Public Transport Services Report

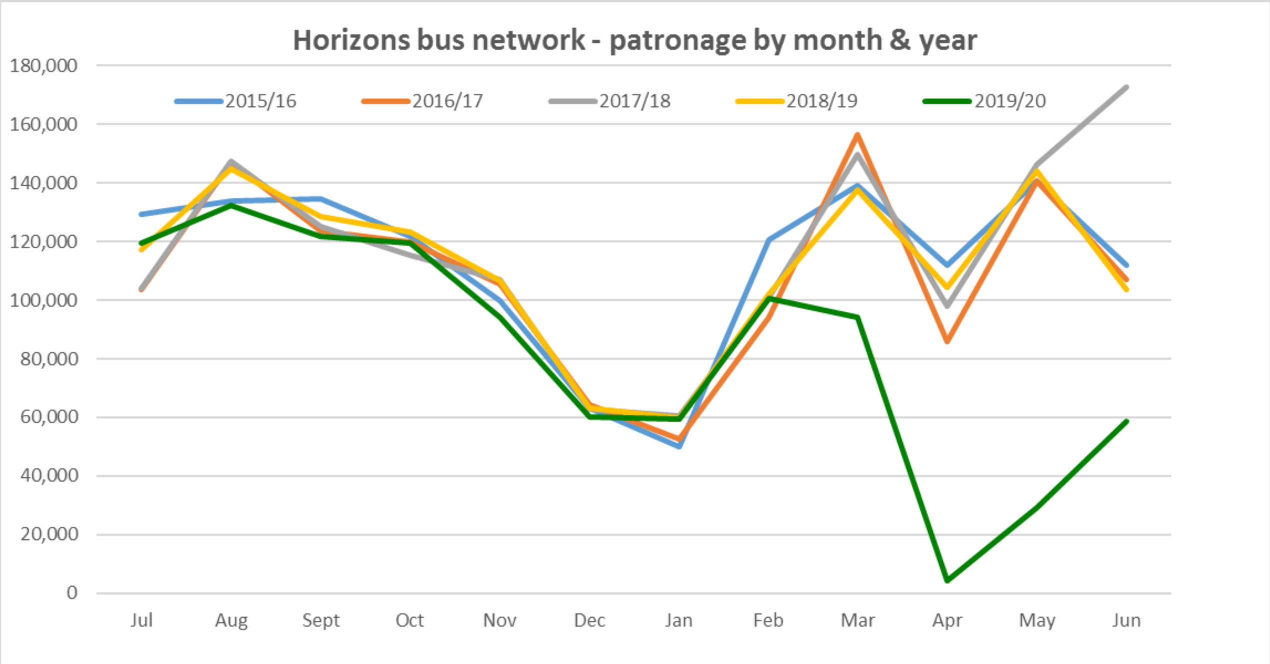
1 July 2019 to 30 June 2020

October 2020

1. Network overview for financial year 2019-20

1.1 Patronage

Prior to covid-19 network bus patronage was tracking similar to previous years. The patronage graph below shows the patronage trends over the last 5 years. The impact of Covid-19 can clearly be seen by the dramatic drop in patronage from March through to the end of June 2020. When we moved into alert level 4, and use of public transport was for essential travel only, patronage dropped to around 3% to 5% of levels typical for this time of year. By the end of June we had moved into alert level 1, and patronage had recovered to around 63% (The graph below shows ~56% recovery[1]) compared to June 2019 levels. Further information on Covid-19 is provided in Section 2 of this report.



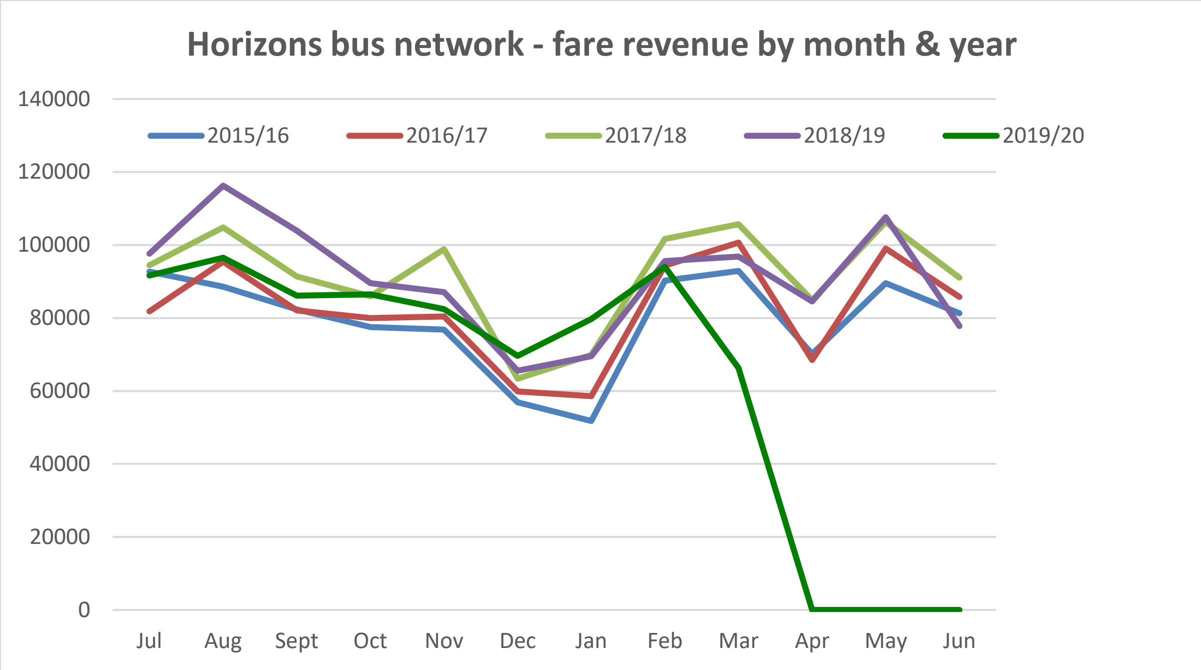
1.2 Fare revenue

The fare revenue graph below show the network fare revenue over the last 5 financial years. Fare revenue includes fares directly paid by customers (cash, electronic card, and monthly passes), advertising revenue, and any third party contributions that do not directly offset local rates share.

In 2019/20 the usage of services started to decline and then we moved into a free fares scenario which impacted fare revenue. Prior to this fare revenue was tracking to a similar trend pattern as previous years but at a slightly lower level to the previous 2 financial years (2017/18 and 2018/19). There is no specific reason to why this may have been occurring.

Fare free continued through the remainder of the 2019/20 financial year and continued until 20 July 2020 when fares were re-introduced as part of the launch of the new ticketing system and Bee Card.

[1] The difference between 63% and 56% relates to a factoring up to account for a 50% reduction in data capture during the week of 22 June. This reduction was a result of the introduction of the new ticketing system on buses for bus drivers as they got use to using the new system. The customer launch of Bee Card and the introduction of transitional fares commenced the following month (22 July).



2. Impact of COVID 19 on Horizons services

2.1 Summary

The emergence of COVID-19 is having a significant impact around the world and in New Zealand. The health response to the pandemic in New Zealand has significantly impacted Horizons public passenger services. This section outlines the operational side of Horizons services over the initial implementation of Alert Level 4 (March 26) through to the return to Alert Level 1 (June 14). During this period levels of service were amended to reflect demand levels, customer information was continuously updated to reflect government messages and guidance, contract tracing was brought, increased on-bus cleaning was enacted in signage and social media.

2.2 Alert Level 4

New Zealand entered Alert Level 4 on the 26 March 2020. Under Alert level 4 the majority of New Zealanders were restricted to their homes in order to curb the spread of COVID-19. Under Alert Level 4 only those that were employed as essential services or where accessing essential services where allowed to travel away from their homes. This resulted in a significant drop of people travelling across the region and the demand for public transport drop with it. Patronage dropped to approximately 3%-5% of normal patronage levels for this time of year. At this point most urban services moved to a Saturday timetable and a number of the intra-regional commuter and local connector services were cancelled.

To maintain safety, interactions between drivers and customers was reduced by removing fares, introducing removed rear door boarding, and cordoning off the driver area. Cleaning regimes increased on the buses. New signage (at stops and on-board buses) were installed, an interim contract tracing software was developed and introduced, regular media updates were released along with website and app updates.

2.3 Alert Level 3

On the 28 April New Zealand moved to Alert Level 3. At Alert Level 3 the country began easing restrictions. More people were able to go back to workplaces, and schools reopened in a limited capacity to support returning employees. As more people were able to travel passenger numbers were restricted to approximately 9-11 per bus in an effort to support social distancing (2 metres). This required additional buses being put on standby to provide transportation when services were overloaded.

On bus floor decals and seat stickers were installed to help passengers with the social distancing requirements. New signage was installed at bus stops and media messaging, website and app updates occurred.

Fare free, rear door boarding, and cordoning off the driver area continued as did the increased cleaning regimes.

2.4 Alert Level 2

On the 13 May, New Zealand moved to Alert Level 2, which saw a significant reopening of the country. Workplaces and schools were able to reopen. During Alert Level 2 many tertiary institutions in the region continued to operate online learning. To support the reopening of the country passenger restrictions on buses were eased and buses were now able to carry between 17 and 21 passengers. The passenger restrictions required more vehicles to be allocated for back up pick-ups. In addition services that were highly patronised by school children were either designated for school kids only or had to have two buses provided to pick up school kids separately from the wider public.

2.5 Alert Level 1

On the 14 June New Zealand Moved to Alert level 1. At Alert Level 1 Passenger restriction were removed from all public transport services. All services excluding Massey were operating as per their normal timetable. Massey services remained at the Non-semester timetable until July when Massey returned to on-campus learning. By the end of the financial year patronage levels had returned to approximately 63% of normal levels.

