



# Public Transport – Performance Report July 2020 to March 2021

18 May, 2021

# Contents

1. Service Performance.....	2
1.1 Regional Summary.....	2
1.2 Passenger Trips.....	3
1.3 Revenue / Expenditure .....	3
2.0 Network Summary .....	5
2.1 Palmerston North.....	5
2.2 Whanganui .....	7
2.3 Manawatū.....	9
2.4 Horowhenua.....	10
2.5 Rangitikei & Ruapehu .....	12
3.0 Bee Card.....	15
4.0 Bike Racks .....	17
5.0 Customer Experience.....	18
5.1 Mystery Shopper.....	18
5.2 KPI Trial .....	19
5.3 Complaints & Feedback.....	21

# 1. Service Performance

## 1.1 Regional Summary

Across the network, the impact of COVID-19 is still ongoing. Year to date patronage has decreased by 23.76% on last year, and 35.8% compared to 2018-19 (pre-covid). Despite the lower patronage some areas of the network are showing signs of slow recovery.

As per **Ministry of Health (MoH)** guidelines, all of our services require passengers and drivers to wear a face covering. Our transport operators have a stockpile of masks to protect their drivers, while it is up to the responsibility of our passengers to provide their own. Central government and our advertising and promotion of mask wearing continues but passenger compliance is waning.

The regions larger tertiary institutions are currently transitioning onto Bee Card, resulting in a significant increase in Bee Card utilisation.



### Network Patronage Comparison

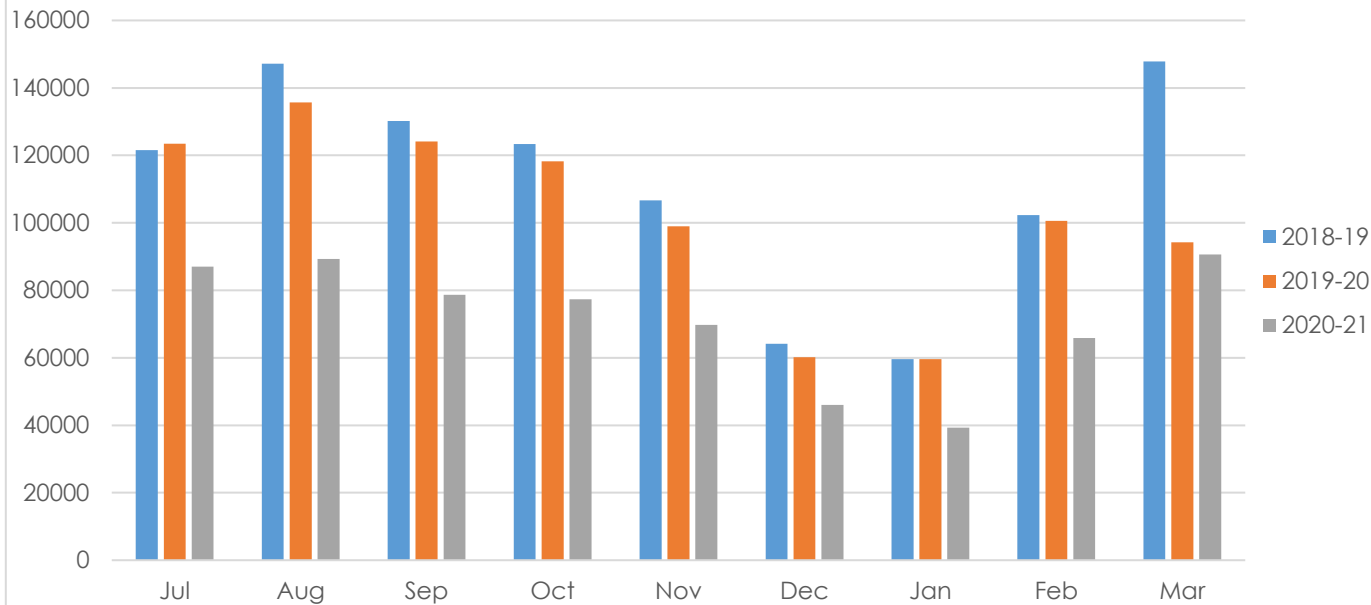
Month	Patronage comparative between 18/19 and 19/20	Patronage comparative between 19/20 and 20/21
July	1.90%	-23.00%
August	-8.70%	-29.60%
September	-5.50%	-32.70%
October	-3.20%	-33.70%
November	-11.60%	-22.50%
December	-4.70%	-20.80%
January	-0.10%	-34.11%
February	-1.50%	-34.47%
March	-31.70%	-3.79%

The table above shows a comparative patronage with the years previous, demonstrating the reflecting impact of COVID.

On average, our monthly passenger trip totals are 26.07% lower than last financial year. The largest contributor to our reduced patronage is the absence of international tertiary students in Palmerston North.



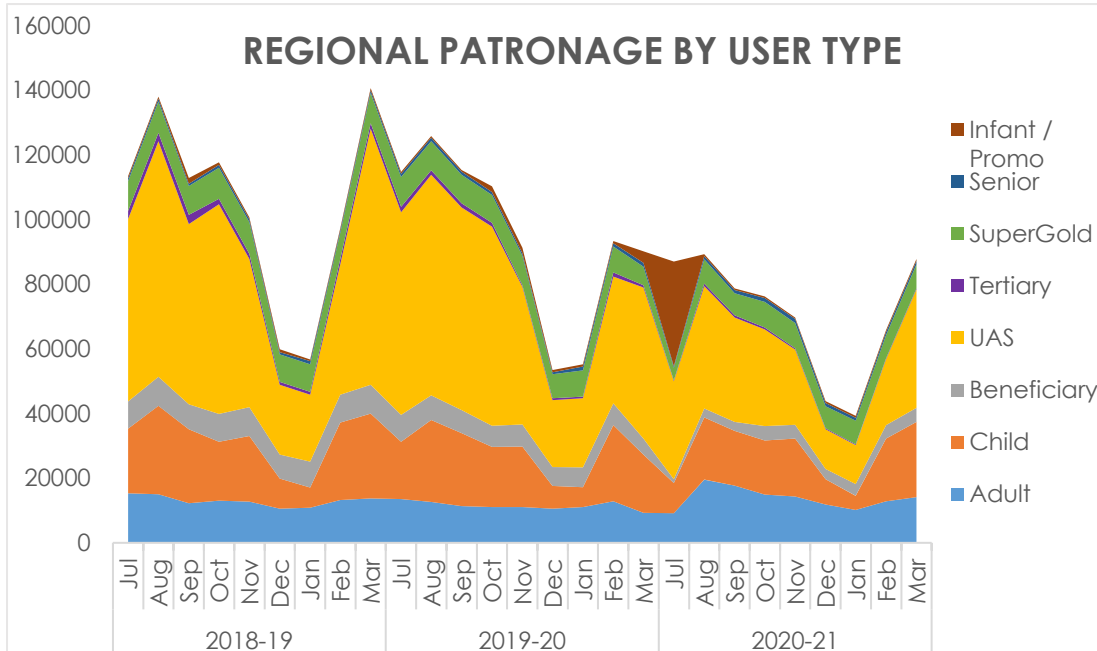
## REGIONAL PATRONAGE SUMMARY



644,000 passenger trips taken on the Horizons bus network over the period July 2020 - March 2021. In this quarter (Q3 2020/2021), 166,000 trips were taken across the network, which is lower than we would expect to have for this period even with the start of the school and academic year taking place in this period. Impact of COVID is still having a significant impact on patronage, particularly on bus routes typically used by tertiary students and routes targeted at the off-peak.

Forecasts predict that by the end of the 2020-21 financial year, passenger trips will be 35% lower than 2018-19 (pre-COVID), this is consistent with some other regions across the country.

## REGIONAL PATRONAGE BY USER TYPE



The trip graph reflects COVID trends on demographic types – particularly in UAS trips – but also highlights the cyclical and seasonal nature of the transport network.

The greatest decline in patronage has been in our **Unlimited Access Scheme (UAS)** customer market, with 223,000 less trips taken this year to date compared to the same period 2018-19 (pre-COVID). The main contributing factor is the absence of international students who attend Massey, IPU, UCOL & ETC.

Despite the overall reduction in patronage we have seen an increase in the Adult user type. There has been 10,000 more adult trips compared to 2018-19, and 20,000 more compared to

## 1.2 Financial Summary and Forecast

**Revenue at the end of the 9 months is \$152k higher than budgeted.** The favourable variance is attributable to the timing of funding from Waka Kotahi for the following:

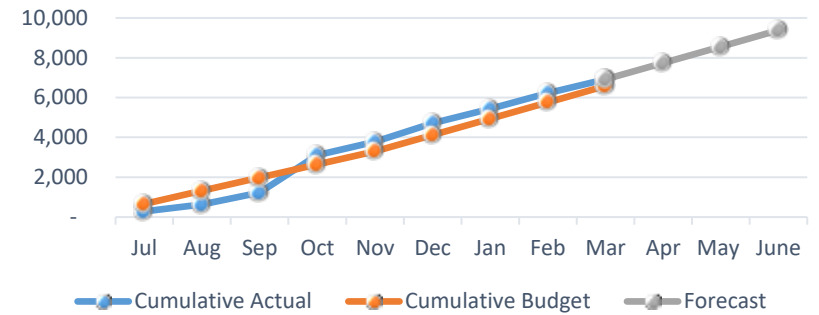
- total annual contribution for the SuperGold Card being received
- Waka Kotahi's is funding the lost revenue resulting from the free fare period during the implementation of RITS and throughout the COVID-19 response period.

**Operating expenditure at the end of the 9 months is \$29k is higher than budget.** Additional costs relating to use of external consultants to assist with Palmerston North Bus review; roll-out of Whanganui customer information improvements; rest and meal break changes, and Beecard. Some of additional cost has been offset by inflation payment on the bus operating contracts being less than budget.

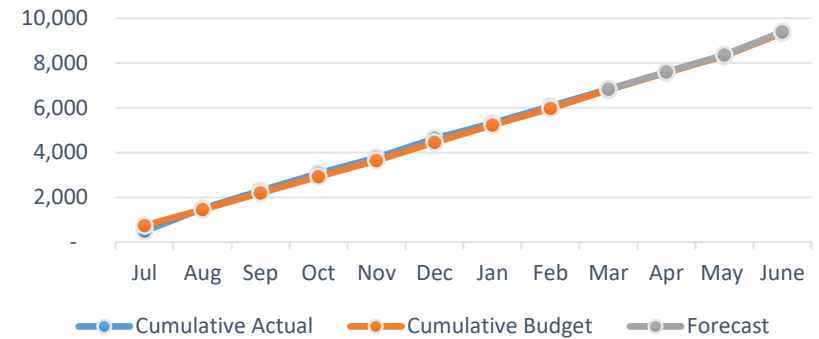
**Capital expenditure at the end of the year end is expected to be in line with budget** as the remaining RITs costs are paid.

