

1.2. Update on how the 2022 School Year Impacted Dunedin Bus Services

Prepared for: Implementation Committee
Report No. OPS2207
Activity: Transport: Public Passenger Transport
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Endorsed by: Gavin Palmer, General Manager Operations
Date: 2 March 2022

PURPOSE

- [1] The purpose of this report is to update on changes made to the Dunedin public bus service to respond to the cessation of commercial school bus services in 2021 and to seek a decision on whether to extend certain temporary changes beyond the end of Term 1.

EXECUTIVE SUMMARY

- [2] Towards the end of 2021, Otago Road Services (ORS) decided to cease operating its commercial Dunedin school bus services. Many of the services enabled students to attend a school of choice, rather than the closest school to their home.
- [3] In recognising that would have an impact on the community, in December 2021, the Council authorised the Chief Executive to approve minor changes to the Dunedin bus network to address resulting school connectivity issues.
- [4] Solutions that have been put in place are:
- a. a variation to the Unit 3 contract for Term 1 only, for the sum of [REDACTED] (cost for Term 1 only). This provides a service from Green Island to Kings and Queens High Schools (Route 40C).
 - b. a variation to the Unit 5 contract for a service from Green Island to Kaikorai Valley College (route 70) for the annual sum of [REDACTED].
 - c. a variation to the Unit 1 contract for the sum of [REDACTED] annually. This provides a service from Green Island via Concord to Otago Boys High School and Otago Girls High School (to be introduced in March 2022) and also enables transfers to a connecting service for Balmacewen Intermediate School via route 33.
 - d. Overflow services (additional buses at peak times) serving:
 - i. Route 77 (Mosgiel to City and City to Mosgiel, morning and afternoon peaks)
 - ii. Route 40C (Green Island to Kings/Queens and Kings/Queens to Green Island, twice daily at school start and end; additional to those specified in [4] a. above)
 - iii. Route 77 at Anzac Park, servicing Taieri College students heading towards Dunedin. This short-term service was created by removing two low patronage trips from the route 80/81 Mosgiel loop service
 - iv. Assuming all overflow buses are utilised each day, the cost of these is [REDACTED] per day for Term 1 only of 50 days [REDACTED])

- [5] It is noted that these are all public services. That is, they are not exclusive services for schools or for any particular school.
- [6] A total of 5,684 child fare trips have been made using these services in the period 1st – 14th February 2022, which is 9 school days. The average [mean] is 632 children per day across routes 77, 40C, 70 and 18c/d.
- [7] The total Term 1 cost is about [REDACTED] and the total annual cost is [REDACTED] (2022 calendar year cost and noting that the figure does not include extending the solutions implemented only for Term 1).
- a. Continuing route 40c to the end of Term 2 would cost an additional [REDACTED]
 - b. Continuing overflow buses for Term 2 would be an additional [REDACTED]
- [8] These costs are unbudgeted and if unable to be accommodated within the current Dunedin public transport budget (which is unlikely given the ongoing impact of the \$2 Dunedin bus fare), will add to the deficit of the Targeted Rate Reserve.
- [9] Endorsement of these variations is sought by staff, who are also recommending no further substantive changes be made to accommodate the journey to school in 2022; staff also propose that Council receive a subsequent report in June to review potential continuation of services to the end of 2022.

RECOMMENDATION

That the Committee:

- 1) **Notes** this report.
- 2) **Endorses** the variations to date in making minor changes to the Dunedin bus network to accommodate travel to school.
- 3) **Approves** that all the service changes implemented to date continue.
- 4) **Notes** that this may mean extending the Term 1 Route 40C and the overflow buses variations for Term 2, depending upon timing for Unit 3 retendering and implementation of the approved Shaping Future Dunedin Transport additional Mosgiel services.
- 5) **Agrees** no further changes be made to the Dunedin bus network to accommodate travel to school, other than adjusting as necessary, those that are currently in place.
- 6) **Agrees** to release this report to the public less all commercial information.

BACKGROUND

[10] In December 2021, Council considered a report called “Ministry Review of Wakatipu Basin School Bus Services and Dunedin Changes”¹. At that meeting the Council made resolutions that included the following:

“2) Authorises the Chief Executive to approve minor changes to the Dunedin bus network in time for the start of the 2022 school year, to address school connectivity issues that have/may arise, given the cessation of commercial services at the end of 2021.

