Business Case – Community transport fund

GOA:	70
Activity Name:	Urban and Rural Transport Delivery
Function	Regional Transport Connections
Service	Community Transport
Financial Budget Code:	3951

0.0 Review and approval

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Reviewed By:	Andrew Wilson, Manager Public Transport Operations	Date
Signed off By:	Mark Tamura, Director Regional Transport Connections	Date

0.1 Related documents

Document Title	Author	Document Reference

0.2 Document change history

Version #	Date	Revision By	Description of Change
1	4/11/21	Bridget Burdette	Revision on feedback from Mark T.

Waikato
REGIONAL COUNCIL
Te Kaunihera ā Rohe o Waikato

1 Executive summary

About 180,000 people live within Waikato's smaller towns and rural areas. Meanwhile, most major health, social services, employment, and education opportunities are concentrated in larger urban centres. Community transport is a way for local volunteers to help transport disadvantaged people access these services.

Problems

Two underlying problems and one opportunity have been identified for this business case:

1. Problem 1: Community transport initiatives in Waikato currently depend on the **unreliable funding sources** of grants, donations and fundraising initiatives, making it **difficult to support the increasing ageing population** and need for community transport in rural areas.
2. Problem 2: There is a **lack of oversight** or structure of community transport across Waikato, such that **volunteers** of each community transport group **carry all the burdens** of managing and operating their services and it is **difficult to create any efficiencies** by coordinating with other community transport groups.
3. Opportunity 1: Availability of shared, sustainable transport options supports **equity of participation** while presenting an opportunity to **respond to climate change goals**.

Proposal

A community transport fund is proposed that would open up funding from Waikato Regional Council (WRC) to be provided to community transport groups to support their activities and their role in the wider public transport network. This fund would only partially cover their expenses, to encourage ongoing engagement with the local community to continue to support the services through donations and fundraising activities. This will also continue to raise awareness of the community transport options and need for volunteers to continue operating the services.

The fund is expected to be up to a total of $200,000 across all community transport providers in the region.

Benefits

This fund will help to achieve the overarching benefits of:
1. Improved community wellbeing
2. Increased financial sustainability of community transport groups
3. More transport options for transport disadvantaged people in rural communities

Measures of success

Several detailed measures of success are detailed within the business case. At a high level, these can be grouped into four objectives or themes:
1. More people have access to community transport options
2. Increase sustainability of community transport groups
3. Increase the environmental sustainability of community transport trips
4. Increase the wellbeing of communities and individual supported by community transport.

1.1 Financial summary

1.1.0 Funding profile

$ (K) / Year	2022	2023	2024	2025	2026	Future Years
Capital						
Operational						

1.1.0.1 Funding source

The fund will be sourced from a regional targeted rate, nominally $1 per household.

1.1.0.2 Funding partnerships

The funding from Waikato Regional Council will not fund any community transport operation on its own, rather it will build on existing funding. Funding levels and sources vary from group to group. Some groups receive some funding from for example:

- District Health Boards, through grants for hospital and other specialist health services
- The National Transport Assistance scheme, whereby transport funding is given to patients by the Ministry of Health, who can then pass it on to a community transport provider
- Local donations and bequests
- Local in-kind support, such as mechanical servicing
- Application to regional and national philanthropic funds

However, none of the above funding sources are targeted directly at community transport. Neither are they typically secure in the long term, leaving groups investing their own time and energy applying for funds and running local initiatives to raise money. Therefore, as well as providing some level of financial security, the Waikato Regional Council grant will free volunteer time and energy to devote to their core purpose, which is to organise and deliver volunteer-based transport services.

1.2 Corporate support service implications

Consideration	Yes/No	Discussed with Activity Lead?
Does the work include the procurement or development of new technology or information systems, or does it include the major enhancement of existing technology or information systems?	No	Chief Information Officer - Yes / No
Does the work include the procurement, or capture, of new data sets?	No	Manager, Spatial Information - Yes/No
Does the work require the development/publishing of new maps, spatial layers or spatial data sets?	No	Manager, Spatial Information - Yes/No
Does the work require analysis or modelling of spatial data?	No	Manager, Spatial Information - Yes/No
Does the work require communications, engagement or partnerships/funding input?		Manager, Communications & Engagement - Yes/No
Does the work require the establishment of new depots or offices?	No	Manager, Properties & Facilities – Yes/No
Does the work require the use of additional fleet vehicles?		Manager, Properties & Facilities – Yes/No
Does the work require additional resources (FTE or contract)?	No	If yes, complete section 2.2.1

1.2.0   Additional resources

No additional resources beyond those already scoped and approved: 1.0FTE being advertised in 2021.

2 The case for change (Strategic Case)

The current Waikato Regional Public Transport Plan (2018) commits support for community-based transport initiatives, outlining that along with this support there is an intention to preserve their ability to self-organise and develop transport solutions that suit their needs. In accordance with this commitment a recent Community Transport Update[1] documented that in partnership with Community Waikato, Trust Waikato and others, WRC will:

1. Recruit a dedicated regional coordination resource (1 Full-Time Equivalent (FTE)) for the purposes of:
   a. Better supporting existing providers of community-based transport initiatives
   b. Encouraging the formation of new community transport initiatives where there is community need and a lack of transport options
   c. Partner with and work across multiple organisations to develop shared transport solutions
2. Investigate the establishment of a regional grant funding framework to enhance the viability community transport initiatives
3. Procure, implement, and support a region wide transport coordination tool that transport providers can choose to adopt and make transport options more visible to potential users.