	YEAR TO DATE \$'000				FULL YEAR \$'000			
	BUDGET	ACTUAL	VARIANCE		BUDGET	FORECAST	VARIANCE	
Operating Revenue	6,583	6,735	152	Higher	9,044	9,049	5	Higher
Operating Expenditure	6,801	6,830	(29)	Higher	9,344	9,371	(27)	Higher
<b>Total Operating surplus(deficit)</b>	<b>(218)</b>	<b>(95)</b>	<b>123</b>	Unfavourable	<b>(300)</b>	<b>(322)</b>	<b>(22)</b>	Unfavourable
Capital Revenue	-	184	184	Higher	-	-	-	On Budget
Capital Expenditure	269	1,063	(794)	Higher	358	358	-	On Budget

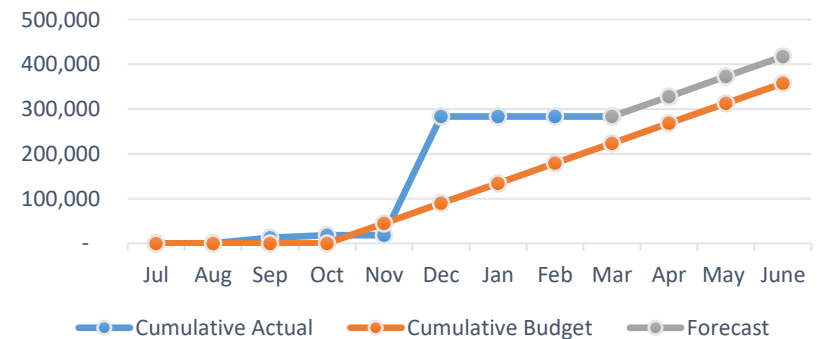
### OPERATING REVENUE



### OPERATING EXPENDITURE



### CAPITAL EXPENDITURE



## 2. Network Summary

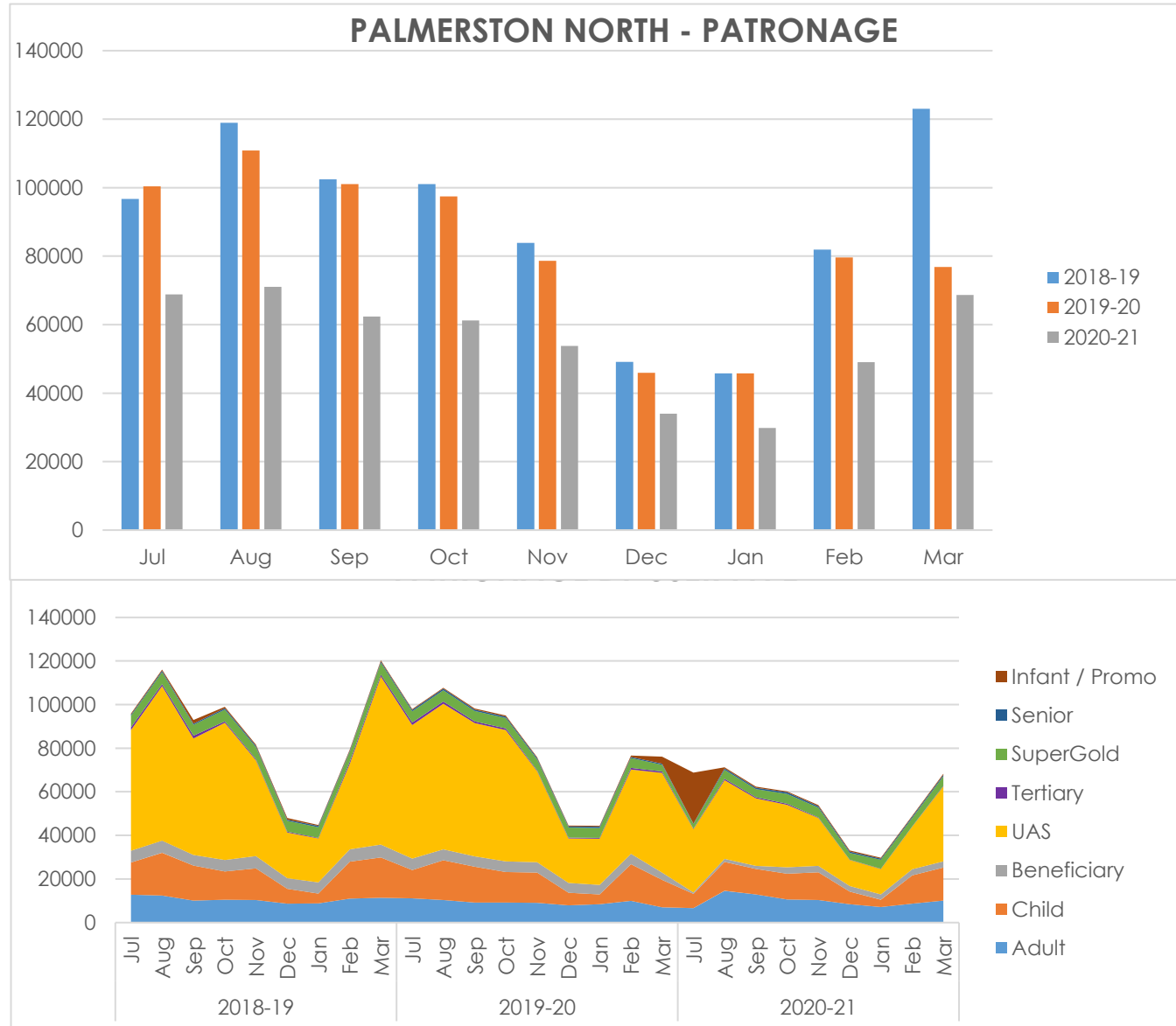
### 2.1 Palmerston North & Ashhurst

Overall patronage in Palmerston North continues to be down. Total patronage for the reporting period is 498,000 trips, down 33% on the previous year. The majority of the drop is on our Massey services, which are down 61% compared to the same period in 2019-20.

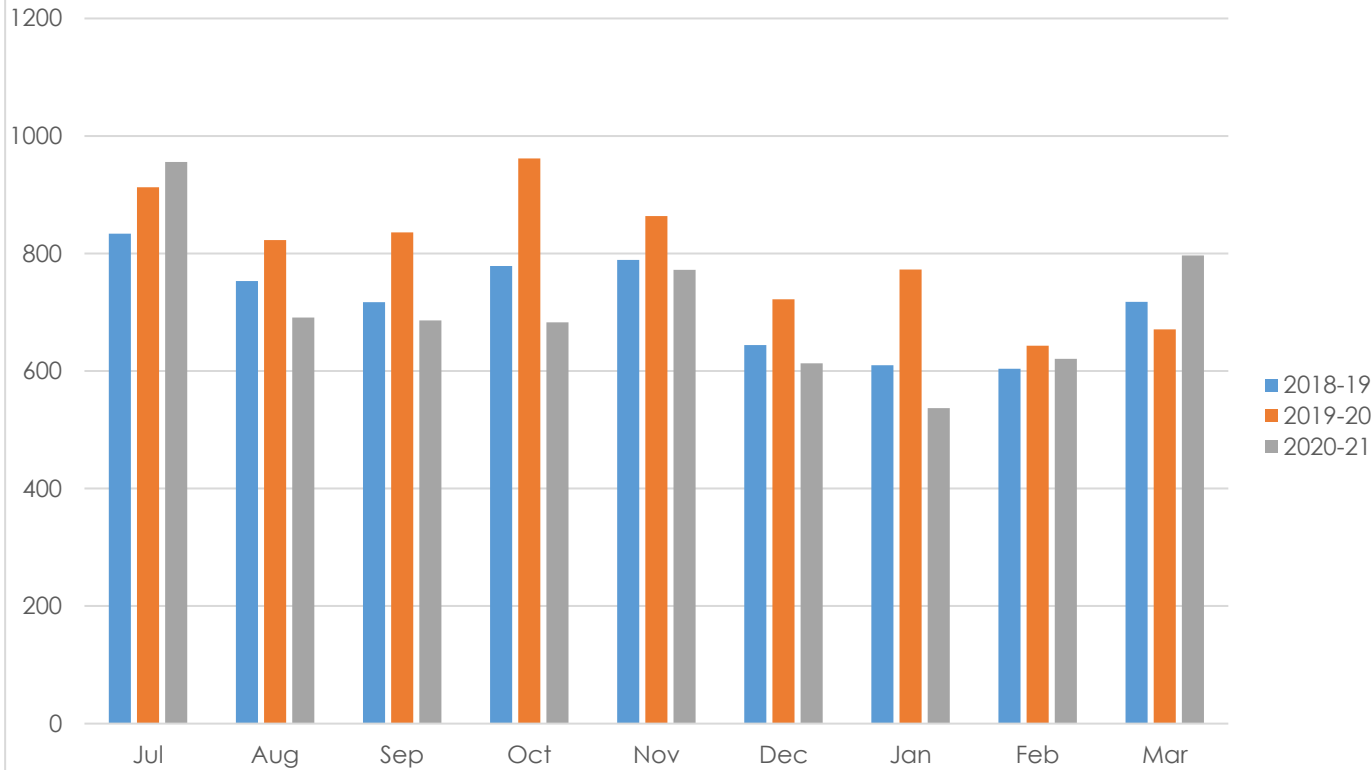
Urban service patronage has increased by 2.45% compared to the same period in 2019-20. There was a substantial increase in March with 41,000 trips compared to last March (29,000). This increase is due to New Zealand first COVID-19 lockdown beginning in the final week of March 2020.

Tertiary education students and staff on UAS types make up 45% of total patronage, while adults user type has increased by 8.5% on the previous year.

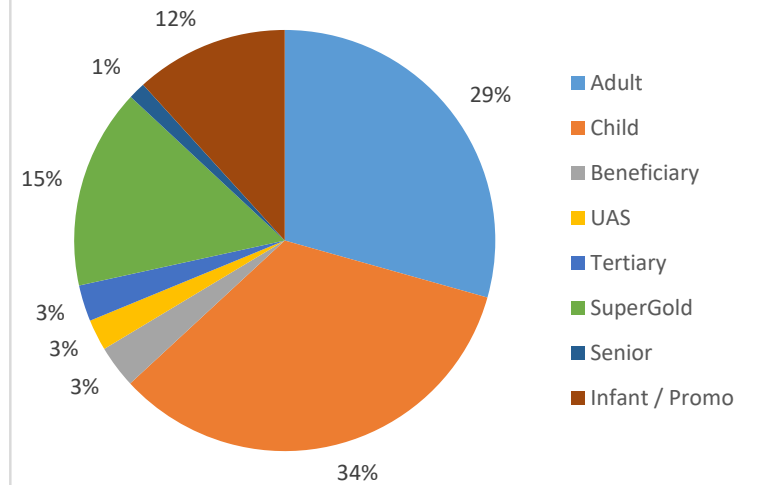
Other user types demonstrate continued decline compared to 2018-19 and 2019-20, which is reflective of the overall passenger reduction in PT usage since March 2020 COVID lockdown.



## ASHHURST - PATRONAGE



## USER TYPE - % SHARE OF PATRONAGE 2020-21 FY



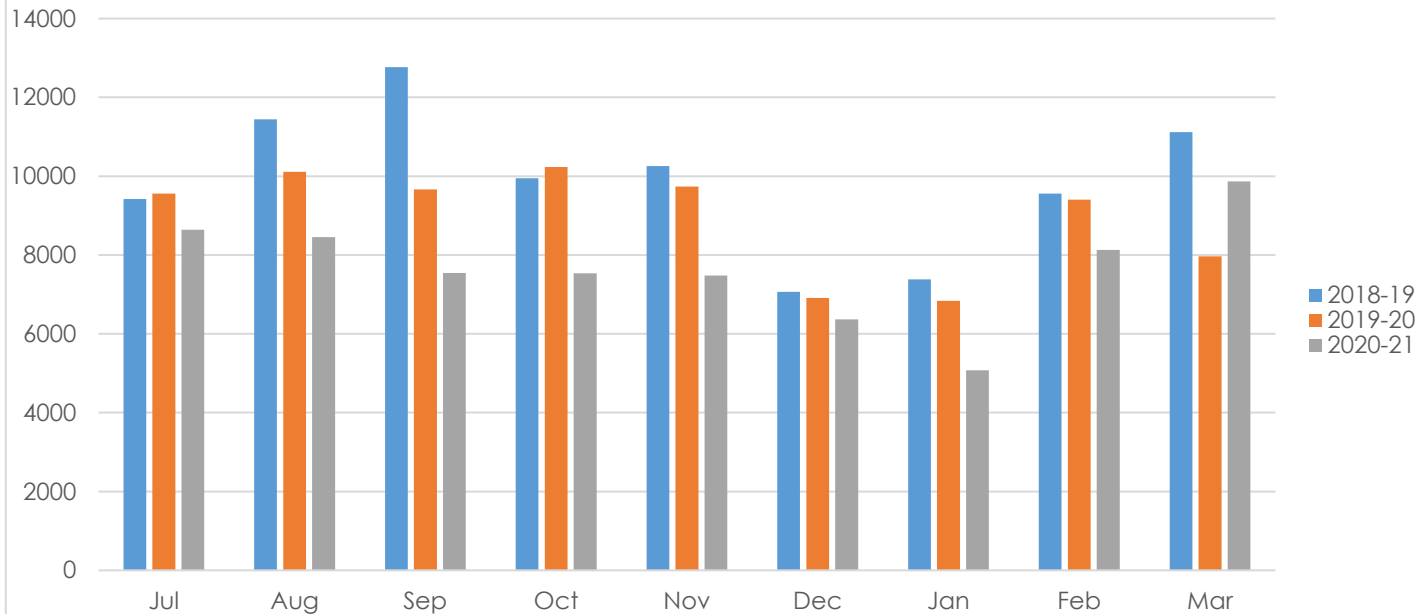
Ashhurst patronage numbers are slightly down from previous years.