3. Horowhenua Public Transport Services

3.1 Summary

Services provided in the Horowhenua district:

- Levin to Palmerston North commuter service, operating one return trip per weekday;
- Levin to Palmerston North off-peak service, operating every Monday and Wednesday;
- Horowhenua Day Out In Town, operating one return trip every Friday;
- Levin to Waikanae service, operating one return trip every Tuesday and Thursday;

3.2 Levin to Palmerston North Commuter Service

The table below summarises the performance of the Levin weekday commuter service. The service operates Monday - Friday between Levin and Palmerston North. This table also includes patronage data for the Monday and Wednesday off peak service that begun in August 2019.

	Period: 1 July to 30 June					
	2014-15	**2015-16**	**2016-17**	**2017-18**	**2018-19**	**2019-20**
Passenger numbers	11,148	8,988	8,531	7,717	7,561	8,369
Gross cost ($)	77,352	77,622	75,871	76,917	73,985	144,568
Revenue ($)	53,029	42,227	42,657	39,236	39,274	25,986
Revenue ($) Top up NZTA						13,230
Net cost ($)	24,323	35,395	33,214	37,681	34,711	118,582
Transport Agency share ($)**	12,162	18,759	17,271	19,217	17,703	60,477
HRC share ($)	12,162	16,636	15,943	18,464	17,008	58,105
HRC cost per passenger ($)	1.09	1.85	1.87	2.39	2.25	6.94
Farebox recovery	69%	54%	56%	51%	53%	27%

****Transport Agency share: 50% (2014-15), 53% (2015-16), 52% (2016-17) and 51% (2017-18 to current).**

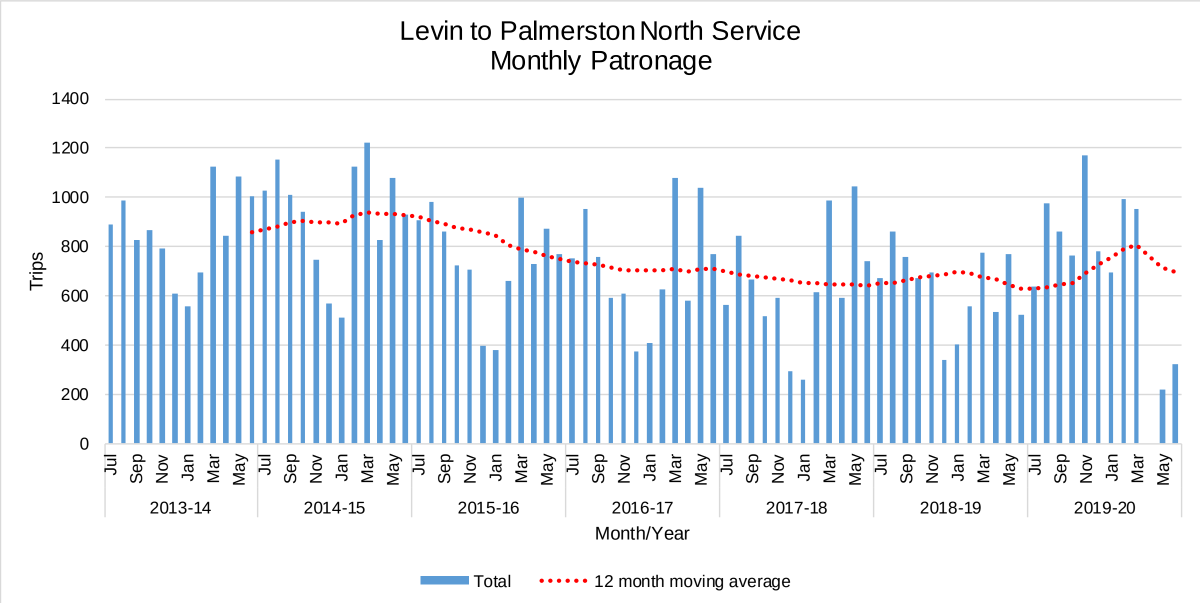


Figure 1: Levin to Palmerston North Service Monthly Patronage

Looking at the first six months of 2019-20, usage increased by 1,191 trips (12%) compared to the same period of the financial year prior, which is pleasing to note. This continued to show growth until the COVID-19 lockdown period.

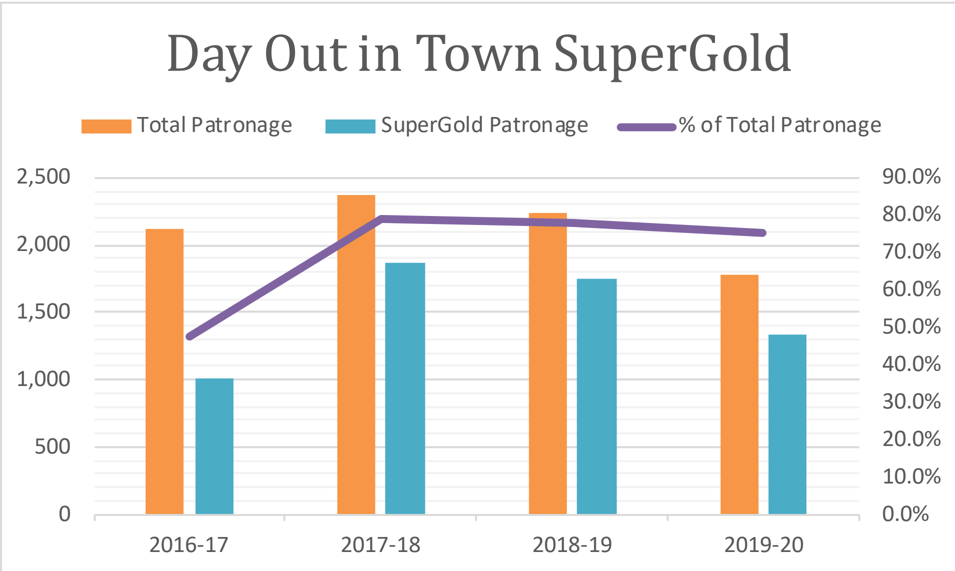
3.3 Horowhenua Day Out In Town Service

The table below summarises the performance of the Horowhenua Day Out In Town service. This service operates one return trip every Friday, commencing in Levin and travelling via Shannon, Foxton, Foxton Beach and Waitarere Beach before returning to Levin.

	Period: 1 July to 30 June			
	2016-17	**2017-18**	**2018-19**	**2019-20**
Passenger numbers ($)	2,115	2,376	2,235	1,338
Gross cost ($)	36,736	37,202	39,687	38,916
Revenue ($)	3,065	3,026	2,825	750
Revenue ($) Top up NZTA				220
Net cost ($)	33,671	34,176	36,862	38,166
Transport Agency share ($)**	17,509	17,430	18,800	19,465
HRC share ($)	16,162	16,746	18,062	18,701
HRC cost per passenger ($)	7.64	7.05	8.08	13.98
Farebox recovery	8%	8%	7%	2%

****Transport Agency share: 52% (2016-17) and 51% (2017-18 to current).**

Usage of the service remains steady. Free off peak trips for SuperGold card holders were introduced in November 2017 and have continued to have significant SuperGold card holder uptake. In the 2019-20 year end, SuperGold card holders accounted for 75.4% of trips taken on this service.



The current tender contract is set to expire in the 2021-22 financial year.

3.4 Levin to Waikanae Bus Service

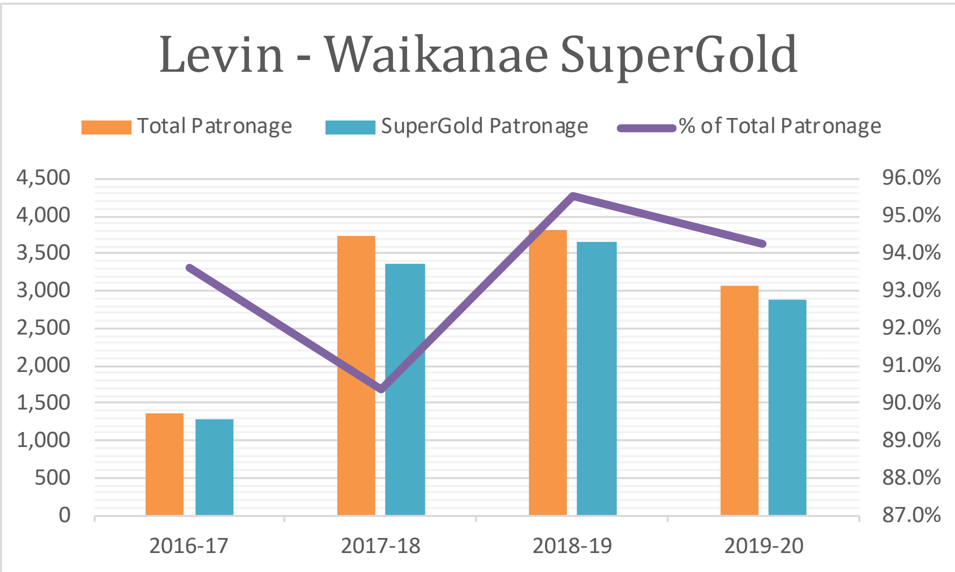
The table below summarises the performance of the Levin to Waikanae service. This service operates an off-peak return trip every Tuesday and Thursday and commenced operation on March 2017.

