

Supplementary Agenda for the meeting of the Infrastructure Committee to be held in the Council Chambers, District Office, 15 Galileo Street, Ngaruawahia on **WEDNESDAY, 28 JULY 2021** commencing at **9.30am**.

Information and recommendations are included in the reports to assist the committee in the decision making process and may not constitute Council's decision or policy until considered by the committee.

REPORTS

5.6 Total Mobility Fare Subsidy and Assessment Fee Waiver 2

GJ Ion
CHIEF EXECUTIVE

Open Meeting

To	Infrastructure Committee
From	Roger MacCulloch General Manager Service Delivery
Date	26 July 2021
Prepared by	Gareth Bellamy, Senior Transportation Engineer, Roading
Chief Executive Approved	Y
DWS Document Set #	INFJUL21
Report Title	Total Mobility Fare Subsidy and Assessment Fee Waiver

I. EXECUTIVE SUMMARY

The purpose of this report is to seek the Committee's support for the Total Mobility Fare Subsidy of 50%, a maximum fare subsidy capped at \$50, and Total Mobility Assessment \$25 fee waiver for 2021/22.

The following documents are included as appendices to this report:

- Appendix I – Total mobility subsidy assessment.

2. RECOMMENDATION

THAT the report of the **General Manager Service Delivery** be received;

AND THAT subject to any amendments, the **Infrastructure Committee** supports the:

- **Total Mobility fare subsidy of 50%,**
- **maximum subsidy to be capped at \$50, and**
- **Total Mobility Assessment fee waiver of \$25.00**

for the 2021/22 year.

3. BACKGROUND

The Total Mobility programme is a nationwide scheme aimed at giving people with disabilities mobility options. Waikato Regional Council provides administration for Total Mobility in Hamilton, Waipa, Taupo, Tokoroa and now Waikato District. The scheme provides financial assistance to registered users.

Each trip entitles registered card holders a 50% discount on a service provider (taxi/shuttle bus etc) fare up to a maximum fare amount. The maximum subsidised fare proposed is \$100 (maximum \$50 subsidised).

As an example, if the fare is \$60, the subsidy is \$30 (to a maximum of \$50). The WDC share of the subsidy is \$12 (40%) and Waka Kotahi \$18 (60%) and the card holder pays the balance directly to the service provider.

The fare subsidy in metro areas such as Hamilton is \$30 where journeys are short and frequent. The proposed maximum \$50 subsidy for Waikato District is to ensure the scheme is inclusive and removes any financial barriers particularly to our rural communities who face greater distances to travel.

Registered Service providers such as taxi services, driving miss daisy, shuttle bus etc, claim the subsidy directly from Regional Council, who then invoice Council's share.

Council has supported the Total Mobility Programme and has set aside \$15,000 per annum in the LTP.

The scheme is open to people of all ages living within the district, people living in residential care facilities such as rest homes, aged care facilities are eligible for the scheme.

The scheme is open for people with physical, intellectual, psychological, sensory, or neurological disability that prevents them from undertaking components of a journey such as:

- Get to a place from where transport starts
- Get on/off the transport
- Ride security
- Get to their final destination

Waikato Regional Council will commence roll out of the scheme in the Waikato District following confirmation of the proposed subsidy levels.

Users are ordinarily required to pay a \$25 assessment fee, however it is proposed to waiver this to remove any financial barriers that would otherwise prevent people joining the scheme.

4. DISCUSSION

4.1 DISCUSSION

The \$50 subsidy cap has been proposed by the Total Mobility to enable support the larger distances our District's rural communities will be required to travel. Waipa and other Councils have agreed to waive the \$25 assessment fee.

5. CONSIDERATION

5.1 FINANCIAL

There is \$15,000 per annum set aside for the scheme in this LTP, this was the amount recommended by Waikato Regional Council and is considered appropriate for the scheme to commence, absorb the \$25 assessment fees (for at least the first year) and cover Council's ongoing subsidy. This will be reviewed at end of financial year whether to continue the waiver and subsidy rates.

It is worth noting that Council's share is 40% of the scheme, Waka Kotahi covers the other 60% of the costs.

5.2 LEGAL

There are no legal considerations.

