

OC230597

21 July 2023

[REDACTED]

Tēnā koe [REDACTED]

I refer to your email dated 30 May 2023, requesting the following under the Official Information Act 1982 (the Act):

“Advice on the cost-effectiveness of cheaper public transport relating to emissions reduction”

Ten documents fall within the scope of your request and are detailed in the document schedule attached as Annex 1. The schedule outlines how the documents you requested have been treated under the Act.

Certain information is withheld under the following sections of the Act:

- 9(2)(a) to protect the privacy of natural persons
- 9(2)(g)(i) to maintain the effective conduct of public affairs through the free and frank expression of opinions by or between or to Ministers of the Crown or members of an organisation or officers and employees of any public service agency or organisation in the course of their duty

With regard to the information that has been withheld under section 9 of the Act, I am satisfied that the reasons for withholding the information at this time are not outweighed by public interest considerations that would make it desirable to make the information available.

Certain information in Documents 1 and 8a is redacted as it is outside the of scope of your request.

I am refusing the release of Documents 2, 3, 4, and 9 under the following section of the Act:

- 18(d) the information requested is or will soon be publicly available

Document 9 is available at the following link:

<https://www.transport.govt.nz/assets/Uploads/Ministry-briefing-Taking-Action-on-fuel-prices-until-31-January-2023.pdf>

Te Manatū Waka Ministry of Transport will publish the remaining information refused under section 18(d) within eight weeks at the following address: <https://www.transport.govt.nz/about-us/what-we-do/proactive-releases/SearchForm>

Note that some numbers contained in Document 1 (on page 1 - in the funding profile section) are out of date. The most up to date numbers can be found here:

<https://budget.govt.nz/budget/pdfs/summary-initiatives/b23-wellbeing-budget-soi.pdf>

You have the right to seek an investigation and review of this response by the Ombudsman, in accordance with section 28(3) of the Act. The relevant details can be found on the Ombudsman's website www.ombudsman.parliament.nz

The Ministry publishes our Official Information Act responses and the information contained in our reply to you may be published on the Ministry website. Before publishing we will remove any personal or identifiable information.

Nāku noa, nā



Helen White
Manager, Mobility and Safety

Annex 1

#	Document	Detail on response
1	Budget 2023 Making public transport more affordable for low-income New Zealanders v2.0	Out of scope information has been redacted. Phone numbers withheld under section 9(2)(a)
2	Community Connect supplementary answers	Refused in full under section 18(d)
3	Briefing - OC230086 Initial Advice on public transport fare subsidies for Children	Refused in full under section 18(d)
4	Briefing - OC220997 Public transport support measures to replace half-price fares	Refused in full under section 18(d)
5	Email RE Emissions reduction estimates for the Community Connect extension initiative (1)	Phone numbers withheld under section 9(2)(a)
6	Email RE Emissions reduction estimates for the Community Connect extension initiative	Withheld in full under section 9(2)(g)(i)
7	Excerpt of Community Connect Total Mobility cost benefit analysis for Budget 2023	Released in full
8a	Budget 2022 - Making public transport more affordable for low-income New Zealanders	Phone numbers withheld under section 9(2)(a) Out of scope information has been redacted.
8b	Excerpt of CBA - Making public transport more affordable for low-income New Zealanders for Budget 2022	Released in full
9	Briefing - Taking Action on fuel prices	Refused in full under section 18(d)

Budget 2023 Submission for Invited New Spending Priorities and CERF Initiatives

Section 1: Overview

Section 1A: Basic initiative information

Initiative title (max 120 characters)	Extending Community Connect to under 25 year olds and Total Mobility passengers				
Lead Minister	Minister of Transport, Hon Michael Wood		Agency	Te Manatū Waka Ministry of Transport.	
Initiative description (max 800 characters)	This initiative will expand the Community Connect public transport concession to under 25-year-olds and all Total Mobility passengers (Total Mobility is a bespoke transport service available to those unable to use public transport due to an impairment). Community Connect is a 50 percent concession on the adult fare for peak and off-peak services and will be available to Community Services Card (CSC) holders from 1 April 2023. Expanding Community Connect to these user groups is intended to encourage increased public transport use, supporting mode-shift and meeting the vehicle kilometres travelled (VKT) reduction target. This extension is targeted to be implemented in the second half of 2023.				
Priority area	<input checked="" type="checkbox"/> New Spending – Invited operating initiatives	<input type="checkbox"/> New Spending – Invited capital initiatives (outside the Investment Panel process)	<input type="checkbox"/> Climate Emergency Response Fund (CERF)	<input checked="" type="checkbox"/>	
Is this a cross-Vote initiative?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes <input type="text" value="Click or tap here to enter text"/>				
Department contact	Name: Helen White Phone: s 9(2)(a) Email: h.white@transport.govt.nz		Treasury contact (Vote Analyst)	Name: Olivia Maxwell Phone: s 9(2)(a) Email: Olivia.maxwell@treasury.govt.nz	

Section 1B: Summary of funding profile

Operating funding sought through Budget 2023 (\$m) – Total Mobility Users										
2022/23	2023/24		2024/25		2025/26		2026/27 & outyears*		Total	
[●]	98.048		91.664		94.065		93.636		377.413	
*Extend the profile above to a “steady state” if funding into outyears is irregular. Delete “& outyears” for time-limited funding.										
Capital funding sought through Budget 2023 (\$m)										
22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32*	Total
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
*Extend the profile above if funding is needed beyond 2031/32.										

Section 2: Alignment

Section 2A: Problem definition

The answer to each question must not exceed 2-3 paragraphs

What is the problem that this initiative is trying to solve and why does it need to be solved now?

Describe the problem the initiative is trying to solve by outlining its root cause(s) and consequence(s) and explain why the problem needs to be solved now. The problem should be framed in terms of current and/or future outcome(s) for New Zealanders.


The Emissions Reduction Plan (ERP) includes a transport target to reduce vehicle kilometres travelled (VKT) by cars and light vehicles by 20 percent by 2035. Achieving this target is critical for reducing transport emissions by 41 percent by 2035, as suggested by the Climate Change Commission. The ERP makes significant commitments to make it easier, safer, and more affordable to travel by public transport, rather than by car. It also makes commitments to improve access and travel choice for the disadvantaged. This work has started with the development of Community Connect for Community Services Card (CSC) holders, expected to start 1 February 2023.

Expanding the original concession scheme to include under 25-year-olds and Total Mobility users is an opportunity to improve transport equity and support a just transition by making it more affordable for more people to access key social and economic opportunities (such as jobs, education, and healthcare).

Transport Indicator data demonstrates that lower income households spend a much greater proportion of their income on transport costs than higher income households, and access to health, jobs and other opportunities is much more limited. Lower income households are also much more sensitive to price changes, meaning policies that could increase the cost of motor vehicle travel (such as congestion charging and the ETS) could have a disproportionate impact on these communities. This could exacerbate transport disadvantage and poverty.

Transport affordability is a key issue for the disability community and can hinder their ability to engage in society. Recent research into transport experiences of disabled people in Aotearoa New Zealand has identified cost as a key barrier for total mobility, as well as availability of services. Te Manatū Waka is currently scoping a review of Total Mobility to investigate these issues further, but in the interim proposes to extend Community Connect to Total Mobility passengers to help address the immediate issue of affordability.


Out of Scope

	Out of Scope
<p>What needs to improve and/or change to address the problem?</p>	<p>Out of Scope</p>
<p>Section 2B: Alignment</p>	
<p>The answer to each question must not exceed 1-2 paragraphs. If the initiative has more than one intended outcome, select one of the rows below and click the  button that appears at the bottom right to duplicate this section.</p>	
<p>Alignment to the Wellbeing Objectives and the economic plan</p>	<p><i>Describe how the initiative aligns with the Wellbeing Objectives, and where relevant, delivery of the Government's economic plan to build a high-wage, low-emissions, secure economy. For CERF initiatives, succinctly outline the relevant CERF eligibility criterion.</i></p> <p>The primary Government Wellbeing Objective for this initiative is just transition.</p> <p>This initiative makes a contribution to the Just Transition and Child Wellbeing Objectives. Reducing public transport fares, particularly for low income New Zealanders, is included in the Emissions Reduction Plan, and will support efforts to increase mode-shift towards greater use of public transport. Extending Community Connect to under 25s will make it cheaper for this group to travel and reduce the burden of transport costs on household budgets.</p> <p>The primary Economic Plan outcome is low emissions.</p> <p>This initiative is eligible for CERF funding as it aligns to an action in the ERP. It supports Action 10.1.2 of the ERP: Support people to use public transport. Community Connect supports efforts to address equity, specifically, working with local government to make public transport more affordable with a particular focus on low-income users.</p>
<p>Specific implications regarding the Crown's obligations under the Treaty of Waitangi</p>	<p>Out of Scope</p>

Out of Scope

Section 3: Value

Section 3A: Benefits and outcomes

The answer to each question must not exceed 1-2 paragraphs. If the initiative has more than one intended outcome, select one of the rows below and click the  button that appears at the bottom right to duplicate this section.

