

Entered by Board Secretary

Wellesley Street Bus Improvements Detailed Business Case

Aronga / Purpose

1. To seek approval of the Wellesley Street Bus Improvements (WSBI) Detailed Business Case (DBC) and approval of funding to deliver the capital works for Stage One in time for the opening of the new Te Wai Horotiu Station being delivered as part of the City Rail Link (CRL).

Tuku mana / Delegation

2. Board approval is sought under Delegated Financial Authority 1.2 as the total budget requested for the project exceeds \$20.0m in value.

Ngā tūtohunga / Recommendations

3. That the Auckland Transport Board (board):
 - a) Approves the Wellsley Street Bus Improvements Detailed Business Case, including the recommended option and delivery staging to deliver safety upgrades, emission reductions, and mode shift to progress implementation of the Transport Emissions Reduction Plan, bus priority measures and connected cycling facilities along Wellesley Street in the central city.
 - b) Approves a budget of \$26.7 million from the Regional Land Transport Plan (2021-2031) Midtown Bus Improvements budget of \$132 million to deliver the capital works for Stage One.
 - c) Notes that while outside the prioritised annual capital budget, this is one of the 11 projects approved by the board, in August 2023, to continue subject to ensuring overall capital expenditure remains within the annual budget.
 - d) Delegates to the Chief Executive to finalise and approve a procurement plan and to execute physical works contracts over \$20 million for Stage One within the total budget envelope of \$26.7 million.

Te whakarāpopototanga matua / Executive summary

4. The WSBI project aims to provide the infrastructure required to support forecast growth of demand for public transport in midtown, in time for the planned opening of the new Te Wai Horotiu station being delivered by the CRL in late 2025.

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5. The project will provide infrastructure to enable increased bus boarding by 25% and reduces journey times by 14-23% and kerb side priority lanes for up to 200 buses. It will also support the increase in foot traffic and increase the overall customer experience by delivering safe connected, and efficient walking and cycling facilities that enhance the public realm.
6. Delivery is in three stages to align with external projects, as shown in Attachment 1. Stage One is aligned with the CRL delivering Te Wai Horotiu station. Stage Two (between Victoria and Albert Streets) is aligned with the Council's Victoria Linear Park project and Stage Three (between Queen and Symonds Streets) is aligned with Waka Kotahi New Zealand Transport Agency (Waka Kotahi) and Council's City Centre Masterplan (CCMP) upgrades to Grafton Gully.
7. Stage One will provide infrastructure to support increased bus frequency and to support increased foot traffic through engaging streets and spaces that are safe, connected and efficient for people moving along and across the Wellesley Street corridor, see Attachment 2.
8. Detailed design for Stage One has progressed in coordination with the design and construction of the CRL programme. Approval is now sought to deliver the infrastructure and pedestrian provisions surrounding the CRL Te Wai Horotiu Station, so they are appropriate, safe and provide a seamless customer experience the station opens.
9. Stage One implementation work is planned to commence in April 2024 over an 18-month construction period in alignment with CRL to achieve efficiencies through a "dig-once" approach. Completion is planned for September 2025. The P50 cost estimate of Stage One is \$26.7 million, with a Benefit Cost Ratio (BCR) of 3.4. A Waka Kotahi funding application will progress following the board's approval.
10. The project is Regional Fuel Tax (RFT) funded, and the Regional Land Transport Plan (RLTP 2021-2031) has allocation of \$132 million for Midtown Bus Improvements with \$59m allocated up to FY24 for Stages One and Two with an additional \$73m from FY27 for Stage Three.
11. WSBI Stage One fell outside of the prioritised funding in the current annual capital budget. However, it is one of 11 projects approved by the board in August 2023 to continue subject to ensuring overall capital expenditure remains within the annual budget.

Ngā tuhinga ō mua / Previous deliberations

Date	Report Title	Key Outcomes
October 2023	Wellesley Street Bus Improvements - Detailed Business Case	The committee received an overview, from the project team, of the WSBI DBC, focusing on Stage 1 Implementation (the section of Wellesley Street between Queen and Albert Streets).
Design and Delivery Committee (committee)		The committee acknowledged Wellesley Street's importance in supporting future patronage and anticipated bus volumes to cross the city centre (the other corridor is Customs Street).