The purpose of this business case is to progress on point 2 above: to investigate the establishment of a regional grant funding framework to support community transport initiatives. This business case assumes that point 1 above is progressing and refers to the role as 'Community Transport Coordinator'. This business case takes a step back to understand the problems and opportunities for community transport in the Waikato and evaluates options for supporting community transport, with the establishment of a regional grant funding framework being one of several options evaluated.

2.0   Context

The scope of this business case is to identify how WRC should financially support volunteer-based, community run transport services for people living rurally, who do not have other transport options.

2.0.0   What is community transport

Community transport, put simply, is the offering of a ride to people with no other transport options. It is usually provided through initiatives or organisations that are established, operated, and sometimes also funded by community groups. They usually rely on volunteers and fundraising from within the community in which they operate.

Community transport most often provides transport for healthcare but can also offer transport for employment, education or other social trips. Because community transport is an offering by volunteers within communities, the services are often tailored to meet the specific needs of the communities.

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[1] Report to Regional Connections Committee: Community Transport Update (Andrew Wilson, 9 September 2021)

2.0.1 Community transport in the Waikato[1,2]

About 180,000 people live within Waikato's smaller towns and rural areas, while most major health, social services, employment and education opportunities are concentrated in the larger urban centres (Hamilton, Thames and Taupo). Travel can be difficult for people living in these more isolated locations, particularly if they have limited or no access to an independent means of transport and/or if they have a disability. Furthermore, many people in such towns and rural areas are priced out of relocation to the larger centres which would bring them closer to critical social amenities.

Since 2011, community transport providers, territorial authorities, government agencies and Waikato DHB have come together in a forum to connect community transport providers with government agencies and transport planners. As of August 2020, there were 25 known community transport groups across Waikato. None of these groups have paid drivers, but a handful have a paid employee to coordinate journeys. Most of these initiatives are set up for the purpose of accessing medical appointments at Waikato Hospital, but some include other journeys. For example, a Taumarunui[3] Community Transport provider has partnered with the local pharmacy to provide prescription deliveries. In Tairua the provider includes weekend trips as a social enterprise to help generate income to support the healthcare trips.

All community transport initiatives in Waikato rely on philanthropic grants, donations and small fundraising initiatives. Some receive funding from Waikato District Health Board as a contribution towards hospital trips. In a previous Community Transport Forum, coordinaters raised their most significant challenges as being challenges with Waikato DHB relating to times of appointments and discharge procedures (these have since been improved through collaboration between the community transport providers and Waikato DHB) and securing reliable funding.

2.0.2 Funding and strategic context of community transport in the Waikato[4,5]

Community transport services can find it difficult to attract funding for their services as they are not aware of the wider context in which they operate. Other 'competing' transport services include Total Mobility and public ride-sharing services. There are some individual services currently operating and achieving benefits, but these experience inefficiencies because of restrictions to funding and collaboration between the services. However, it is also worth noting that collaborating beyond the community itself may have the unintended consequence of decreasing the attractiveness and success of the initiatives, especially if they are focused on a specific type of transport (e.g. transport to hospitals only)[6].

Possible strategic responses for Waikato Regional Council to better support community transport initiatives include:

- Undertake a stocktake of what services are currently available[7].
- Coordinate:
  - Investigate establishing a shared coordination framework across various service providers and funders of community transport services.
  - Use technology to assist the coordination of services and grow people's awareness of existing services.

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[2] [Community Transport provision in the Waikato Region](#) (Sarah Gibb, August 2020)
[3] While not within the Waikato regional boundary, Taumarunui is within the Waikato Community Transport area.
[4] [Regional Public Transport Plan Review 2018: Strategic Case for Public Transport in the Waikato Region](#) (February 2018)
[5] [Draft Waikato Regional Public Transport Plan 2018-2028](#)
[6] East Waikato Community Transport Co-ordination 2012-13 (Traffic Design Group, 18 November 2013)
[7] Key partners have been identified as Territorial Authorities, Waikato DHB, University of Waikato, Wintec, and Ministry of Education.

- o Support community transport initiatives to be as effective and efficient as possible, while retaining a local focus and ownership.
- o Work with community transport providers to understand their objectives and ways of operating, and to investigate how to best support them.

WRC has higher level strategic priorities and wellbeing outcomes relating to community transport. These are outlined in the Council's various strategies (detailed further in Section 2.6) and include:

- o **Transport Connections** – Because connected communities are stronger (10-year strategy[8]). This priority is concerned with:
  - o People and communities being well connected to each other, essential services and opportunities.
  - o People feeling their communities are a valued part of the Waikato and taking pride in the region.
- o *"An **inclusive range** of integrated and **safe travel choices** for people to meet their various needs"* (RLTP[9])
- o *"Supporting the **differing transport needs of rural communities**"* (Council focus areas[10])
- o *"Continuing to provide for the transport needs of **transport disadvantaged groups**"* (Council focus areas[11])

2.1 What is the problem or opportunity?

About 180,000 people live within Waikato's smaller towns and rural areas. Most major health, social services, employment and education opportunities are concentrated in the larger urban centres (Hamilton, Thames and Taupo). As of August 2020, there were 25 known community transport Groups across Waikato; most are set up for accessing medical appointments at Waikato Hospital, but some include other journeys, including local trips. The precise demand for services is not known but the providers transport hundreds of people across thousands of kilometres around the region each year.