<p>What outcome(s) would the initiative achieve?</p>	<p>The primary Living Standards Framework domain for this initiative is income, consumption and wealth.</p> <p>Goal 1: Improving transport equity</p> <p><i>What is the initiative intended to achieve in terms of the identifiable and measurable social, economic and/or environmental benefits? What is the specific impact or difference that this initiative will achieve? Provide a brief description of the key benefits that will arise through this initiative, with reference to the wellbeing domain(s) from the Living Standards Framework that each benefit relates to. You may also wish to reference the key principles of He Ara Waiora. The Wellbeing Impacts Template can be attached to support your answer. For CERF initiatives, refer to section 3.5 of the Budget 2023 Guidance.</i></p> <p>This initiative will reduce the cost of public transport for total mobility passengers and under 25-year-olds. This cohort includes those with restricted transportation options and students, all of whom are more likely to be spending a greater proportion of their income on transport and are more sensitive to any changes in transport costs. Additionally, providing the concession to children will alleviate the burden of transport costs on families' budgets.</p> <p>Disabled people are over-represented in low-income brackets in New Zealand and under-represented in high-income brackets. Many will have a CSC, so are eligible for Community Connect, but because the planned concession only applies to public transport, as it does not currently apply to Total Mobility. While Total Mobility passengers currently receive a subsidy on Total Mobility fares, the cost can still be significant, and can pose a barrier for many passengers. Including Total Mobility in Community Connect will reduce the cost of the service for passengers.</p> <p>Out of Scope</p>
<p>Distributional/system impacts</p>	
<p>Timeframes</p>	
<p>Evidence and assumptions</p>	

BUDGET-SENSITIVE

	Out of Scope																	
What outcome(s) would the initiative achieve?	<p>Goal 2: reduced transport emissions (with extending to under 25s only)</p> <p>Extending the concession to under 25s may encourage more of this cohort to use public transport and reduce their reliance on private transport options.</p> <p>Note- extending the concession to Total Mobility does not support emissions reductions, although this may change over time should more zero emission vehicles become available that meet the requirements for Total Mobility.</p> <p>The intended outcome will be measured through measuring number of total mobility users and under-25-year olds being able to use the public transport and how that number has changed from the past few years.</p>																	
Distributional/system impacts	<p>If the initiative has any of the following distributional and/or system impacts, tick the relevant impact(s) and answer additional questions in Section 5 of this template, where applicable:</p> <table border="1"> <tr> <td><input checked="" type="checkbox"/></td><td><input checked="" type="checkbox"/></td><td><input type="checkbox"/></td><td><input checked="" type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td></tr> <tr> <td>Māori</td><td>Pacific Peoples</td><td>Child Poverty</td><td>Women and Girls</td><td>Environment</td><td>Regulatory Systems</td></tr> </table>						<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Māori	Pacific Peoples	Child Poverty	Women and Girls	Environment	Regulatory Systems
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>													
Māori	Pacific Peoples	Child Poverty	Women and Girls	Environment	Regulatory Systems													
Timeframes	The goal could be achieved in the medium term, or sooner, depending on the level of uptake, and whether that uptake is sustained over time. As service level improvements are made or PT is expanded there are likely to be additional benefits.																	
Evidence and assumptions	<p>We are assuming that those eligible for the concession and live near or on frequent and convenient public transport routes will use the concession, instead of a private motor vehicle.</p> <p>A key assumption is that reducing the cost of public transport will encourage greater use of public transport over private motor vehicles. There are other factors that influence people's travel choices, including convenience and availability of services.</p>																	
What outcome(s) would the initiative achieve?	Out of Scope																	
Distributional/system impacts																		

Timeframes	Out of Scope
Evidence and assumptions	


Section 3B: Expenditure profile and cost breakdown

The answer to each question must not exceed 1-2 paragraphs.

Formula and assumptions underlying costings	<p><i>What assumptions, if any, have been used to prepare the costings for this initiative? E.g. for new FTE, salary assumptions, role/seniority, associated overheads. See section 3.3 of the Budget 2023 Guidance on common assumptions.</i></p> <p>We have assumed the under 25 concession will apply to adult public transport fares, rather than to child or student fares. Those eligible for, and choosing to access, the concession will pay half the adult fare. This is consistent with how the concession will work for CSC holders. Reasons the concession for under 25s is comparatively high compared to the cost of half-price public transport is that Under 25s are high users of public transport and make up a disproportionate number of public transport journeys as well as there are additional the administrative costs of targeted concessions to provide verification systems to confirm eligibility.</p> <p>The fare revenue forgone estimates have not been adjusted for CSC cardholders who are under 25 or are Total Mobility passengers. This means that the true costs of providing the concession could be lesser than what has been outlined in this template. Data outlining the proportion of under 25 year olds who hold a CSC or use Total Mobility was not available when this initiative was costed.</p> <p>Fare revenue foregone has been estimated with the following key assumptions:</p> <ul style="list-style-type: none"> • As above, the estimated patronage numbers covered all under-25 trips, there is no adjustment for existing CSC holders who are under 25 or are Total Mobility passengers • As with the concession for CSC holders, the concession for under-25s only applies to the adult fare. It does not apply to child or student concessions. • For the purpose of estimating costs we have estimated forgone fare revenue based on the mid-point between child fares and adult fares. This is likely a conservative estimate. However, given PTAs are responsible for fare setting it is difficult to accurately estimate foregone fare revenue when fare policies could change over time. • We generally assumed passengers use electronic ticketing. Many regions differ fares by payment type. Cash fares are typically more expensive compared to electronic ticketing. • Not all regions differ their fares like the above and not all use the same definition for adult and child. • We assumed the impact of reduced fares might incentivise additional trips, and estimated this increase at 16% for the first few years. • We used the Household Travel Survey to estimate the percentage share of trips taken by under-25s at the regional level.
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BUDGET-SENSITIVE

	Out of Scope
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Provide a breakdown of total initiative expenditure by individual expense category. Total operating and capital expenses in this section must match the totals in Section 1B: Summary of funding profile. To duplicate these rows for additional rows, select the applicable row below and click the  button that appears at the bottom right.

Operating expenses (\$m)						
Operating expense category	2022/23	2023/24	2024/25	2025/26	2026/27 & outyears*	Total
Fare revenue foregone from under-25s concession	Out of Scope					
Fare revenue foregone from Total Mobility						
PTA Administration Cost - Ticketing system changes and ongoing maintenance		Out of Scope				
PTA Administration Cost - Card distribution						
PTA Administration Cost - Communications and marketing						
PTA Administration Cost - Resourcing and customer support						
PTA Administration Cost - Project management						
Monitoring and evaluation	[●]					
New FTE wage funding	[●]					
New FTE/contractor overhead funding	[●]					
Waka Kotahi administration costs	[●]					
Total (\$m)	[●]					

*Extend the profile above to a "steady state" if funding into outyears is irregular. Delete "& outyears" for time-limited funding.

# of new FTEs (incl. contractors) over the forecast period	2022/23	2023/24	2024/25	2025/26	2026/27	Total
	[●]	[●]	[●]	[●]	[●]	[●]

Capital expenses (\$m)											
Capital expense category	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32*	Total
Total (\$m)	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

*Extend the profile above if funding is needed beyond 2031/32.

BUDGET-SENSITIVE

Section 3C: Options analysis

The answer to each question must not exceed 1-2 paragraphs.

What were the range of options considered?

Out of Scope

What was the process used to select the preferred option?

Describe the climate impacts analysis used to support the options analysis, and the selection of the preferred option. Attach the Climate Implications of Policy Assessment (if relevant) and any other supporting evidence.

The Climate Implications of Policy Assessment (CIPA) team has been consulted and confirms that the CIPA requirements do not apply to this proposal as the GHG emissions reductions are not a primary objective of this initiative nor do the GHG emissions impacts surpass the CIPA thresholds.

Describe how the preferred option represents best public value.

What sensitivity analysis was undertaken and how did it influence the choice of preferred option?

Counter-factual question


Out of Scope

Section 3D: Scaled option

The answer to each question must not exceed 1-2 paragraphs.

Scaling option overview

Out of Scope

Provide a breakdown of what the scaled down option would purchase. Add additional rows to the table as needed by selecting a row and clicking the  button that appears at the bottom right.

Operating expenses (\$m)						
Operating expense category	2022/23	2023/24	2024/25	2025/26	2026/27 & outyears*	Total
Fare revenue foregone from Total Mobility concession	[●]	Out of Scope				
Waka Kotahi Administration costs	[●]					
PTA Administration Cost - Communications and marketing	[●]					
PTA Administration Cost - Resourcing and customer support	[●]					
{Name of operating expense category}	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.
{Name of operating expense category}	[●]	[●]	[●]	[●]	[●]	[●]
Depreciation and/or capital charge (if relevant)	[●]	[●]	[●]	[●]	[●]	[●]
New FTE wage funding	[●]	[●]	[●]	[●]	[●]	[●]
New contractor wage funding	[●]	[●]	[●]	[●]	[●]	[●]
New FTE/contractor overhead funding	[●]	[●]	[●]	[●]	[●]	[●]

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[Name/type of contingency]	[•]	[•]	[•]	[•]	[•]	[•]					
Total (\$m)	[•]	Out of Scope									
*Extend the profile above to a "steady state" if funding into outyears is irregular. Delete "& outyears" for time-limited funding.											
# of new FTEs (incl. contractors) over the forecast period	2022/23	2023/24	2024/25	2025/26	2026/27	Total					
	[•]	[•]	[•]	[•]	[•]	[•]					
Capital expenses (\$m)											
Capital expense category	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32*	Total
[Name of capital expense category]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
[Name of capital expense category]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
[Name/type of contingency]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
Total	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
*Extend the profile above if funding is needed beyond 2031/32.											

