# Help us shape the future of public transport fares

Āwhinatia mai mātou ki te tārai i te anamata mō ngā utu waka tūmatanui

**Future Fares Review 2022** Te Arotake Utu ā-Anamata 2022 Public consultation: 17 June - 15 July 2022



1. Spilling

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#### Chair's message

# He Kupu nā te Tiamana

Public Transport in the Wellington Region is changing, and we'd like your help on how it might look in the future.



We have exciting developments planned across our network. These include the rollout of Snapper on our rail network and the introduction of the National Ticketing Solution. These will make public transport easier to access and will also improve the types of fares we can offer.

As part of a recent review of our fares structure, Greater Wellington has identified opportunities to improve how we price our fares, including the discounts and concessions we offer, the types of fares products, and how we structure our fares system. We believe the fares initiatives we're hoping to introduce will help us achieve our strategic objective of an 'efficient, accessible and low-carbon public transport network'. This will offer greater choice and flexibility for journey planning, fares and fare payment options.

In this fares consultation, we'll ask for your feedback on specific initiatives related to the concessions and discounts we offer. We'd also like your thoughts on new types of ticketing and pass products we're looking to introduce for group and visitor travel. Finally, we want to introduce you to, and get your thoughts on, a new Integrated Fare Structure. We're considering introducing this to implement the proposed National Ticketing Solution. This new structure will determine how overall journey costs will change with distance travelled, and will treat journeys across both our bus, rail and potentially ferry network as a single fare.

The initiatives we're considering introducing during this review have been designed to achieve four key outcomes. These outcomes align with Greater Wellington's values as a Regional Council, and with the policies we adopted in 2021 in our Regional Public Transport Plan.



Affordability of travel, with an emphasis of targeting those who may need it most



**Modeshift** - encouraging greater public transport uptake, with a focus on growth outside peak travel periods



Fairness in price an individual pays relative to distance travelled



Simplicity - making fares easier to use and understand

Your feedback on this fares review consultation will help Greater Wellington decide on the short-term fares-related initiatives we should adopt as well as longer term changes that may require further planning, funding and development to deliver. Your contribution will also help us consider our approach to the planning and implementation in the medium-term of other initiatives we're currently considering.

We look forward to hearing from you during the consultation period and welcome the opportunity to discuss our proposals with you during one of the digital engagement sessions the Metlink team are holding in early July 2022. We also welcome the opportunity to hear more from you on your submission. You can speak to your submission in person at the public hearings we'll be holding on the 3-4 August 2022.

This is an exciting time for public transport in our region. With the support of all our central and local government partners, our operators and our communities, we can continue to make informed decisions on public transport and keep our extraordinary region thriving, connected, and resilient.

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Daran Ponter Greater Wellington Regional Council Chair



Context for this review & public consultation

### Te horopaki mō tēnei arotake me te whakapāpātanga tūmatanui

Greater Wellington Regional Council (Greater Wellington) adopted Te Mahere Waka Whenua Tūmatanui o te Rohe o Pōneke Wellington Regional Public Transport Plan 2021-2031 (<u>RPTP</u>) on 29 June 2021. The RPTP guides the design and delivery of public transport services, information and infrastructure in the Wellington region.

The RPTP sets out a series of policies for Ko ngā utu me te tahua Fares and Funding under the policy objective: 'A fares and ticketing system that attracts and retains customers and balances user contribution with public funding'. Specific fares policies include:



Participating in an integrated ticketing solution that supports integration of fares and the public transport network



Applying a consistent fare structure and pricing approach that recognises the wider benefits and costs of public transport



Providing concession fares to targeted groups to increase access to affordable services for those who are most dependent on public transport



Providing incentives to encourage more frequent use of public transport, more off-peak travel and greater use of electronic ticketing

During public consultation on the draft RPTP in February and March 2021, and public hearings the following April, Greater Wellington received many submissions on the topic of fares. And while we received a lot of public support for the introduction of a simplified and more efficient ticketing system across our network, a number of people called for the cost of public transport to be reduced – to make it a more accessible and attractive option for more people.

Since the RPTP was adopted, the New Zealand Government has announced a range of initiatives to promote public transport usage, to help us achieve our country's climate change goals and make public transport more affordable for more people. One key initiative in Budget 2022 is the provision by the Crown of targeted funding to Public Transport Authorities, to provide half-price fares for holders of Community Service Cards from 1 September 2022.