	Period: 1 July to 30 June			
	2016-17	**2017-18**	**2018-19**	**2019-20**
Passenger numbers ($)	1,365	3,729	3,827	2,275
Gross cost ($)	16,824	51,150	54,352	55,106
Revenue ($)	4,722	12,377	13,407	7,384
Revenue ($) Top up NZTA				313
Net cost ($)	12,102	38,773	40,945	47,722
Transport Agency share ($)**	6,293	19,774	20,882	24,338
GWRC share ($)	2,904	9,499	10,032	11,692
HRC share ($)	2,904	9,499	10,032	11,692
HRC cost per passenger ($)	2.13	2.55	2.62	5.14
Farebox recovery	28%	24%	25%	14%

****Transport Agency share: 51% (2017-18 to current).**

It should be noted that the net cost of the service is split 50:50 with Greater Wellington Regional Council. Horizons and Greater Wellington then individually claim a subsidy from the New Zealand Transport Agency for the cost of providing the service.

Uptake of the service has been strong and SuperGold Card customers continue to make up the majority of trips, with 94.3% of trips taken in the 2019-20 period on this service being SuperGold Card customers.



A tender process was completed in late 2018 and a three year contract awarded to Uzabus (the current operator). The new contract commenced on 7 March 2019.

4. Manawatū Public Transport Services

Public transport services provided in the Manawatū district are the Feilding around town and Feilding to Palmerston North bus service. The service operates Monday to Saturday. Three commuter services (Levin, Marton and Whanganui commuter) also pass through the Manawatū district at Himatangi and Sanson.

4.1 Feilding around town / Feilding to Palmerston North Service

The table below summarises the performance of the Feilding service. The service operates Monday-Saturday travelling around Feilding and then to Palmerston North via Palmerston North Airport and Hospital.

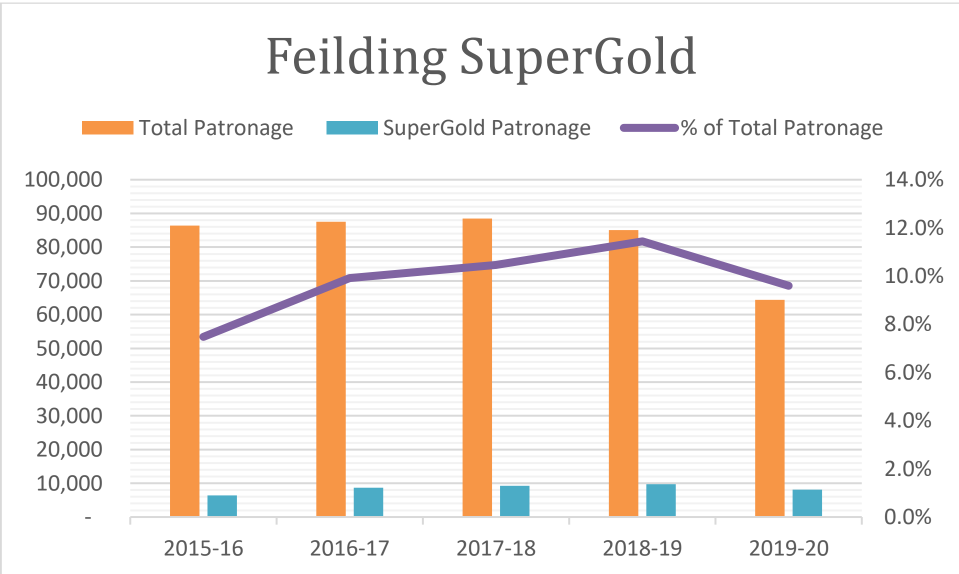
	Period: 1 July to 30 June					
	2014-15	**2015-16**	**2016-17**	**2017-18**	**2018-19**	**2019-20**
Passenger numbers	92,354	86,358	85,773	88,484	85,065	64,385
Gross cost ($)	353,972	374,248	394,772	400,738	417,637	402,032
Revenue ($)	226,335	216,231	208,280	214,922	205,779	97,110
Revenue ($) Top up NZTA						56,065
Net cost ($)	127,637	158,017	186,492	185,816	211,858	304,922
Transport Agency share ($)**	63,819	83,749	96,976	94,766	108,048	155,510
HRC share ($)	63,819	74,268	89,516	91,050	103,810	149,412
HRC cost per passenger ($)	0.69	0.86	1.04	1.03	1.22	2.32
Farebox recovery	64%	58%	53%	54%	49%	38%

****Transport Agency share: 50% (2014-15), 53% (2015-16), 52% (2016-17) and 51% (2017-18 to current).**

Patronage and farebox recovery has dropped over 2018-19 and 2019-20. Higher inflation and operating costs combined with lower revenue have attributed to the lower farebox recovery.

The reduction in passenger numbers has been monitored by staff. It was noted that numbers appeared to recover somewhat and followed a similar pattern in December 2019, and January and February 2020 to previous years. This was an encouraging start to the year, however due to Covid-19, we have been unable to determine if the improvement in patronage continued. Since lockdown, numbers on the service have continued to be lower than previous years, however this follows the same trend as other services in the region.

The reduction in passenger numbers was considered in the mid-term review that began in July 2019. The review was completed in May 2020 with changes due to be implemented in March 2021. It is hoped that the amendments made to the service will improve patronage.



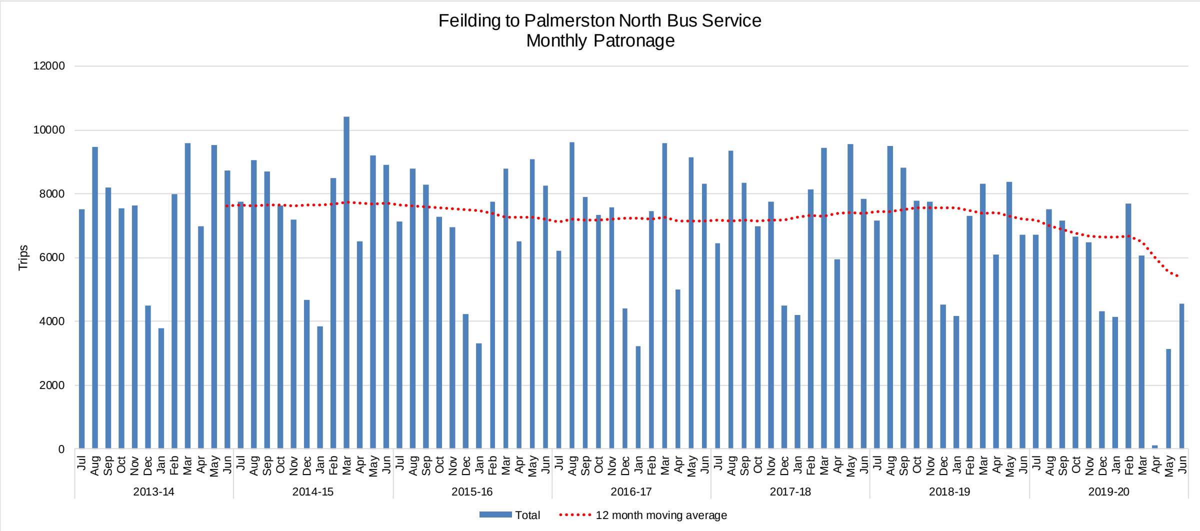


Figure 2: Feilding to Palmerston North Bus Service Monthly Patronage

4.1.1 Bike Racks

Bike racks were introduced to the service in January 2016. Usage is shown in the table below, and has been increasing in the last 3 years.

	2015-16	2016-17	2017-18	2018-19	2019-20
July	0	20	4	5	20
August	0	23	7	4	20
September	0	10	9	3	15
October	0	5	7	9	8
November	0	28	9	2	10
December	0	20	2	3	9
January	1	9	5	5	15
February	4	11	7	7	19
March	8	5	8	9	10
April	5	5	19	12	16
May	11	25	13	18	25
June	11	8	4	27	30
Total	**40**	**169**	**94**	**104**	197

4.1.2 Airport Service

The Feilding to Palmerston North bus route has been servicing Palmerston North Airport since July 2015, operating 15 return services per weekday and one return trip per Saturday. Uptake has been slow, however we did see much higher use in February and March 2020 which was encouraging. Due to lockdown we have been unable to determine if this trend would have continued. Total trips taken are outlined in the table below.

	2015-16	2016-17	2017-18	2018-19	2019-20
July	84	159	110	118	60
August	80	225	164	462	113
September	48	174	114	593	54
October	57	139	157	128	63
November	89	139	59	136	62
December	49	100	68	42	25
January	24	60	32	40	67
February	124	91	26	51	144
March	135	161	24	40	113
April	98	125	123	40	9
May	159	168	123	12	10
June	153	166	132	115	14
Annual total	**1,100**	**1,707**	**1,132**	**1,777**	**734**

5. Palmerston North Public Transport Services

Public Transport Services provided/supported in Palmerston North:

- Urban and Massey bus services operating Monday to Sunday;
- Ashhurst to Palmerston North bus service, operating Monday to Saturday

A number of other bus services operate from regional centres to Palmerston North, including from Feilding, Whanganui, Levin, Marton and Taihape.

5.1 Palmerston North Urban and Massey Bus Services Summary

The public transport network in Palmerston North can be broken down into two sub-networks:

- A series of six routes travelling from the Central Business District to the Massey University Turitea Campus, either directly, via areas of student accommodation, or via the Hokowhitu Campus and the Summerhill area. Frequency varies throughout the day and the timetable is set around lecture times, as well as staff start/finish times.
- Six urban loop routes which commence and terminate in the city central. The loop routes alternate in direction, running clockwise and then anticlockwise. Services operate to a 20 minute peak frequency and a 40 minute off peak frequency.