Section 4: Delivery

Section 4A: Procurement and workforce requirements

The answer to each question must not exceed 2-3 paragraphs.

What is the initiative purchasing/funding?	<p><i>Describe the key resources (workforce, goods, assets, services) that need to be sourced, including any ancillary services. The answer should align with the initiative description and the problem definition in Section 1A and Section 2A respectively. It is optional to attach the Procurement Plan for the initiative.</i></p> <p>This initiative purchases:</p> <ul style="list-style-type: none"> • A 50% fare concession for under 25 year olds and Total Mobility passengers. This can also be understood as fare revenue forgone for these user groups. • Implementation costs for PTAs to implement the concessions • Implementation costs for Waka Kotahi to implement the concessions, including engagement and communication to promote the concession (focussed particularly on Maori and Pasifika communities) • Resource for the Ministry of Transport to monitor and evaluate the concession
Is there a market that can meet these needs?	<p><i>Describe the market you are looking to procure the above key resources from. Support your answer with evidence of any market testing that has been completed, and any engagement that has been undertaken with the relevant supply markets.</i></p> <p>Public transport authorities have responsibility for public transport services, including the provision of fare concessions. PTAs will need to work with their ticketing providers (eg Snapper, HOP) to provide the concession on smartcards, and establish necessary back office systems and application processes.</p> <p>Total Mobility services are provided by private taxi companies. The scheme is administered at a regional level by PTAs, including assessing applications for the scheme.</p> <p><i>What is the capacity and capability of the market to provide these resources and how has this been tested?</i></p> <p>The half price fares policy has demonstrated willingness and capability to set up a reduction in fares nationwide within short timeframes. However, implementation of targeted concessions require more time to implement. We have seen with Community Connect that PTAs are dependent on their ticketing</p>

BUDGET-SENSITIVE

	Out of Scope
Government Procurement Rules	<i>Does the proposed approach align with Government Procurements Rules? If not, on what basis is the initiative exempted?</i>
Section 4B: Risks, constraints, and dependencies	
The answer to each question must not exceed 1-2 paragraphs	
What are the main risks?	Out of Scope
What are the key constraints?	
What are the key dependencies?	
Section 4C: Governance and timeframes	
The answer to each question must not exceed 1-2 paragraphs.	
What are the governance arrangements for this initiative?	<i>What is the governance structure, including decision making and any advisory groups? It is optional to attach the Governance Diagram showing the governance structure.</i>

	Out of Scope
Timeframes and monitoring	

Section 4D: Demonstrating performance

The answer to each question must not exceed 1-2 paragraphs.

Does this meet the threshold of a significant initiative? Is it part of an existing strategy / work programme / initiative with existing reporting, and if so what is it called?

Outline the type (or types) of evaluation planned and their timeframe(s). Indicate what funding is proposed to be allocated for evaluation.

Describe the performance information that would be included in the Estimates if this initiative was funded, or if the performance information in the Estimates is not expected to change then describe the reasons for that decision.

Te Manatū Waka is already preparing for an evaluation of Community Connect, we anticipate completing an evaluation four years after the concession (as originally agreed through Budget 22). This can be expanded to encompass under 25s and Total Mobility passengers.

For performance information, it is expected that information being collected for the Community Connect scheme already be can leveraged to report on progress made against this initiative.

Section 5: Initiatives with Distributional/System Impacts

Section 5A: Māori initiatives

The answer to each question must not exceed 2-3 paragraphs.

	Out of Scope
What kind of impact would the initiative have on Māori?	
How does the initiative align with any of the	

means of [He Ara Waiora](#)?

Out of Scope

How will the initiative contribute to the ends of [He Ara Waiora](#)?

Section 5B: Pacific initiatives

The answer to each question must not exceed 2-3 paragraphs.

What kind of impact would the initiative have on Pacific people?

Out of Scope

How would the initiative contribute to the focus areas of the [All-of-Government Pacific Wellbeing Strategy](#)?

How would the initiative contribute to the outcomes for Pacific communities articulated in the [Pacific Wellbeing Outcomes Framework](#)?

Section 5C: Child poverty initiatives

The answer to each question must not exceed 2-3 paragraphs.

What kind of impact would the initiative have on reducing child poverty?

Out of Scope

	Out of Scope
Does the initiative align with the Child and Youth Wellbeing Strategy?	
Section 5D: Initiatives with impacts on women and girls	
The answer to each question must not exceed 2-3 paragraphs.	
Which group(s) of women and girls would be impacted by the initiative? Select all that apply.	Out of Scope
How many women and girls would be affected by this initiative?	
Out of Scope	
What is the initiative expected to achieve that will help to improve outcomes for women and girls, including for wāhine Māori and kōtiro?	Out of Scope

What direct and indirect impacts on women and girls is the initiative expected to have, including on wāhine Māori and kōtiro?

Out of Scope

Are there any anticipated negative impacts of the initiative on women and girls, including on wāhine Māori and kōtiro?

Describe how the initiative contributes to the wellbeing objectives and improves outcomes for women and girls.

Out of Scope

Section 5E: Initiatives with environmental impacts

The answer to each question must not exceed 2-3 paragraphs.

Does the initiative align to a category within the [Green Bond Framework?](#)

Does the initiative have significant direct or indirect environmental impacts (positive or negative) beyond any climate change implications caught by CERF?

Out of Scope

Section 5F: Regulatory systems initiatives

The answer to each question must not exceed 2-3 paragraphs.

Which regulatory system(s) does the initiative relate to?

Out of Scope

Which category does the initiative primarily relate to?

Which stage of the policy or legislative process is the proposal at?

RELEASED UNDER THE
OFFICIAL INFORMATION ACT 1982

From: Kane Swift
Sent: Monday, 29 May 2023 4:45 pm
To: HanLing Petredean
Cc: Joanne Leung; Richard Cross; Helen White; Brent Johnston
Subject: RE: Emissions reduction estimates for the Community Connect extension initiative

Hi HanLing,

Yeah we prefer to use a range to signal the variability around the assumptions, but also because if you started using a single point like the median, then people tend to fixate on it as the only number it can be and it makes it difficult to move away from (and explain) it if later analysis comes up with a different number even if it uses better information and assumptions.

One alternative you could say is *up to* whatever the highest number is, which is a simpler way of expressing a range.

Cheers,

Kane Swift

Kaitohutohu Matua Ōhanga | Rangahau, Ōhanga mē te Arotake

Senior Economist | Research, Economics and Evaluation

Te Manatū Waka Ministry of Transport

M: s 9(2)(a) | E: K.Swift@transport.govt.nz | www.transport.govt.nz



TE MANATŪ WAKA
 MINISTRY OF TRANSPORT

Hāpaitia ana ngā tāngata o Aotearoa kia eke
 Enabling New Zealanders to flourish

From: HanLing Petredean <HanLing.Petredean@parliament.govt.nz>
Sent: Monday, May 29, 2023 3:59 PM
To: Kane Swift <K.Swift@transport.govt.nz>
Cc: Joanne Leung <j.leung@transport.govt.nz>; Richard Cross <r.cross@transport.govt.nz>; Helen White <h.white@transport.govt.nz>; Brent Johnston <B.Johnston@transport.govt.nz>
Subject: RE: Emissions reduction estimates for the Community Connect extension initiative

That's great, thank you Kane. That last figure is especially helpful.

In terms of communicating the figures provided, is the intent to use the range provided or can we look to take the median figure? It's a bit awkward going out with the wide range but I appreciate wanting to communicate the variability around low/high uptake scenarios.

Ngā mihi,

HanLing Petredean (she/her) | Private Secretary (Transport)
hanling.petredean@parliament.govt.nz | M: s 9(2)(a)

From: Kane Swift <K.Swift@transport.govt.nz>
Sent: Monday, 29 May 2023 3:53 PM
To: HanLing Petredean <HanLing.Petredean@parliament.govt.nz>
Cc: Joanne Leung <j.leung@transport.govt.nz>; Richard Cross <r.cross@transport.govt.nz>; Helen White

<h.white@transport.govt.nz>; Brent Johnston <B.Johnston@transport.govt.nz>

Subject: RE: Emissions reduction estimates for the Community Connect extension initiative

Hi HanLing,

Some useful lines that it might be good to paraphrase from the original bid assessments and Richard's email last week:

This policy supports just transition in the Emissions Reduction Plan, which means it helps make transport more fair, equitable and inclusive for a more disadvantaged group (young people). The aim is to provide a more affordable alternative to private vehicles to mitigate the impact of policies that may increase the costs of private vehicles. It also supports existing PT users who may be living on a tight budget by making their travel more affordable, which will lead to savings that they can spend on other necessities. The estimated emissions impact is small for this policy on its own, but it is also only one of several initiatives that aim to make public transport a more attractive option, and the combined effect of these could support a much greater shift from private vehicles to PT.

For something more quantitative – the mode-shift from private motor vehicles is equivalent to removing 355 – 2310 cars from NZ roads.