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		<p>The committee acknowledged the significance of allowing some of the advantages of the CRL and Te Hā Noa - Victoria Street linear park initiatives to be accomplished through Stage 1 WSBI.</p> <p>The committee discussed the importance of achieving good urban landscape and transport outcomes with this work. It acknowledged its role was to deliver effective integrated transport outcomes, and it sought clarification of which organisation or body had oversight of the urban form outcomes. It sought further information on the design review process undertaken, including the role and response of the City Centre Advisory Panel. The Project team has provided supporting information in Attachments 4 and 5.</p>
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Te horopaki / Background

12. The CRL will significantly increase the rail capacity and passenger flow to the city centre by delivering a rail loop and four stations. The new Te Wai Horotiu station at Wellesley Street is expected to become the country’s busiest train station when it opens in late 2025 and will see peak hour demand for bus services on Wellesley Street increase by one-third to almost 200 by the late-2020s.
13. To address this demand and align with the CCMP and the Auckland Plan 2050, the WSBI will provide infrastructure to support increased bus frequency with improved travel times and reliability and enable the transition to electric buses. It will also improve the customer experience and encourage uptake of active modes through provision of engaging streets and spaces that are safe, connected and efficient for people moving along and across the Wellesley Street corridor.
14. Delivery is in three stages to align with external projects. Stage One is aligned with the opening of CRL’s Te Wai Horotiu station. Stage Two is aligned with the Council’s Victoria Linear Park project and Stage Three is aligned with Waka Kotahi and Council’s CCMP upgrades to Grafton Gully.
15. The total estimated cost of the WSBI improvements is estimated \$175 million. Stage One is \$26.7m and will begin in April 2024 and finish by September 2025 when the Te Wai Horotiu station opens.

Te hononga ki te “Statement of Intent 2023 - 2026”/ Alignment to Statement of Intent 2023 - 2026

16. WSBI aligns most closely with getting the basics right by delivering bus services that are more efficient and have the space necessary to operate alongside other modes in the city centre; and leveraging our existing network using data by technology and insights by delivering the bus-related outcomes of the CCMP and supporting the future shape of the city, making better use of the existing road network.

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Me mōhio koe / What you need to know

17. The WSBI will support AT in getting the basics right and leveraging our existing network as it will enable us to continue meet demands for high quality bus services and encourage increased adoption of active modes with and a safe, connected and efficient street environment along the Wellesley Street corridor for people entering and exiting what is anticipated to be New Zealand's busiest train station.
18. Stage One is aligned with the planned opening of Te Wai Horotiu station in late 2025 and AT has worked closely with the CRL project in developing the WSBI to date. Continuing alignment of delivery with CRL is not only beneficial in terms of ensuring we provide a seamless level of service to customers when the station opens, but it is cheaper and faster as CRL will accommodate the bus infrastructure within their construction realising efficiencies from a dig-once approach.
19. Not aligning with the opening of the station would mean the works being carried out with increased level of foot traffic. This would not only increase the cost, time and complexity of the work but would increase the risk of adverse reputational impact from disruption to more people.
20. While Stage One will deliver benefits associated with the opening of Te Wai Horotiu Station, Stages Two and Three are required to achieve all the investment objectives of the DBC, particularly the active transport and public realm outcomes. The timing of Stages Two and Three are aligned with Council's Victoria Linear Park project planned for delivery in 2027 and with Waka Kotahi and Council's CCMP upgrades to Grafton Gully expected in 2029. AT continues to work closely with these projects to ensure alignment and realise efficiencies where practicable. Should these external projects be delayed significantly or stop, AT would reconsider the timing of the stages based on funding within the RLTP.
21. The current RLTP 2021-2031 has a provision of \$132 million for Midtown Bus Improvements. This comprises \$59m between FY21 and FY24 for Stages 1 and 2 and \$73m from FY27 for Stage 3. Stage One will largely be delivered within FY24, but some funding will be required in FY25 with delivery planned for September 2025.
22. The estimated cost of the three stages collectively has increased from \$132m to \$174m, predominantly due to cost escalation and provision of infrastructure in each stage to enable future transition to electric bus fleet. The revised cost estimates have been included in the draft RLTP 2024-2034.