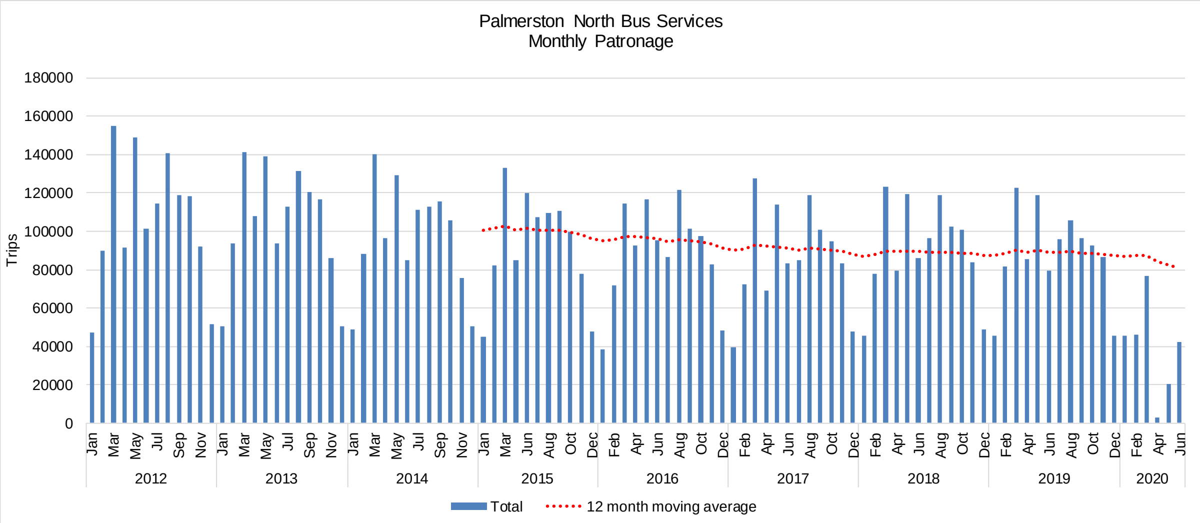
The table below summarises the high level performance of all the Palmerston North urban and Massey bus services, including the improvements outlined above. Greater detail on recent improvements is provided later in this report.

	Period: 1 July to 30 June					
	2014-15	**2015-16**	**2016-17**	**2017-18**	**2018-19**	**2019-20**
Passenger numbers	1,126,241	1,083,242	1,044,735	1,065,946	1,091,804	784,106
Gross cost ($)	2,879,344	2,835,939	2,869,248	3,892,252	3,913,931	2,682,110
Revenue ($)	779,695	753,133	712,575	763,575	781,557	475,091
Revenue ($) Top up NZTA						213,959
Net cost ($)	2,099,649	2,082,806	2,156,673	3,128,677	3,132,374	2,207,019
Transport Agency share ($)**	1,049,824	1,103,887	1,121,470	1,595,625	1,597,511	1,125,580
Third party revenue ($)	503,966	513,695	510,118	499,155	509,715	248,241
HRC share ($)	545,858	465,224	525,085	1,033,897	1,025,148	833,198
HRC cost per passenger ($)	0.48	0.43	0.50	0.97	0.94	1.06
Farebox recovery *	45%	45%	43%	32%	33%	35%

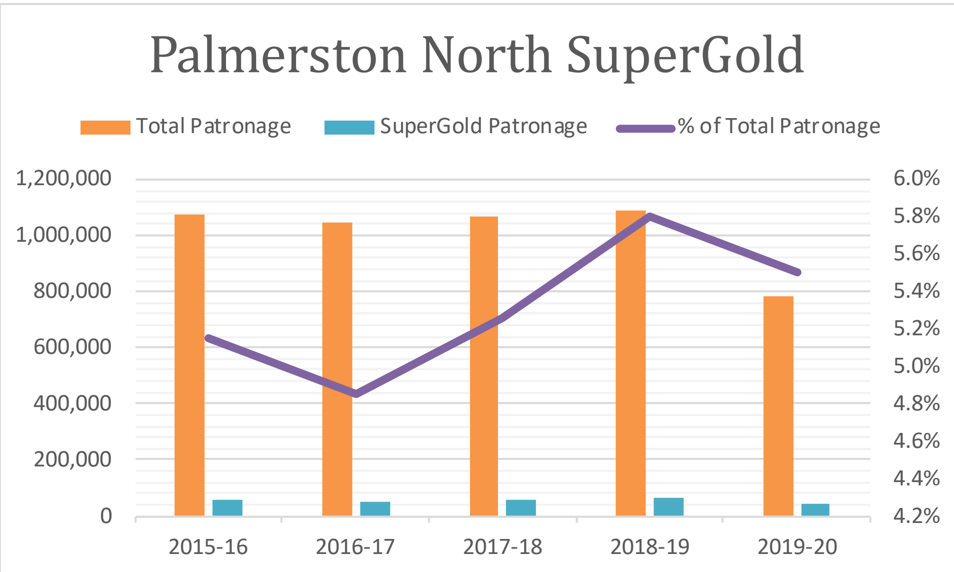
***For the purposes of calculating the Farebox Recovery, both the Revenue and Third Party Revenue figures are used.**
****Transport Agency share: 50% (2014-15), 53% (2015-16), 52% (2016-17) and 51% (2017-18 to current).**

After 4% growth in patronage from the 17-18 to 18-19 year, usage has dropped 28% in the 19-20 year. This can be primarily attributed to the outbreak of COVID-19. Palmerston North would likely have had a large loss in patronage due to the higher percentage of tertiary students that make up Palmerston North's patronage. In particular the loss of international students from the border closures would have resulted in a significant drop in potential passengers. The table below shows how the impact of COVID-19 has impacted the service compared to previous years.

Operating costs in 19-20 have dropped as a result of decreased services and kilometres operated over the lockdown period. Alongside the decrease in kilometres operated, fares were free since the start of lockdown through to 20-21 year, as result the fare revenue has been topped up by NZTA based on previous fare revenues.



SuperGold Card usage has dropped from the 18-19 year, however the percentage of total patronage has dipped slightly from 5.8% to 5.5% reflecting the overall drop in patronage rather than a decrease in usage by SuperGold holder. SuperGold usage is outlined in the table below.



5.2 Palmerston North Bus Service Improvements

A programme of improvements has been underway since 2016. Some of the improvements have been clear successes, such as the stand-alone route for the Summerhill area and the increased peak frequency for Routes 31 and 32 (Fernlea and Heights), while others have been less successful. The table below summarises the improvements implemented and their status. The subsequent sections contain further detail on the performance of each of the improvements. Palmerston North service review begun in February 2019, and is due to be completed mid 2021 which will determine how the below improvements can be refined and other potential improvements implemented.

Improvement	Status
A stand-alone urban route covering the Summerhill area (two year trial)	Trial finished July 2016. The route is now confirmed as part of the urban bus services contract. This will continue to be monitored separately until the implementation of RITS.
A two year trial of increased peak frequency (10 minute services) on Routes 5 and 6	Trial ceased in September 2018 due to low patronage.
Increased peak frequency (20 minute services) on Routes 31 and 32 (Fernlea and Heights)	New timetable commenced in February 2017. Services have performed well and have been confirmed as part of the urban contract.
Extended weekday hours of operation (last service departing at 8pm) across urban routes (commenced July 2017);	Trial ceased in February 2019 due to low patronage except for the retention of the 6.40pm services.
Improved weekend services on urban routes	Improved weekend timetable commenced in July 2018. Overall, services are performing well and the service changes are confirmed as part of the urban contract.

5.3 Summerhill bus service

A stand-alone urban route covering the Summerhill area commenced in July 2016 under a two year trial contract. Based on the strong uptake of the services, the Passenger Transport Committee agreed to incorporate the route into the Palmerston North Urban Bus Services contract in May 2018.

The table below details the performance of the service.

	Period: 1 July to 30 June			
	2016-17	**2017-18**	**2018-19**	**2019-20**
Passenger numbers	25,821	35,722	45,690	40,645
Gross cost ($)	181,653	188,069	204,009	197,374
Revenue ($)	31,823	18,736	23,293	14,667
Revenue ($) Top up NZTA				7,454
Third party revenue ($)	-	13,800	13,800	182,707
Net cost ($)	149,830	155,533	166,916	93,181
Transport Agency share ($)**	77,912	79,322	85,127	47,522
HRC share ($)	71,918	76,211	81,789	89,526
HRC cost per passenger ($)	2.79	2.13	1.79	2.20
Farebox recovery *	18%	17%	18%	11%

***For the purposes of calculating the Farebox Recovery, both the Revenue and Third Party Revenue figures are used.**
****Transport Agency share: 52% (2016-17) and 51% (2017-18 to current).**

Passenger numbers on the service has dropped around 11% from 2018-19 to 2019-20. This drop is lower than the 28% drop experienced by the wider Palmerston North network which could suggest that had the pandemic not occurred that these passenger numbers would have increased from the previous year. Similar to the wider network the cost of the service has decreased from the previous year.

5.4 Bike Racks

Bike racks on the Palmerston North bus network were introduced in September 2016; usage to date is shown below. Uptake has nearly halved, however the numbers in the first part of the year are on par with the previous year. This is likely reflective of the impacts of COVID-19.