Cheers,

Kane Swift

Kaitohutohu Matua Ōhanga | Rangahau, Ōhanga mē te Arotake

Senior Economist | Research, Economics and Evaluation

Te Manatū Waka Ministry of Transport

M: s 9(2)(a) | E: K.Swift@transport.govt.nz | www.transport.govt.nz



TE MANATŪ WAKA
MINISTRY OF TRANSPORT

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From: HanLing Petredean <HanLing.Petredean@parliament.govt.nz>

Sent: Monday, May 29, 2023 3:06 PM

To: Kane Swift <K.Swift@transport.govt.nz>

Cc: Joanne Leung <j.leung@transport.govt.nz>; Richard Cross <r.cross@transport.govt.nz>; Helen White <h.white@transport.govt.nz>; Brent Johnston <B.Johnston@transport.govt.nz>

Subject: RE: Emissions reduction estimates for the Community Connect extension initiative

Thank you, Kane and team, for providing these estimates. I note the strong caveats around the underlying assumptions, etc. and high degree of variability.

In terms of putting these reductions into perspective, do you have any additional lines we might be able to add to centre this for the public? My read is that the impacts are relatively small in the greater scheme of things but may be helpful to have some anchoring points if possible for any comms material.

I will discuss these figures with advisors and come back to you in the event we require any further detail to my initial query above.

Thank you again for your hard work to get to this stage, I (and the Office) really appreciate the effort! 😊

Ngā mihi,

HanLing Petredean (she/her) | Private Secretary (Transport)

From: Kane Swift <K.Swift@transport.govt.nz>

Sent: Monday, 29 May 2023 11:58 AM

To: HanLing Petredean <HanLing.Petredean@parliament.govt.nz>

Cc: Joanne Leung <j.leung@transport.govt.nz>; Richard Cross <r.cross@transport.govt.nz>; Helen White <h.white@transport.govt.nz>; Brent Johnston <B.Johnston@transport.govt.nz>

Subject: Emissions reduction estimates for the Community Connect extension initiative

Hi HanLing,

As requested, we have generated a range of emissions reductions across different scenarios for the Community Connect extension.

Results

Estimated increase in PT trips by users under 25 years	Low		High	
	#	% change (of users under 25 years)	#	% change (of users under 25 years)
2023/24	1.1m	16%	8.1m	21%
2024/25	1.2m	17%	8.9m	22%
2025/26	1.3m	19%	9.7m	24%
2026/27	1.4m	20%	10.4m	26%

Estimated CO2 emission reduction due to the policy	Policy years	After years	All years
	2023/24 – 2026/27	2027/28 – 2049/50	2023/24 – 2049/50
Total estimated reduction for period (tonnes CO2e)	2,400 – 15,300	1,300 – 16,500	3,700 – 31,800
Average reduction per year (tonnes CO2e)	625 – 3,825	60 – 720	n/a

- For the years 2023/24 to 2026/27 (the years funded in the bid), we estimated the emissions reduction to be between 2,400 – 15,300 tonnes CO2e, which is an average of 625 – 3,825 tonnes CO2e per year that the subsidy is in place for.
- For the years beyond 2026/27, some of the mode shift impact could become part of transport users' travel choices even when the subsidy is discontinued, and there could be an additional effect from their circles of family and friends.
- However, travel patterns and needs can vary with other changing factors in people's lives, to err on the conservative side, we have allowed for a small long-term change effect.
- For the after years of the policy (2027/28 to 2049/50) we estimated the emissions reduction to be between 1,300 – 16,500 tonnes CO2e, which is an average of about 60 – 720 tonnes CO2e per year.
- This gives us a total estimated reduction of 3,700 – 31,800 tonnes CO2e from 2023/24 to 2049/50.
- The lower bound of the estimates assume a lower behavioural response, a lower population growth (sourced from SNZ), a lower PT share for children under 25 and a lower unit of emission reduction from mode shift.

Assumptions

The key assumptions underlying these estimates are:

- We have not made any assumptions around increased PT services in response to increased PT uptake**

- Over the last couple of years, there have been reduced services due to the bus driver shortage so it is unlikely that additional demand could be met until the shortage is resolved
- Increased uptake could result in over-crowding on the remaining services and some existing PT users may be displaced due to inconvenience or health risks (e.g., having to stand, not being able to distance from others very well). We have not modelled what any potential displacement might mean for patronage numbers.
- **Baseline patronage** came from Waka Kotahi's weekly patronage data for Auckland, Wellington and Christchurch. It is assumed these three urban centres account for 90% of all PT trips (including 86% of all trips are bus trips).
- **Behavioural response assumptions**
 - We assumed that young adults (18 years and above) would be more responsive to the subsidy because adults are more able to make discretionary decisions around travel than minors due to them having more independence. Minors would be more constrained by what their guardians allow and this would limit their ability to take more PT trips in response to the subsidy.
 - For minors we tested three scenarios, a no uptake scenario, a medium uptake scenario and a high uptake scenario equivalent to the that of an adult.
- For the **emissions reduction**, we focussed on a mode-shift from travel in light vehicles as they are the only other transport mode that produces emissions
 - The emissions factors are an average CO2 g/km timeseries for the light fleet. This accounts for the different vehicle fuel type composition in the light fleet and how it may change over time (i.e., the emissions factors are lower over time because of a modelled increase in EVs and PHEVs in the fleet)
 - These estimates were based off our Vehicle Fuel Emissions Model 3.2, which is only updated about once a year. This means it will not capture the effects of recent or soon to be implemented policies that may increase EV uptake and therefore reduce the average CO2 emissions of the light fleet.
- Our **mode shift assumptions** came from Waka Kotahi's survey on the impact of half price fares on PT use, assuming that the mode-shift for Community Connect will be about the same as the survey findings. The survey had breakdowns for users aged 15-24 years and family-type that we aligned with our target groups. For those that switch to PT, there is no information whether they are a car driver or a car passenger. The analysis assumed users aged 18-24 are all car drivers. The assumed mode shift shares are:
 - Car: 25% (where the emission reduction comes from)
 - Walking & cycling: 58%
 - Induced use: 17%
- The **average distance travelled** in a car per trip that PT replaces came from the Household Travel survey. We used assumptions around being car driver and the trip purpose to create specific assumptions for the target age groups.

Regards,

Kane Swift

Kaitohutohu Matua Ōhanga | Rangahau, Ōhanga mē te Arotake

Senior Economist | Research, Economics and Evaluation

Te Manatū Waka Ministry of Transport

M: s 9(2)(a) | E: K.Swift@transport.govt.nz | www.transport.govt.nz



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From: Richard Cross
Sent: Monday, 22 May 2023 4:39 pm
To: HanLing Petredean
Cc: Brent Johnston; Joanne Leung; Helen White; Kane Swift
Subject: RE: Emissions reduction estimates for the Community Connect extension initiative

Hi HanLing

As discussed, below is some additional information in response to the Minister's questions about the Community Connect Scheme.

For the reasons set out in Joanne's email, we cannot reliably quantify the emissions abatement of this specific initiative because the relationship between reduced fares and emissions is not straight-forward and is dependent on a large number of variables. However, we understand that the Minister's core concern is ensuring that we can justify funding the Community Connect scheme through the Climate Emergency Response Fund. We are confident that it can be/ This is based primarily on:

- a) The strategic intervention logic (i.e. a qualitative argument)
- b) An assessment against the specific funding criteria for CERF

These are covered below.

Strategic argument

There are good reasons for assuming that, over the long-term, reducing the cost of public transport for young people will likely contribute to a more sustainable transport future that reduces reliance on car travel. Specifically:

- We know that, in order to achieve our emissions targets, we need to significantly increase public transport patronage
- In order to do that, we need to address all of the key barriers – cost, convenience (time/frequency of service) and coverage (reach of the public transport network)
- Reducing the cost of public transport is expected to result in an increase in demand for public transport. An increase in demand for public transport is likely to send positive investment signals – resulting in more investment in PT infrastructure and services over the long term
- Attracting more young people to public transport at an earlier stage is also likely to support longer-term behavioural change and help break entrenched patterns of car dependency

This is a strategic argument that will require a more detailed analysis to fully understand the impacts (Joanne's team currently does not have the information to do so). For this reason, we can say that Community Connect is an important part of a wider package of initiatives that will work together to support transport emissions reduction, but we cannot say at this stage that it will necessarily result in significant emissions reductions on its own (especially over the short term given the uncertainty around supply of electric buses and other barriers that will need to be addressed to achieve the complementary effects).

Assessment against CERF criteria

The table below provides a quick assessment of the Community Connect scheme against the CERF funding criteria, and shows that it is aligned to at least three of the five criteria.

Criteria	Does this criteria apply to Community Connect?
a) is included in an Emissions Reduction Plan or directly supports emissions	Yes. Community Connect is included in the ERP.

reductions (domestically or internationally)	
b) is included in a National Adaptation Plan or directly reduces vulnerability or exposure to the impacts of climate change	Partially. The NAP refers to 'investment in public transport' but does not specifically refer to the Community Connect initiative.
c) supports a te ao Māori approach to the climate response	Not specifically considered for Community Connect.
d) Addresses the distributional impacts of climate change or the climate policy response	Yes. Community Connect will reduce the cost of transport for households & provide a more affordable alternative to private motor vehicles, which will help to mitigate the impacts of other policies which may increase the cost of travelling by private motor vehicles.
e) supports the development of any initiatives meeting these criteria in the future	Yes. Community Connect is a key enabling policy which will support many of the other policies in the ERP (e.g. congestion charging).

I hope the above is useful. If the office would still prefer us to focus on coming up with an estimate of the abatement impact, we can give that further thought and discuss it in more detail.