3) Requests staff provide an update to the first Implementation Committee of 2022 on the efficacy of the minor changes and any capacity issues that occur from the reduction in bus services provided in Dunedin.”

[11] This report satisfies resolution #3 above.

[12] The need for Council to consider making the above decision came about due to Otago Road Service’s (ORS) decision to cease providing commercial school bus services in Dunedin City. ORS was contracted directly by those schools on terms agreed between ORS and each school. Council was not a party to those arrangements and did not fund them. Cessation of those services was not a consequence of any decision or action of Council. They were not OrBus services.

[13] ORS operated the following services (about six buses), departing predominantly from central Green Island:

- a. Halfway Bush/Brockville to Kaikorai Valley;
- b. Green Island to Kaikorai Valley;
- c. Allanton via Mosgiel and Fairfield to Green Island;
- d. Brighton via Waldronville to Green Island;
- e. Green Island to Dunedin hill suburbs;
- f. Green Island to Dunedin central city; and
- g. Green Island to Southern Dunedin.

[14] These serviced the following schools (transporting between 170 to 225 students):

- a. Kaikorai Valley College;
- b. Columba College, St Hilda’s Collegiate School and John McGlashan College (hill suburbs);
- c. Otago Boys High School, Otago Girls High School, Kavanagh College (central city); and
- d. Kings High School, Queens High School (Southern Dunedin).

[15] Fares ranged from a \$2 single cash fare to a ten-fare ride priced between \$18 and \$20.

[16] Many of the services enabled students to attend a school of choice, rather than the closest school (e.g. from Mosgiel to a Dunedin high school, rather than Taieri College).

[17] In general, the students using those services would be ineligible to receive Ministry of Education transport assistance because of that.

¹ 9 December 2021 ORC Meeting Agenda, report 7.2, pages 19-26.

- [18] Staff advised the December 2021 Council meeting that they had worked with Kaikorai Valley College (KVC) and developed a low-cost solution to help fill the gap for that school arising from the ORS cessation. This service varied route 70 to extend from Green Island to KVC twice daily.
- [19] At that time no other schools had approached ORC (Otago Regional Council) seeking variations to the public transport system.
- [20] In early January 2022, Council was approached by Kings High School to discuss options for a service extending to Kings and Queens High Schools, and a service variation to route 40C was introduced in February 2022, extending an existing service that previously terminated in Lookout Point to Green Island.
- [21] Through January and February, staff have been in discussions with other schools including Otago Boys High School, Otago Girls High School, Balmacewen Intermediate, Taieri College and St Hilda's Collegiate.

DISCUSSION

What has ORC Implemented/not Implemented and at What Cost?

- [22] Council's decision of December 2021 has been implemented by staff. The solutions that Council implemented as of 28 February 2022, are:
- a. Kaikorai Valley College:
 - for students from the north, putting in place an interchange point at the stop at 117 Taieri Road, to enable the routes 33, 44 and 55 to connect with the route 38 service;
 - for students from the south, extend the Brighton service (route 70) to connect from Green Island to the school; and
 - the annual cost of these changes is [REDACTED].
 - b. Otago Boys High School, Otago Girls High School, Balmacewen Intermediate (to be implemented March 2022);
 - service begins at Green Island, via Concord/Kaikorai Valley to Stuart Street at Nairn Street reserve, where Balmacewen School students can alight and join the route 33 direct to school;
 - service continues to Otago Boys High School (Stuart Street at London Street intersection) where students can alight for this school and also Otago Girls High School; and
 - the annual cost of these changes is [REDACTED].
 - c. Kings High School, Queens High School (Southern Dunedin):
 - existing route 40C school legacy service which previously serviced Kings/Queens, Corstorphine and Lookout Point, is now extended to and from Green Island. The cost of these changes is [REDACTED] (Term 1 only).
 - d. Overflow services (additional buses at peak times) serving:
 - Route 77 (Mosgiel to City and City to Mosgiel, morning and afternoon peaks);
 - A short-term network modification for Mosgiel, removing 2 low-patronage services from the route 80/81 Mosgiel town centre loop to enable additional overflow buses to be supplied to route 77 at Anzac Park for the 3:03pm departure to Dunedin. This is due to the service being at capacity with Taieri College students;
 - Route 40C (Green Island to Kings/Queens and Kings/Queens to Green Island, twice daily at school start and end);