Problem 1: Community transport initiatives in Waikato currently depend on the unreliable funding sources of grants, donations and fundraising initiatives, making it difficult to support the increasing ageing population and need for community transport in rural areas.

Community transport initiatives are currently supported by funding grants, donations and their own fundraising initiatives. The dependence on these unreliable funding sources is a risk to the sustainability of these services. One 'failed' grant application could limit their confidence and credibility in accruing enough funds and volunteers to provide the necessary services to people in their community.

The small towns are in rural areas of Waikato, most of which have an ageing population[12]. With that typically comes a higher need to access healthcare and other social services along with a reduced ability to travel long distances independently, such as by driving oneself. Many younger people also struggle to access education and employment locally and around the region if they do not have access to a car.

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[8] Waikato Regional Council 10-year strategy
[9] Refer to section 1.4.1 'Our vision and objectives' of the RLTP.
[10] Refer to section 1.4.2 'Our focus moving forward' of the RLTP.
[11] Refer to section 1.4.2 'Our focus moving forward' of the RLTP.
[12] https://www.waikatoregion.govt.nz/community/about-the-waikato-region/community-and-economy/p1d-report/

Doc # 21874072

Problem 2: There is a lack of oversight or structure of community transport across Waikato, such that volunteers of each community transport group carry all the burdens of managing and operating their services and it is difficult to create any efficiencies by coordinating with other community transport groups.

Existing community transport relies heavily on a handful of volunteers to establish organisations, manage logistics and funding, and operate the services. This creates a lack of resilience across time. Community transport services could end when a crucial volunteer steps down unless another volunteer with the necessary skillset steps forward. It also creates a discrepancy in the transport options offered in different communities, depending on whether each community has the dedicated volunteers to establish a new service.

By operating disconnected community transport services in different communities, there are inefficiencies because each service will need to complete similar activities (e.g. establishing a booking system or applying for funding grants).

The reliance on community volunteers also creates a gap in opportunities. People who live in communities without community transport services have fewer transport options. This is of particular concern for essential trips, such as for healthcare; and for trips that can improve wellbeing such as trips for education and employment. This exacerbates the transport disadvantage for people who live in underserved communities.

Opportunity 1: Availability of shared, sustainable transport options supports equity of participation while presenting an opportunity to respond to climate change goals.

Community transport services are used to connect multiple people in a community to essential destinations, such as Waikato Hospital. As these services, and the vehicles used to run them, are regularly used to make trips for numerous people, there is an opportunity to upgrade these vehicles to low-emission or zero-emission vehicles to support climate change goals. The impact of this change could be relatively high due to the frequency with which the vehicles are used. The visibility of community transport vehicles could also be used as an opportunity to promote sustainable shared transport.

It is important to respond to climate change challenges with an equity lens. By providing and/or supporting community transport options across the region, there is an opportunity to increase equity of participation and reduce the level of transport disadvantage in small towns and rural communities. For many people in Waikato, transport problems are a factor in them not accessing education, employment or social services. People do not currently travel as much as they need to maintain a good level of health and social engagement. Their wellbeing and that of their whānau and the wider community therefore suffers. Community transport options can increase equity of mobility around the region and address the unmet need for travel.

2.2 Proposal for change

The scope of this business case is to identify how WRC should financially support volunteer-based, community run transport services for people living rurally, who do not have other transport options. As is summarised throughout the business case, community transport is an important part of the transport offering for people living in the Waikato, especially in rural communities, and there is support for this offering in WRC's strategic planning and policies.

2.3 What will success look like (high level benefits) and objectives

The benefits being sought by addressing the problems and opportunities that have been identified are wide-ranging and include:

5. Improved **community wellbeing** including by enabling people to live in their own homes as they age and need more support to make key trips.
6. Sustainable community transport services that are **financially viable** and are not 'forced' to shut down due to a lack of finances or administration resources.
7. **Every rural community** with few transport options has community transport to give people transport options to access a range of services, offering affordable and dignified options for people who cannot transport themselves.

As well as the direct measures of benefits listed above, there are also indirect benefits relating to sustainability of local communities (people can stay in the community into older age, and not have to move just to be closer to essential services); and in maintained and improved subjective ratings of wellbeing in communities that have community transport services.

2.4 Consequences of not proceeding

By not proceeding with the recommendations of this business case, rural communities in the Waikato will continue to suffer from the implications of the identified problems. In particular, some of the impacts of dismissing the need for more support of community transport will include:

8. Funding for community transport will continue to be unreliable and inconsistent, making it more difficult for communities to offer transport options to the 'transport disadvantaged' people in their communities.
9. There may be less equity of participation as community transport services may not be able to support the ageing rural populations, or to broaden their offerings to ensure all people have access to all services and opportunities to improve the wellbeing of themselves and their communities.
10. The wellbeing of individuals living in rural communities may suffer as they experience increasing transport disadvantage.
11. Rural communities may decline as their ageing population have less transport access and need to relocate to more urban areas to ensure they can access their healthcare and welfare needs.
12. There is a possibility that people would rely more in Total Mobility, which would increase the costs that Regional and Local Councils pay, as well as being a more expensive option for passengers.