Cheers
Richard.

Richard Cross

M: [s 9\(2\)\(a\)](#) | E: r.cross@transport.govt.nz | transport.govt.nz



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From: HanLing Petredean <HanLing.Petredean@parliament.govt.nz>
Sent: Monday, May 22, 2023 12:48 PM
To: Joanne Leung <j.leung@transport.govt.nz>; Helen White <h.white@transport.govt.nz>
Cc: Brent Johnston <B.Johnston@transport.govt.nz>; Kane Swift <K.Swift@transport.govt.nz>
Subject: RE: Emissions reduction estimates for the Community Connect extension initiative

Hi Joanne,

Apologies for the delayed nature of my response. This response is now with advisors for their consideration as ultimately the matter is about finding a progression point that the Minister is comfortable with. At this stage, he is fairly adamant he wants at least something more tangible in the way of findings around emissions reductions, but I appreciate the difficulty in doing any detailed analysis at this stage in time, and with current resource.

I am hoping to come back to you soon with their initial feedback but in the interim, it may be good to discuss with you and Brent later this afternoon around possible alternatives that the Minister may be comfortable with.

In any event, I will be in touch soon.

Ngā mihi,

HanLing Petredean (she/her) | Private Secretary (Transport)
hanling.petredean@parliament.govt.nz | M: [s 9\(2\)\(a\)](#)

From: Joanne Leung <j.leung@transport.govt.nz>

Sent: Friday, 19 May 2023 5:03 PM

To: HanLing Petredean <HanLing.Petredean@parliament.govt.nz>; Helen White <h.white@transport.govt.nz>

Cc: Brent Johnston <B.Johnston@transport.govt.nz>; Kane Swift <K.Swift@transport.govt.nz>

Subject: RE: Emissions reduction estimates for the Community Connect extension initiative

Kia ora HanLing,

Thanks for relating the question. Kane has provided some high-level feedback to Emily yesterday on the same question for the backpocket budget Q&As. Our answer has not changed, but I thought it might be useful to provide a little bit more explanation here.

The headline for this is: we believe the emission reduction potentials for the Community Connect extension is limited or could be zero or negative (i.e. an increase), as explained below.

Based on very high-level assumptions and for the purpose of establishing funding requirements, our analysis suggested the scheme extension to children under 25 could increase public transport uses by up to 7 million trips in 2024, increasing with population growth over time to 9 million trips by 2027. These increases would come from several sources including car driving trips (for older children), car passenger trips, walking and cycling and induced trips (i.e. trips that would not have otherwise taken). Only those who would switch from car driving trips and a small portion of car passenger trips (if the overall vehicle distance reduces) would result in emissions reduction. There are two important caveats for these estimates:

1. The analysis assumed a high responsiveness to the subsidy across all ages. As most children under 17 years of age (account for 2/3 to 3/4 of the PT trips for children under 25) would have limited ability to make additional/ discretionary trips as they would be constrained by what their guardians allow, which could mean the actual increased uptake could be much lower than 7 million as would be the emissions reduction potential.
2. This estimated patronage increase assumes all the additional 7 million trips could be met within the current level of PT services or by eBuses. If the increased PT demand cannot be met by these sources, then the annual emissions reduction will be lower due to the emissions from additional PT services that emit greenhouse gases (e.g., additional diesel bus services). If existing PT services can't meet the increased demand, some existing PT users of other ages could also switch to car travel and thereby resulting in a net increase in emissions overall.

As we don't have reliable information on how children under 25 years are currently travelling by transport modes and how they would respond to the Community Connect subsidy scheme, we can only provide a very rough scenario for illustrative purpose. If 10% of the increase in PT trips for all children (or alternatively 40% of the increased trips from children over 17 years) would be resulting from mode shift from car travel to eBuses, the annual emission would be modest (in the order of 1,000 tonnes a year), within or smaller than typical margin of errors for many policy impacts. Aside from the uncertainties with the estimated patronage increase, given current PT services constraints, there is a potential for an increase in the use of diesel buses to meet the new demand and an increase in car uses by existing PT users of other ages due to crowding or unmet demand. In these situations, the net emissions reduction effects could even be negative (i.e. an increase).

When the CERF budget for monitoring and evaluation becomes available in the next financial year, we would need to scope out related work focusing on how best to track the changes in a meaningful manner to support a formal evaluation of the scheme further down the track. Unfortunately, we are unable to do these in the next 2-3 months due to lack of capacity.

Please let me know if you would like to chat.

Have a great weekend!

Ngā mihi,
Joanne

From: HanLing Petredean <HanLing.Petredean@parliament.govt.nz>
Sent: Friday, May 19, 2023 2:15 PM
To: Helen White <h.white@transport.govt.nz>; Joanne Leung <j.leung@transport.govt.nz>
Cc: Brent Johnston <B.Johnston@transport.govt.nz>
Subject: Emissions reduction estimates for the Community Connect extension initiative

Kia ora managers,

I have just had a discussion with the Minister in relation to Budget and he has advised he would like emissions reduction estimates for the Community Connect initiative. I appreciate that we were not able to undergo a full CIPA process or any detailed emissions modelling for this initiative given several components were developed extremely late in the piece at the behest of the Office and PMO. However, the Minister is firm in his request for some approximate reduction figures to ensure we can justify this funding coming from CERF.

I appreciate the challenges around estimating the emissions impact of the initiative but the Minister considers this a non-negotiable. He would like something workable by the end of next week, if not sooner. Brent, I am cc-ing you into this for your awareness and participation where needed.

Can you please provide me your initial thoughts on this request and next steps? Many thanks all.

Ngā mihi nui,

HanLing Petredean (she/her) | Private Secretary (Transport)
hanling.petredean@parliament.govt.nz | M: s 9(2)(a)

Office of Hon Michael Wood

Minister of Immigration | Minister of Transport | Minister for Workplace Relations and Safety | Minister for Auckland | Associate Minister of Finance

Private Bag 18041 | Parliament Buildings | Wellington 6160 | New Zealand
Office Phone: +64 4 817 8731 Email: michael.wood@parliament.govt.nz

		0	1	2	3	4	5	6	7	8	9	5-year	10-year
		2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2022-2026	2022-2031
Co2 reduction in \$													
Total	Auckland	-	935	1,140	1,366	1,604	1,868	2,151	2,438	2,720	2,942		
	Wellington	-	946	1,144	1,358	1,582	1,827	2,087	2,347	2,598	2,788		
	Canterbury	-	645	783	933	1,091	1,265	1,450	1,636	1,818	1,958		
	Rest	-	1,753	2,120	2,519	2,934	3,390	3,872	4,355	4,822	5,175		
	Total	\$ -	\$ 4,280	\$ 5,186	\$ 6,176	\$ 7,211	\$ 8,349	\$ 9,560	\$ 10,776	\$ 11,958	\$ 12,862	\$ 22,854	\$ 76,359
CO2 reduction (tonne)													
Total	Auckland	-	11	12	13	14	15	16	17	18	18		
	Wellington	-	11	12	13	14	14	15	16	17	17		
	Canterbury	-	7	8	9	9	10	11	11	12	12		
	Rest	-	20	22	24	25	27	28	30	31	32		
	Total	0	49	53	58	62	66	70	74	77	80	223	590
Additional km by mode shift (km)													
Bus	Auckland	-	260,851	285,591	310,909	336,805	363,279	389,987	417,233	445,019	473,343		
	Wellington	-	197,270	214,095	231,078	248,219	265,519	282,754	300,123	317,624	335,258		
	Canterbury	-	299,680	326,470	353,682	381,318	409,376	437,520	466,049	494,962	524,259		
	Rest	-	829,262	900,343	972,142	1,044,660	1,117,895	1,190,491	1,263,650	1,337,373	1,411,659		
Train	Auckland	-	141,703	155,142	168,896	182,964	197,345	211,854	226,655	241,749	257,135		
	Wellington	-	248,170	270,421	291,873	313,524	335,375	357,144	379,082	401,187	423,461		
	Canterbury	-	-	-	-	-	-	-	-	-	-		
	Rest	-	-	-	-	-	-	-	-	-	-		
Ferry	Auckland	-	41,187	45,093	49,091	53,180	57,360	61,577	65,879	70,266	74,738		
	Wellington	-	2,616	2,839	3,065	3,292	3,521	3,750	3,980	4,212	4,446		
	Canterbury	-	6,622	7,214	7,816	8,426	9,046	9,668	10,299	10,937	11,585		
	Rest	-	2,772	3,010	3,250	3,492	3,737	3,979	4,224	4,470	4,719		
Distance switched from LPV to PT (km)													
Bus	Auckland	-	182,595	199,913	217,636	235,763	254,295	272,991	292,063	311,513	331,340		
	Wellington	-	138,089	149,867	161,755	173,754	185,863	197,928	210,086	222,337	234,680		
	Canterbury	-	209,776	228,529	247,578	266,932	286,563	306,264	326,214	346,474	366,982		
	Rest	-	580,483	630,240	680,499	731,262	782,527	833,344	884,555	936,161	988,161		
Train	Auckland	-	127,532	139,628	152,006	164,667	177,611	190,668	203,989	217,574	231,422		
	Wellington	-	224,253	243,379	262,685	282,171	301,837	321,430	341,174	361,069	381,115		
	Canterbury	-	-	-	-	-	-	-	-	-	-		
	Rest	-	-	-	-	-	-	-	-	-	-		
Ferry	Auckland	-	41,187	45,093	49,091	53,180	57,360	61,577	65,879	70,266	74,738		
	Wellington	-	2,616	2,839	3,065	3,292	3,521	3,750	3,980	4,212	4,446		
	Canterbury	-	6,622	7,214	7,816	8,426	9,046	9,668	10,299	10,937	11,585		
	Rest	-	2,772	3,010	3,250	3,492	3,737	3,979	4,224	4,470	4,719		
Total		-	1,515,927	1,649,713	1,785,380	1,922,930	2,062,361	2,201,600	2,340,484	2,485,013	2,629,187		

