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Public Excluded

Report PE 02.241

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Report to the Policy, Finance and Strategy Committee
From Howard Stone, General Manager

Tranz Metro: Performance Issue Update

1. Purpose

To advise Councillors of actions taken in response to the report on Tranz Metro service lapses considered by the Committee on 23 April 2002.

2. Public Excluded

Grounds for exclusion of the public under section 48(1) of the Local Government Official Information Act 1987 are:

That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist (ie to enable the Council to carry on negotiations (including commercial negotiations) without prejudice or disadvantage).

3. Background

At the Policy, Finance and Strategy Committee on 24 April, item PE02.206 included details of a number of operating failings with Tranz Metro services and the response of Tranz Metro local management to the situation. Councillors viewed the marked increase in failures with concern and resolved as follows:

“That Council asks the General Manager to report back on a set of actions to be taken to respond to the issues raised in Report 02.206.”

4. Progress to Date

Following the Policy, Finance and Strategy meeting the Chairperson wrote to the Managing Director of Tranz Rail Limited expressing “*my Council’s deep concern ...*” over the deterioration in Tranz Metro’s performance. The letter also reiterated that

Tranz Rail Limited was solely responsible for the safety of the system and that this was correlated to the provision of capital by Council.

This letter was followed by a further letter under my signature in response to a letter from Tranz Rail Limited. This letter repeated Councillors' concerns and sought the assistance of the Managing Director in overcoming the deficiencies in the service.

5. Further Monitoring

The Transport Division will continue to monitor the reliability of Tranz Metro services through their regular service checks and by review of any passenger complaints that are received. Any issues which arise will be put before Tranz Metro management at the regular monthly meetings. Any matters of a serious nature will be represented immediately with a request for an urgent response. If satisfactory responses are not received the matter can be escalated to Tranz Rail head office and/or to the Land Transport Safety Authority as appropriate.

6. Cause versus Symptoms

It is clearly important that the Council is seen by the public to be active in ensuring quality rail services. The specific steps noted in this report will assist in that endeavour. However, the symptoms of the underlying problem will not go away until the root cause of the problem – under investment in the rail system – is addressed.

The Council has determined a course of action to do just this through progressing its Joint Venture proposal leading to public/private acquisition of the Tranz Metro business. I therefore offer further advice that the current resolutions of the Council be pursued with expedition as the key means of permanently improving the rail services to users.

7. Communication

There is clearly a public perception that the reliability of Tranz Metro's services has deteriorated and this Council should demonstrate that it is taking action to remedy the situation. In the past we have released the operating report submitted by Tranz Metro, the exception being the most recent report for February/March which was attached to Report PE02.206. This report could be released from Public Excluded and circulated with the most recent report for April which is due on 15 May, accompanied by a press release from the Chairman of the Passenger Transport Committee voicing Council's concern and requesting an immediate improvement for the benefit of regular commuters.

8. Recommendations

That the Committee:

- (1) *Notes this report.*
- (2) *Recommends to Council that the Tranz Metro February/March monthly performance report be released from Public Excluded business and made available to the public along with the results for April.*

- (3) *Recommends the Chairman of the Passenger Transport Committee make a statement reflecting the view of Council to coincide with the release of the Tranz Metro operating reports.*

Report prepared by:

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General Manager