



**Subject**                    **Total Mobility Flat Rate Payments**

**Circulation**                Land Transport NZ staff and Partnership Managers  
  
Passenger Transport Advisory Group  
  
Regional Authority Transport Officers  
  
Local Government New Zealand  
  
Taxi Federation

**Circulated by**            Richard Braae – General Manager, Partnerships and Programmes

**Date of Issue**            28 May 2007

**Ref**                            AF 121 05 01

## **Purpose**

To provide information on:

- implementation of the \$8.89 GST exclusive, (\$10.00 GST inclusive) flat rate payment for each wheelchair hoist trip for operators of Total Mobility wheelchair accessible vehicles; and
- conditions for the flat rate payment contract between councils/ ARTA and taxi operators that must be agreed and completed before any payments can be made to operators.

## **Background**

- 1 Wheelchair accessible taxis tend to be less profitable than other taxis due to both higher capital costs and fare structures that do not adequately reflect their higher operating costs. These operating costs are associated with increased unpaid time travelling between fares, loading and unloading passengers in wheelchairs and depreciation and maintenance of hoist mechanisms.
- 2 One of the Total Mobility scheme review improvements agreed by the Minister of Transport states that *"Land Transport NZ encourages adequate provision of wheelchair accessible taxis by providing a flat rate payment (in addition to the fare) to the transport operator for each trip taken by a Total Mobility scheme member using a wheelchair hoist"*.
- 3 The objectives of the flat rate payment, which will be fully funded by Land Transport NZ, are to:

- increase the financial viability of operating wheelchair accessible taxi vehicles in recognition of the vital part they play in meeting the needs of the transport disadvantaged;
  - increase the availability of such vehicles to Total Mobility users at peak times;
  - reduce fares paid by wheelchair hoist users such that they are more consistent with standard taxi fares paid by other Total Mobility clients; and
  - encourage industry to provide an adequate number of wheelchair accessible vehicles.
- 4 Land Transport NZ has calculated that a flat rate payment of \$8.89 GST exclusive (\$10.00 GST inclusive) is required to compensate Total Mobility transport providers and Total Mobility users for each trip that requires the use of a wheelchair hoist. This payment has been calculated using information provided by the NZ Taxi Federation on the additional costs associated with operating a wheelchair accessible vehicle, and from local authorities on average taxi fares for both wheelchair and non-wheelchair trips.
- 5 Although Land Transport NZ will be fully funding this payment, the assistance of councils/ARTA is required to administer the payment to Total Mobility transport operators as legislation prevents Land Transport NZ from making payments from the national land transport account directly to operators.
- 6 This payment applies to commercial Total Mobility transport operators only.

## Implementation

- 7 Total Mobility flat rate payments will be implemented on 1 July 2007. Claims will not be accepted for wheelchair hoist trips made prior to this date. In order to claim this payment, Total Mobility transport operators must agree to the following conditions:
- (a) The fare meter must not operate while Total Mobility passengers are being loaded into or out of the vehicle; and
  - (b) The tariff rate for wheelchair hoist trips must be equivalent to the standard taxi tariff rate for the same trip.
- 8 These conditions must either be added to existing contracts between the council/ARTA and Total Mobility transport operators, or agreed to in a separate contract between the two parties, before the transport operator will be eligible for the payment<sup>1</sup>, and before Land Transport NZ will accept payment claims from councils.

---

<sup>1</sup> These conditions will be written into the operator contracts forming part of phase two improvements of the Total Mobility scheme. However, as phase two has been on hold until recently, these contracts have not yet been finalised and an interim agreement is required to implement the flat payment by 1 July 2007.

- 9 In order to process the payment for wheelchair hoist assisted total mobility trips, councils/ARTA will need to be able to distinguish between hoist and non-hoist trips. It is up to the council/ARTA how it wishes to do this. Examples include using a different coloured voucher or a stamp to differentiate the Total Mobility vouchers. Another approach is adopting a Total Mobility smart card system that can differentiate users.
- 10 Following agreement and completion of the contract between the council/ARTA and the Total Mobility operator, the payments will be available from 1 July 2007.
- 11 Claims made for the payments will be verified as part of Land Transport New Zealand's regular procedural audit function.

## **Payment from Land Transport NZ**

- 12 Work category 521: "Total Mobility flat rate payments" has been designated specifically for flat payments with a 100% financial assistance rate.
- 13 Councils will be able to claim against this work category as from the end of July 2007, as part of the standard web claim process.
- 14 An allocation has been estimated for each region based around total mobility trip boardings as provided in 2005 as part of the Total Mobility Review. This totals \$1.1 million (GST exclusive) across all regions.
- 15 If it becomes apparent that the allocation provided will not be enough, councils should approach Land Transport NZ to revise the allocation as part of the standard monthly NLTP review process.
- 16 Land Transport NZ has set aside an additional \$0.4 million in reserve for this.
- 17 Allocations for each region are attached to this circular.

## **Enquiries**

For further information, contact the Partnership Manager at your Land Transport NZ Regional Office.

**Richard Braae**

General Manager, Partnerships and Programmes

**Total Mobility flat payment rates - 2007/08 base allocation**

<b>Approved Organisation</b>	<b>Flat Payment Allocation (GST Exclusive)</b>
Northland Regional Council	\$23,000
Auckland Regional Transport Authority	\$238,000
Environment Waikato	\$58,000
Environment Bay of Plenty	\$94,000
Gisborne District Council	\$2,000
Hawkes Bay Regional Council	\$30,000
Taranaki Regional Council	\$72,000
Horizons Manawatu-Wanganui	\$141,000
Greater Wellington	\$187,000
Marlborough District Council	\$8,000
Nelson City Council	\$2,000
Environment Canterbury	\$157,000
West Coast Regional Council	\$2,000
Otago Regional Council	\$62,000
Invercargill City Council	\$19,000
<b>Regional Total</b>	<b>\$1,095,000</b>
<b>Total Land Transport reserve</b>	<b>\$405,000</b>
<b>Total 2007/08 Allocation</b>	<b>\$1,500,000</b>