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Budget 2022 Initiative Summary – Main Budget Process

Making public transport more affordable for low-income New Zealanders

Section 1: Overview

Section 1A: Basic Initiative Information

Lead Minister	Minister of Transport				
Department	Te Manatū Waka – Ministry of Transport				
What type of initiative is this?	Critical cost pressure initiative		Manifesto commitment initiative	Health and Disability System Reform initiative	
	Climate Emergency Response Fund initiative	X	Savings initiative	Non-Spending initiative	
Initiative description [max 800 Characters]	<p>This initiative will fund a nationwide expansion of the Community Connect public transport concession, providing a 50 percent concession on public transport for Community Services Card (CSC) holders for peak and off-peak services (currently being implemented as a pilot in Auckland).</p> <p>This is intended to encourage greater public transport use and support a just transition for low-income New Zealanders and those receiving a benefit, by reducing transport costs.</p> <p>Similar to the Auckland pilot, public transport cards (e.g. Snapper, BEE Card) will be issued to CSC holders, pre-loaded with the concession. There are approximately 1 million CSC holders in New Zealand; 330,000 of whom are in the Auckland region.</p>				
Is this a Cross-Vote initiative?	Y	Vote Social Development			
Department contact	Olivia Kitson, o.kitson@transport.govt.nz ; s 9(2)(a)				
Treasury contact	Olivia Maxwell olivia.maxwell@treasury.govt.nz ; s 9(2)(a)				

Section 1B: Total Funding Sought

Operating funding sought (\$m)	2021/22	2022/23	2023/24	2024/25	2025/26 & outyears	Total
Community Connect Nationwide roll out (Excluding Auckland)	-	9.186	25.712	13.366	13.359	61.623

Capital funding sought (\$m)	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	Total
	-	2.276	-	-	-	-	-	-	-	-	2.276

Section 1C: Initiative Classifications

Is this initiative seeking funding from the Climate Emergency Response Fund (CERF)? [max 300 characters in CFISnet].	Y	The initiative meets the following criteria for the CERF. The initiative: <ul style="list-style-type: none"> is included in the ERP will directly reduce emissions has a primary objective to support, remove barriers, or to accelerate emissions reductions will address the distributional impacts of emissions reducing policy
Is this initiative climate-related, but not seeking funding from the CERF? [max 300 characters in CFISnet].	N	
Does this initiative align with the Crown's obligations under the Treaty of Waitangi?	Out of Scope	
Specify if this initiative will help reduce child poverty and describe the impact [max 300 characters in CFISnet].		
Does this initiative align with the Child and Youth Wellbeing Strategy?		
Does the initiative include funding to procure from NGOs?		
Does the initiative include funding to support digital and data related investments?		
Is this a regulatory or legislative initiative (according to the guidance provided)?		
Is this a significant investment initiative per the definition at section 4.8 of the Budget 2022 guidance?		

Section 2: Cost pressure information

Cost pressure driver	s 9(2)(a)
Cost pressure description	
Cost pressure management	
Case for funding	

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Section 3: Value

Section 3A: Opportunity/Problem

Opportunity/Problem

The draft ERP includes a transport target to reduce vehicle kilometres travelled (VKT) by cars and light vehicles by 20 percent by 2035. Achieving this target is critical for reducing transport emissions by 41 percent by 2035, as suggested by the Climate Change Commission. The draft ERP makes significant commitments to make it easier, safer, and more affordable to travel by public transport, rather than by car. This is also an opportunity to improve transport equity and support a just transition by making it more affordable for more people to access key social and economic opportunities (such as jobs, education, and healthcare).

Transport Indicator data demonstrates that lower income households spend a much greater proportion of their income on transport costs than higher income households, and access to health, jobs and other opportunities is much more limited. Lower income households are also much more sensitive to price changes, meaning policies that could increase the cost of motor vehicle travel (such as congestion charging and the ETS) could have a disproportionate impact on these communities. This could exacerbate transport disadvantage and poverty.

We have an opportunity to address this disparity, by supporting the provision of cheaper public transport fares for low income New Zealanders, and those receiving a benefit. This could enable greater transport choice, improve transport affordability and in turn, improve access to opportunities. This initiative will complement further investment in improving and expanding public transport services that low-income New Zealanders can access.

Value for Money Assessment

This bid has been through a targeted value for money (VfM) assessment, based on Treasury guidance and modified to suit the CERF bids by Te Manatū Waka. This assessment is described in the attached VfM summary. This bid has good strategic alignment through providing fare reductions to low-income households. This combined with other interventions is anticipated to result in a positive cumulative effect. This bid requires investment in PT coverage and service operation, and would likely require other demand management initiatives to maximise the benefits. There are, however, constraints to delivering the initiative and concerns around uptake and benefits realisation. The overall VfM rating is medium, please see the attached VfM documentation for further details.

Section 3B: He Ara Waiora

Tikanga- decisions are made by the right decision-makers, following a tikanga process, according to tikanga values

Manaakitanga- focus on improved wellbeing and enhanced mana for iwi and Māori, and for other affected communities and groups, demonstrating an ethic of care and mutual respect

Out of Scope

Section 3C: Outputs – The good or service the initiative purchases

Output	Description
Concession card	Eligible users – Community Services Card holders – receive a public transport card (e.g. HOP, Snapper, BEE Card) loaded with a 50 percent concession
Public engagement and communications capability	Engagement and communications to promote the concession, focused particularly on Māori and Pasifika communities, to increase awareness and uptake of the concession.
Fare revenue foregone as a result of uptake of the concession	Providing a 50 percent concession means that 50 percent of fare revenue is foregone by public transport authorities, among existing public transport users who receive the concession. The concession may also incentivise additional trips, particularly by existing users.

Additional public transport services

Additional services may be required to meet any increase in demand for public transport as a result of the concession.

Section 3D: Impacts – The direct effect of the initiative

Impact 1 Reduced transport costs for CSC holders, through reduced public transport fares and savings on fuel costs	Description of the impact	<p>The concession will encourage mode-shift away from private motor vehicles toward public transport, resulting in fuel savings and reduced costs associated with car ownership (e.g. maintenance costs) for CSC holders.</p> <p>In providing a more affordable transport option, public transport can become a useful fall-back option for those who lose access to a private motor vehicle. Public transport can also support resilience in low-income households against financial shocks, such as loss of income or higher private transport costs in the future (e.g. increases in petrol prices).</p>
	Quantification	<p>The ten-year present value of fuel savings is \$27.4m from 2022 to 2031. Please also see attached Vfm assessment.</p>
	Supporting Evidence	<p>See attached CBA spreadsheet.</p> <p>Please also see attached Vfm assessment.</p>
	Gaps in Evidence	<p>We do not have robust data on how much CSC holders currently pay for public transport, or general transport costs for this cohort, so it is difficult to quantify how significant the cost reduction would be. CSC holders who currently use public transport will see a reduction in their transport costs, with fares being halved.</p>
	Assumptions	<p>A key assumption is that reducing the cost of public transport will encourage greater use of public transport over private motor vehicle, leading to a reduction in transport costs for CSC holders. There are other factors that influence people's travel choices, including convenience and availability of services.</p> <p>Assumptions from the CBA:</p> <ul style="list-style-type: none"> • CSC holder patronage is modelled using change in fares and price elasticities over 10 years. The modelling covers the 2022 to 2031 period only. • The number of CSC holders grows proportionately with the total population projections. • SuperGold card is not considered in the CBA.
	Implications	<p>There is a risk that reducing the cost of public transport without ensuring services are convenient and accessible will mean there is limited use of public transport for those who do not already use public transport and therefore no reduction in transport costs. The draft ERP makes commitments to improve the availability of public transport services. Furthermore, we will monitor uptake of the concession in the Auckland pilot, and look to engagement with local communities to identify any barriers to uptake.</p>

Section 3D: Impacts – The direct effect of the initiative

Impact 2 Mode-shift away from private vehicles to public transport	Description of the impact	<p>The reduction in public transport fares for CSC holders would help incentivise greater use of public transport among this cohort, particularly combined with other initiatives aimed at improving public transport services. If the use of public transport replaces private motor vehicle trips, this will contribute to emissions reductions.</p>
	Quantification	<p>We estimate additional public transport trips by CSC holders will increase from 4.4 million in 2023 to 6.9 million in 2031.</p> <p>We estimate a reduction of 300,467,184 km from private vehicle travel from 2022 to 2031.</p> <p>Please also see attached Vfm assessment.</p>

BUDGET SENSITIVE

	Supporting Evidence	See attached CBA Spreadsheet. Please also see attached VfM assessment.
	Gaps in Evidence	The extent of uptake of the concession is unknown. The pilot in Auckland is expected to start in July 2022. This could provide some data but it will be of limited use if the concession is to be expanded nationwide a year after launch. Previous experience with the SuperGold scheme suggests that some mode shift away from car travel will occur. A 2010 review of SuperGold estimated 1.4 million fewer car journeys per year were made because of the scheme during a review in 2010.
	Assumptions	A key assumption is that reducing the cost of public transport will encourage greater use of public transport over private motor vehicles. There are other factors that influence people's travel choices, including convenience and availability of services. Assumptions from the CBA: <ul style="list-style-type: none"> • CSC holder patronage is modelled using change in fares and price elasticities over 10 years. The modelling covers the 2022 to 2031 period only. • The number of CSC holders grows proportionately with the total population projections. • SuperGold card is not considered in the CBA.
	Implications	There is a risk that reducing the cost of public transport without ensuring services are convenient and accessible will mean there is limited use of public transport for those who do not already use public transport.