2.5 Partners and key stakeholders

Community transport is, by its nature, operated by communities and is generally supported by a range of organisations. Collaboration between these organisations can play an important role in the level of success and efficiency of community transport services. Key stakeholders that have been identified for this work in the Waikato include the Waikato Community Transport Forum because it is an overarching collective. Other partners and stakeholders are described here because they are important, independent of their invovlement in the Waikato Community Transport Forum:

13. **Waikato Community Transport Forum:** a collective of community transport providers and those with an interest in Community Transport, including disability sector representatives,

local authority staff and elected members, District Health Board staff, and representatives of the community sector.

14. **Community transport providers**: the individual community transport providers, whether or not they are closely affiliated with the Waikato Community Transport Forum.

15. **Community Waikato**: Regional community support organisation with established history working with and alongside community transport providers. Community Waikato hosts the Community Transport forum quarterly, usually at its Hamilton office.

16. **Trust Waikato:** Philanthropic funder of community groups and community initiatives in Waikato region.

17. **Waikato District Health Board**: funds health shuttles including several community transport organisations.

18. **Local Authorities**: potential to partner for co-funding of current and new community transport services

2.6 Alignment

This section discusses the alignment of the proposal against the Councils mandated purpose, its strategic purpose, related legislation, and other national level directives.

2.6.0   Long Term Outcome

The Waikato Regional Council 2021-2031 Long Term Plan[13] maps the Councils planned activities against a set of sustainable development goal based 'community outcomes'. This process has identified public transport (including community transport) as contributing to several of the outcomes and these have been identified in the table below, and there are other community outcomes supported by the proposal that are also identified.

Long Term Outcome	How will this change improve delivery?
Healthy Environment	Climate action - Use and promotion of low emission vehicles will reduce transport related carbon dioxide emissions.
Strong Economy	Decent work and economic growth, reduced inequalities - Public transport makes getting to places of work or training more accessible for youth.
Vibrant communities	Supporting and enabling the Waikato regions communities through better access to essential services and employment

The Waikato Wellbeing Project[14] is an initiative trying to end poverty, fight inequality and act on climate change, to achieve a more environmentally sustainable, prosperous and inclusive region by 2030. It focuses on 10 wellbeing targets that are likely to have the highest impact. Two of these targets would be particularly supported by successful community transport initiatives, and one is an underpinning outcome; these are highlighted in Figure 4 and particularly fit within the Waikato Wellbeing Project themes of building **vibrant communities** and **healthy environments**.

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[13] 2021-2031 Long Term Plan (Waikato Regional Council)
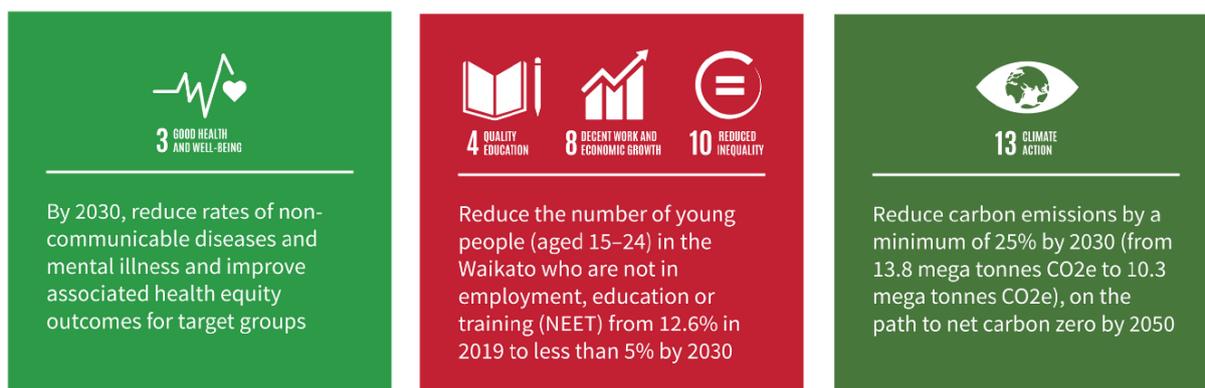[14] https://www.waikatowellbeingproject.co.nz/

Figure 1 Waikato Wellbeing Project targets that would be supported by successful community transport[14]

2.6.1 Strategic Direction / Corporate Plan Priorities

2.6.1.1 WRC 10-year Strategy[15]

Council's 10-year strategy includes a priority area of *Transport Connections – Because connected communities are stronger*.