After some years of having a dual ticketing system on the Wellington public transport network, one being Snapper on buses and the other being a paperbased ticketing system on rail, Greater Wellington's Public Transport Authority Metlink is currently rolling out electronic ticketing through Snapper on the metropolitan rail network. Once this work is completed in late 2022, we'll be able to implement a more consistent range of fares, concessions and ticketing products across the network. We'll also introduce an integrated ticketing system through the Waka Kotahi NZ Transport Agency-led National Ticketing Solution.





Before Greater Wellington adopts its new approach to fares and ticketing on our public transport network, we'd like to give our residents, customers, community groups and businesses the opportunity to give us feedback on three focus areas for this Fares Review:



Specific new concessions and discounts



New types of ticketing and fares products you might want to buy



How the overall journey costs will change across the region with distance travelled through introduction of a new Integrated Fare Structure

Over the following pages, we'll outline our specific proposals and ask for your thoughts and opinions on these. We'll outline how you can provide your feedback to us, including opportunity to make a public submission to our elected members, and the opportunity to participate in a series of digital engagement events where you can discuss our proposals with Greater Wellington officers and councillors from Greater Wellington, and our city and district council partners.





Specific new concessions and discounts

# Ngā utu hou e hāngai ana me nga whakahekenga utu

Through our recent review of the current fares structure, Greater Wellington identified three issues associated with the concessions and discounts we currently provide. These were:



That we can contribute more to social good through increasing our targeted concessions for groups, including Community Services Card holders



That our current off-peak discounts were relatively modest in comparison with other public transport authorities internationally



That current concession groups don't receive off-peak discounts, potentially limiting off-peak travel behaviour in the region

This fares review introduces opportunities for Greater Wellington to:



Introduce a Community Services Card concession



Increase off-peak discounts to encourage more frequent use of public transport including more off-peak travel



Introduce cumulative discounts off-peak for all concession holders



# Implementing the Government's half-price discount initiative for holders of Community Services Cards

The Land Transport Management Act 2003 (s.120) gives regional councils such as Greater Wellington the responsibility for adopting policies on fares and the means for setting and reviewing those fares through its RPTP. In our RPTP, Greater Wellington has adopted the specific action to 'work with central government on national concession schemes including initiatives to enable cross regional concession schemes, and provide concessions to Community Services Card holders'.

In Budget 2022, the government announced the provision by the Crown of targeted funding to public transport authorities, to provide half-price fares for holders of Community Service Cards from 1 September 2022. On 16 June 2022, Greater Wellington adopted a policy to support and implement the government's initiative through establishing a new concession for Community Services Card holders. This will see Community Services Card holders in our region receive half-price fares for peak and off-peak travel. It will also make transport services more accessible and affordable, and will contribute to increased social equity and mobility in our region.

Although the new Community Services Card concession has been adopted by Greater Wellington, we're still keen to receive your feedback on this important initiative. Please give us your comments.

Q1: Please give us your comments on Greater Wellington's adoption of the Government's Community Services Card half-price fares initiative.

### Increasing the general off-peak discount for all public transport users

The RPTP defines off-peak as 'weekdays between 9am and 3pm, after 6.30 pm and all-day weekends and public holidays'. Greater Wellington currently provides a 25 percent off-peak discount to encourage more public transport travel, which contributes to our climate change and mode shift goals.

As part of this fares review, Greater Wellington has the opportunity to increase this off-peak discount from 25 to 35 percent. Please consider the following statement and give us your feedback.

### Q2: Metlink should increase the off-peak travel discount from 25 to 35 percent to encourage greater off-peak usage.

Strongly agree OAgree ONeutral ODisagree OStrongly disagree ODon't know
 Comment:

# Introducing cumulative discounts off-peak for all concession holders

Currently, Greater Wellington offers targeted concessions for three groups of customers, and is preparing a new concession for Community Services Card holders:

**Children:** School-aged children get a 50 percent discount on the adult fare on all Metlink services. In addition, children under 5 years old travel for free anytime on Metlink buses, trains, and ferries, as long as they travel with another passenger who is at least 10 years old.

**Accessibility:** Members of Blind Low Vision NZ and Total Mobility cardholders are eligible to a 50 percent discount on adult fares when using Snapper cards, 10-trip train tickets, and all ferry tickets. Carers can travel with the concession-holder for free, as long as they accompany the holder for the entire journey.

