

Report No.	20-58
<b>Decision Required</b>	

## VARIATION TO THE REGIONAL PUBLIC TRANSPORT PLAN 2015-25: FREE ACCESS SCHEME POLICY

### 1. PURPOSE

- 1.1. The purpose of this report is consider a variation to the operative **Regional Public Transport Plan 2015-25 (RPTP)**. The variation is to include a new policy to guide decision making around requests for free access schemes.

### 2. RECOMMENDATION

That the Committee recommends that Council:

- a. receives the information contained in Report No. Report No. 20-58.
- b. recommends that the Regional Public Transport Plan be varied to include a new Policy 17a in section 6.1 as worded below in section 7.3 of this item.

### 3. FINANCIAL IMPACT

- 3.1. Bulk buy schemes are aimed at attracting new patrons to current services and the intention is that the group or provider benefiting from the scheme will subsidise a portion of the cost to enable their staff or students to travel for free or at a discounted rate. This was discussed in report No. PX 20-10 presented to the Committee in February.
- 3.2. There will be no financial impact associated with varying the RPTP.

### 4. COMMUNITY ENGAGEMENT

- 4.1. None required.

### 5. SIGNIFICANT BUSINESS RISK IMPACT

- 5.1. There is no significant business risk impact as a result of this report.

### 6. BACKGROUND

- 6.1. An item was presented to the Committee at their last meeting in February 2020, outlining the need for a policy in the RPTP for free access or bulk buy schemes. The purpose of the policy is to manage requests from organisations wishing to have a free access or bulk buy travel scheme to enable staff or students to either travel for free or at a discounted rate on Horizons contracted bus services.
- 6.2. At the meeting the Committee was presented with four options for managing these requests. The options included three possible policy options and a 'do nothing / status quo' approach. The Committee determined that a policy in the RPTP would be appropriate and selected the policy wording proposed in Option 2 with some minor tweaks.
- 6.3. The policy selected by the Committee for inclusion in the RPTP is as follows:

*"Horizons will investigate and provide special fare concessions or enter into agreements for unlimited free travel access schemes where there is a benefit to the community transport needs and the partnering agency contributes an agreed amount towards the cost of providing*

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*the scheme, based on the estimated uptake of the scheme, payable at least annually. The following apply:*

- a. *The partnering agency's contribution will be reviewed annually based on the previous 12 months uptake and amended accordingly. More frequent reviews will apply for shorter term contracts.*
- b. *Where uptake of the scheme is significantly higher or lower (+/- 20%) than estimated, Horizons will adjust the partnering agency's contribution accordingly.*
- c. *Horizons will undertake an annual (or more frequent as agreed with the partnering agency) assessment of uptake and re-evaluate the benefit of continuing with the scheme if uptake is low. In the event uptake is consistently lower than expected, Horizons may choose not to renew the agreement.*
- d. *The agreed contribution will be based on no additional services being required to accommodate users of the scheme.*
- e. *In the event that new services are required, the partnering agency will be expected to contribute a greater amount to enable the additional services to be implemented at minimal cost to the ratepayer."*

- 6.4. The Committee resolved that the RPTP should be varied to include the above policy and that this would be undertaken by staff and included as part of the next Passenger Transport Committee meeting for approval.

## **7. NEW POLICY WORDING AND NUMBERING**

- 7.1. It is proposed that the new policy be included under Section 6.1, Fare Structures. This is the logical location for the policy given it relates to fare structures, specifically discounted fares.
- 7.2. The policy number is proposed to be Policy 17a. The policy numbering in the RPTP follows a numerical list from 1-27. The suggested numbering comes from the proposed location for the policy and that it links to existing policy 17.
- 7.3. It is recommended that the wording below be applied to Policy 17a, along with the following explanatory text underneath:

### ***Policy 17a***

*Horizons will investigate and provide special fare concessions or enter into agreements for unlimited free travel access schemes where there is a benefit to the community transport needs and the partnering agency contributes an agreed amount towards the cost of providing the scheme, based on the estimated uptake of the scheme, payable at least annually. The following apply:*