> *The Waikato region is large and its communities diverse. We're all different ages, live in different places and have different cultures, wants and needs. Our council's bus services and investment in rail keeps people well connected – to each other, to services and to opportunities such as recreation, education and jobs. Cycle lanes and walking paths are part of the picture, too. We're making it easier for people to get out of their cars and shift to a low emissions lifestyle.*

This objective relates to three of the community outcomes, as shown in Figure 2.
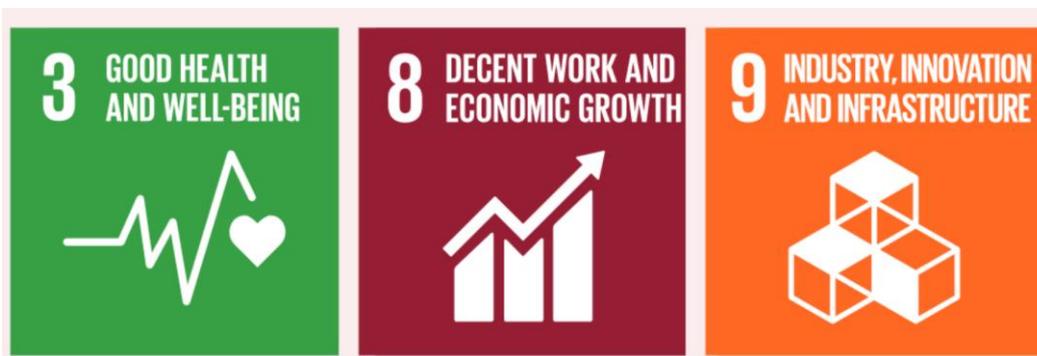

Figure 2 Strategic outcomes relating to the Transport Connections priority

The proposal to support community transport is well aligned with this priority area, as it will support good access to services and opportunities for transport disadvantaged members of the wider community and will support remote communities feeling they are a valued part of Waikato.

2.6.1.2 Waikato Regional Land Transport Plan 2021-2051[16]

Strategic support for community transport is outlined in the RLTP through its Strategic Objectives and underpinning objectives, including the following:

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[15] Waikato Regional Council 10-year strategy
[16] Regional Land Transport Plan 2021-2051

Strategic Objectives

> 1. *strategic corridors and economic development – an efficient and resilient land transport system that advances regional economic wellbeing and supports liveable urban areas now, and in the future*
>
> 2. *access and mobility – our land transport system provides an inclusive range of integrated and safe travel choices for people to meet their various needs.*

Community transport supports these objectives by enhancing regional economic wellbeing and providing inclusive and safe transport options for transport disadvantaged people.

Underpinning Objectives

> 3. *climate change and environmental sustainability – ensuring that transport plays its role in delivering an energy efficient, resilient, and low carbon sustainable future*

Community transport has the potential to contribute to more sustainable transport options. It could have a higher impact than converting private vehicles to low emission, because community transport is used more frequently to help many people make longer trips.

Future focus

The problem statement for 'access and mobility' is:

> *People need better, more equitable transport options to access social, health, economic and cultural opportunities.*

The RLTP also outlines the Council's focus moving forward, which includes:

> 4. *supporting the differing transport needs of rural communities.*
>
> 5. *continuing to provide for the transport needs of transport disadvantaged groups.*

And two of the key issues for rural communities are stated as being:

> 6. *Transport choice is limited. For people who do not have access to a car in rural areas, transport choices to access services in larger centres can be non-existent, inaccessible, inconvenient, impractical or expensive. A Strategic Case undertaken for the Waikato Regional Public Transport Plan in 2018 found that this situation is impacting on the economic and social vitality of rural communities.*
>
> 7. *Providing equitable transport choice requires a different strategic response to traditional models, such as providing more targeted and demand responsive services.*

Specific policies

Three key policies intended to address the transport issues facing rural communities are:

> P28: *Support and progress mobility as a service and local community-led transport initiatives to improve access in rural areas.*
>
> P29 *Pursue new and alternative funding sources and co-investment opportunities to sustainably fund access and mobility initiatives in rural communities.*
>
> P30 *Provide an inclusive and accessible transport system that is designed for all people, including the transport disadvantaged and those with mobility impairments.*

Each of these policies specifically targets improvements to community transport and therefore represent strong strategic alignment to this business case.

2.6.1.3 Waikato Regional Public Transport Plan 2018-2028[17]

Following from the RLTP, the RPTP aims to better connect people to build stronger communities and a healthier environment. The vision of the RPTP is to:

> *Build a public transport system that enhances the vitality of our communities, strengthens our economy and helps create a healthier environment.*

One branch of the strategic approach is to:

> *Connect our region in partnership with others to better coordinate funding and service provision.*

The RPTP implements this vision and strategic approach by aiming to support a range of public transport services (including community transport). It also has a strategic focus on providing for the transport disadvantaged.

This is expressed in general terms in Policy 1 and Policy 2 of the RPTP, duplicated in part below:

> *P 1:   Plan for a layered network of public transport services made up of Mass transit, Frequent, Connector, Coverage and Targeted public transport services as follows:*
>
> *...*
>
> *- Targeted: Range of targeted services including school transport, public ride-share, community transport, special events and Total Mobility services.*

> *P 2:   Consider the needs of the transport disadvantaged when providing for public transport services. The following groups of people are considered transport disadvantaged:*
>
> *- People with disabilities*
>
> *- People without a driver licence or access to a vehicle*
>
> *- Children or elderly*
>
> *- People with low income and/or living in 'high deprivation' neighbourhoods*
>
> *- People living in isolated communities with no easy transport access to essential services.*

