



Report 07.400
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Committee Passenger Transport
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Total Mobility Phase Two Improvements

1. Purpose

To update the Passenger Transport Committee on the proposed Phase Two policy recommendations made by the Ministry of Transport (MoT) in its review of the Total Mobility scheme (the Scheme).

2. Significance of the decision

The matters for decision in this report do not trigger the significance policy of the Council or otherwise trigger section 76(3)(b) of the Local Government Act 2002.

3. Background

Greater Wellington subsidises taxi travel for people with disabilities as part of the Scheme.

During 2005 the MoT and Land Transport New Zealand (LTNZ) undertook a joint review of the Scheme. The aim of the review was to improve the Scheme's *adequacy, consistency, portability, sustainability* and *coverage*. The government also undertook to increase the amount of funding available to the Scheme. In August 2005 a three phase series of changes for the Scheme was announced by the MoT. Those Councils that implement the specific changes will receive an increased funding rate from LTNZ.

4. Comment

Phase One

Phase One Scheme changes, which were outlined in a series of eleven improvements were released in February 2005 (refer to **Attachment 1** for details). Greater Wellington Regional Council signed up to Phase One as the Scheme in the Wellington region already largely complied with the requirements of this Phase. This resulted in the Council being eligible for additional funding through an increased financial assistance rate (FAR)

(increasing from 40% to 50%) provided expenditure exceeded its 2005/06 budget for the Scheme.

Phase Two

Phase Two policy framework and improvements were initially announced in August 2005. Concerns over the potential cost of some of these improvements were raised by the Regional Affairs Committee of Local Government New Zealand and as a result, it was agreed that Phase Two be revisited by the MoT.

Subsequently, draft Phase Two improvements were re-released on 24 May 2007 inviting submissions by 22 June 2007. This submission is in the process of being completed by GW officers. The draft improvements that have been released are not significantly different from those previously proposed by the MoT in 2005 and still retain the same potential additional costs.

Although Phase Two potentially has substantial policy and financial impacts for the Council, agreement to implement this phase would enable the Council to receive additional funding to a 60% FAR as elements of Phase Two are put into place.

Attachment 2 lists all recommended changes for Phase Two.

Key elements of Phase Two are:

- *Entering into contracts with all assessment agencies.*

We currently manage and administer a contractual arrangement with Presbyterian Support Central who is responsible for assessing clients that we refer. Other agencies such as the Arthritis Foundation and the Muscular Dystrophy Association currently manage their own processes and clients based on the standard assessment criteria. These other agencies currently number 41. This is potentially significant in terms of administration.

- *Council will be required to contribute towards the cost of assessments and administration being undertaken by assessment agencies*

This is one element that has been identified as requiring further review by the MoT. The potential cost for the Council is shown in section 5.

- *Entering into contracts with Scheme transport operators e.g. taxi operators. These contracts would be designed to ensure quality and consistency of service.*

Administration and monitoring of these contracts would impact on current resource levels; however we welcome this as a necessary improvement to ensure a quality service is provided to the Scheme users.

- *Streamlining and improving administration systems, data collection, monitoring and evaluation.*

For GW to receive the greatest benefits for improving administration for the large number of users of the region's Scheme the introduction of an electronic voucher or smartcard system may be the best way forward. The introduction of such a system will also aid in the potential increase in scope of the Scheme proposed by MoT and additional reporting requirements for LTNZ and ourselves. The current labour intensive paper based system is likely to be inadequate.

5. Financial implications

Potential costs and risk areas are currently being assessed. Additional funding from LTNZ will be available in the 2007/2008 financial year.

The following activities are those that are likely to attract a material (but yet to be fully calculated) cost; but it is anticipated that GW would receive 100% funding from LTNZ:

- Contracted assessments by other agencies (approximately 1100 assessments per year). GW currently pays \$53.36 plus GST per assessment to Presbyterian Support Central. Thus to contract out all assessments would potentially cost an extra \$59k pa (assuming numbers of new users remains constant)
- Implementation and initial administration of contracts for assessment agencies and taxi transport operators is estimated at \$50k-\$70k. This is a one-off cost but subsequently followed by additional administration, as a yet to be established (possibly requiring an additional staff member, or outsourcing of some activities).
- Introduction of new administrative systems, particularly any smartcard based system. These costs need to be established.

GW will be recommending to MoT, through the submission process, that funding assistance be applied from the first dollar of any additional costs being incurred in order to implement the Phase Two improvements.

6. Communication

A copy of the response to draft Phase Two improvements will be distributed to all councillors on the Passenger Transport Committee. Following any further communications from the MoT GW Officers will endeavour to provide a more accurate indication of potential costs of implementing Phase Two.

7. Recommendations

That the Committee:

1. *Receives the report.*
2. *Notes the content of the report.*

Report prepared by:

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Attachment 1: Information sheet – Total Mobility Scheme Review – Phase one changes

Attachment 2: Information sheet – Summary of Phase two improvements