- the cost of these services is [REDACTED] per trip and varies as overflows are only implemented as and when required. Assuming all overflow buses are utilised daily, the total cost is [REDACTED] per day for 1 term of 50 days ([REDACTED]);
- these overflow buses are required as a result of increased patronage filling buses to capacity, particularly on school routes. The services ensure that passengers, schoolchildren or otherwise, remain able to use the service when a bus is at capacity² without having to wait for the next scheduled service.

[23] Council staff have taken an approach of trying to implement solutions that, within reason, minimised the risk of students that would normally use an ORS service, not being able to catch a bus to school (in effect, being left behind). This recognised that the changes were taking place at the start of the school year and during difficult circumstances (the pandemic).

[24] As advised to Council in December 2021, the additional costs are unbudgeted and if unable to be accommodated within the current Dunedin public transport budget (which is unlikely given the ongoing impact of the \$2 Dunedin bus fare), will add to the deficit of the Targeted Rate Reserve.

[25] Those costs do not include fare revenue forgone which came about due to a high level of demand, coupled with a lack of additional ticketing-equipped buses having to be put in to service. The alternative to putting these extra buses in to service would have been to leave students behind. The forgone revenue is very small.

[26] At this time, the gaps in the provision of service in 2022 directly compared to the former (2021) ORS services are:

- a. Columba College, St Hilda's Collegiate School and John McGlashan College (hill suburbs).
- b. Feedback to date regarding these schools has been minimal, although staff are considering whether there is scope to better service these schools should demand increase.
- c. Staff are not aware of any plans for these schools to introduce their own commercial services.

[27] The adjustments that Council has made to date to the Dunedin bus service to accommodate travel to school, have reached the stage where the point of diminishing returns has been reached and the ability to implement further variations is restricted by vehicle and driver availability. Staff therefore recommend, that no further adjustments be made to the Dunedin network other than fine-tuning those in place.

² The certified number of passengers that the vehicle is able to accommodate seated and standing.

- [28] It is important to note that the schools above continue to be serviced by the public bus service (the same as they were last year). What the schools may no longer have with the cessation of the commercial operator, is a more direct and timely service from settlements to the south-west and west of Dunedin to school.
- [29] In order to reach schools, some pupils are required to make one or two (or more) transfers between public transport services whereas before they had a door-to-door service.

Implementation Issues

- [30] There are a limited number of spare vehicles available to support variations to routes, particularly because the peak times at which school services operate are when most of the vehicle fleet is in service. This issue is compounded when spare vehicles may be off the road for maintenance.
- [31] Transport staff have been stationed at key locations (including Green Island, Kings/Queens High Schools, Taieri College) to assist children with the transition to new services, monitor capacity and identify operational issues. This has enabled improvements to be quickly identified and then implemented as well as receiving direct feedback from customers and their parents.
- [32] Transport staff have maintained regular communication with schools, parents, the Ministry of Education and transport operators to ensure concerns are recognised and responded to. Staff have also been in regular contact with Community Boards, in particular the Saddle Hill Community Board, feedback from which has helped shape the services that have been implemented.
- [33] In order to provide a service when buses are at capacity and no spare vehicles are available, passenger coaches have been employed at times to ensure passengers do not get left behind. These do not contain the same equipment as contracted Orbus vehicles, for example: Bee Card ticketing equipment, Wi-Fi/tracking, bike racks and lowering suspension are usually not offered.
- [34] Overflow vehicles which do not contain ticketing equipment means fare revenue is lost from those services (~█ per bus per day).
- [35] Increased patronage is resulting in standing capacity being utilised on many services. Although this is normal in other regions, safe and permitted, the perception is that buses are overcrowded and less safe. Less abled bodied and older passengers may find bus journeys less attractive and priority seating areas (for example, spaces for wheelchair users) less accessible.
- [36] The utilisation of other routes by schoolchildren appears to be increasing, with feedback regarding lack of capacity on Route 14 (City to Port Chalmers) and Route 1 (City to Palmerston via Waitati). It is not possible to add capacity to these services at peak times due to availability of fleet and drivers.
- [37] Driver availability and the rostering of driver duties means that it is difficult to implement further variations without increasing the driver pool. Operators also need to ensure that the latest Rest and Meal Break regulations are adhered to.