Targeted services in these policies includes community transport services. Council wants to support these initiatives where possible, while preserving their independence and autonomy to develop the best transport solutions for their communities. The following policies deal with community transport services in more detail:

> *P 23: Provide support for community transport services where there is a demonstrated need in the community; there is willingness by the community to operate a service; there is sufficient funding available to support it; and the establishment of a Trust is supported by the territorial authority.*

> *P 24: Support for community services will be assessed on a case by case basis and may include: council staff support to establish a Trust; financial grants towards vehicle or administration costs; provision of supporting technology; leveraging of council's purchasing power to obtain value for money.*

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[17] Regional Public Transport Plan 2018-2028

## 2.6.2   Legislation

Land Transport Management Act 2003

The purpose of the Land Transport Management Act is to contribute to an effective, efficient, and safe land transport system in the public interest. Regional land transport plans are required under this legislation, and the legislation outlines the purpose and requirements for RLTPs.

As evidenced by its alignment with the Council's strategies and plans, the proposal is aligned with this legislation.

2.6.3   Other (NPS, SLA, explicit LoS arrangement, best practice etc)

Ministry of Transport's Transport Outcomes Framework and the Government Policy Statement on Land Transport 2021/22-2030/31[18]

The Ministry of Transport outlines that the governments transport vision is for *"A Transport System that Improves Wellbeing and Liveability"*, and that this can be reached through achieving five inter-connected outcomes: inclusive access, healthy and safe people, economic prosperity, environmental sustainability and resilience and security. These outcomes are referred to as the 'Outcomes Framework' and are summarised in the following excerpt.
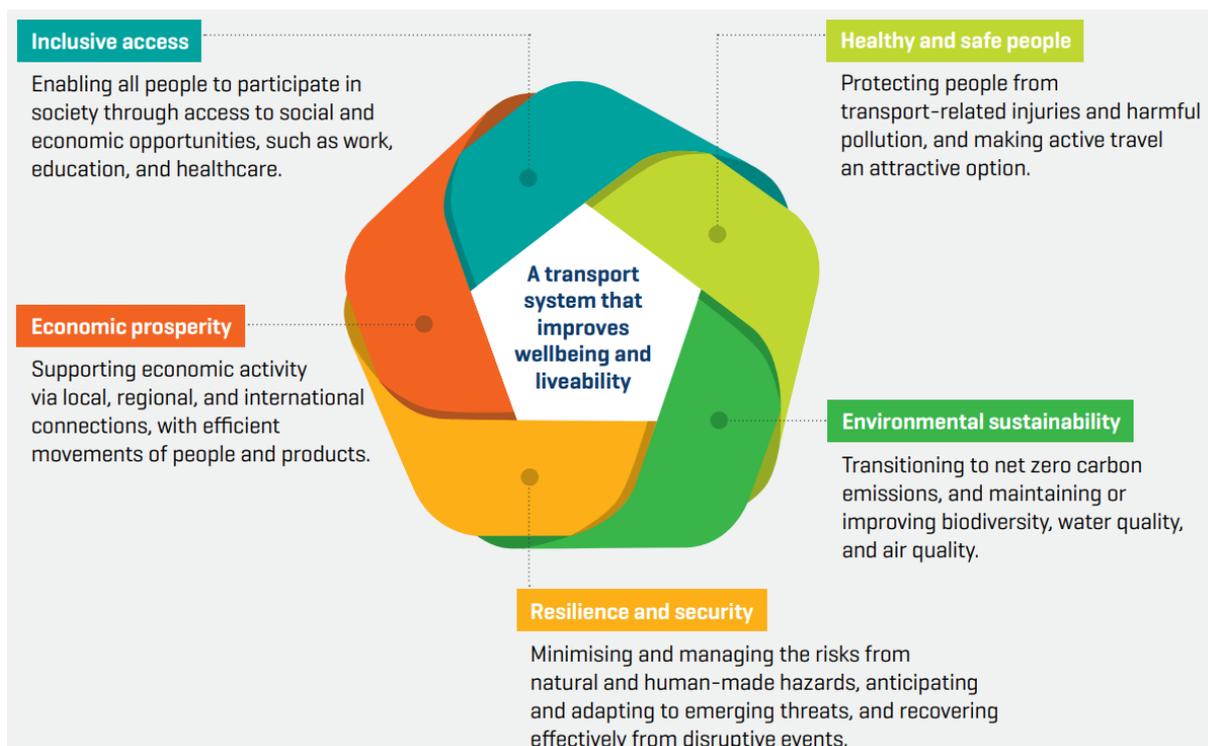

Figure 3: The Ministry of Transport Outcomes Framework

The Government Policy Statement on land transport (GPS) is founded on the transport outcomes framework and provides direction and guidance to planners and those making decisions on investment of the National Land Transport Fund over the next 10 years.

The GPS identifies four strategic priorities for the next ten years, as summarised in the following excerpt.