Patronage for the reporting period has reduced by 12%, but is consistent with the 18/19 year. The Ashhurst service has consistently lower patronage however this is consistent across the transport network.

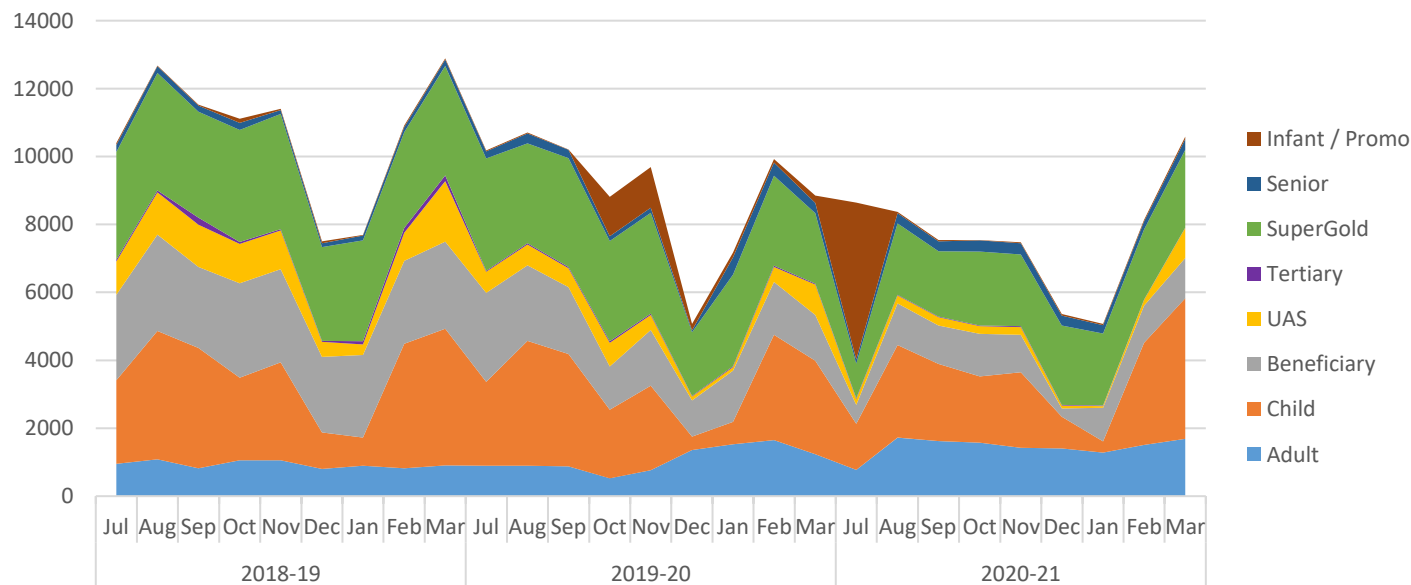
Patronage for March is higher than March in the previous two years. Examination of the passenger type shows us that Child (34%) fares are the highest on this services followed by Adult (29%) and then Super Gold (15%).

## 2.2 Whanganui

### WHANGANUI URBAN SERVICES - PATRONAGE



### PATRONAGE BY USER TYPE



The total passenger trips in Whanganui declined by 13% on the previous year's reporting period.

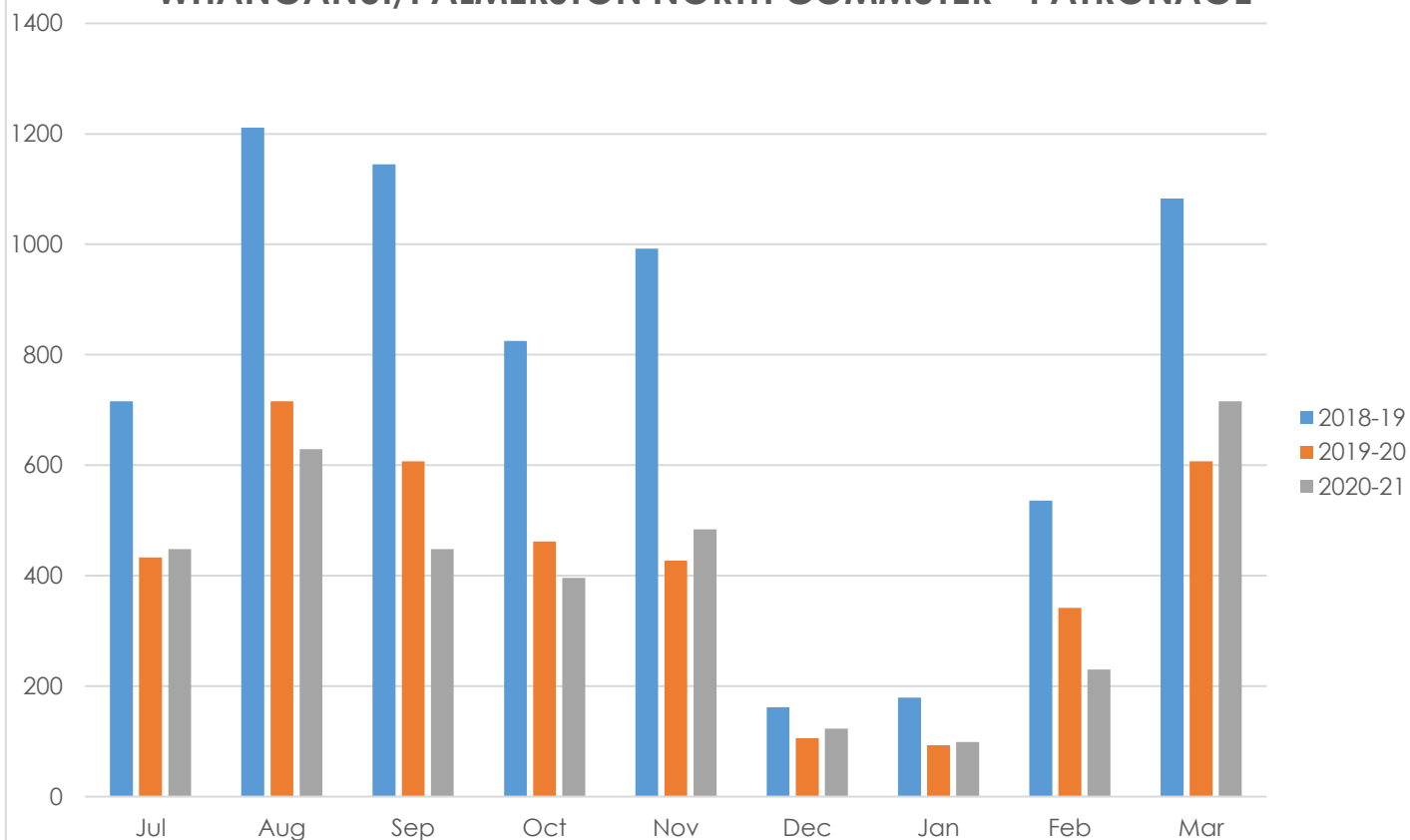
Patronage over this period has been steady and follows a pattern consistent with previous reporting periods.

An updated timetable came into effect from 18 January. This new timetable included updated design, and two small route amendments. Part of the implementation was doubled the amount of on-street information available to customers.

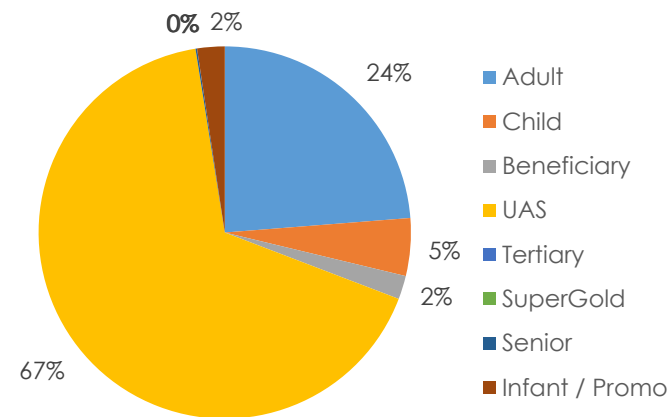
There has been a slow, yet steady decline in Super Gold Passengers, despite the large elderly population in Whanganui. We have seen Super Gold passenger trips decline over the past financial year, particularly around the times where COVID alert levels increased, suggesting the elderly are being more cautious of their movements during heightened periods of COVID in the community.



### WHANGANUI/PALMERSTON NORTH COMMUTER - PATRONAGE



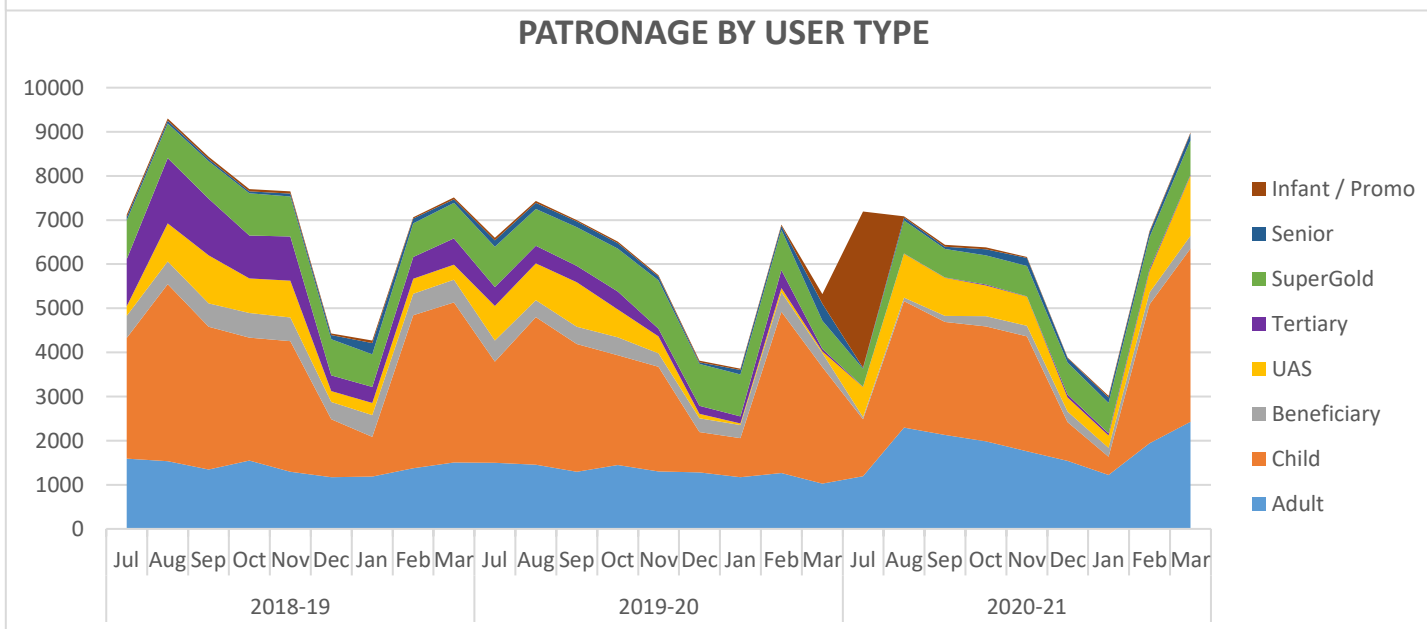
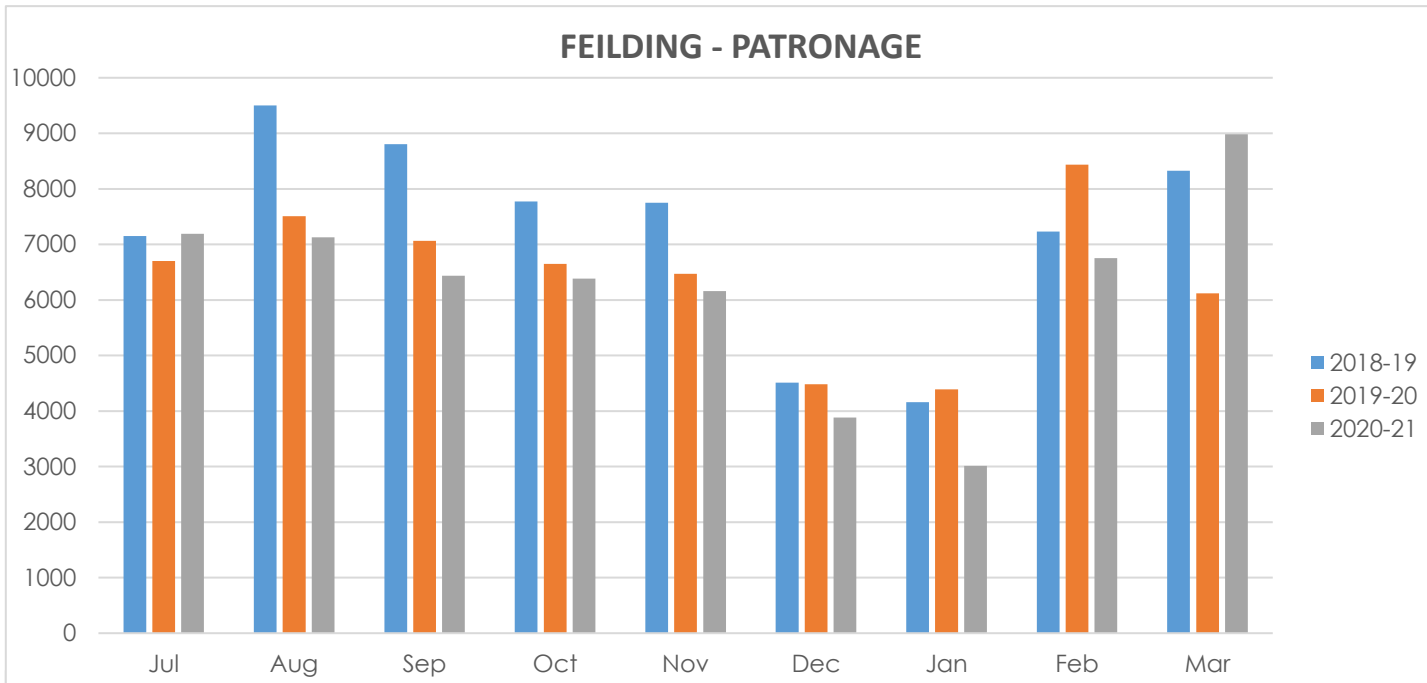
### USER TYPE - % SHARE OF PATRONAGE 2020-21 FY