- [38] The impact of COVID in the community has a direct correlation to driver availability, with increased levels of absence due to illness, potential COVID testing and/or isolation, etc. It should also be remembered that the delivery of bus services is supported by other staff such as cleaners, supervisors, mechanics, etc, whom are as susceptible to the virus.
- [39] February 2022 has seen increased levels of driver illness and availability which impacts service provision, and this is likely to increase as the Omicron variant becomes more widespread.
- [40] The Covid-19 pandemic has worsened the issue of driver availability, both in Otago and nationally. Issues with lack of drivers was seen in Auckland and Wellington in 2018, spread to Tauranga in 2019 and has broadened further since.
- [41] Responding to the cessation of ORS, Council has communicated by:
- a. regular contact with key stakeholders including Community Boards, community groups and Schools (daily in some cases);
 - b. uploading a dedicated webpage with FAQs and ORC home page links;
 - c. emailing schools with suggested Facebook posts and corrections to common errors and provided link to the above;
 - d. conducting a social media campaign;
 - e. publishing 'On board' with Orbus digital newsletter (Jan edition);
 - f. preparing a "Bus Talk" advertorial in The Star (27 January and 10 February editions);
 - g. running a pop-up advertisement in the online Otago Daily Times;
 - h. issuing four media releases (20 December 2021, 26 January, 28 January and 8 February 2022);
 - i. responding to three media inquiries (22 December 2021, 21 January and 4 February 2022);
 - j. running a "Letter to Parents" print advert in the ODT; and
 - k. participating in a "Breeze" radio interview.

Patronage

- [42] Loadings at peak times are high on Mosgiel route 77 services, with duplicate services operating daily in both the morning and afternoon peaks.
- [43] The route 40C service hit capacity limits on the first day of operation (1st February 2022) for the return trip to Green Island (3:15pm service). This has since been supplemented by overflow buses in the mornings and afternoons.
- [44] The route 70 service to Kaikorai Valley College is well patronised but with around 50% capacity for additional passengers.
- [45] Staff have also been monitoring the route 18c/d service, which was introduced three years ago as a route variation to service connections from the Otago Peninsula, where a number of Ministry of Education (MoE) services operate, to Bayfield High School. This is currently operating at around 70% capacity.

- [46] Monitoring these services (routes 77, 40C, 70 and 18c/d) across a 2-week period from 1 February 2022, daily child patronage has increased from 361 passengers on 1 February to an average of 632 child passengers per day by 14 February:

	1/02/2022	2/02/2022	3/02/2022	4/02/2022
Daily Totals	361	458	685	538
Daily % change	-	27%	50%	-21%
	8/02/2022	9/02/2022	10/02/2022	11/02/2022
Daily Totals	742	764	723	727
Daily % change	38%	3%	-5%	1%
	14/02/2022			
Daily Totals	686			
Daily % change	-6%			

- [47] It is likely that the Youth Bee Card fare of \$1.20 per trip will have been a contributing factor to patronage, noting that it is typically 80c per trip cheaper than the previous commercial service. While that is advantageous for families with school students, it is much less so in terms of fare recovery.
- [48] Under the current fare system, fares for journeys to areas at some distance from the central city area (previously Zones 3 to 5) are lower than before, which is also likely contributing to general commuter patronage levels and therefore capacity at peak times for school children. For example, a child single fare to Mosgiel using Go Card was previously \$2.66 (now \$1.20) and an adult fare was previously \$4.44 (now \$2).
- [49] The fares previously charged by Otago Road Services were cash fares of between \$1:50 and \$2 for a single trip, or \$12 to \$20 for a ten-ride ticket. This, together with a demographic blip meaning a large cohort of children moving through schools, historically high petrol prices and the current flat fare, are likely contributing to the popularity of public transport use for schools.
- [50] Some schools are considering implementing their own supplementary services, outside of the public transport network. Should they be introduced, this may free up capacity on Council services.
- [51] It should be noted that staff are working on the introduction of revised Unit 5 services (Mosgiel), to be operational before the end of the financial year (one of Council's Shaping Future Dunedin Programme Business Case actions). These services will significantly increase capacity on route 77 to and from Mosgiel, removing the requirement for overflow services. The changes include:
- a. a peak frequency increase from 30 minutes to 15 minutes;
 - b. a direct, no stopping, 'express' service from Mosgiel to the Bus Hub.