Ngā ritenga-ā-pūtea me ngā rauemi / Financial and resource impacts

23. P50 cost estimate of Stage One is \$26.7 million, with a BCR of 3.4.
24. The WSBI is an RFT-funded project with a provision of \$132 million for Midtown Bus Improvements in the current RLTP 2021-2031.
25. Revised timing and costs of the WSBI have been included in the development of the next RLTP.
26. The project team is working with the funding team to develop a funding application for submission to the Waka Kotahi Board.

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Ka whaiwhakaaro ki te Tiakanga Taiao / Climate change and sustainability considerations

27. WSBI will contribute to reduction in transport related greenhouse emissions and vehicle kilometres travelled across Tāmaki Makarau through enabling mode shift from private vehicles, provision of enhanced and more reliable public transport services, enabling better access to passenger rail services and greater access to quality walking and cycling routes. See Attachment 3 for the TERP transformations and WSBI's expected impacts.

Ngā whakaaweawe atu anō / Other impacts

Relationship	Consulted Y/N	Views and Perspectives Received
Māori	Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	A mana whenua design hui series identified option development and place-based opportunities. Hui was held regularly at key parts of the project programme through 2019-2022. Engagement with mana whenua has guided the development of the cultural framework, guiding design concepts, and opportunities captured in the Urban Design Framework and incorporated in the recommended option.
Elected members	Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	Waitematā Local Board representatives were included in key workshops providing feedback on options and outcomes of the Initial Business Case (IBC). A workshop and site walkover with board members to clarify queries was held on 28 March 2023. The Board supported the solution and feedback was accommodated into the final solution.
Council Controlled Organisations	Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	Auckland Council's Design Office was consulted during the IBC phase, helping to define the problem and determine the recommended option. Management have updated the City Centre Advisory Board on WSBI progress and coordinated with the Mid Town Coordination Group for project interfaces.

Ā muri ake nei / Next steps

28. Following board approval of the WSBI business case, the DBC will be submitted to Waka Kotahi for funding subsidy approval to progress the project's Stage One implementation phase.

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Ngā whakapiringa / Attachments

Attachment number	Description
1	Recommended Option for Wellesley Street Benefits and Staging
2	Recommended Option Layout for Wellesley Street Bus Improvements Project
3	Climate change and sustainability Considerations
4	Previous Deliberations – Further Information
5	Illustrative Plan for Stage 1 with Renders


Te rārangi o ngā kupu whakatau / Decision checklist (for Board and Committee members)

Have the following matters and impacts on them been considered in decision making?	Considered Y/N	
Alignment to Statement of Intent 2023 – 2026 principles and statement of performance expectations	Yes: <input checked="" type="checkbox"/>	No: <input type="checkbox"/>
Budget and fiscal constraints	Yes: <input checked="" type="checkbox"/>	No: <input type="checkbox"/>
Climate change and sustainability (including contributing to the Transport Emissions Reduction Pathway)	Yes: <input checked="" type="checkbox"/>	No: <input type="checkbox"/>
Customer and community engagement	Yes: <input checked="" type="checkbox"/>	No: <input type="checkbox"/>
Equity of access to transport	Yes: <input checked="" type="checkbox"/>	No: <input type="checkbox"/>
Māori outcomes	Yes: <input checked="" type="checkbox"/>	No: <input type="checkbox"/>
Health, safety and wellbeing outcomes	Yes: <input checked="" type="checkbox"/>	No: <input type="checkbox"/>

Te pou whenua tuhinga / Document ownership

Submitted by	Chris Watson Group Manager Investment Development (Author)	
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