The Whanganui-Palmerston North Commuter is a connecting service between Whanganui and Palmerston North primarily focused on transporting UCOL students living in Whanganui to the Palmerston North campus. The service purpose is verified by user type analysis showing 67% of patronage was UCOL, 24% adults, and 9% other. The 2019-20 FY saw a significant drop in passenger trips from the previous year. This could possibly be because a couple of regular bus users no longer needed the service, potentially graduating from UCOL as UCOL students make up a large demographic on this service, which might explain the significant drop in patronage.

At the start of semester (15 February), the bus changed from an urban bus to a coach following feedback from the public on levels of comfort. The coach is fitted with Bee Card hardware and free Wifi.

## 2.3 Manawatū



Feilding has performed exceptionally well post COVID. While the summer period was lower than seen in previous years, the difference was not substantial, 2,000 less passengers compared to the same period, last year.

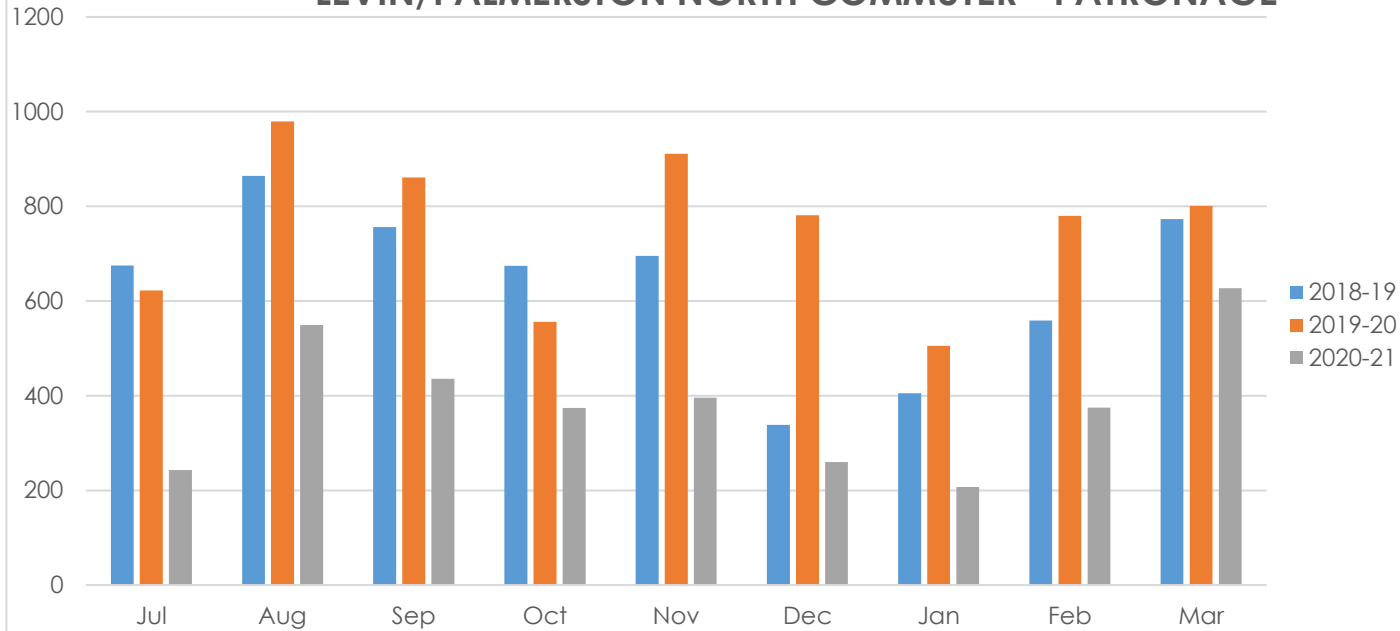
The airport stops are growing in popularity as more domestic flights are taking off compared to the start of this financial year. March 2021 had 61% more passenger trips to and from the airport than March 2020. Despite the lower number of flights to and from the airport due to the impacts of COVID, there has been a 2.5% increase in passenger trips to and from the airport for 2020-21 Yr compared to 2019-20 FY. This increase in airport trips is just one of the reasons why the Feilding service patronage is recovering more steadily than some of the other routes in the network.

Children are the highest users of this route, with large numbers of students travelling from Feilding to schools in Palmerston North and vice versa a high number to students travelling from Palmerston North to schools in Feilding. Hence the significant reduction in patronage during school holidays.

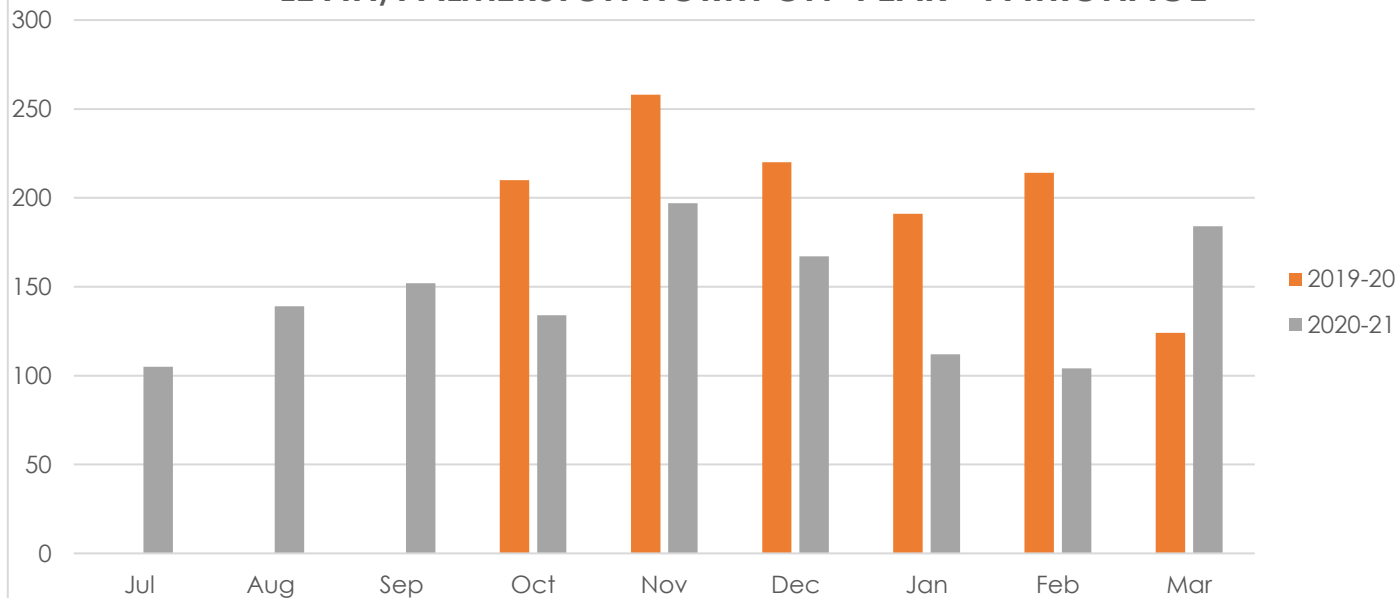
There has also been an increase in the number of adults using the Feilding

## 2.4 Horowhenua

### LEVIN/PALMERSTON NORTH COMMUTER - PATRONAGE



### LEVIN/PALMERSTON NORTH OFF-PEAK - PATRONAGE

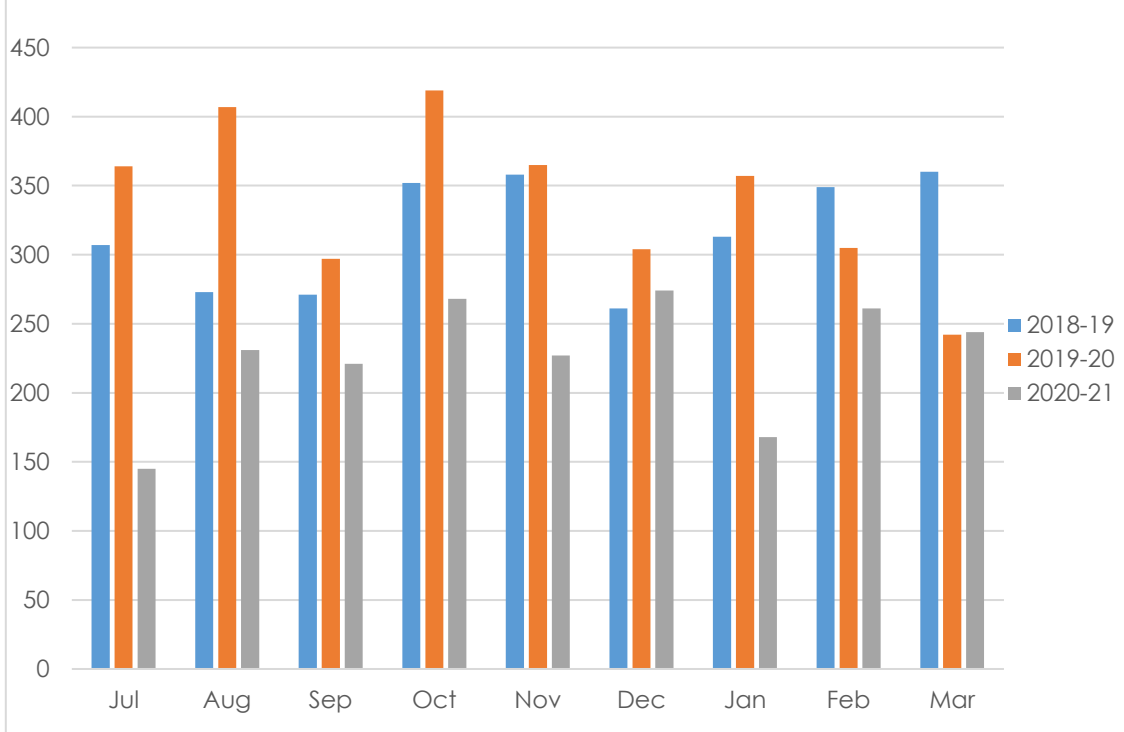


Patronage in March 2021 on both the Levin – Palmerston North commuter and off-peak services appears to have made a more significant improvement under COVID. Once we have April patronage available we will be able to ascertain whether this improvement is ongoing.