[55] Another of Council's Shaping Future Dunedin Programme Business Case actions, was to introduce a new Green Island to City via South Dunedin bus service in Year 2 of the 2021-31 Long Term Plan. However, in December 2021, staff recommended and Council approved, postponing this service until Year 3.

[56] This was because the new Green Island bus service was subject to being supported by the Council's Fares and Frequency Single Stage Business Case (FFBC). Due to delays in the approvals of the National Land Transport Programme and Shaping Future Dunedin Transport Programme Business Case the FFBC is not advanced enough at this stage to do that.

[57] While Waka Kotahi NZ Transport Agency will not fund its share of this service yet (its case for investment was to be substantiated by Council's Fares and Frequency Business Case), that would not stop the Council introducing it in Year 2, but it would have to meet the full cost.

Council Policy

[59] The current Regional Public Transport Plan (RPTP) does not specify any school bus units, either in Dunedin or Queenstown.

[60] Council's position on school bus services is outlined in section 5.3.2 of the RPTP, which says:

"Through the overall re-design of the Dunedin network in 2014 and updates in 2017, the ORC moved away from specifically providing school transport. In keeping with that approach, the ORC will in the long term, not contract bus services specifically for school children."

[61] In retendering Dunedin Unit 3, one of the components of that was to signal the cessation of its school bus components three years into that new contract.

[62] The solutions implemented by staff to date have not been inconsistent with the RPTP, as the additional/extra buses can be used by any member of the public.

Perception of the Extent of Council's Role

- [63] Ideally, the supply by Council of a public transport service would meet all the demands of our community. The reality is that demand will always outstrip supply – supply is a finite commodity based on what Council judges that the community can pay and its provision is a balance/compromise to meet the bulk of those demands (for example in December 2021 Council resolved not to fund the total cost of the Dunedin Route 1 improvements sought by the Waikouaiti Coast community).
- [64] Although the Council's communications team ensured there was significant publicity about the cessation of the ORS services at the end of 2021, including direct communication with schools, once 2022 began and it started to get closer to the commencement of school term 1, it became apparent that a number of parents/caregivers were unaware of the changes and how they would impact their children.
- [65] It also became apparent that once they became aware, a number of parents/caregivers held the view that responsibility for getting their children to school was Council's, not theirs.
- [66] There was also a perception that Council was obligated to provide a service.

OPTIONS

- [67] The Council has two options available to it in respect of the services put in place to the end of Term 1. They are:
- Option A – resolve that all the service changes implemented to date continue (noting that the overflow buses and Route 40C will be replaced through planned service levels changes and Unit 3 retendering).
 - Option B – resolve that all the service changes implemented to date, cease at the end of School Term 1 (ends 14 April 2022).
- [68] The recommended option is Option A. While Option B has the benefit of minimising the financial impact to Council (and ratepayers) it is not recommended as it fails to recognise how unpopular the move would be and the disruption that it would cause to families currently utilising the services. Those families have made a decision on the school their children will attend and that will have given rise to a considerable number of other decisions/actions, such as purchase of school uniform, journey to work/school plans, etc.
- [69] Option A gives certainty. However, the disadvantage of this recommendation is that Council has not budgeted in its Long Term/Annual Plan for the additional expenditure and may need to do so.

CONSIDERATIONS

Strategic Framework and Policy Considerations

- [70] ORC's 2021/31 Long-Term Plan outlines how activities undertaken by Council will help to achieve community outcomes. One of the Community Outcomes that ORC aims to achieve is sustainable, safe, and inclusive transport. The solutions that Council has implemented in response to the cessation of the commercial school bus service delivers this outcome.

[71] In regard to the RPTP, Council's actions to date and those recommended are not inconsistent with the Plan.

