

15 January 2015

Daniel Farrell
fyi-request-2364-4ecff1d5@requests.fyi.org.nz

Dear Mr Farrell

Local Government Official Information and Meetings Act 1987 (LGOIMA)
CAS-471922-W2F9C5

Thank you for your email dated 30 December 2014, requesting information regarding the funding of tertiary public transport concessions in the Auckland Region. In particular, where funding for these concessions comes from, and how much each party provides.

Prior to 2008, ARTA (now Auckland Transport) offered tertiary fares discounted at 20% off the single adult cash fare if purchased in the form of a ten trip ticket. Auckland Transport separately paid an amount per tertiary trip undertaken to contracted operators (in the form of a subsidy) to ensure they were not materially disadvantaged as a result of carrying tertiary students at a lower fare. In 2008 ARTA made a decision to increase the discount to tertiary students up to 40% on the same basis outlined above.

This led to an increased level of subsidy being paid by ARTA to operators for offering the discount and the rate at which tertiary patronage grew also placed funding under pressure, therefore, the discount has been narrowed over the past two years from 40% to 38% and then to 35%. There is no immediate plan to change this.

Subsidy for tertiary student travel is not received from the universities, but is funded by ratepayers and taxpayers (via NZTA).

The cost to Auckland Transport for the Tertiary Concessionary Fare Scheme (CFS) was approximately \$4.04m in the financial year ended 30th June 2014. NZTA provide funding for 50% of the cost of Tertiary CFS to Auckland Transport.

We trust the above information has addressed the matters raised however, should you believe that we have not responded appropriately to your request, you have the right in accordance with section 27(3) of the LGOIMA to make a complaint to the Office of the Ombudsman to seek an investigation and review in regard to this matter.

If you have any further queries please contact Auckland Transport on (09) 355 3553 quoting Official Information request number **CAS-471922-W2F9C5**.

Yours sincerely



Mark Lambert
Group Manager Public Transport