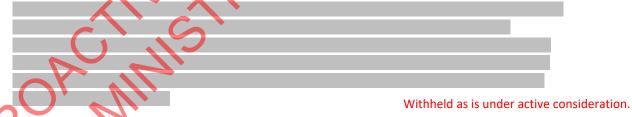
Kia ora Anna/Seb

As promised, here is advice we have developed with Waka Kotahi, MSD and MoH on key considerations for the timing of a nationwide roll-out of Community Connect. Our colleagues will be sharing this advice with their respective Ministers' offices - Minister Verrall in relation to SuperGold card and Minister Sepuloni for CSC, and Minister Little. I've also shared this with Treasury, but you may also want to send this on to MoF's office.

Ngā mihi, Olivia

Implementing Community Connect earlier than 1 July 2023 would require rolling out a very basic system (largely a system where people show their Community Services Card (CSC) at the point of ticket sale). At a stretch, it may be possible to roll out a very basic system by August/September. Some of the significant problems that would result from rolling out a basic system include:

- Highly susceptible to evasion/misuse (ineligible people would be able to claim eligibility easily, with few measures available to prevent it)
- Not integrated with card-based ticketing systems outside of Auckland (would have to pay by cash and show your card every time you use PT, assuming the regulations are amended)
- Reduced quality of public transport systems and greater risks to driver safety (due to increased payment and boarding times)
- The data collected to monitor the use and success of such a system would be relatively poor quality
- Complicated funding system for reimbursing public transport authorities (PTAs) (it would be heavily reliant on individual drivers/ticket sellers to ensure correct reimbursement for the PTAs)
- These were issues that complicated the original SuperGold system, and as a result there may be low confidence from PTAs in a similar system that would potentially risk their ability to claim funding for reduced fares
- Would rely on regulatory changes being made quickly and prioritised by other agencies.



Subject to relevant Ministers prioritising this work, options that may be able to be implemented for 1 September 2022, might be:

- "show and go" for a free fare, accepting misuse of the scheme. This would be dependent on regulation changes, to enable CSC holders to show their card to get the free fare.
- Universal fare discount (as is currently in place)
- Councils applying their 'child' fare to CSC holders. However, this would be dependent on regulation changes, to enable CSC holders to provide evidence to obtain the concession (eg by showing the card as part of the application process). We would need to consult with councils on how this would work in practice. Note this would be a 50% concession on the full fare, not a 'concession on a concession'

The following table sets out the next steps, and associated timeframes for implementing the concession from 1 September 2022.

Step required	Description	Timeframes
Ministers agree to	Waka Kotahi, MSD, Ministry of	As soon as possible.
prioritise these	Transport, Ministry of Health all	
matters	need to prioritise resources to	
	develop next steps, which could	
	involve other Ministerial	
	priorities being de-prioritised.	
Cabinet agreement	There are critical policy details	SWC policy decisions by 30 June 2022
on policy and	that need to be agreed and	Cabinet confirmation 4 July 2022.
operational matters	strongly dictate timeframes	
	going forward	This is dependent on:
	 How do CSC holders 	Ministerial consultation
	obtain the concession	 Regulatory Impact Analysis
	(ie in person, online,	requirements being met – this
	what validation would	would require officials to start
	be required?)	this work this month.
	 How do we deal with 	
	CSC expiry?	A A
	- What is the necessary	
	level of integration with	
	ticketing systems?	
Amend regulations	Need to be amended if we are	Following SWC policy decisions:
- CSC	to require people to show their	
- SGC	card to prove eligibility (critical	Drafting amendment regulations 5
	for ease of access for users	July – 2 August 2022
		• LEG agreement by 4 August 2022
		 Cabinet confirmation 8 August 2022
		 Assuming 28-day rule applies,
		regulations would be in force 5
C.		September 2022. This could be
		shortened if the 28-day rule is
	<i>.............</i>	waived.
		walved.
		These timeframes are dependent on:
		 PCO having sufficient resource to
		prioritise drafting amendments to
		the regulations (we have not yet
		engaged with them on this work).
		 Health and MSD Legal teams
		having sufficient resource to
		prioritise work in the drafting
		process, in light of other priorities
		such as the COVID response.

Integration with payment systems and rollout by public transport authorities	This would include discussions with PTAs about how to integrate into their systems and working with MSD on any	Could po post Buc announc agreeme
(PTAs)	technical solutions to validation requirements, which are yet to	This pro
	commence (other than with	to 12 mo
	Auckland Transport). MSD	betweer
	would require confirmation of	transpor
	this as soon as possible.	MSD ma
		deadline
	PTAs (excluding AT) have four	ability to
	different payment providers,	technica
	and two PTAs have no	Auckland
	electronic ticketing. Integration	involve s
	is critical to ensuring a quality	with exis
	scheme with low levels of	operatio
	evasion. Processes need to be	program
	workable for MSD and PTAs.	
		With a n
		could be
		be heavi
		and willi

Could potentially begin engagement post Budget decisions (or Budget announcements, subject to Ministerial agreement)

This process could potentially take up to 12 months if we require integration between CSC/SGC systems and public transport payment systems. MSD may be able to fast track this deadline but would be reliant on PTAs' ability to consume the current technical design that is in place with Auckland Transport. This would also involve some significant trade-offs with existing Ministerial and operational priorities from MSD's work programme.

With a non-integrated system, this could be progressed faster, but would be heavily dependent on the ability and willingness of PTAs.

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MINISTRY DE TRANSPORT

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