



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	John White – Acting General Manager, Policy and Planning
Date of Issue	12 September 2007
Note	This memo supersedes General Circular 07/01 issued May 2007.

Purpose

To provide information on:

- the 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
- the condition 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; and
 - encourage industry to provide an adequate number of wheelchair accessible vehicles.
- 4 Land Transport NZ has established 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 councils 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 were 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 condition:
 - (a) The fare meter must not operate while Total Mobility passengers are being loaded into or out of the vehicle.
- 8 This condition 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 payment¹, and before Land Transport NZ will accept payment claims from councils.
- 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

¹ This condition 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.

or a stamp to differentiate the Total Mobility vouchers. Another approach is adopting a Total Mobility smart card system that can differentiate users.

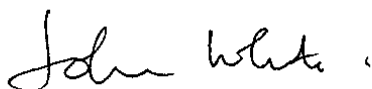
- 10 Following agreement and completion of the contract between the council/ARTA and the Total Mobility operator, the payments will be available from 1 July 2007.
- 11 Claims made for the payments will be verified as part of Land Transport New Zealand's regular procedural audit function.

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.

Enquiries

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



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