Month	2016-17	2017-18	2018-19	2019-20
July	0	30	35	39
August	0	48	73	78
September	4	44	78	89
October	15	49	60	115
November	17	88	68	34
December	7	44	45	47
January	6	52	80	26
February	12	83	78	18
March	35	38	91	30
April	26	50	86	11
May	44	46	210	14
June	24	51	77	44
Total	**190**	**623**	**981**	545

5.5 Ashhurst to Palmerston North Bus Service

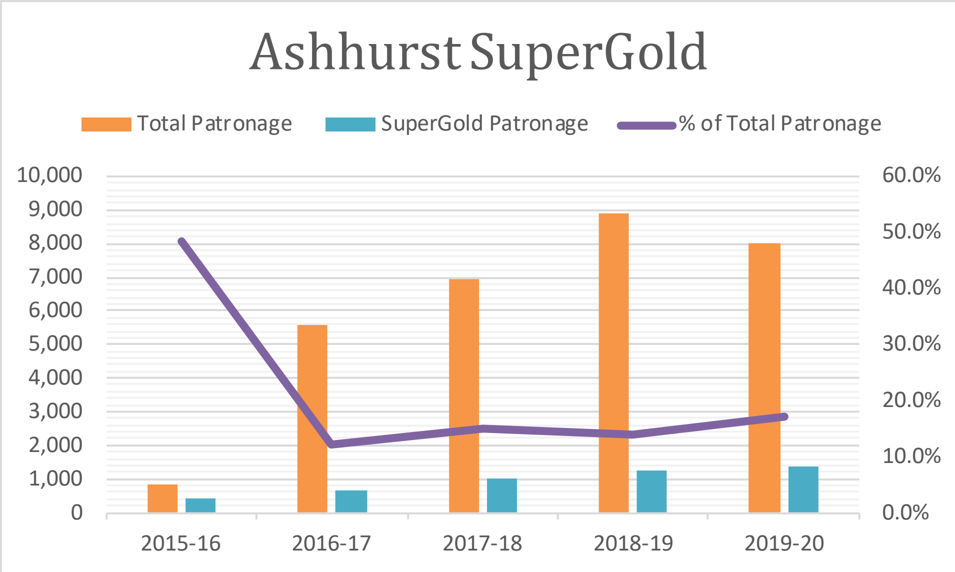
The Ashhurst to Palmerston North bus service commenced in July 2016 on a two year trial period and operates Monday-Saturday. Prior to July 2016, the service operated as a twice weekly “shopper” service, offering one return trip per day. The service is now operating eight services on weekdays and two services on Saturdays.

	Period: 1 July to 30 June					
	2014-15	**2015-16**	**2016-17**	**2017-18**	**2018-19**	**2019-20**
Passenger numbers	760	807	5,567	6,959	8,883	8,027
Gross cost ($)	10,978	11,205	108,524	111,565	116,827	123,356
Revenue ($)	1,850	1,854	12,189	14,899	19,813	12,605
Revenue ($) Top up NZTA						5,764
Net cost ($)	9,128	9,351	96,335	96,666	97,014	110,751
Transport Agency share ($)**	4,564	4,956	50,094	49,300	49,477	56,483
HRC share ($)	4,564	4,395	46,241	47,366	47,537	54,268
HRC cost per passenger ($)	6.01	5.45	8.31	6.81	5.35	6.76
Farebox recovery	17%	17%	11%	13%	17%	15%

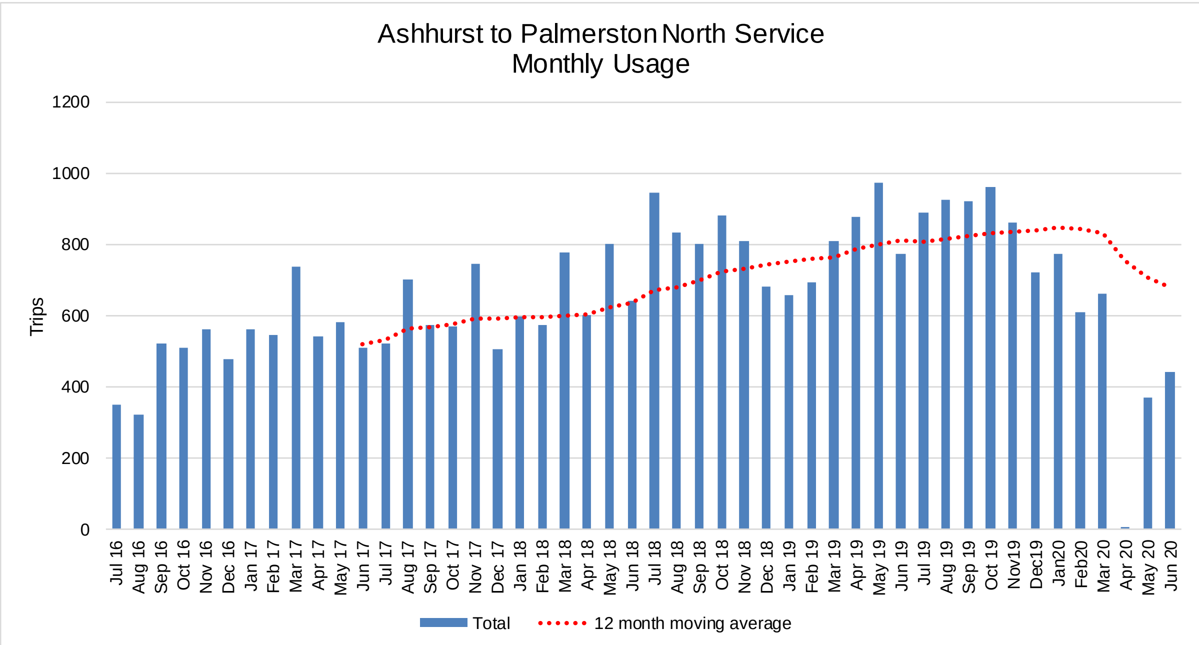
****Transport Agency share: 50% (2014-15), 53% (2015-16), 52% (2016-17) and 51% (2017-18 to current).**

Passenger numbers have only dropped 9% from the previous year. Similar to the Summerhill service this would suggest Ashhurst had seen a lesser impact from COVID-19 than the Palmerston North network.

SuperGold Card usage of the service has increased for this period, making up 19% of all trips taken for the reporting period. SuperGold usage is shown in the table below.



The figure below shows the total monthly patronage on the service to the end of December 2019. It is pleasing to see that with some slight amendments to the timetable and increased promotion in the Ashhurst community that numbers for this service are trending upwards. Farebox recovery has also increased from 12% last financial year to 18% for the first half of 2018-19.



5.5.1 Bike racks

Bike racks on the buses were included as part of the trial contract and have been in operation since July 2016. Usage has increased from the previous year with June show a massive spike in the monthly usage. These figures can be seen in the table below.

Month	2016-17	2017-18	2018-19	2019-20
July	0	1	7	5
August	1	0	3	3
September	0	0	6	4
October	2	3	4	4
November	0	2	4	5
December	0	1	5	4
January	2	0	1	2
February	0	0	0	2
March	1	0	1	6
April	5	0	7	1
May	7	1	7	6
June	1	4	4	25
Total	**19**	**12**	**49**	67

6. Rangitikei Public Transport Services

6.1 Summary

Services provided in the Rangitikei district are:

- Marton to Palmerston North commuter service, operating one return trip per weekday.
- Taihape to Whanganui/Palmerston North fortnightly service. This service runs on the first Thursday of the month from Taihape to Whanganui and the third Friday of the month from Taihape to Palmerston North (via Feilding).

6.2 Marton to Palmerston North Commuter Service

The table below summarises the performance of the Marton to Palmerston North service. This service operates Monday-Friday.

	Period: 1 July to 30 June					
	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Passenger numbers	4,442	4,863	2,779	3,946	4,620	3,712
Gross cost ($)	56,964	57,007	64,386	73,503	77,233	84,755
Revenue ($)	17,935	19,977	11,367	16,419	19,087	10,818
Revenue ($) Top up NZTA						6,453
Net cost ($)	39,029	37,030	53,018	57,084	58,146	73,937
Transport Agency share ($)**	19,515	19,626	27,569	29,113	29,654	37,708
HRC share ($)	19,515	17,404	25,449	27,971	28,492	36,229
HRC cost per passenger ($)	4.39	3.58	9.16	7.09	6.17	9.76
Farebox recovery	31%	35%	18%	22%	25%	20%

****Transport Agency share: 50% (2014-15), 53% (2015-16), 52% (2016-17) and 51% (2017-18 to current).**

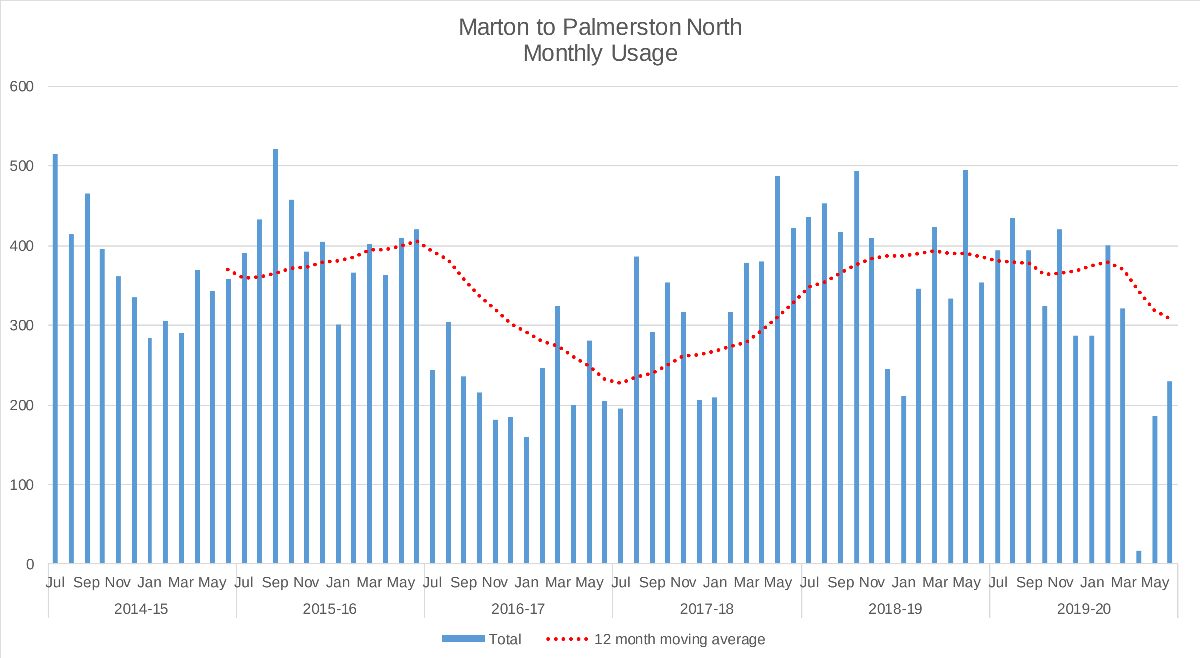


Figure 11: Marton to Palmerston North Service Monthly Usage

After a period of decline, fares were reduced in November 2017 to see if the downturn could be reversed. It is clear that this reduction in fares has had a positive impact, with usage overall remaining stable.