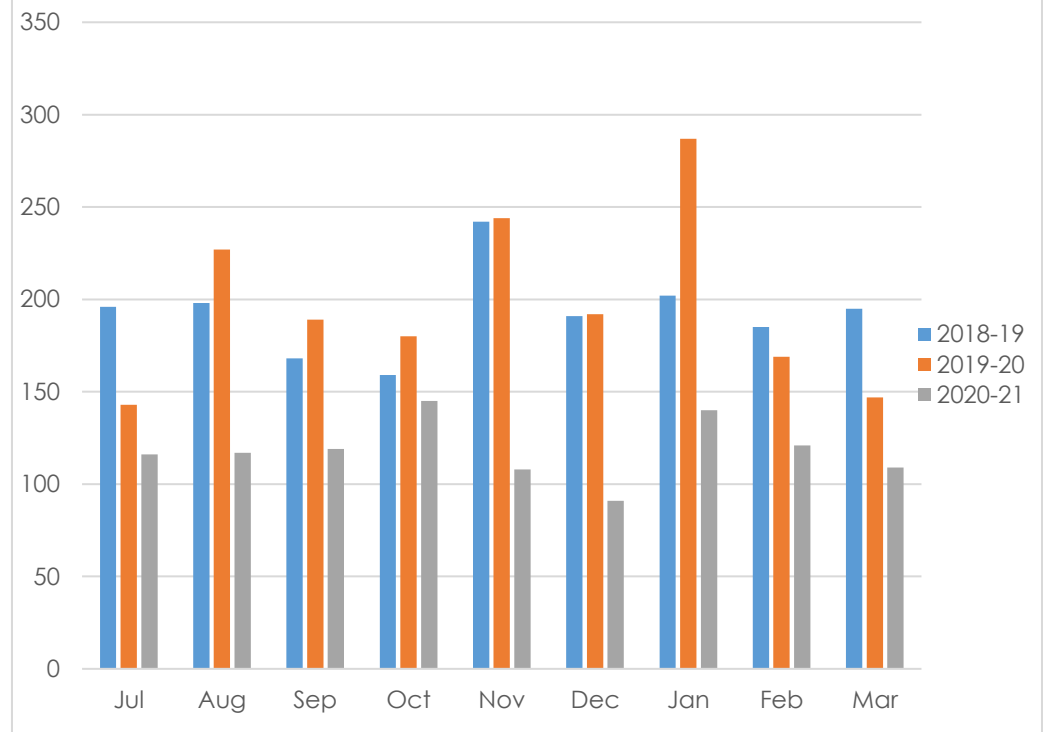
On the commuter service adults accounted for 65% of trips July 20 –March 21, with the second largest demographic, being tertiary students at 20%.

Lower patronage numbers could be influenced by lower numbers of tertiary and international students in our region. March saw the highest patronage for tertiary students this financial year, taking 149 trips (25% of March trips).

**LEVIN/WAIKANAE OFF-PEAK - PATRONAGE**



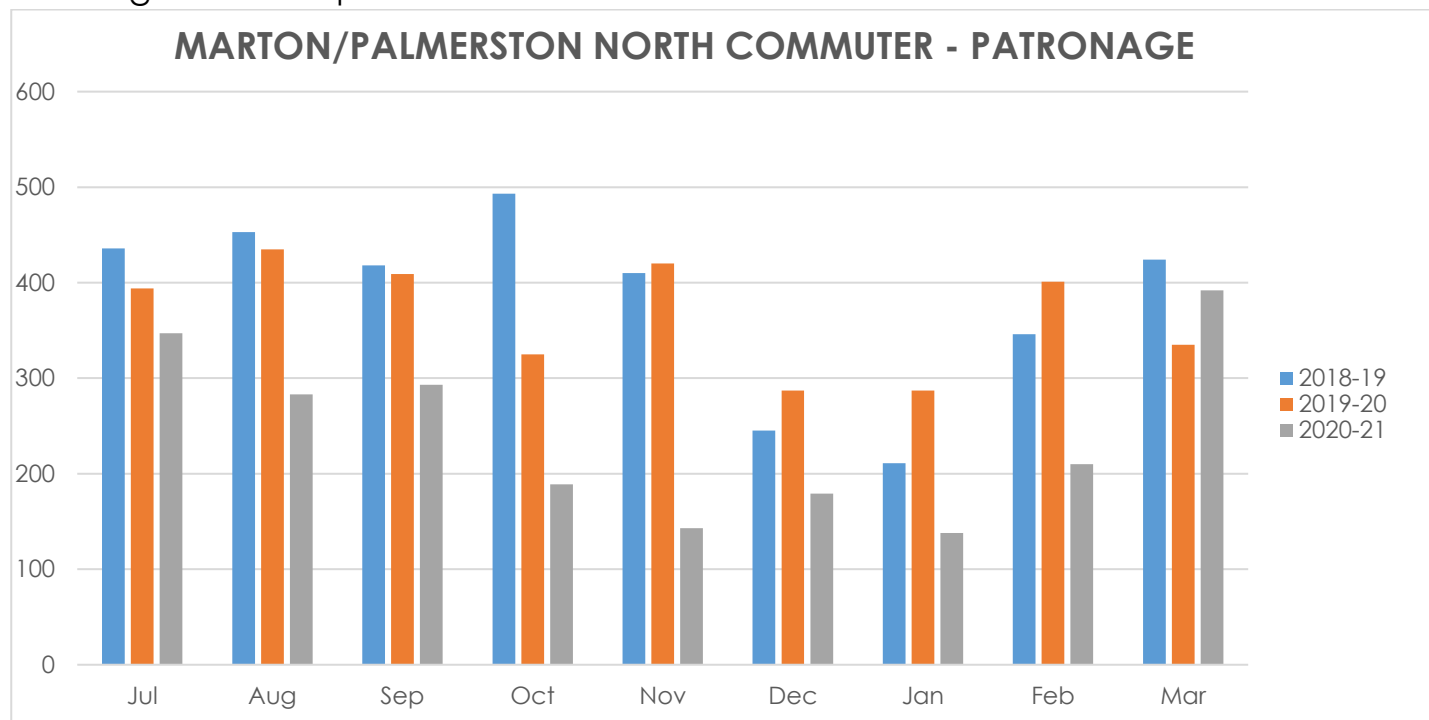
**DAY OUT IN TOWN - PATRONAGE**



Super Gold card holders account for 90% of the total trips taken on the Levin – Waikanae service, with the remaining 10% of trips being adults. The recovery from COVID is slow, yet from what has been observed so far, steady. Notably, the service does not appear to be as greater influenced by cyclical or seasonal trends as other routes can be, which would explain that months over the holiday period aren't as impacted as other services are during the same period of time.

The Friday only Day Out In Town service provides people living in smaller townships to access facilities in the district's main centre of Levin. Super Gold cardholders are the main group of people utilising this service. Patronage has been affected by COVID likely due to the service being used by more vulnerable members of the community.

## 2.5 Rangitikei & Ruapehu

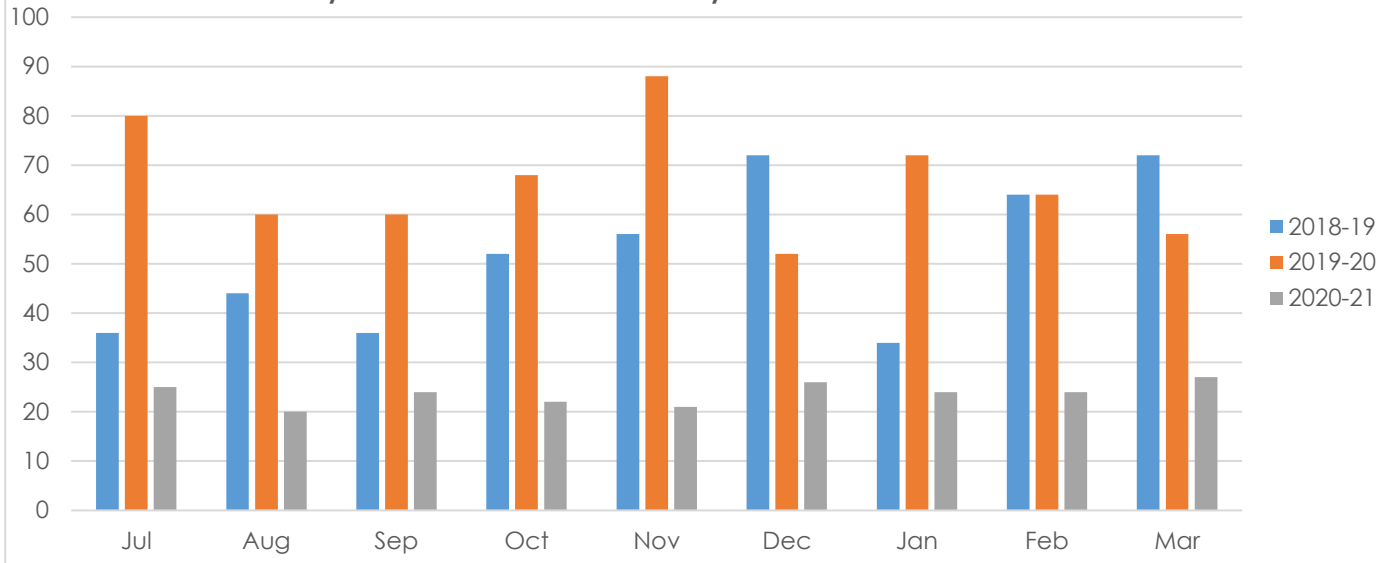


Patronage on the Marton Commuter is down 44% compared to the same period last year. In July 2020 passenger numbers were comparable to July 2019 (may be due to the free fares being in place). Between August and February patronage was around half of that compared to the same period in the previous year. In March patronage was up 17% on March 2019. April patronage will provide an indication on whether post-covid recovery is being sustained. This service is predominantly used by adults, making up 73% of the passengers

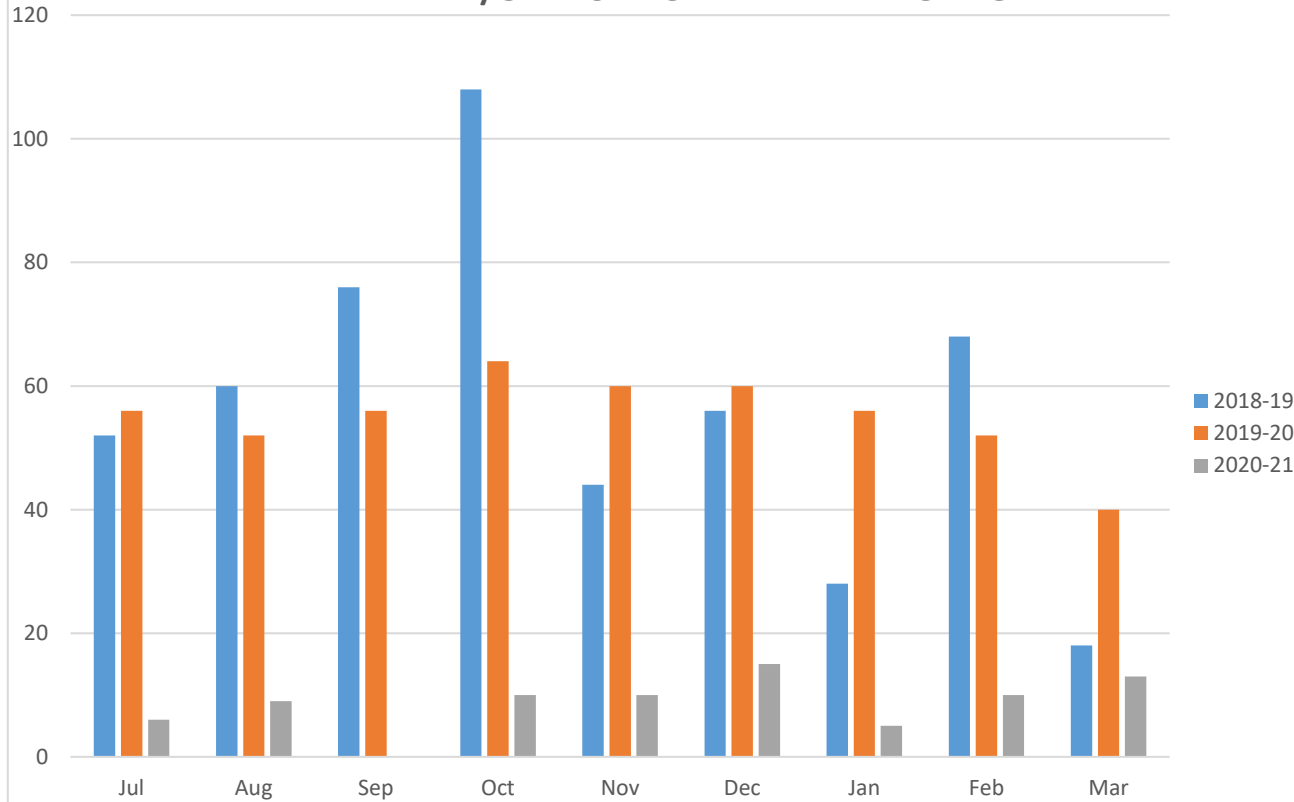
Patronage for the Taihape service patronage is down 30% from 2019-20 and down 8.4% from 2018-19. Since service restarted after the March 2020 lockdown patronage has been entirely SuperGold Card holders. As the service operates twice a month, patronage trends indicate the service has core group of users that have continued to use the service when it resumed after the March 2020 lockdown.