**Tertiary students:** Eligible full-time tertiary students receive a 25 percent discount on peak adult Snapper fares. Off-peak fares are already discounted when using Snapper, so there is currently no further discount to off-peak fares when using a tertiary concession. Tertiary students can currently purchase a tertiary 10-trip ticket for peak travel on rail services. There is no further discount when using a tertiary concession for off-peak rail services.



**Community Services Card holders:** This is a new concession which will be available from 1 September 2022, and will see Community Services Card holders receive a 50 percent discount on peak and off-peak travel.

As part of this fares review, Greater Wellington is considering introducing a system of cumulative off-peak discounts for all concession holders. This will result in:



A further 35 percent discount to the current fares for off-peak travel for school-aged children when using Snapper



A further 35 percent discount to the current fares for off-peak travel for accessibility concession holders (excluding Total Mobility services) when using Snapper



A further 35 percent discount to the current fares for off-peak travel for eligible tertiary students on off-peak services when using Snapper



A 50 percent discount for on-peak travel for Community Services Card holders as well as a further 35% off the on-peak fare for off-peak travel when using Snapper

How will this impact on concession holders in practice? Here are four scenarios that illustrate how the proposed cumulative discounts will work for some of our customers. The scenarios are based on Metlink fares prior to the introduction of the Government's temporary half-price fares scheme, which ends on 31 August 2022.

**Scenario one:** Alice is 14-years old. She currently uses public transport to travel by bus during peak from her home in Upper Hutt (Zone 7) to her school in Taita (Zone 5). She currently pays \$1.90 for each of these journeys. Alice is a keen sportswoman and uses public transport to travel to her netball games at the weekend which are usually held at her school grounds in Taita. She currently pays \$1.90 for each of these weekend (off-peak) journeys.

Under the new Metlink cumulative discount policy, Alice will continue to pay \$1.90 for her trips to school during peak. However, for her weekend travel for netball, the cumulative discount policy will mean she will now only have to pay \$1.23 (35% off \$1.90) for these journeys.

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**Scenario two:** Te Aroha is a member of Blind Low Vision NZ. Te Aroha (and her faithful service dog Macey) currently uses public transport to travel by train at different times of the day from her home in Tawa (Zone 4) to visit friends and family in Waikanæ (Zone 10). She currently pays \$3.76 for each of these journeys when using an accessibility concession ten-trip ticket.

Under the new Metlink cumulative discount policy, Te Aroha will continue to pay \$3.76 for her trips during peak. However, for her weekend travel to visit family and friends, the cumulative discount policy will mean she will now only have to pay \$1.88 for these off-peak journeys (and Macey continues to travel with her for free).

**Scenario three:** Kainoa is a commerce student at university. He uses public transport to travel at peak by bus from his home in Porirua (Zone 5) to his lectures in Wellington (Zone 1). He currently pays \$3.91 for each of these journeys when using a tertiary concession. Kainoa is also guitarist in a musical collective and uses public transport to travel to jam sessions in the Wellington CBD in the evenings and weekends. He currently pays \$3.91 for each of these off-peak journeys.

Under the new Metlink cumulative discount policy, Kainoa will continue to pay \$3.91 for his trips to Wellington City during peak. However, for his evening and weekend travel to jam with his mates, the cumulative discount policy will mean he will now only have to pay \$2.54 (35% off \$3.91) for these off-peak journeys.

**Scenario four:** William is a Community Services Card holder. He lives in Petone (Zone 4) and is a part-time volunteer for an animal rescue centre in Stokes Valley (Zone 6). William does not currently receive any concessionary discounts and currently pays the full adult fare of \$3.80 each way for his trips by bus to and from Stokes Valley.

Under the new Community Services Card concession, William will pay \$1.90 (50% off the regular adult fare) for these trips at peak. In addition, under the new Metlink cumulative discount policy, William will pay \$1.24 (35% off \$1.90) for these trips to and from Stokes Valley during the off-peak periods.

Please consider the following statement and give us your opinion and comments.

### Q3: Metlink should introduce cumulative off-peak discounts for all concession holders.

○ Strongly agree ○ Agree ○ Neutral ○ Disagree ○ Strongly disagree ○ Don't know **Comment:** 

#### Introducing family and whānau-friendly weekend travel

Greater Wellington wants to encourage family travel by public transport at weekends. Before we can introduce bundled travel products for families and visitors (Question 6 in this review), we're considering introducing a policy for free weekend travel for children when accompanied by their parent or guardian. The specific policy is:



Children to travel free on weekends when accompanied by their parent or guardian

Please consider the following statement and give us your opinion and comments.