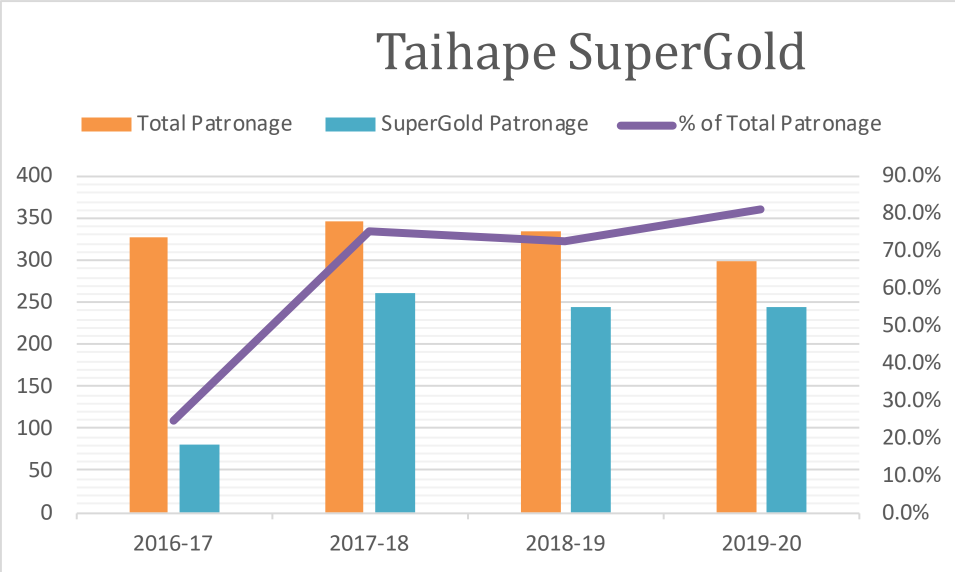
6.3 Taihape-Whanganui/Palmerston North Bus Service

The table below summarises the performance for the Taihape service. This service operates the first Thursday of the month to Whanganui and the third Thursday of the month to Palmerston North.

	Period: 1 July to 30 June					
	2014-15	**2015-16**	**2016-17**	**2017-18**	**2018-19**	**2019-20**
Passenger numbers	265	284	328	346	335	250
Gross cost ($)	9,725	11,092	10,817	11,510	11,915	12,398
Revenue ($)	2,621	2,504	2,102	2,479	2,486	973
Revenue ($) Top up NZTA						610
Net cost ($)	7,104	8,588	8,715	9,031	9,429	11,425
Transport Agency share ($)**	3,552	4,552	4,532	4,606	4,809	5,827
HRC share ($)	3,552	4,036	4,183	4,425	4,620	5,598
HRC cost per passenger ($)	13.40	14.21	12.75	12.79	13.79	22.39
Farebox recovery	27%	23%	19%	22%	21%	13%

****Transport Agency share: 50% (2014-15), 53% (2015-16), 52% (2016-17) and 51% (2017-18 to current).**

Free SuperGold Card travel was introduced on the service in November 2016 for the eligible morning service. SuperGold usage made up three-quarters of all trips taken for the reporting period and is detailed in the table below.



Following the service being reviewed in mid-2018, the tender process was completed in late 2018 and the contract re-awarded to Go Bus Limited for a further three year period. The new contract commenced in January 2019, and usage remains steady.

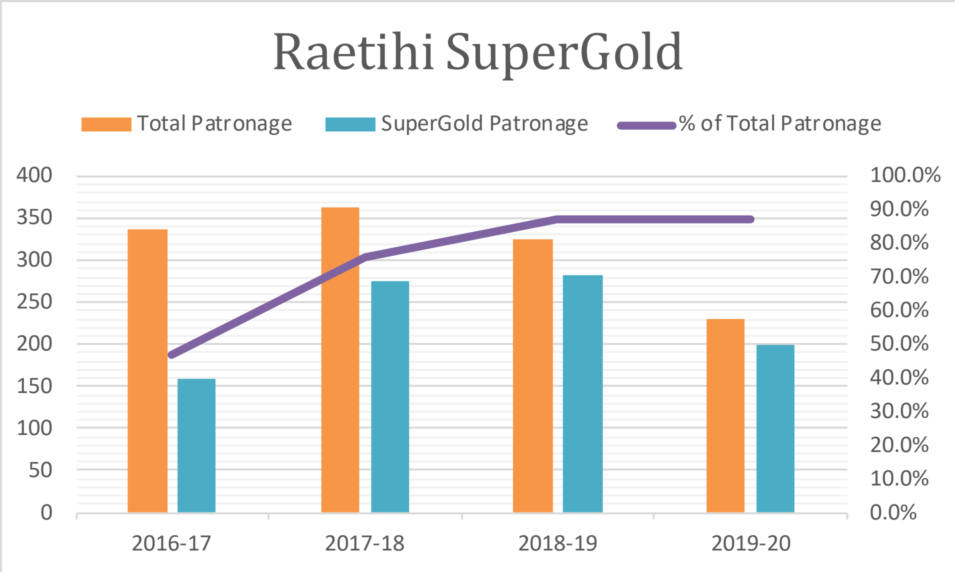
7. Ruapehu Public Transport Services

The table below summarises the performance of the Raetihi to Ohakune service. This service operates every second Tuesday between Raetihi and Ohakune.

	Period: 1 July to 30 June					
	2014-15	**2015-16**	**2016-17**	**2017-18**	**2018-19**	**2019-20**
Passenger numbers	336	344	336	364	325	200
Gross cost ($)	2,478	2,678	2,563	2,866	2,527	5,620
Revenue ($)	730	778	717	714	614	18
Revenue ($) Top up NZTA						0
Net cost ($)	1,748	1,900	1,846	2,152	1,913	5,602
Transport Agency share ($)**	874	1,007	960	1,098	995	2,857
HRC share ($)	874	893	886	1,054	918	2,745
HRC cost per passenger ($)	2.60	2.60	2.64	2.90	2.83	13.72
Farebox recovery	29%	29%	28%	25%	24%	0%

****Transport Agency share: 50% (2014-15), 53% (2015-16), 52% (2016-17) and 51% (2017-18 to current).**

Usage of the service and costs remain steady. Free SuperGold Card travel was extended to this service in November 2016 and accounts for 92% of trips taken in 2019-2020. The graph below outlines SuperGold Card usage.



The contract for the service expired in early 2019 and in August 2018, the Committee agreed to retender the service for a further three years. Following the tender process, the 3 year contract was awarded to GoBus.

Due to the road closure on SH4 between Raetihi and Whanganui, NZTA agreed to provide an increase to the operation of the Raetihi to Ohakune service. The increased operation started on Tuesday 14 January 2020, with the service was running twice a week. From the 7 July 2020, a contract variation began reducing the service to once a week after SH4 re-opened.

8. Whanganui Public Transport Services

Services provided in the Whanganui district are:

- Whanganui urban services operating Monday to Saturday.
- Whanganui to Palmerston North commuter service, operating one return trip per weekday.

During the network review of the Whanganui urban services, an Advisory Group was formed. The group was made up of representatives from Horizons, Whanganui District Council and New Zealand Transport Agency, with input from the bus operator. The new contract has been running since October 2019 and the Advisory Group is being re-formed to ensure implementation continues on service improvements and infrastructure.

8.1 Whanganui Urban Bus Services

The Whanganui urban services is made up of four loop services and three routes covering local intermediate and secondary schools (during term time only). The urban services run in alternating directions (i.e. clockwise then anticlockwise) departing from and arriving at Trafalgar Square.

The table below summarises the performance of the Whanganui urban bus service. The service operates Monday-Saturday.