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[18] Government Policy Statement on Land Transport (2021/22-2030/31)
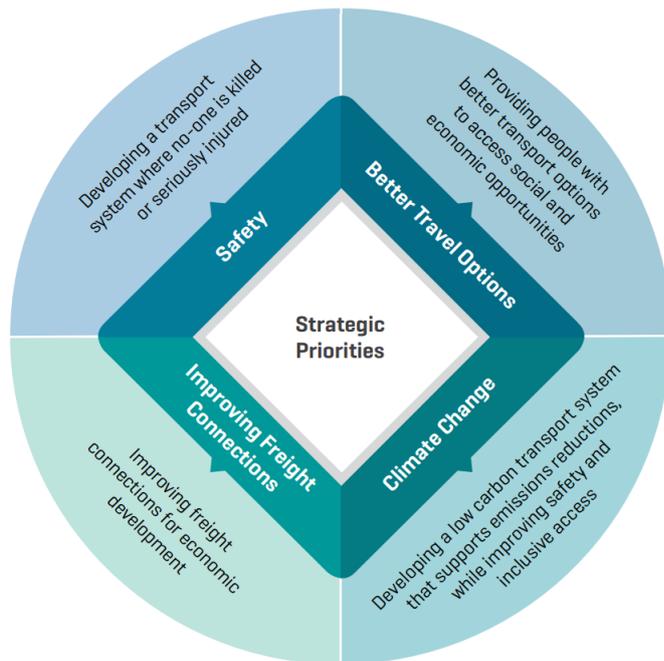
Figure 4: Government Policy Statement on Land Transport - Strategic Priorities

The Council's plans have been prepared under the GPS, and in terms of the RLTP are required to give effect to the GPS. As evidenced by its alignment with the Councils strategies and plans, the community transport proposal is in turn aligned with the Outcomes Framework and the GPS strategic priorities. In particular, the community transport proposal is aligned with the 'Better Travel Options' priority and can support the 'Climate Change' priority.

Waikato Regional Council Climate Action Roadmap discussion document

The Council has released a Climate Action Roadmap document for discussion, which states that *"We're making a stand for a climate resilient Waikato"*.

This document includes a 'future of transport' pathway and outlines for this pathway that:

> *"As our population increases, so too do our transport emissions. Technologies are available to reduce these emissions, such as electric or low-emissions vehicles, and we need to do more to influence the uptake of them by individuals and by passenger transport services. Replacing fossil-fuelled vehicles with electric vehicles will reduce emissions immediately. Also, we can do more to encourage walking and cycling. Extreme weather events and rising sea levels will subject our transport networks to more frequent road closures from flooding, landslides and coastal inundation."*

The document states that Waikato Regional Council is committed to, amongst other things fulfilling the objectives of the Regional Land Transport Plan to:
19. develop a coordinated plan for increasing electric vehicle use in the region
20. provide energy efficient lower emission transport options as an alternative to the car.

The community transport proposal is aligned with this commitment, as low emissions vehicles can be used and promoted through the community transport services.

3 Option evaluation (Economic Case)

This section outlines the objectives being sought, compares the options evaluated and the preferred option. Refer to Appendix One for a detailed description of the options being evaluated.

3.0   Specific objectives

The specific objectives that are sought from investments in community transport are:

Objective	Measure
More people have access to community transport options	1. Total people living in areas with community transport options for healthcare trips
	2. Total people living in areas with community transport options for social and recreational trips
Increase sustainability of community transport groups	3. Number of active community transport organisations
	4. Number of active community transport organisations that have been in operation for more than three years
	5. Amount of time the WRC Community Transport Coordinator spends on directly supporting community transport groups
Increase the environmental sustainability of community transport trips	6. Proportion of trips arriving at Waikato Hospital with more than one passenger on board
	7. Proportion of community transport trips made in low-emissions vehicles
Increase the wellbeing of communities and individuals supported by community transport	2. Total people living in areas with community transport options for social and recreational trips
	8. Number of people 'forced' to relocate to more urban areas to meet their daily needs

- Options

Several options for how WRC could financially support community transport organisations have been developed. These options do not necessarily detail how funding might be allocated across community transport groups and/or any other support that WRC should or may provide beyond financial support.

1.. Status quo: no customised funding for community transport. Continue with current support of the Community Transport Forum and recruitment of a community transport coordinator within WRC.
2.. Option 1: Part-fund community transport organisations up to a total of $200,000 across the region. Eligibility of groups and allocation of funds to be defined through a co-design process with community transport providers.
3.. Option 2: Fully fund all community transport organisations. Eligibility criteria and actual extent of funding (e.g. an alternative is to entirely fund specific costs such as vehicle costs) to be defined through a co-design process with community transport providers.

Option 1 and Option 2 are variations on the theme of creating a community transport fund, with differences in the amount of funding provided and the level of ongoing independence and reliance of groups on volunteers.

3.1 Summary comparison

3.1.0 Non-financial comparison of options

Some objectives and performance measures are proposed in Section 3.0. These are useful to understand the purpose and will be useful to monitor the impact of a community transport fund. However, the options being assessed will perform very similarly against each of the proposed measures. This is because both options create a community transport fund and the scale of the impact on the performance of community transport groups is difficult to estimate at this stage. So, it is challenging to differentiate between the two options based on the objectives and measures outlined.

This section compares each of the two options against the Status Quo at a more qualitative level, to help inform which option is preferred. This table highlights the expected benefits and disbenefits of each option above and beyond the Status Quo.

