheld in the representative contract would also be withheld from each of the 13 unit Bus Partnering contracts we have with NZ Bus and Tranzurban. The information identified as being withheld in the representative contract would also continue to be withheld in the unit contracts. Information was withheld under section 7(2)(b)(ii) of the Local Government Official Information and Meetings Act 1987 (the Act) on the ground that the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.

We have considered whether the public interest in the requested information outweighs Greater Wellington's need to withhold certain aspects of the requested contractual information. As a result, we do not consider that the public interest outweighs Greater Wellington's reason for withholding parts of the document under the grounds identified above.

What we are paying the operators and what we are penalising them on

Operators are paid a monthly service fee; the average annual contracted base service fee per unit is shown on the table of units available on our website at:

<https://www.gwrc.govt.nz/transport/metlink-bus-train-and-ferry/bus-contracts/>

Operators must meet certain targets of service delivery for both punctuality and reliability. If they do not meet these targets they are penalised accordingly. Operators are also eligible to receive a bonus payment for exceeding nominated Key Performance Indicators.

The table below outlines, for each bus operator, the number of occasions in a given month where abatements have been made to the base service fee. As set out above, most operators hold multiple unit contracts, which is why they can be abated on multiple occasions in a month, for each of their units that did not meet the required performance thresholds.

Table 1. Count of Abatements Issued to Metlink Bus Operators (Jan – Dec 2021)

Bus Operator	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Tranzurban	0	1	0	0	2	3	5	8	7	8	8	8
NZ Bus (Kinetic)	1	3	2	2	5	1	4	5	5	5	5	5
Mana	0	0	0	0	0	1	0	1	1	0	0	0
Uzabus	0	0	0	0	0	0	0	0	0	0	0	0

The abatements have predominately been issued to two operators (Tranzurban and NZ Bus); the release of the total monetary value of the abatements would make it very easy for one of these two operators to determine the financial abatements imposed on the other operator.

Your request for the amount that we are penalising operators is therefore withheld under section 7(2)(b)(ii) of the Act on the grounds that releasing the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.

We have considered whether the public interest in the requested information outweighs Greater Wellington's need to withhold certain aspects of the requested contractual information. As a result, we do not consider that the public interest outweighs Greater Wellington's reason for withholding parts of the document under the grounds identified above.

How much additional spend has Greater Wellington incurred due to recruitment issues

Matters relating to recruitment are the responsibility of the respective operator. Greater Wellington continues to support the operators for the recruitment of drivers. The information below gives a summary of the campaigns we have funded to try and alleviate the driver shortage.

A report with more information relating to the Frontline Public Transport Staff Workforce Issues was submitted to our Transport Committee on 16 February 2023. The report is publicly available on our Greater Wellington website at <https://www.gw.govt.nz/document/20580/transport-committee-16-february-2022-order-paper> (the report is the first item and begins on page 3)

How much has Greater Wellington spent on driver recruitment marketing

Advertising Campaigns

Operators frequently run recruitment campaigns and are responsible for the recruitment of drivers on the network. Metlink does support the operators in these campaigns and provides some funding for the campaigns. Metlink continues to encourage operators to run individual campaigns that highlight their individual organisations and the benefits of that employment.

From June 2019 to August 2019 Metlink ran the Bus Driver Recruitment Campaign, a multi-channel campaign for six weeks to profile and highlight the important work bus drivers provide by highlighting the career benefits. The aim of this was to increase applicants and encourage female applicants to become bus drivers. The cost of this campaign was \$169,250. **Attachment 1** to this letter contains a poster on the first page from this campaign “Vai takes the bus to Island Bay”.

From November 2019 to December 2019, Metlink ran the Graduate Campaign, another multi-channel recruitment campaign for four weeks to help increase the number of applicants looking to become professional bus drivers. This campaign focused on graduates, showcasing the reasons why they became bus drivers as well as career opportunities available within the industry. The cost of this campaign was \$70,000. A poster from this campaign “Don’t just get a job, get a career as a bus driver” is included on the second page of **Attachment 1**.

Analysis on interruptions of local economy due to impact of less services

Greater Wellington has not undertaken nor is aware of any analysis undertaken on the interruptions of local economy due to impact of less services. Therefore, this part of your request for information is refused under section 17(g) of the Act in that the information requested is not held by the local authority and the person dealing with the request has no grounds for believing that the information is either held by another local authority or a department or Minister of the Crown or organisation; or connected more closely with the functions of another local authority or a department or Minister of the Crown or organisation.

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 Act.

Please note that it is our policy to proactively release our responses to official information request 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

A handwritten signature in blue ink that reads "sugar".

Samantha Gain

Kaiwhakahaere Matua Waka-ā-atea | General Manager Metlink

PROACTIVE RELEASE



Vai takes the bus to Island Bay

If you love driving, love Wellington and love the people who live here, why not begin a career as a Metlink bus driver? Find out more at metlink.org.nz/busdriver or call 0800 889 998.

BECOME A BUS DRIVER  on our way



Don't just get a job, get a career as a bus driver.

Driving a Metlink bus can take you further than just Churton Park. Mike was a courier driver looking for something a bit more fulfilling. While he much prefers the community atmosphere of the job, he's also focussed on going other places, particularly into bus driver training.

In fact there are all sorts of industry career paths open to drivers with knowledge and experience. Operations, management, charters and tour buses.

Right now Metlink bus operators are accepting applications from people who want to become drivers.

Find out more at metlink.org.nz/busdriver or call 0800 889 998.

BECOME A BUS DRIVER

metlink on our way



METLINK_CAREER