	Period: 1 July to 30 June					
	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Passenger numbers	160,115	150,156	145,604	136,621	131,661	90,994
Gross cost ($)	616,643	615,524	625,946	627,434	673,382	817,618
Revenue ($)	203,333	191,159	188,433	177,026	168,696	69,511
Revenue ($) Top up NZTA						40,383
Net cost ($)	413,310	424,365	437,513	450,408	504,686	748,107
Transport Agency share ($) **	206,655	224,913	227,507	229,708	257,390	381,535
Third party revenue ($)	9,505	9,505	9,505	9,505	9,505	4,752
HRC share ($)	197,150	189,946	200,501	211,195	237,791	361,820
HRC cost per passenger ($)	1.23	1.26	1.38	1.55	1.81	3.98
Farebox recovery *	35%	33%	32%	30%	26%	14%

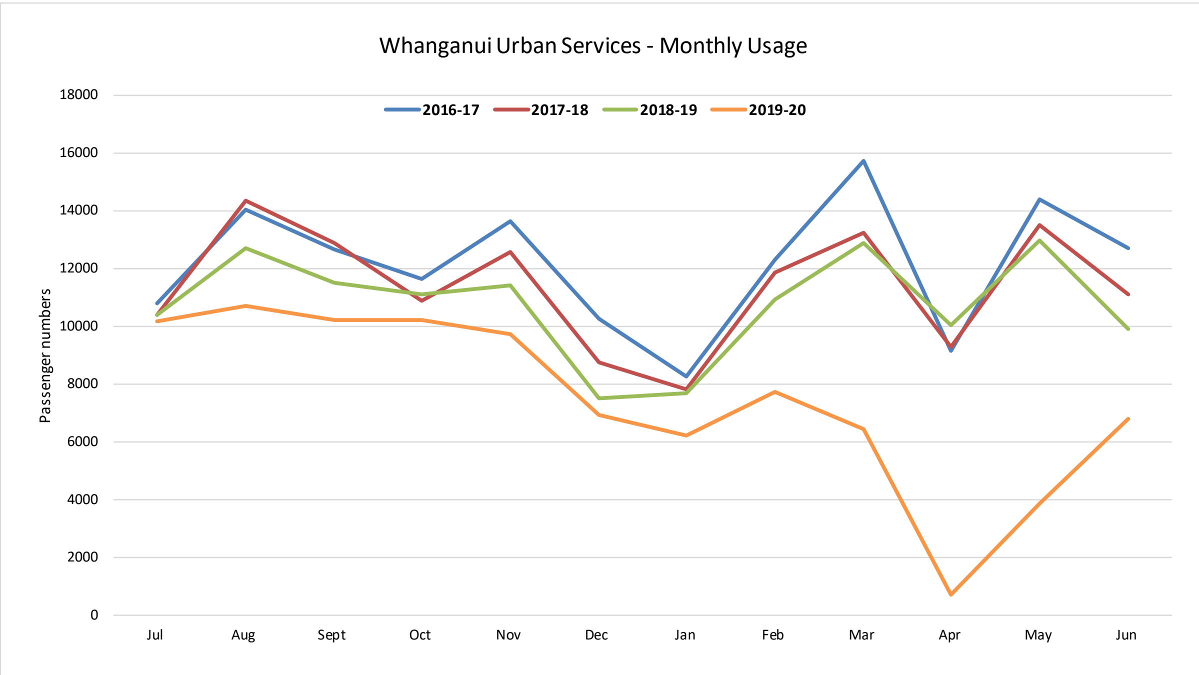
***For the purposes of calculating the Fare Box Recovery both the Revenue and Third Party Revenue figures are used.**
****Transport Agency share: 50% (2014-15), 53% (2015-16), 52% (2016-17) and 51% (2017-18 to current).**

Usage across the Whanganui network continues to decline, with 6,622 fewer trips taken during the first half of the financial year compared to the same period in 2018-19. What is positive, is that usage in June 2020 has increased 519 trips from the same month last year in the return from COVID-19.

Following the bus services review and tender, the new contract commenced in October 2019. This included a variation to the Aramoho route to be more inclusive the central residential area, and add one extra (later) service on each weekday route. This also included increased Saturday services.

In October 2019 during the school holidays, one week free travel was offered on all urban routes as part of the new contract promotion. As a result there was increase of 87% in travel compared with the first week of the school holidays. Free travel during this time reflected that lowering fares can be strongly connected to patronage increase.

Work continues on improving the levels of user-friendliness of the service, and that together with the move to the Bee card will work towards improving patronage on these services.



8.2 Whanganui to Palmerston North Commuter Service

A two year trial of a weekday commuter service between Whanganui and Palmerston North commenced operation in February 2017. UCOL contribute to the cost of this service to enable their students and staff to travel free of charge as it replaces part of the contracted campus shuttle UCOL operated between the two destinations. UCOL provide a campus service running from Palmerston North to Whanganui service separate to the contract for the Whanganui to Palmerston North service.

The table below summarises the performance for the Whanganui-Palmerston North service for the reporting period.

	Period: 1 July to 30 June			
	2016-17	**2017-18**	**2018-19**	**2019-20**
Passenger numbers	3,480	8,328	8,975	3,690
Gross cost ($)	43,951	112,772	123,189	115,555
Revenue ($)	4,156	11,330	9,825	3,539
Revenue ($) Top up NZTA				2,731
Third party revenue ($)	12,500	30,000	30,000	22,500
Net cost ($)	27,295	71,442	83,364	89,516
Transport Agency share ($)**	14,193	36,435	42,516	45,653
HRC share ($)	13,102	35,007	40,848	43,863
HRC cost per passenger ($)	3.76	4.20	4.55	11.89
Farebox recovery	38%	37%	32%	25%

*__For the purposes of calculating the Fare Box Recovery both the Revenue and Third Party Revenue figures are used.__

****Transport Agency share: 51% (2017-18 to current).**

The contract was re-awarded to Tranzit Coachlines Whanganui Ltd for a three year period in February 2019.

9. Infrastructure

Horizons officers have worked closely with the Territorial Local Authorities (TLAs) to install bus shelters in Feilding, Whanganui and Palmerston North. During 2019-20 nine bus shelters were installed. Three of these shelters had planned to be installed in 2018-19, but due to delays in concrete work and negotiations property owner the installations did not occur until 2019-20. The shelters were installed in the following locations;

Area	Location
Feilding	46 North St (delayed from 2018/19)
Feilding	136 North St (delayed from 2018/19)
Feilding	Countdown
Feilding	1 Aorangi St
Whanganui	157 Cornfoot St (delayed from 2018/19)
Palmerston North	131 Amberley Ave
Palmerston North	194 Fergusson St

Palmerston North	156 Fergusson St
Palmerston North	394 Albert St

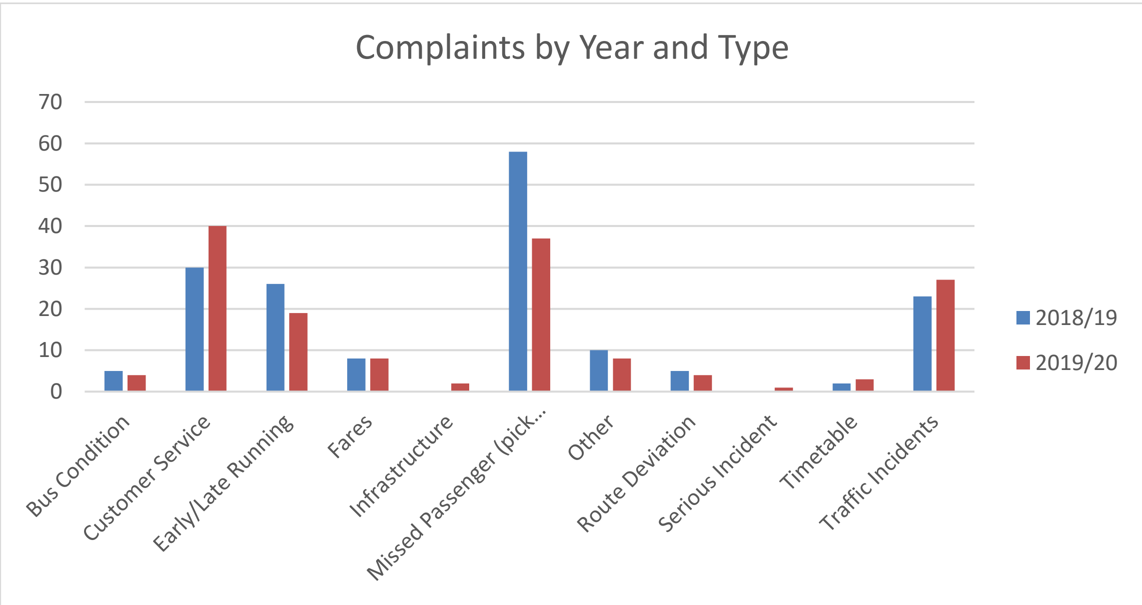
Alongside the new shelters installed in the region, a replacement shelter was planned for Whanganui as the existing shelter had been destroyed by a vehicle collision. An insurance claim was made for this shelter, however no funding was received and the shelter has not yet been replaced.

Officers are continuing to work closely with district and city council staff to identify sites for 2020-21. The recent changeover to the Regional Integrated Ticketing System has allowed for improved data collection around stop usage and has enabled Horizons officers to identify high use stops and mark them as a priority for future shelters. Alongside the shelter programme officers are upgrading the database for stop information that will allow officer to better manage the stops upgrades and logging faults and issues with the stops.

Officers have been undertaking future planning alongside the TLAs. Horizons with support from Palmerston North City Council, id developing a two year infrastructure plan for Palmerston North. Horizons and Whanganui District Council are working collaboratively to improving the visibility of stops and the level of on-street information. The aim is to develop an overarching infrastructure strategy/plan to guide investment.

