

MINO-749 Community Connect and bus service cancellations

12 May 2023

You have asked for clarification on why extra peak buses (and therefore costs) would likely be required to manage demand from the Community Connect extension for school children, given there are currently buses parked up at peak due to driver shortage related service cancellations.

Waka Kotahi NZ Transport Agency's response:

Service Delivery Constraints

- Currently, the while the constraint to operating man services is driver availability, school bus services operated by councils have been prioritised over other services and cancellations occur very rarely, if at all. Auckland Transport (AT) and the Greater Wellington Regional Council advise that there are high occupancy rates on most school services, with multiple standees, so increased demand would require additional services to avoid leaving students behind.
- With the recent improvements to bus driver terms and conditions, in combination with the immigration transport sector agreement, most operators are now either at, or close to a full driver complement, with hundreds more drivers in various stages through the immigration, training and regulatory pipeline.
- As a result, it is likely the driver shortage will be largely resolved in the next couple of months. As such, several PTAs and operators are discussing plans for reinstating services that were removed from the timetable; and as part of implementing the Budget 2023 PT Cost Pressures bid, as per your expectations, we will be requiring full services to be reinstated.

Contractual Context

- PTOM contracts include different pricing components, some of which are fixed, and some of which are variable based on the hours and kilometres that are operated under the contract. One of the fixed costs is "Peak Vehicle Requirement" (PVR) which is the total number of buses that the contract requires to be available. In Auckland and Wellington in particular, many of these vehicles will be used for less than an hour a day to meet the commuter and school generated morning peak.
- s 9(2)(b)(ii), s 9(2)(g)(i)

Summary

- School bus services are currently operating to full schedule, and close to maximum capacity. With the driver shortage resolving, all contracted buses should soon be redeployed on the network, providing a much-improved service to passengers but consuming all extra buses.
- As demand increases, the constraint to meeting that demand without overcrowding or leaving passengers behind will be the availability of buses. Extra buses can be sourced, but where the buses required are beyond the current contracted PVR, there will be additional costs to add buses to contracts.