### TAIHAPE/PALMERSTON NORTH/WHANGANUI - PATRONAGE



### RAETIHI/OKAKUNE OFF PEAK - PATRONAGE



Patronage for the Raetihi service continues to underperform compared to recent years. In the reporting period patronage has decreased by 68% on the previous period, and 69% on 2018-19. Since the March 2020 lockdown the service has struggled to re-engage previously consistent users.

Recommend this service be reviewed, to assess what alternative travel options may be available for the regular users.

# 3. Bee Card

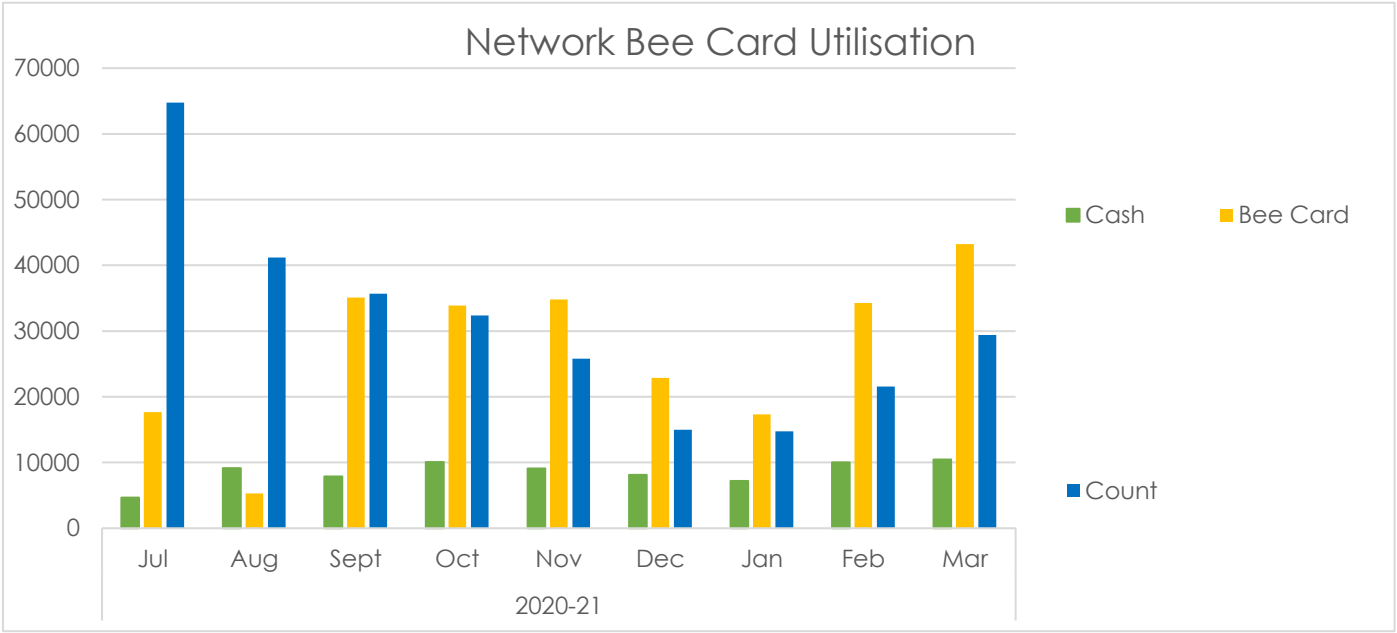
Bee Card – March 2021 Snapshot			
Network	Bee Card	Cash	Count
Ashhurst	77.94%	19.92%	2.13%
Feilding	73.42%	12.31%	14.26%
Horowhenua	84.14%	8.85%	6.97%
Marton	88.27%	11.73%	0%
Palmerston North	49.15%	10.08%	40.77%
Whanganui	65.66%	22.88%	11.45%
<b>Whole Network</b>	<b>54.67%</b>	<b>12.11%</b>	<b>33.21%</b>

Across the network, Bee Card is performing well, and the monthly usage of the card continues to grow. This a trend we anticipate to continue with tertiary students currently transitioning onto Bee Card.

A promotions plan aimed at moving more customers onto Bee Card is be under development. The focus will be on areas and routes where cash payments (including on-board tops-up) and counts (e.g. SuperGold cardholders) remain as the most common form of payment.

### Snapshot

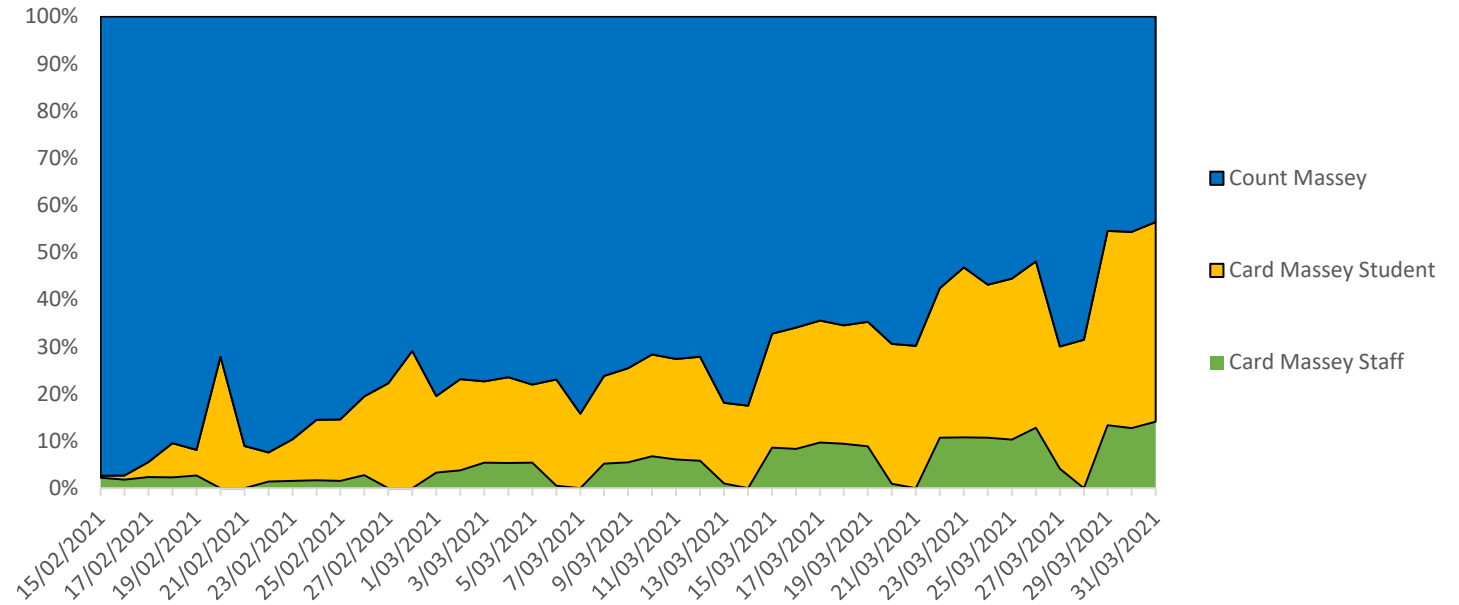
With Massey coming onto the Bee Card in Palmerston North, the market share of the Bee Card as the chosen payment method grew from 35.67% in January 2021, to 49.15% by the end of March 2021. This figure is expected to grow even further by the end of the financial year. Our Horowhenua and Marton buses have had the strongest uptake of the Bee Card. Further promotional strategies are currently in development, particularly in Palmerston North and Whanganui which will attempt to increase the bee card market share further across the region.



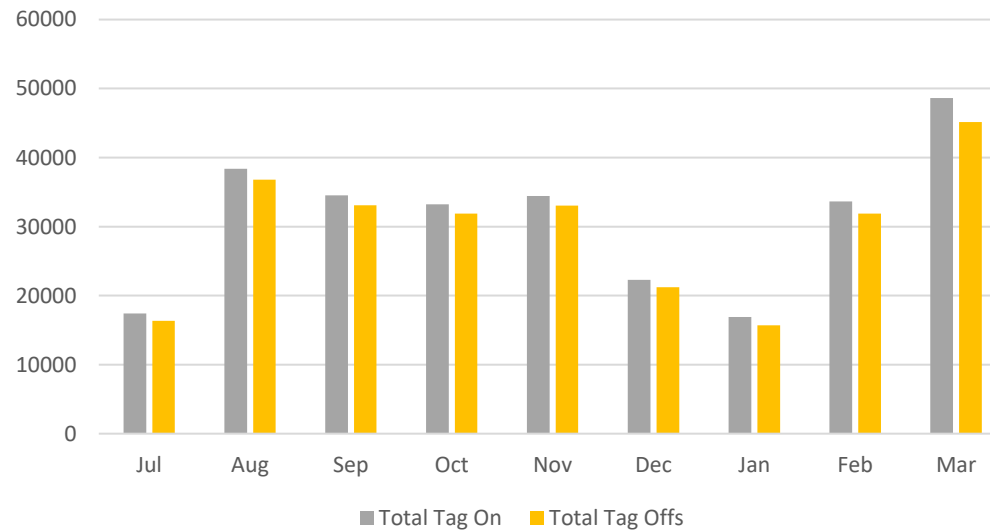
This quarter has seen the highest Bee Card usage since the system went live. From February 15, Massey began transitioning their students and staff on to the Bee Card in order to access free travel on the buses, with the goal of having no more 'Show-and-Go' boardings with ID cards by the end of April 2021. This push has seen a gradual shift in boarding payment method, from 5% of Massey Students and staff using Bee Cards, to roughly 50%. In April, there will be a greater push to get Massey students and Staff on to the Bee card. While we expect some challenges with changing habits of those previously only using the ID Cards, we believe that the shift will be beneficial in providing greater data and insights to how the network is being used.

March 2021 saw the greatest month of failed tag-offs to date, with 3438 failed tag offs, compared to the monthly average prior to March of 1328 failed tag offs. Failing to tag off provides a gap in reporting data This has been due the increased number of new users of the cards from the Massey transition onto the system. The incentive to tag-off is less for these users as their travel is already free. If a trend of failing to tag-off develops and remains high or increases further, we will work with Massey to develop and introduce behaviour change initiatives.