10. Customer feedback

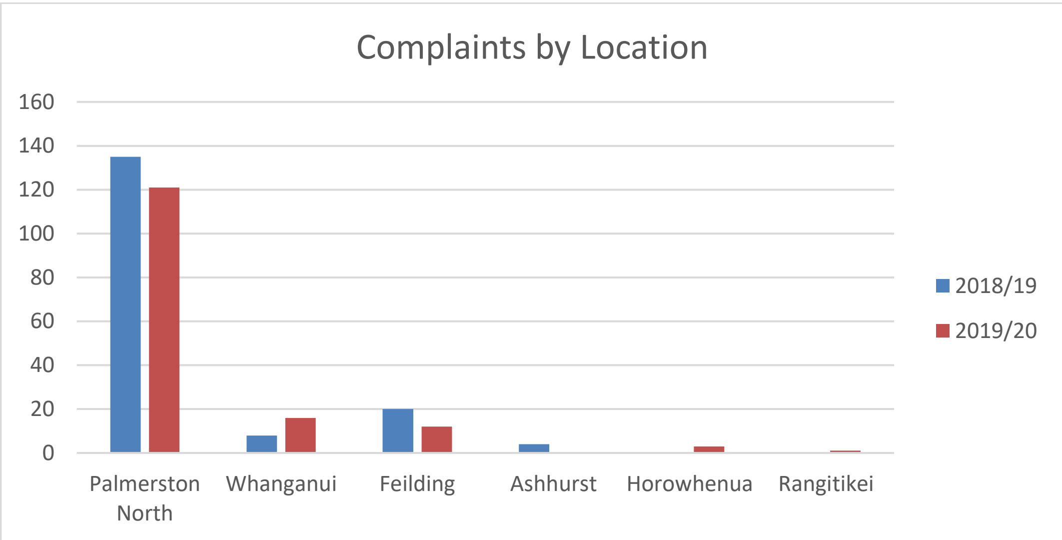
Officers continue to receive and manage feedback from the public. Feedback is generally received by phone or online, and on occasion in person. Complaints are investigated by the officers alongside the relevant operator to reach an outcome that will help improve the experience of Horizons services. The graph and table below shows the total complaints logged across the Horizons bus network for the 2019/20 financial year compared to the previous year.



Complaint Type	2018/19	2019/20
Bus Condition	5	4
Customer Service	30	40
Early/Late Running	26	19
Fares	8	8
Infrastructure		2
Missed Passenger (pick up/drop off)	58	37
Other	10	8
Route Deviation	5	4
Serious Incident		1
Timetable	2	3
Traffic Incidents	23	27
Grand Total	**167**	**153**

As shown above Customer Service (typically covers driver behaviour) complaints were the highest group followed by Missed Passengers and Traffic Incidents. Comparing 2018/19 to 2019/20 complaints about Customer Service, Traffic Incidents and Timetables had grown while overall the amount of complaints had decreased.

When looking at the complaint by location it is clear that majority of complaints occurred in Palmerston North, this can be attributed to the scale of services in Palmerston North compared to other areas.



11. Promotions

Promotion of public transport during for this period have been focused on specific projects rather than general service promotion. Launching Bee card across the region and ensuring customers and operators were kept up to date with Covid-19 transport messaging were two of the key projects undertaken during 2019-20. Information on these are other promotion projects are provided below.

11.1 New contract Whanganui – October 2019

The new bus services contract kicked off in October 2019, with promotions of slight timetable changes implemented through the news of a free bus week, radio and newspaper/social media advertising.

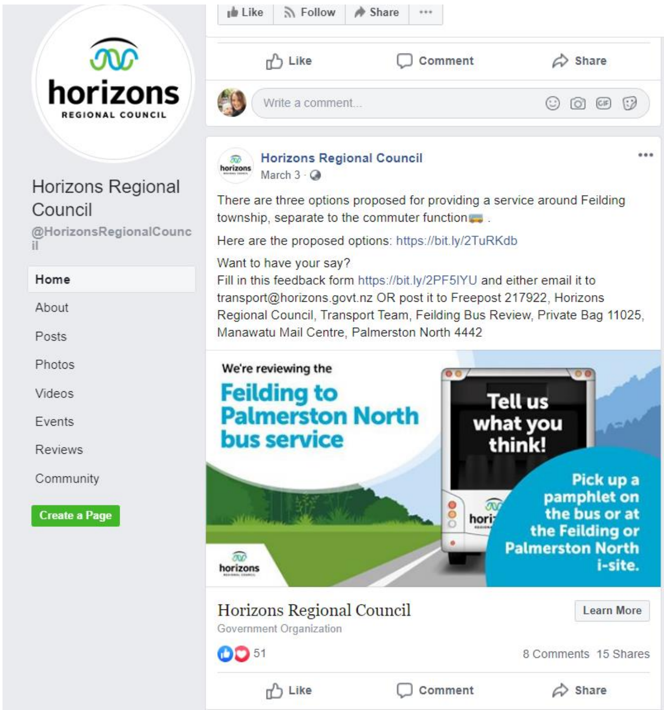
This promotion was well received, and as a result there was increase of 87% in travel during the free week (in second week of school holidays), compared with the first week of the school holidays.

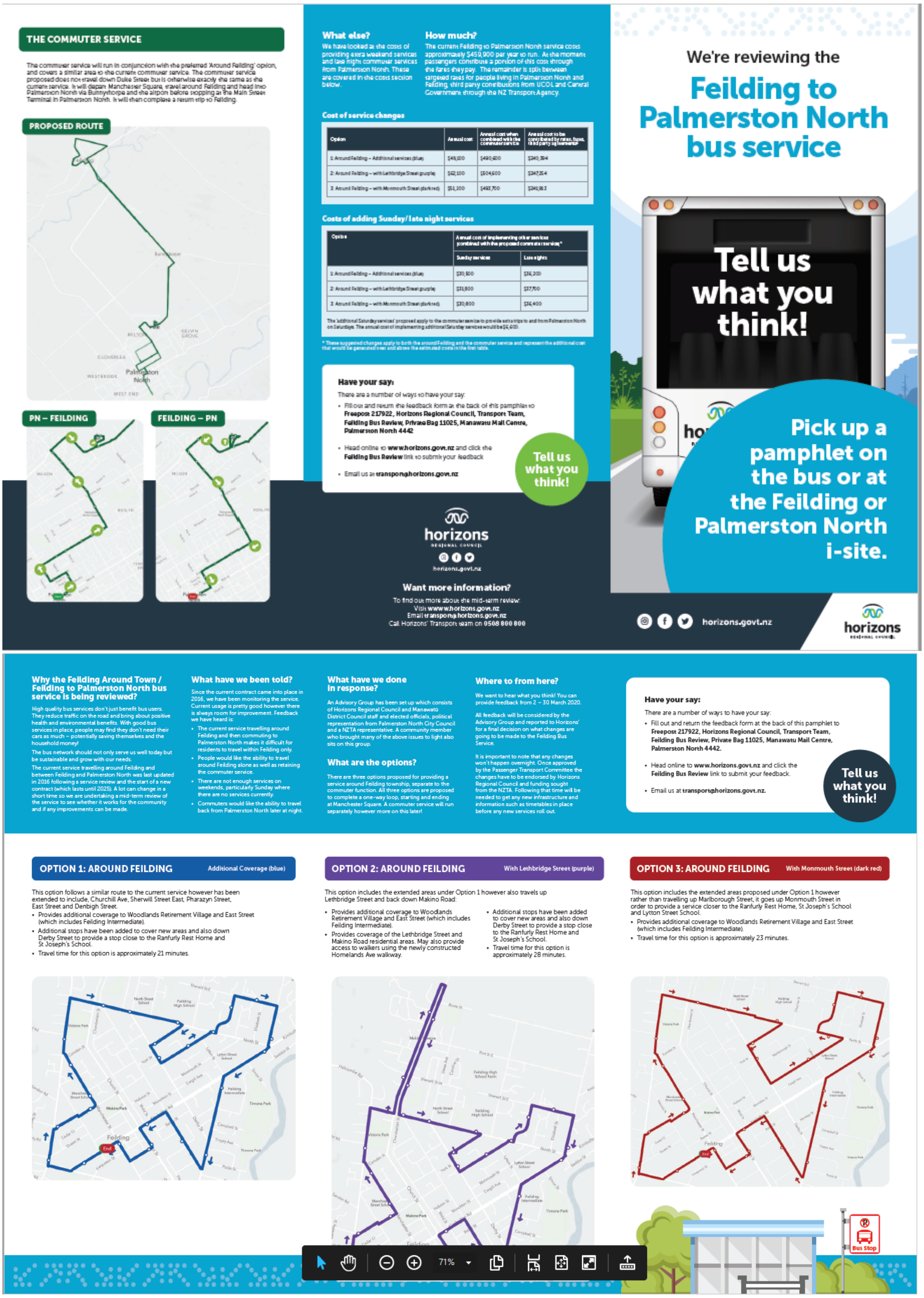
11.2 Bee Card – December 2019

Bee Card was launched in Whanganui on 9 December 2019. Promotions for this included traditional avenues such as newspaper and radio, but also had amBUSadors riding buses supporting customers and drivers during the changeover as well. As pictured below, there were also pull up banners, flags and a full bus wrap for Whanganui and PN. This onsite support was received well by the public. Since the launch of the new card, 85% of users are travelling using the card in Whanganui.

11.3 Feilding bus review

A mid-term review of the Feilding services was undertaken between April 2019 and May 2020. As part of this review, public consultation was undertaken with the Feilding, Bunnythorpe and Palmerston North community on a shortlist of proposed changes. Consultation occurred over a four week period in March 2020. Promotional material associated with the review included, posters, pamphlets, website and social media communications. Staff also attended the Feilding Farmers Market and the Rural Games in Palmerston North. Further events were cancelled due to Covid-19 lockdown. Examples of the promotional material used as part of the consultation phase are shown below.





11.4 Covid-19 – March to June 2020

During Covid-19 alert levels 2 to 4 an extensive programme of advertising and promotion work occurred to ensure customers were kept up to date with changing service levels, fares and what to expect from their general travel experience. The messaging was aligned to Ministry of

Health and Ministry of Transport guidance, and also with what was occurring across other regions.

11.5 Bee Card – July 2020

Bee Card was launched in the rest of the region on 22 July 2020. We had amBUSadors out and about at key bus stops and shelters around the region to support passengers and drivers at a social distance. Other promotional channels included screens at the Main Street Terminal and radio/social media. Since the implementation of the Bee Card, 51% of travellers are on the Bee Card (tertiary providers are currently in the process of changing over).