- a. *The partnering agency's contribution will be reviewed annually based on the previous 12 months uptake and amended accordingly. More frequent reviews will apply for shorter term contracts.*
- b. *Where uptake of the scheme is significantly higher or lower (+/- 20%) than estimated, Horizons will adjust the partnering agency's contribution accordingly.*
- c. *Horizons will undertake an annual (or more frequent as agreed with the partnering agency) assessment of uptake and re-evaluate the benefit of continuing with the scheme if uptake is low. In the event uptake is consistently lower than expected, Horizons may choose not to renew the agreement.*
- d. *The agreed contribution will be based on no additional services being required to accommodate users of the scheme.*
- e. *In the event that new services are required, the partnering agency will be expected to contribute a greater amount to enable the additional services to be implemented at minimal cost to the ratepayer."*

*Free Access or Bulk buy schemes are agreements which enable an organisation or education provider to have their staff and/or students travel for free or at an agreed discounted rate on selected bus services contracted by Horizons Regional Council.*

*Existing schemes have largely been very successful and have grown patronage on Horizons services. This has flow on benefits to the region by reducing carbon emissions, supporting multi-modal travel and likely attracting new people to the region (free travel being a drawcard to students choosing which university to attend).*

*The above policy applies to any party, organisation or education provider wishing to provide free or discounted access to Horizons bus services for a group of people. Each request will be assessed on its merits and the principles of Policy 17a applied.*

**8. REGIONAL PUBLIC TRANSPORT PLAN VARIATION PROCESS AND SIGNIFICANCE**

8.1. To allow the Committee and Horizons to respond to opportunities for new services or transport opportunities, the RPTP can be varied at any time. Where variations are significant, consultation may be undertaken. The RPTP contains a significance policy to assist in determining whether consultation is required. The policy states:

*Whether a variation to the RPTP is significant will be determined on a case-by-case basis by the Horizons Passenger Transport Committee.*

*When determining the level of significance of a variation, consideration will be given to the following factors taken as a whole:*

- *The effect of the variation on Horizons’ Long-term Plan;*
- *The extent to which the variation signals a material change to the planned levels of investment in the public transport network;*
- *The extent to which the variation will result in the RPTP being inconsistent with the Regional Land Transport Plan;*
- *How many people will be affected by the variation, and the degree of the impact on any or all of those people;*
- *The effect on the overall affordability and integrity of the RPTP.*

8.2. Officers have assessed the proposal against the significance policy and have determined that the variation request is not significant. The table below summarises the key considerations.

<b>SIGNIFICANCE POLICY FACTOR</b>	<b>IMPACT</b>
Horizons’ Long-term Plan	No effect on Horizons’ Long-term Plan as any agreements for free access or bulk buy schemes will be partly funded by the provider and are aimed at attracting additional patronage on Horizons contracted services.
Material change to the planned levels of investment in the public transport network	The proposal does not represent ‘new’ investment and therefore will not result in material change to the planned levels of investment in the network.
Consistency with the Regional Land Transport Plan	The RLTP was recently reviewed and contains a focus on transport choice. The proposed policy is consistent with the RLTP strategic direction.
Number of people affected by the variation and the degree of the impact	There are no people deemed to be affected by the variation.
Overall affordability and integrity of the RPTP	Inclusion of this new policy will not affect the overall affordability or integrity of the RPTP.

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- 8.3. Based on the above, there variation does not represent a significant change to the RPTP according to the significance policy.

**9. TIMELINE / NEXT STEPS**

- 9.1. Should the Committee recommend the RPTP be varied to include the new policy, it will be forwarded to Horizons Regional Council for final approval.

**10. SIGNIFICANCE**

- 10.1. This is not a significant decision according to the Council's Policy on Significance and Engagement.

Leana Shirley  
**SENIOR TRANSPORT PLANNER**

Rhona Hewitt  
**MANAGER TRANSPORT SERVICES**

**ANNEXES**

There are no attachments for this report.