Section 3D: Impacts – The direct effect of the initiative

Impact 3 Improved access for CSC holders	Description of the impact	Out of Scope
	Quantification	
	Supporting Evidence	
	Gaps in Evidence	
	Assumptions	

BUDGET SENSITIVE

	Implications	Out of Scope
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Section 3E: Goals – What this initiative aims to achieve

Goal 1 Improving transport equity	Description	Out of Scope
	Quantification	
	Timeframes	
	Evidence and Assumptions	
	Implications	

Section 3E: Goals – What this initiative aims to achieve

Goal 2 Reduced transport emissions	Description	If this initiative results in trips by private motor vehicle being replaced by public transport, there will be a reduction in emissions from private vehicle transport. This would support the living standards framework domain of environmental sustainability.
	Quantification	<p>We estimate that in 2024, 29,042,119 km will be removed from private car travel in favour of public transport, and we estimate this to increase to 46,331,295 km in 2031.</p> <p>The Climate Implications of Policy Assessment (CIPA) indicates that an additional 916 tonnes of carbon dioxide equivalent will be avoided in the first emissions budget (2020-2025), as a result of this initiative. Please also see attached VfM assessment.</p>
	Timeframes	The goal could be achieved in the medium term, or sooner, depending on the level of uptake, and whether that uptake is sustained over time. It will take time to change travel behaviours and overcome negative perceptions and experiences of public transport.
	Evidence and Assumptions	<p>We are assuming that those eligible for the concession and live near or on frequent and convenient public transport routes will use the concession, instead of a private motor vehicle.</p> <p>We are also assuming there will be sufficient capacity with existing public transport services, including sufficient workforce, to cope with the potential increase in demand.</p> <p>For the CIPA data, there are the following assumptions:</p> <ul style="list-style-type: none"> • CSC holder patronage is modelled using change in fares and price elasticities over 10 years. The modelling covers the 2022 to 2031 period only. • The number of CSC holders grows proportionately with the total population projections. • We have only quantified additional emissions for buses. We do not have this for trains and ferries as we do not have information how peak hour patronage increases would translate into uptake for these forms of public transport. • An average public transport bus runs about 44,480 kms/year. • We assume only 70 percent of people will switch to buses from personal vehicles. The remainder may take alternative travel options like walking and cycling. However, we assume 90 percent and 100 percent for people on trains and ferries, respectively. This is due to the limitation of alternative transport options. For example, a person who switches from a private vehicle to a ferry does not have any other option apart from travelling on a ferry. • Research indicates that demand elasticity for bus fare reductions will change over time. We have assumed that the price elasticity response will increase from 0.28 to 0.55 over 10 years. The change in demand elasticity will change the total patronage of CSC holders and the overall calculation of the CBA.
	Implications	<p>We have the ability to assess whether the concession will achieve this goal through the Auckland pilot. We can monitor uptake and identify any barriers to greater use of public transport, and make improvements to the nationwide concession to address these barriers.</p> <p>Work is underway to address workforce shortages and limited public transport services, including other budget bid initiatives, will be key to ensuring there is capacity to meet an increase in demand for public transport services.</p>

Section 3E: Goals – What this initiative aims to achieve

Goal 3

Improving physical and mental health outcomes

Description

Quantification

Timeframes

Evidence and Assumptions

Implications

Out of Scope

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		Out of Scope
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Section 3F: Distributional Analysis

Question 1: Does the initiative have the following types of distributional impacts for Māori?

Out of Scope

Question 2: Does the initiative have the following types of distributional impacts for Pacific Peoples?

Question 3: Does the initiative have the following types of distributional impacts for children?

Question 4: Does the initiative have direct impacts on any other population groups?

Question 5: What region is this initiative expected to impact?

Out of Scope

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Section 4: Alignment

Section 4A: Strategic Alignment

How does this initiative link with your strategic intentions/statement of intent?	This initiative supports Te Manatū Waka strategic framework, specifically our vision for a transport system that improves wellbeing and liveability. It also contributes to the Transport Outcomes Framework, primarily under Inclusive Access, and to some extent, Environmental sustainability, and Healthy and safe people. Making public transport more affordable for lower income New Zealanders is included in the draft Emissions Reduction Plan. Please also see attached strategic overview for transport CERF bids.
Does this initiative link with other sectoral or whole-of-government strategies (e.g. the Pacific Wellbeing Outcomes Frameworks)?	This initiative contributes to the Social connections, Income and consumption, and Environment domains of the Living Standards Framework. It aims to reduce transport costs for those who currently spend a far greater proportion of their income on transport than other New Zealanders, supporting low income New Zealanders to access jobs, as well as social opportunities.
Does this initiative impact other agencies directly or indirectly? If so, how?	This initiative impacts councils who provide public transport services. While we have anticipated full Crown funding to start with, we envisage councils contributing 49 percent of the cost of the concession from 2024/25. It will also impact MSD, both at a national level in supporting the nationwide roll-out of the concession, but also at a local level (e.g. responding to client queries about the concession). It will have an impact on their work programme, requiring trade-offs to be made. It will also impact the Ministry of Health as the agency responsible to the regulations governing the CSC. We anticipate regulatory changes will be needed to enable this initiative. As with MSD, it will have implications for their work programme.

Section 4B: Alignment to Government's goals

Alignment to Government goals	This initiative aligns with the Government's goal of laying the foundations for the future, specifically, our climate change response. We know that efforts to reduce transport emissions will have a disproportionate impact on low income New Zealanders. This initiative aims to mitigate this impact, by making public transport a more affordable option and therefore a more viable travel option than the private motor vehicle. It can also reduce travel costs for low income New Zealanders.
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Section 4C: Contribution to the Government's Wellbeing Objectives

Contribution to Wellbeing Objective(s)	This initiative makes a direct contribution to the Just Transition wellbeing objective. Reducing public transport fares, particularly for low income New Zealanders, is included in the Emissions Reduction Plan, and will support efforts to increase mode-shift towards greater use of public transport. By focusing on Community Services Card holders, this initiative can reduce transport costs for those who currently spend a greater proportion of their income on transport.
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Section 5: Delivery

Section 5A: Fit with existing activity

How does the initiative link with existing initiatives with similar objectives?

Out of Scope

Is the initiative an expansion or a cost pressure for an existing initiative?

Operating Funding profile (\$m)												
	2021/22		2022/23		2023/24		2024/25		2025/26 & outyears		Total	
Existing funding for this/similar initiatives	Out of Scope											
Total funding sought for this initiative	Out of Scope											
% change between existing funding and funding sought	-											
Comments (optional)	Existing Crown funding is for the set-up costs of the pilot. Ongoing costs for the pilot are being met through the NLTP, with a 51% funding assistance rate.											
	Capital Funding profile (\$m)											
	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	Total	
Existing funding for this/similar initiatives	-	-	-	-	-	-	-	-	-	-	-	
Total funding sought for this initiative	Out of Scope											
% change between existing funding and funding sought												
Comments (optional)												

Section 5B: Funding sought by input

Formula and assumptions underlying costings

Out of Scope

Input – Operating
[Enter one number
value per field only
into CFISnet]

Funding profile (\$m)

Total

2021/22

2022/23

2023/24

2024/25

2025/26
& outyears

Number values
only, i.e. 15 or
100000. Do not
enter any text, \$
signs or % signs.

Input Information

Travel cards loaded with
concession

Out of Scope

Fare revenue foregone
(including additional
patronage demand)

Establishing technical
and legal requirements
for information sharing

Provision of additional
public transport services

MSD operational costs
(including letters to CSC
holders, IT operational
costs, and 20%
contingency)

MSD financial costs:
Depreciation (20%)

MSD financial costs:
Capital charge (5%)

FTE-specific Input Information (if applicable)

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New FTE funding	-	Out of Scope									
New contractor funding	-										
Additional FTE overhead funding	-										
Total	-										
# of FTE's (employees and/or contractors)											
What's the % increase in FTE compared to baseline FTE numbers											
	Funding profile (\$m)										Total
Input – Capital	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	
Service Delivery Project Resources	-	Out of Scope									
Total IT Project Cost	-										
Contingency (5%)	-										
Total											
Appropriations	This funding will increase the Vote Social Development Appropriation Departmental Output Expense: Administration of Service Cards.										

Section 5C: Options analysis

Options analysis

The costing of this initiative is based on fully funding the set-up costs, and ongoing costs in the first year of the concession operating (2023/24). Ongoing costs beyond 2023/24 are proposed to be funded 51% by the Crown and the remainder by councils, which reflects arrangements for the Auckland pilot.