Massey Bee Card Utilisation



Tag on - Tag off Relationship



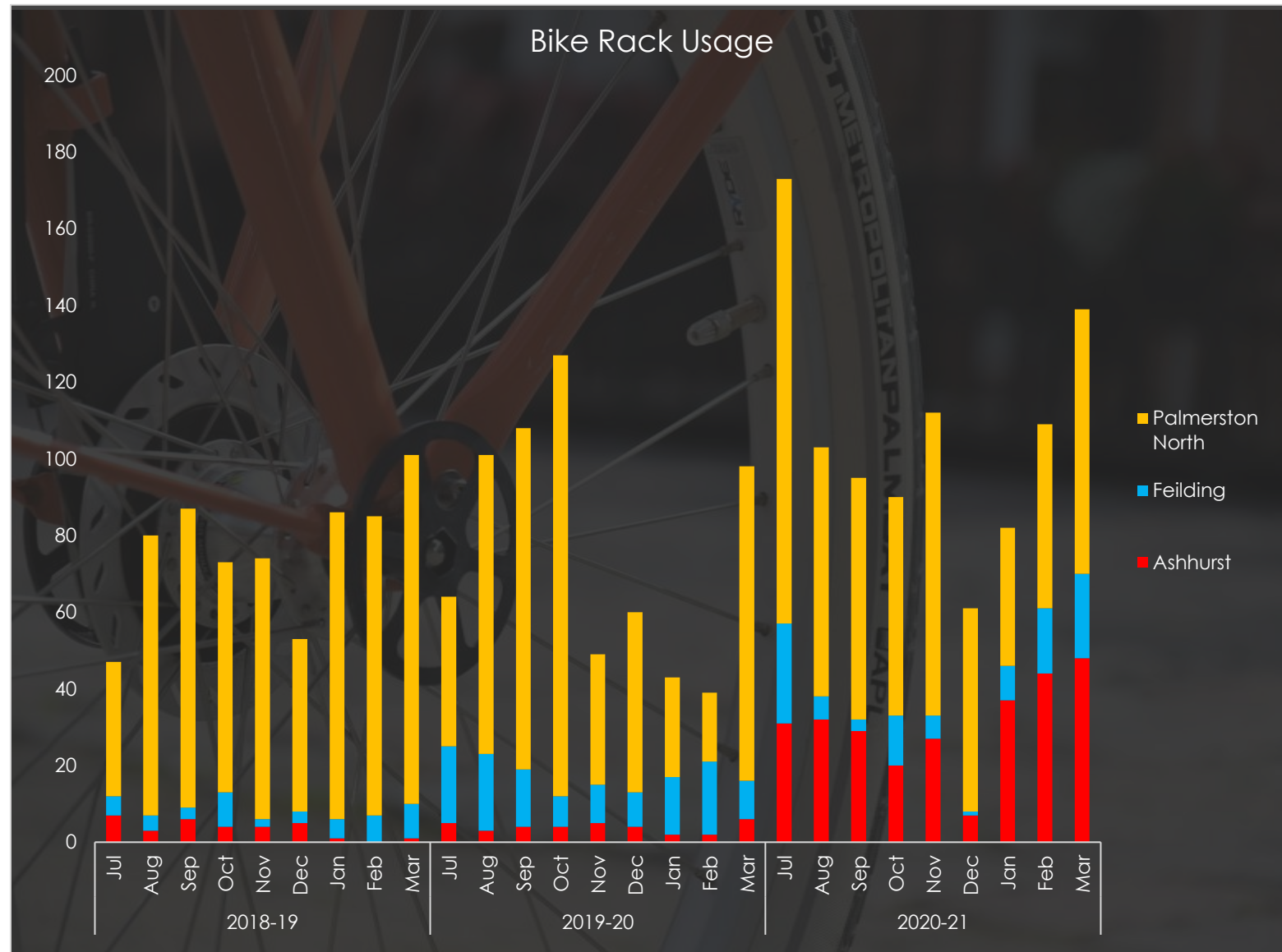
March of 2021 saw a 7.07% fail tag off rate, compared to the monthly average of 5.20%.

## 4. Bike Racks

The usage of bike racks on the buses continues follow an upward trend. This could suggest a shift in the modes of travel throughout our region, and a willingness to mode-share to get to and from various destinations. Palmerston North and Ashhurst currently have the largest utilisation of the on-bus bike racks.

However, the rise in passenger trips with bikes could be credited to a few regular users of bike racks on the buses rather than many casual users. This can be seen in December 2020, where a regular bike rack user from Ashhurst stopped taking the bus as it was non-semester and did not have to travel on to Palmerston North during this period. The decline in usage from November 2019-February 2020 was likely caused by similar circumstances.

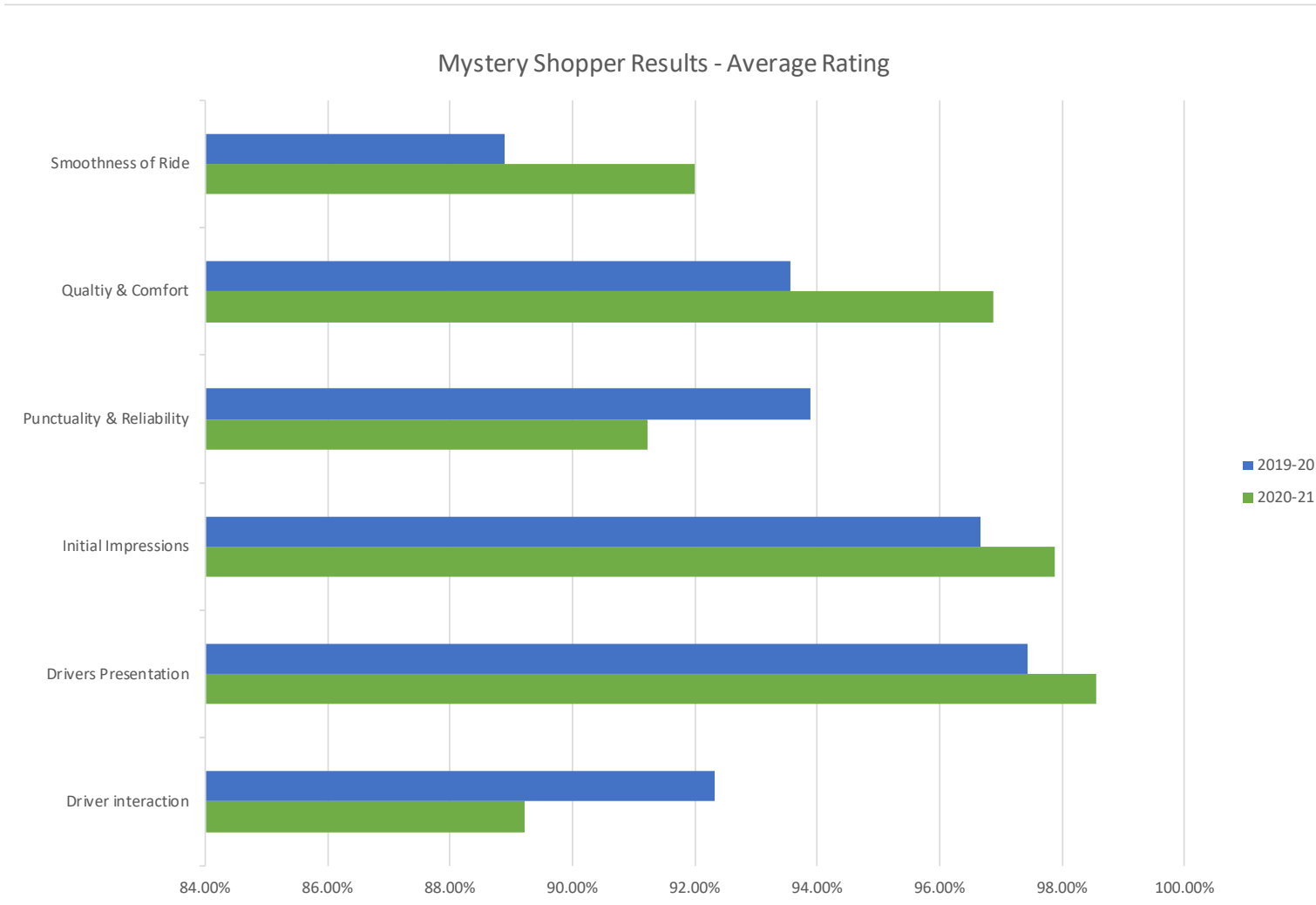
The huge spike in July 2020 can be attributed to the free fares for large portions of the month, which attracted non-regular bus users to mode-share bike and bus. When the free fares stopped, it can be inferred that those users returned to their normal mode of transport.





# 5. Customer Experience

## 5.1 Mystery Shopper



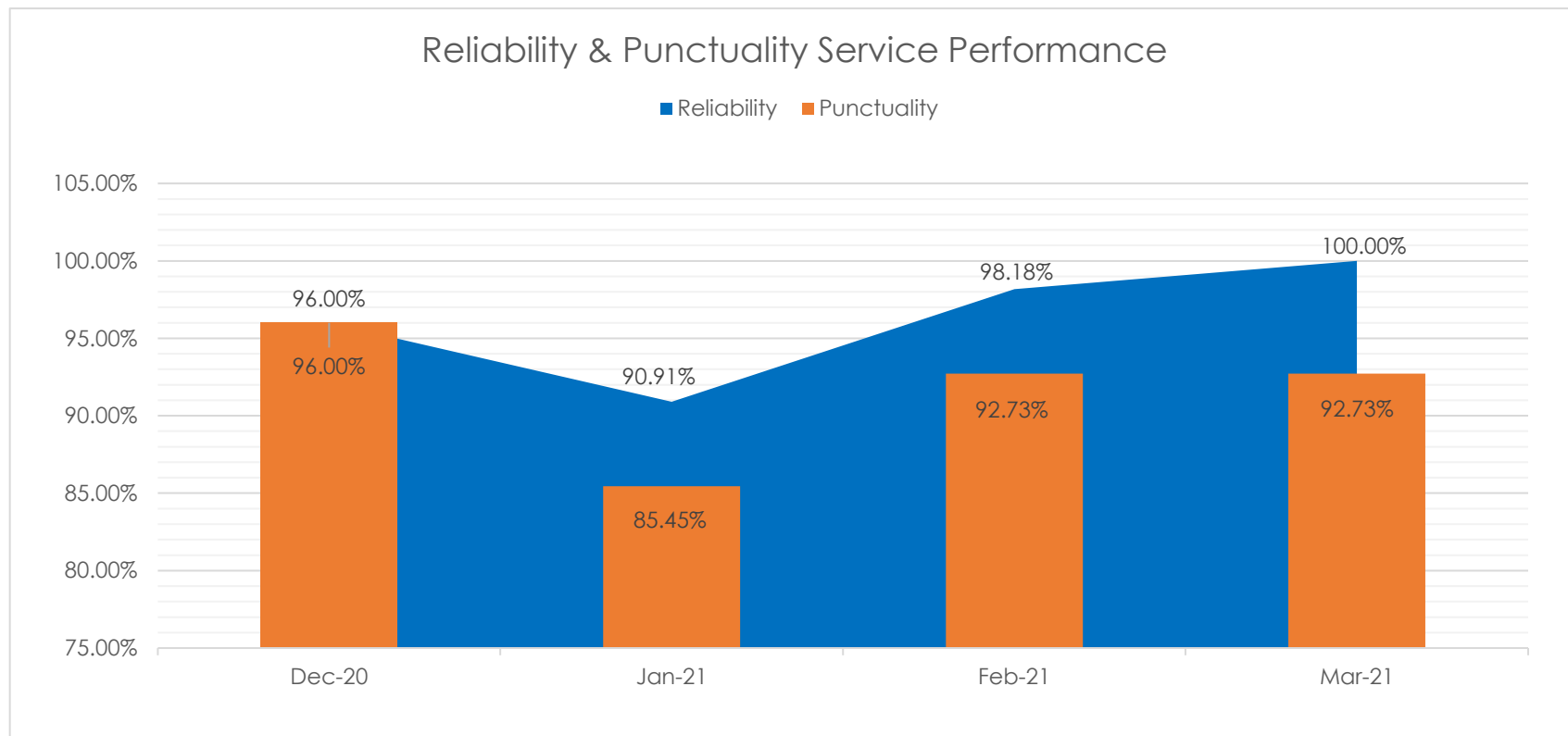
To measure customer experience on our bus network, eight surveys are completed each month across the region. The survey results are sent to operators and discussed at regular performance meetings to ensure operators are supported in areas for improvement and upcoming training.

