

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.

[Redacted content]

Withheld as is under active consideration.

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 prioritise these matters	Waka Kotahi, MSD, Ministry of Transport, Ministry of Health all need to prioritise resources to develop next steps, which could involve other Ministerial priorities being de-prioritised.	As soon as possible.
Cabinet agreement on policy and operational matters	<p>There are critical policy details that need to be agreed and strongly dictate timeframes going forward</p> <ul style="list-style-type: none"> - How do CSC holders obtain the concession (ie in person, online, what validation would be required?) - How do we deal with CSC expiry? - What is the necessary level of integration with ticketing systems? 	<p>SWC policy decisions by 30 June 2022 Cabinet confirmation 4 July 2022.</p> <p>This is dependent on:</p> <ul style="list-style-type: none"> • Ministerial consultation • Regulatory Impact Analysis requirements being met – this would require officials to start this work this month.
<p>Amend regulations</p> <ul style="list-style-type: none"> - CSC - SGC 	Need to be amended if we are to require people to show their card to prove eligibility (critical for ease of access for users)	<p>Following SWC policy decisions:</p> <ul style="list-style-type: none"> • Drafting amendment regulations 5 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 September 2022. This could be shortened if the 28-day rule is waived. <p>These timeframes are dependent on:</p> <ul style="list-style-type: none"> • 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.

<p>Integration with payment systems and rollout by public transport authorities (PTAs)</p>	<p>This would include discussions with PTAs about how to integrate into their systems and working with MSD on any technical solutions to validation requirements, which are yet to commence (other than with Auckland Transport). MSD would require confirmation of this as soon as possible.</p> <p>PTAs (excluding AT) have four different payment providers, and two PTAs have no electronic ticketing. Integration is critical to ensuring a quality scheme with low levels of evasion. Processes need to be workable for MSD and PTAs.</p>	<p>Could potentially begin engagement post Budget decisions (or Budget announcements, subject to Ministerial agreement)</p> <p>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.</p> <p>With a non-integrated system, this could be progressed faster, but would be heavily dependent on the ability and willingness of PTAs.</p>
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Withheld to protect the privacy of Natural Persons.

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