Note: the costs for fare revenue foregone are on a national basis, meaning Auckland fare revenue foregone is included.

Uptake of the concession among councils is dependent on their willingness and ability to fund their share of the costs. It is unlikely councils will adopt the concession without significant Crown or NLTF funding. While the Auckland pilot is partially funded by the NLTF, it does not receive sufficient revenue to fund a nationwide expansion of the concession. The primary role of the National Land Transport Fund is to maintain the system we have, with incremental improvements made across the system to align with the GPS strategic priorities, subject to available funding.

Other options considered include:

- Expanding eligibility for the Auckland pilot to all CSC holders (currently only CSC holders in MSD's Auckland boundary are eligible). This would amount to \$13.800 million.
- Establishing the concession in another metro area, i.e. Wellington or Christchurch. This would enable a phased roll-out of the concession and provide further data on uptake to inform actual costs. This is the scaled option provided in section 5D.
- Different levels of Crown contribution to costs, including:
 - establishing an 80 percent Crown contribution to ongoing costs from the first year of the concession, and all of the set-up costs. This would provide some incentive to councils to adopt the concession. This would amount to \$68.045 million
 - replicating the arrangements for the Auckland pilot, with Crown contributing to 51 percent of the ongoing cost. This would amount to \$47.918 million.
- We have not explored funding from the NLTF, as the 2021-24 NLTP is already heavily over-subscribed. If the NLTF is used to fund the Crown's share, that will require Waka Kotahi to defer or cease other activities contained in the NLTP, which could negatively impact the ability of Waka Kotahi to deliver on the commitments in the GPS. Therefore, any additional central government costs will need to be funded from core Crown instead of the NLTF. Funding pressures will likely continue into future NLTP's given the level of change anticipated within the public transport sector
- We also note that there may be limited uptake from local government, particularly if the arrangements for the Auckland pilot were replicated. Councils are facing pressure as a result of COVID-19, with reductions in farebox revenue.

Counter-factual question

If the funding is not approved or deferred, the Auckland pilot will still proceed, as funding has already been approved. We will be able to evaluate the pilot, enabling the development of clearer cost and delivery requirements for a nationwide roll-out, than would be possible ahead of a July 2023 nationwide rollout.

BUDGET SENSITIVE

	Out of Scope
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Section 5D: Scaled option

Option overview	Out of Scope												
Formula and Assumptions													
	Operating Funding profile (\$m)												
Input - Operating	2021/22		2022/23		2023/24		2024/25		2025/26 & outyears		Total		
Set-up costs	-		Out of Scope										
Ongoing costs	-												
Total	-												
	Capital Funding profile (\$m)												
Input - Capital	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	Total		
Total													
Appropriations	This funding would increase an existing appropriation, for the Community Connect programme. The scope of this appropriation is for the implementation and operation of the programme, and as such would not need to be altered.												

Section 5E: Monitoring and Evaluation

In addition to the evaluation of the Auckland pilot (expected to occur in 2023/24), we intend to conduct a review of the concession following the first year of implementation (from 2024/25). This review will identify the level of uptake, to what extent the cost estimates are appropriate in light of actual usage, and whether additional funding is required.

Section 5F: Implementation readiness

Workforce: Are additional FTEs or contractors required?

Out of Scope

Workforce: Resourcing considerations

Timeframes

An indicative timeline is provided below:

Key task	Date
Budget announced; Minister of Transport writes to councils to invite them to adopt the concession	May 2022
Councils notify the Ministry of Transport of their intention to adopt the concession	May – July 2022
Implementation planning	July – September 2022
Technical design and build	September 2022 – May 2023
Memoranda of Understanding agreed between MSD and councils	July 2022 - January 2023
Communications campaign	May - July 2023
Pre-registration	May - June 2023
Create concession cards	From May 2023
Concession go-live	July 2023
Waka Kotahi and councils agree a funding policy for out-years	April 2024
Evaluation of outcomes from the concession to assess uptake and any funding risks	From July 2024

Based on experience with delivery of the Auckland pilot, there is a risk that delivering the concession to multiple councils in 12 months cannot be achieved and is dependent on delivery agencies having considerable resource to do so. Delivery is dependent on sufficient prioritisation across MSD's work programme to ensure sufficient resource is secured to meet the timeframe. While the first year of operation is proposed to be fully Crown-funded, Waka Kotahi will need to agree a funding policy with councils for out-years. Based on experience with implementing such a policy for bulk funding of the SuperGold Card concession, this could take approximately 18 months to achieve.

Delivery is also dependent on the Ministry of Health amending the primary legislation and Health Entitlement Card Regulations 1993, which prescribe who can ask to see someone's CSC to verify eligibility. This is currently restricted to health professionals, but to reduce the risk of fraudulent use, the Regulations need amending to enable public transport providers (e.g. council staff, bus drivers, train conductors, revenue officers) to request to see someone's CSC to verify their eligibility for the concession. Ministry of Transport officials are working with the Ministry of Health to identify whether any amendments are possible. The timeline above does not include any work on amending the legislative requirements, and is instead based on the process adopted for the Auckland pilot, which has been developed on the basis that it does not contravene the legislative requirements for the CSC.

Delivery Risks	Out of Scope
Market capacity	
Previous delivery experience	

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Annex B: Gender Initiative Assessment Template

Impacts on women and girls

<p>What kind of impact does the initiative have on wāhine Māori?</p>	<p>Out of Scope</p>
<p>What kind of impact does the initiative have on women and girls?</p>	
<p>If the initiative impacts another specific group of women and girls, please detail the group and the impacts here.</p>	

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Contribution to the Government's Wellbeing Objectives

Alignment/ contribution to supporting women and girls to meet the Government's wellbeing objective(s)	Out of Scope
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Climate Implications of Policy Assessment: Disclosure Sheet

This disclosure sheet provides the responsible department's best estimate of the greenhouse gas emissions impacts for New Zealand that would arise from the implementation of the policy proposal or option described below.

It has been prepared to help inform Cabinet decisions about this policy.

It is broken down by periods that align with New Zealand's future emissions budgets.

Section 1: General information

General information	
Name/title of policy proposal or policy option:	Making public transport more affordable for low-income New Zealanders
Agency responsible for the Cabinet paper:	Ministry of Transport
Date finalised:	6/07/2023
Short description of the policy proposal:	This initiative will enable the expansion of Community Connect, a 50 percent public transport concession on the applicable adult fare for Community Services Card holders.

Section 2: Greenhouse gas emission impacts

Sector & source	Changes in greenhouse gas emissions in tonnes of carbon dioxide equivalent (CO ₂ -e)						
	2022–25	2026–30	2031–35*	2036–40	2041–45	2046–50	Cumulative impact
Electricity							
Transport	- 9,152	- 28,397	- 6,645				- 44,195
Industry							
Waste							
Agriculture							
Land use, land use change and forestry							
Total	- 9,152	- 28,397	- 6,645	0	0	0	- 44,195

* policy only goes to 2031

Section 3: Additional information

Additional information

Key assumptions:

- Community Service Card (CSC) holder patronage is modelled using change in fares and price elasticities over 10 years. The modelling covers the 2022 to 2031 period only.
- The number of CSC holders grows proportionately with the total population projections.
- We have only quantified additional emissions for buses. We do not have this for trains and ferries as we do not have information how peak hour patronage increases would translate into uptake for these forms of public transport.
- An average PT bus runs about 44,480 kms/year.
- We assume only 70% of people switches to buses from personal vehicle. The remainder may take alternative travel options like walking and cycling. However, we assume 90% and 100% for people on trains and ferries, respectively. This is due to the limitation of alternative transport options. For example, a person who switches from an LPV to a ferry does not have any other option apart from travelling on a ferry.
- Research indicates that demand elasticity for bus fare reductions will change over time. We have assumed that the price elasticity response will increase from 0.28 to 0.55 over 10 years. The change in demand elasticity will change the total patronage of CSC holders and the overall calculation of the CBA.

Sensitivity analysis:

We did not test any sensitivities. A key risk to this assessment is the assumption around the mode shift assumptions and elasticity of demand change. Although we used elasticity assumptions from research, the real world changes could be different.

Options for sensitivity tests are:

- introducing the different level of behavioural response (strong or weaker response) to mode shift

Compared to the CIPA excel tool

We did not use the CIPA excel tool to calculate these emissions reductions.

The inputs used in these emissions estimates are the most up to date for transport.

The main driver(s) of emission volumes for each of the key sources of impact

The projections are based on light passenger vehicle travel removed due the CSC holders mode shift.

Carbon leakage

No risk of carbon leakage

Important limitations or uncertainties underlying the analysis

- The projections do not allow for any emissions arising from electricity, as initiatives are underway to increase the share of renewable electricity.
- We have only quantified additional emissions for buses. We do not have this for trains and ferries as we do not have information how peak hour patronage increases would translate into uptake for these forms of public transport.
- We used the current CSC holder percentage to forecast the future CSC holder PAX. This process assumes that there will not be any significant policy changes to CSC holder numbers (CSC holder eligibility) or externalities (i.e. natural disasters that will surge the number of CSC holders).

Section 4: Quality assurance

Quality assurance

Include in this section the quality assurance statement from the Ministry for the Environment's Climate Implications of Policy Assessment (CIPA) team.