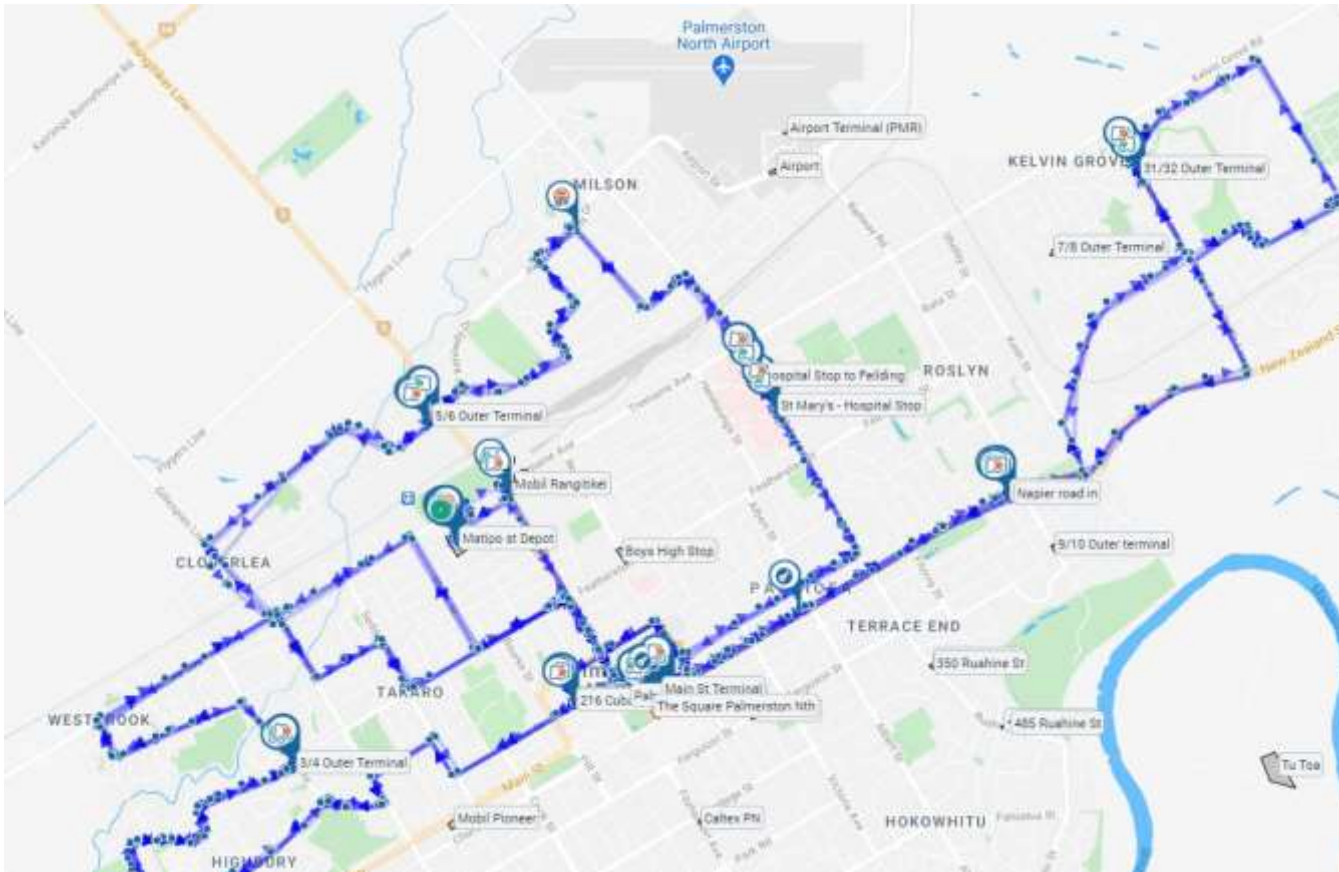
While there is a consistently high standard of experience for the passenger; punctuality and reliability are challenges that we continue to work with operators on. It is clear that there is a correlation between driver interaction and timing pressures in our larger networks. These can be worked through with adjustments to timetables where required.

## 5.2 KPI Monitoring Trial

Since December 2020, a trial approach to monitoring service performance and contractual KPIs has been underway. The trial covers Palmerston North services, and aims to determine whether the current KPI's are achievable and realistic. If not, what may be the cause of the issues – and then determining once the trial is over, what we can do to ensure our services are operating as reliably and as punctual as possible under current circumstances.

As part of the trial, we have taken a more active approach to investigating the punctuality and reliability of the services. The current contract requires 95% of services to be on time (punctuality), and 97% of services to have been run (reliability). If the operator gets a score of 97% for punctuality and 99% for reliability, it would then be entitled to an incentive payment as a bonus for exceeding the standard requirement. With the availability and access to improved data sources (Operators vehicle tracking systems and Horizons new ticketing system) we monitor a total of 110 trips per monthly, split evenly between the Reliability and Punctuality KPIs.



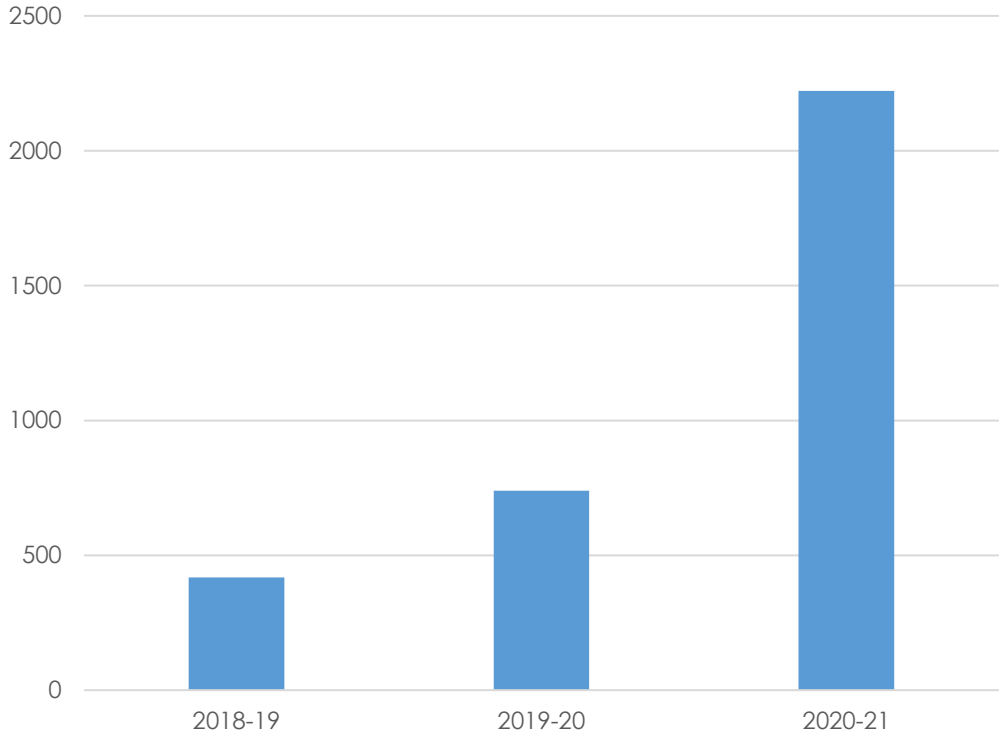


To date the trial has highlighted:

- drivers failing to complete their full routes and returning to the depot early with 2 or more consecutive stops missed from a trip, usually the last trip before a break or end of shift. This raises concerns that passengers may be missed, and if this behaviour continues it could create problems with data for planning purposes and introduction of new systems such as real time information. January score the lowest for this KPI so far, where they achieved 90.91% (5 out of 55 services failed). Action was quickly taken after January to ensure that the drivers were in fact completing their routes by returning to the terminal, and we continue to monitor this.
- Particular scheduled trips are struggling to make it out of The Square on time due to traffic constraints at the Church St intersection in front of the Plaza. There has been multiple occasions where buses have been held up at this intersection for more than 5 minutes, subsequently creating large delays. These delays cannot be fixed immediately, but provide insight for traffic management planning with PNCC.

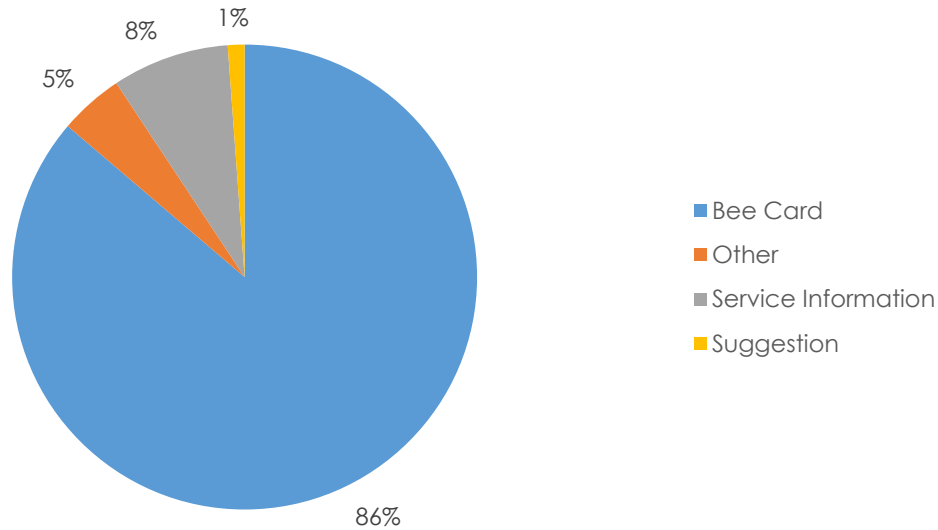
### 5.3 Complaints & Feedback

**Total customer inquiries Year on Year**

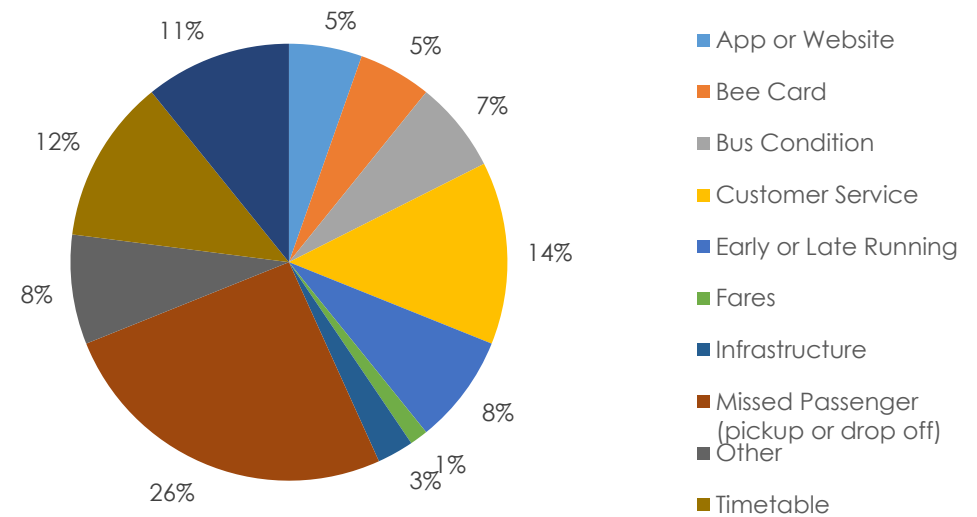


So far in the 2020-21 Financial Year the transport team has responded to over 2000 Customer inquiries through the Horizons service portal. This an increase of around 200% from the same period in 2019-20. The introduction of the Beecard has been the primary cause of this increase, with Beecard making up over 80% of the inquiries Horizons has responded to.

### Inquiries by Sub-Category



### Complaints by Sub-Category



## January to March Breakdown

In December 2020 Horizons switched to a new database for recording customer enquiries. The new database allowed us to update the categorisations of inquiries.

While our reporting can be improved moving forward, there is some limitations with combining the previous and new datasets due to different inquiry categories. As a result the information provide in this report for breakdown on inquiry types only cover January to March 2021.

Over the January to March period Horizons received 516 inquiries of which 445 have been about Beecard. Compared to the same period last FY Horizons only received 71 inquiries.

Over the same period, Horizons has received 74 complaints. The majority of these have been in regards to Missed Passengers (19). Of these 74 complaints after investigating 16 were found to be substantiated.