5.3 STRATEGY, PLANS, POLICY AND PARTNERSHIP ALIGNMENT

This is in line with our partnership with the Total Mobility Programme.

5.4 CONCLUSION

The proposed fare subsidy and fee waiver aligns with neighbouring Councils' approaches to the scheme and utilises existing approved budgets

6. ATTACHMENTS

A Total Mobility Subsidy Assessment

Gareth Bellamy

To: Gareth Bellamy
Subject: FW: Follow up to first Total Mobility Scheme (TMS) planning
Attachments: Total Mobility - Waikato District financial model.xlsx

From: Amantha Bowen <Amantha.Bowen@waikatoregion.govt.nz>
Sent: Monday, 26 July 2021 10:00 am
To: Gareth Bellamy <Gareth.Bellamy@waikatoregion.govt.nz>
Cc: Trudi Knight <Trudi.Knight@waikatoregion.govt.nz>
Subject: RE: Follow up to first Total Mobility Scheme (TMS) planning

Good morning Gareth

As mentioned, we suggested that Waikato Council consider a maximum subsidy cap of \$50 (toward any fare that's \$100+), keeping in mind that any trips which are very localised will come in much lower and would mean we might see a large amount of low-contribution fares (\$20 fare, \$10 subsidy).
 The attached model allows you to test different scenarios by changing the subsidy cap & the % of "long trips" (ie trips that reach the maximum subsidy). Note that the model is based on pre-covid numbers; we are seeing an increase in use but have not yet returned to pre-covid usage levels.

The model is based on the limited roll out of operators in the initial stages – with a 10% uptake rate from the eligible community of Raglan, Tuakau, Tamahere & Pokeno. The subsidy could become unfeasible should services expand and more people join the scheme – Waikato has a large eligible population base (~4,500 vs ~3,500 in Waipa).

One factor that is hard to estimate is the proportion of trips that might be undertaken and would max out the subsidy vs regular, short trips. There will definitely be a need to travel distances of 50km+. Raglan to Hamilton is an example of this, with a total fare cost *per trip* ranging from \$120-140. This would be a similar cost for many areas of Waikato district nearer to Auckland, for those who may need to travel from their rural community into an urban shopping and services area. (Reminder that if a Waikato district TMS user travelled into Auckland, let's say in the morning and then got an Auckland provider to take them home later, that trip that began in Auckland would be covered by the scheme in Auckland and *not* Waikato district funds.)

Regardless of how high we set the cap, a Total Mobility scheme user will be contributing at least 50% of the cost of that journey. That sort of financial impact does naturally limit how often someone is likely to use the service for a long journey - although the subsidy contribution does make the cost a bit more accessible than otherwise, thus going a long way toward bridging communities.

How to use and interpret the model:

If you want to have a play with the Inputs on the second sheet, you can alter both the subsidy cap (currently set to a max of \$50 on a \$100 or more fare) or percent of long trips which is where we have said there is going to be likely a higher percentage of trips that are short and localised, as opposed to a longer and more expensive journey. Sheet one also breaks down where many of our assumptions have come from, on the basis of our four existing localities. We noticed an average of 2 trips a month, per user, across each locality. We also saw only a 5% uptake in Waipa for their first year (service began May 2019) but have formed the model on an assumption of a 10% uptake for Waikato DC.

A	B	C	D	E	F
				Waikato District	
Inputs					
Subsidy cap	\$ 50.00		Eligible community (Raglan, Tuakau, Pokeno, Tamahere)	1,080	Source: NZ Census 2018, People with 1 or more Activity Limitat
% of long trips	10%		% of eligible community using TM (Year 1)	10%	
			Average trips per User per 12 month period	24	Based on Waipa uptake in first 12 months
			Subsidy cap	\$ 50.00	
			Average subsidy per regular trip	\$ 6.79	Based on average fare for Waipa
			Average subsidy per long trip	\$ 50.00	Based on maximum subsidy
			Average subsidy per trip	\$ 11.11	
			Estimated Local Share per 12 month period	\$ 11,500	

Over the next three years we will implement and grow the scheme in Waikato district, and the scheme would need be reviewed at the next LTP cycle to determine if it has grown to require any changes to the funding or scheme parameters.

Let us know if you have any questions. Thanks Gareth!

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