### Q4: Metlink should introduce a policy that allows children to travel free on weekends when accompanied by their parent or guardian.

O Strongly agree O Agree O Neutral O Disagree O Strongly disagree O Don't know Comment:



Specific new discounts - Longer-term initiatives

# Ngā whakahekenga utu hou e hāngai ana - ngā kaupapa paetawhiti

### Introducing fare capping

'Fare capping' is a longer-term initiative we're considering as we introduce electronic ticketing across the Metlink network, and prepare for implementation of the National Ticketing Solution. Fare capping is a concept used widely across the world to encourage greater use of public transport. After a set number of journeys daily or weekly, a significant discount is applied for the rest of your journeys on that day or for that week.

As part of our planning towards implementation of the National Ticketing Solution, Greater Wellington are considering the introduction of some form of fare capping to support our strategic objectives of mode shift, equity and fairness and network efficiency. Two initiatives we'd like your feedback on are implementation of:



A daily discount offering a 35 percent discount after two journeys per day. This will be on top of any concession and discounts in place



A weekly discount offering a 35 percent discount after eight journeys in a calendar week. This will be on top of any concession and discounts in place but will not include the daily fare capping discount

Please note that the introduction of the longer-term discount will be conditional upon funding and may be gradually introduced over time.

Please consider the following statement and give us your opinion and comments.



Q5: Metlink should consider including a fare capping discount of 35 percent on a daily and weekly basis.

○ Strongly agree ○ Agree ○ Neutral ○ Disagree ○ Strongly disagree ○ Don't know **Comment:** 

# New types of ticketing and fares products you might want to buy

Through our recent review of the current fares structure, Greater Wellington identified gaps in the fares products we currently provide for group travel across our network, and for visitors to our diverse and beautiful region. We currently have limited 'bundled' product offerings for group and family travel on our network.

For visitors and tourists, we currently offer the Metlink Explorer day pass. This offers unlimited travel for one calendar day on Metlink buses and trains weekdays after 9am, and anytime on weekends and public holidays.

We think we can build on this through the development of new fares products, to encourage uptake of environmentally-friendly transport options for families, visitors and for event travel. Metlink is working closely with <u>WellingtonNZ</u>, the region's economic development, events and promotions agency to develop and promote these types of new fares products.

Before we develop new fares products we would like to use this consultation opportunity to hear your thoughts on what sort of products you would see as the most useful. In particular what type of targeted fares that might appeal to families, visitors or for travel to and from major events. Please consider the following statement and give us your opinion and comments. Q6: Metlink should consider introducing new targeted fares products for group, visitor, family and event travel across the region.

○ Strongly agree ○ Agree ○ Neutral ○ Disagree ○ Strongly disagree ○ Don't know **Comment:** 

### How overall journey costs will change across the region with distance travelled through the introduction of a new Integrated Fare Structure

Greater Wellington's current fare structure is based on a 14 zone system, which divides the region into concentric zones for the purposes of setting fares from one part of the region to another. You can learn more about the <u>current zone</u> <u>structure</u> through the Metlink website.

Currently you must pay a separate fare for each journey across the bus, train or ferry network. Fully 'integrated fares' would look to charge users a single fare based on any combination of bus, train and ferry journeys they may choose to take. One option would be to extend the current 14 zone system. Doing this will require considerable planning and development and before we choose this option, we would like your feedback on whether there might be a better way of designing an integrated fare structure.

While the current zone-based fares system has served us well to date, we also recognise, through your previous feedback and our own fares review insights, that there are issues with the current system which need to be addressed.

#### These are:

**Fairness:** That journeys that cross that same number of boundaries can often vary greatly in distance travelled yet the cost will be the same due to the location of fare boundaries.

**Penalising Indirect Travel Routes:** That the current zone-based system does not provide incentives to use public transport for journeys that require more indirect trips (eg, east to west, from Porirua to the Hutt Valley).





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**Parking and infrastructure issues:** That the current zone-based system can create inequities and cause parking congestion and bus stop crowding (or poor usage) either side of a fare zone boundaries as customers look to avoid additional zones cost.

**Incentivisation for longer journeys:** That the current system provides relatively cheap short-distance travel, but also creates relatively more expensive long-distance travel when benchmarked globally.