Financial Considerations

[72] The financial implications from responding to this issue are outlined in the report. The total Term 1 cost is about [REDACTED] (Option B) and the total annual cost for Option A is [REDACTED] (2022 calendar year cost and noting that the figure does not include extending the solutions implemented only for Term 1).

[73] That cost is unbudgeted and if unable to be accommodated within the current Dunedin public transport budget (which is unlikely given the ongoing impact of the \$2 Dunedin bus fare), will add to the deficit of the Targeted Rate Reserve.

Significance and Engagement Considerations

[74] There are no significance and engagement considerations in regard to the proposed decisions sought in this paper.

Legislative and Risk Considerations

[75] There are no legislative considerations in regard to the proposed decisions sought in this paper.

Climate Change Considerations

[76] Council has not replicated in its entirety, the former ORS service and as such, it is highly likely that some students that previously used the bus to get to school will now be arriving there by private motor vehicle (contributing to an increase in emissions).

[77] However, as Council has implemented solutions to the bulk of the former commercial bus services, that increase should be small.

Communications Considerations

[78] There are no communications considerations in regard to the proposed decisions sought in this paper.

[79] Following the Council meeting, Council staff will convey the outcomes from the meeting to schools and other stakeholders.

NEXT STEPS

[80] The next steps are:

- continue to monitor the outcome of Council's response
- communicate the meeting outcome(s) to schools and stakeholders

ATTACHMENTS

1. Saddle Hill Community Board Letter, 2022.01.27 [1.2.1 - 2 pages]



SADDLE HILL COMMUNITY BOARD

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Attention: Julian Phillips
Implementation Lead Transport
Otago Regional Council
Level 2, Philip Laing House,
Ratray Street
Private Bag 1954 Dunedin 9054

27th January 2022

Dear Julian

Changes to School Buses

Thank you for your time to discuss the issues with the current school bus situation.

The Saddle Hill Community Board and our community have serious concerns about the removal of the Otago Road Services School buses. Unless the Public bus system can be adjusted to suit the needs of our students, we request that the Otago Regional Council consider running a dedicated school service (as was run by Otago Road Services). This service previously served our community and students well.

Our children deserve an easy to use, direct, timely, safe, reliable, stress-free transfer to school. In its present form, the public bus does not provide this. Many families will stop using the buses and use private transport if the service is not improved. The affordability for some parents will be stretched if using private transport is required. We are entering into a period of reducing our carbon footprint and public transport is being encouraged. The decision to reduce services is contrary to these aims.

For any parent or decision maker they should consider the safety and well-being of our young people to ensure they are able to get to school in a timely manner and not have to transfer more than is required to get to school. Investment in education is one of the government's main goals and the well-being of children is also a priority.

Although the bus fare may be cheaper it is unacceptable:

- for children aged as young as ten years old to be expected to take three different buses to get to school when it would be less than a 10-minute trip by car (Abbotsford to Balmacewan Intermediate)
- for children to be expected to take 1.5 hrs to get home from school when school is a 20-minute drive away (Taieri College to Brighton with 2 x 30min waits)
- to expect students to walk for 15mins from nearest bus stop to get to school (especially in winter weather, Otago Boys, John McGlahan)

- for students to be expected to catch a bus at 7.25am to get to school on time (when school is only 20 minutes away)
- for students to be expected to catch public buses when the public buses don't have capacity (there are two full busloads of students that go through Brighton each morning)
- for students to wait for 30 minutes for the next bus transfer where there is insufficient shelter and likelihood of trouble
- to expect the students to transfer at the bus hub unnecessarily when it is not always a safe environment

Has a community demographic study been undertaken to assess current and future needs for the young people in the Saddle Hill area to determine what transport needs will be? We ask that further assessments and consultation with the community be completed before any decision to reduce or remove services is undertaken. The lack of communication from all involved in this matter has certainly not helped.

There is much uncertainty in our current environment. The addition of the bus changes is causing undue stress on our communities, particularly the more vulnerable members of who suffer from anxiety, learning difficulties etc. as well as those who are going to a new school.

Please consider running a dedicated School service.

Thank you for your consideration.

Yours sincerely



Leanne Stenhouse

On behalf of the Saddle Hill Community Board