

12 February 2016

Small Passenger Services Review Submissions
PO Box 3175
WELLINGTON 6140

File ref: TTP 02 08
PJH:RP

Dear Sir/Madam

**SUBMISSION ON SMALL PASSENGER SERVICES REVIEW CONSULTATION
PAPER**

Thank you for the opportunity to submit on the Small Passenger Services Review Consultation Paper.

As you will be aware Horizons Regional Council is responsible for the provision of public transport services in the Manawatu-Whanganui Region. Within this function is the delivery of Total Mobility (TM) services to over 7000 registered users of the scheme. Behind the metropolitan centres, the Horizons region has the largest registered number of scheme users. It is an integral part of our public transport portfolio as it provides social and economic connections for the transport disadvantaged. This is vital to achieving our vision, which is to make the Region a great place to live, work and play.

We see the main driver behind the review to be creating a framework that is keeping up with technological change. Horizons is generally supportive of what this reform is trying to achieve, in particular the provision of a free market and increased choice for transport users. However, it is paramount that the TM function does not become a casualty of this reform. This can not be emphasised enough. The safety of TM users due to their vulnerability (elderly, disabled) is critical and the single most important aspect of the TM scheme. And so any new system introduced will need to incorporate the necessary safety features to protect users.

It is also prudent to comment on the speed of the reform process. There has been little to no engagement with us previously or with TM stakeholders. In our view having more thorough engagement with the industry, and that includes users, providers and the scheme administrators, is necessary to ensure that all views are captured and that a robust system that provides for user needs, while protecting their safety is maintained.

Having considered the five options identified, Horizons submits that its preference is for Option 4. We believe this provides the greatest balance between offering a de-regulated free market and the necessary safety measures for scheme users.

Specific points we raise are as follows:

1. We are pleased to see the requirement for cameras in all vehicles. As discussed above, safety for users is paramount.
2. The removal of the requirement to operate 24/7 may result in the loss of levels of services in our smaller centres that have no other public transport.

This further strains the ability to provide social connectedness opportunities throughout the region. We do accept however this needs to be balanced with the premise that if there is demand for a 24/7 service, the market will respond.

3. We have concerns over removal of the requirement to have vehicle branding. We believe vehicle branding is required for the protection of user vulnerability.
4. We have real concerns at the removal of the requirement to use fare meters. Our concern relates to the management of the TM scheme budget which is not only funded by regional councils, but also by central government through the National Land Transport Fund. The consensus amongst regional councils that we engaged with is that we will see a general increase in agreed fares between the user and provider. This will have an impact on budgets. Without fare meters we believe it will also increase the potential for fraud. Has any thought or consideration been given to this? We are interested in how fare price negotiation will pan out.
5. With deregulation of the sector, we anticipate more operators being established. We believe this will generate the need for more compliance and so ask whether there has been consideration of how this will be resourced or administered by the Transport Agency.

With the current TM system, Horizons is able to, through its operator contracts, determine the service level requirements they must operate to. This provides us with the tools to ensure an adequate level of service is maintained and to refuse any operators who do not wish to comply with these requirements. We see as imperative to the protection of our users' safety and so request that this is retained with whatever option is adopted. We request your confirmation on this matter.

In summary, option 4 is Horizons preferred option. Deregulation and moving towards a free market given technological advancements is supported. However it is important that TM is not forgotten and that schemes do not suffer as a result of this change, particularly as this is a service for the transport disadvantaged.

If you have any queries regarding this matter please feel free to contact Phil Hindrup, Transport Services Manager, on 06 9522 836.

Thank you again for the opportunity to submit on this matter.

Yours sincerely



Bruce Gordon
CHAIR, HORIZONS REGIONAL COUNCIL