Over the coming three years, as we prepare for the introduction of integrated fares through the National Ticketing Solution, we believe we can address these issues through introduction of a distance-based Integrated Fare Structure. This could create an arrangement similar to a 'taxi fare', with two key components:

- 1. a 'flag-fall' fee, plus
- 2. a distance-based charge per kilometre travelled between departure and destination points. This distance travelled could be calculated on a "as the crow flies" basis, meaning the geographic distance travelled (not the distance travelled by the bus or train if the route is indirect).

This system would be supported by journey-planning apps and tools to enable customers to price and plan their public transport trips.

From research to date we recognise that the introduction of a distance-based system may take time for our customers to get familiar with and comfortable using, we believe it could bring a significant number of benefits including:

- Increasing our ability to provide more equitable fares for journeys of the same length
- Ensuring that indirect journeys are not penalised as the result of having no direct public transport routes
- Removing inequities, including parking issues that are sometimes caused by the current zone boundaries
- Increasing Greater Wellington's flexibility for changing fares

The distance-based Integrated Fare Structure would not see the removal of current and proposed new concessions and discounts.



Please provide your opinion and comments to the following proposal. We also welcome any comments you have on the current zone-based system and how this might be improved or simplified.

### Q7: Metlink should consider introducing a distance-based Integrated Fare Structure.

○ Strongly agree ○ Agree ○ Neutral ○ Disagree ○ Strongly disagree ○ Don't know Comment:

# Some other information we'd appreciate when making your submission

Please let us know if you wish to speak directly to your submission at the public hearings. These will be held between 3-4 August 2022 at Greater Wellington Council Chambers, 100 Cuba Street, Te Aro, Wellington.

#### Q8: Would you like to make a public submission to our hearings committee?

- I do not wish to make a public submission
- I do wish to make a public submission

My contact information to arrange a public submission spot:

Tel:

Email:

To help us better understand your perspective throughout the submission process, we'd appreciate if you can provide us with some additional information about you.

#### Q9: Where in the region is your primary dwelling located?

- Wellington City
  Porirua City
  Hutt City
  Kāpiti Coast District
  Upper Hutt City
  Carterton District
- Other part of New Zealand O I do not currently reside in New Zealand

Masterton District

#### Q10: What mode of public transport do you mainly use?

(i.e. normally three times a week or more)

South Wairarapa District

- Mainly bus
   Mainly ferry
- O Mainly rail O I do not regularly use public transport

#### Q11: What do you use public transport for? Tick all that apply.

- To commute for employment and education
- To access essential services including health and retail
- For leisure and lifestyle purposes
- For other purposes
- I do not regularly use public transport

#### Comment:



#### How you can have your say

Your feedback is important to us. So please share your views and help us guide Greater Wellington and the Metlink team on this fares review. If it's convenient for you, please make your submission through the <u>Greater Wellington Have</u>. <u>Your Say</u> website. Otherwise, you can make submissions by emailing us at **futurefares@gw.govt.nz** or post to:

Metlink Fares Review 2022 Greater Wellington Regional Council PO Box 11646 Wellington 6011

Consultation closes 5pm Friday 15 July 2020. The information you provide as part of your submission will only be used for the purpose of making a decision on the proposals introduced during this consultation period. Any personal information you provide when submitting to this review will only be used:

- For the purpose/s you provide that information
- For other reasons permitted by the Privacy Act 2020 (eg, with your consent, for a directly-related purpose, or where the law permits or requires this use).

A full Privacy Statement can be viewed <u>here</u>.

Digital engagement sessions will be held online. Here you can discuss our proposals with Greater Wellington officers and councillors from Greater Wellington, as well as our city and district council partners. These online sessions have proven popular during the COVID-19 pandemic, and community feedback has told us they provide an accessible and interactive way to meet with our councillors and officers. You can register for these sessions through the <u>Eventfinda</u> website and do not need to download any software or applications to participate.

Date	Time	Location
Wednesday 29 June 2022	12midday to 1.30 pm	Virtual
Saturday 2 July 2022	9am - 10.30 am	Virtual
Tuesday 5 July 2022	3pm – 4.30 pm	Virtual
Thursday 7 July 2022	6pm – 7.30 pm	Virtual
Saturday 9 July 2022	9am – 10.30 pm	Virtual

We look forward to hearing your feedback on these exciting proposals.





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