Benefits	
Option 1	**Option 2**
o More financially sustainable community transport groups, supported by more reliable and consistent funding from WRC. o The financial structure is simple and certain for WRC to know what will be required to support community transport groups. o Groups retain their community focus, and commitment and volunteers, helping the organisations to continue operating.	o Financially sustainable community transport groups, supported entirely by reliable and consistent funding from WRC. o Lower 'barrier to entry' for new community transport groups, as initial funding is more certain. o More consistent community transport across the region, because WRC can introduce requirements to be eligible for the funding.
Disbenefits	
Option 1	**Option 2**
o Groups will still be reliant on other funding sources – if these dry up, the groups may not be financially sustainable in the long term.	o Ties to the community (e.g. with donations from local mechanics) could be lost because council support and funding would replace the need for strong local support. o Less community engagement and support of community transport may lead to a decline in volunteers in the future. o Amount of funding required is uncertain and would be variable depending on the number of community transport groups and number of trips they operate.

3.1.1 Financial comparison of options

None of the options have any projected revenue or capital expenses included within them. The Status Quo (and both of the options) maintain the recruitment of a community transport coordinator. As this appears in all options including the Status Quo, it does not differentiate between options.

Both Option 1 and Option 2 have an ongoing operating expense in the form of the community transport fund:

- o Option 1: up to $200,000 per year, or $1 per rateable unit.
- o Option 2: full expenses of community transport—unknown but could be 2-3 times more than the cost of Option 1.

Benefits for community transport are largely qualitative and are difficult to monetise, so this has not been completed at this stage.

3.2 Preferred option

Based on the options assessment, the preferred way forward is Option 1 (Part-fund community transport), for the following reasons:

- o **Financial sustainability for community transport**: Gives community transport groups more financial certainty and sustainability while retaining their current independence and community focus.
- o **Embedded within the community**: ongoing engagement with the community in the form of volunteers, and donations and fundraising activities will continue to encourage support and new volunteers from within the community to maintain the resourcing support for the services.
- o **Financial certainty for WRC**: The total amount of funding required is known because it is set at a cap, compared to Option 2 which would cost an unknown amount.

4 Financial analysis and procurement (Financial & Commercial Case)

This business case seeks investment of approximately $200,000 per annum from a targeted rate on households in Waikato Region. There are no directly relevent labour, capex, revenue or contingency costs.

Description	Amount	Timing	Funding Source	Comments
Labour	-	-	-	-
Opex	$200,000	annually	rates	Targeted rate $1 / household
Capex	-	-	-	-
Revenue	-	-	-	-
Contingency	-	-	-	-

$ (K) \ Year	2022	2023	2024	2025	2026	Future Years
Capital	-	-	-	-	-	-
Operational	$200,000	$200,000	$200,000	$200,000	$200,000	$200,000
Revenue	-	-	-	-	-	-

4.0.0 Funding partnerships

The funding is wholly provided by Waikato Regional Council.

4.0.1 Assumptions

In developing the financial implications for the preferred option the following assumptions have been made:
- o The funding is intended as a partial contribution to Community Transport providers/ costs and not a full reimbursment or provision for all costs
- o The funding allocation method will be developed in collaboration with stakeholders and led by the Community Transport Coordinator in time for distribution from 2022
- o The funding allocation method may allow for different funding for different groups but will not allow for the overall funding allocation to exceed the total of $1 per household per annum

4.0.2 Additional commentary

As listed in Assumptions above, there is no contingency and the total allocation is not to exceed $1 per household per annum. Therefore, the funding distribution mechanism must account for that cap, albeit that the total funds available may change each year in line with changes in the number of rateable properties in Waikato Region.

4.0.3 Procurement strategy

Will any procurement activities be required?   ~~YES~~ / NO

Procurement activities must follow the Procurement Policy and processes.   Refer to http://www/Teams-and-people/Teams/Finance-group/Procurement/

All key procurement activities ought to be identified as key milestones in the next section.

5 Implementation and achievability (Management Case)

5.0.0 Implementation structure

Delivery Approach – Operational
The community transport fund will be an ongoing, operational expense to WRC. The operational structure is to be determined: see below.

5.0.1 Scope/deliverables

The case has been made to provide a community transport fund that community transport groups could apply to. A total of $200,000 would be made available across all community transport groups in the Waikato region and the funding provided would be unlikely to cover all costs of the community transport activities. An important 'next step' to implement this fund is to facilitate a co-design process with community transport groups to:

- o Define eligibility criteria for groups to be eligible for funding.
- o Identify whether the funding should be applied to specific expenses (eg vehicle-related costs) or whether it can be used in a discretionary way.
- o Confirm an equitable approach for allocating funds across different groups.

- o Key milestones

To be determined through co-design of funding process.

5.0.2 Stakeholder engagement

As identified in Section 2.6 above: the same stakeholders will be involved in the implementation / management case development:
21. **Waikato Community Transport Forum:** a collective of community transport providers and those with an interest in Community Transport, including disability sector representatives, local authority staff and elected members, District Health Board staff, and representatives of the community sector.
22. **Community transport providers**: the individual community transport providers, whether or not they are closely affiliated with the Waikato Community Transport Forum.
23. **Community Waikato**: Regional community support organisation with established history working with and alongside community transport providers. Community Waikato hosts the Community Transport forum quarterly, usually at its Hamilton office.
24. **Trust Waikato:** Philanthropic funder of community groups and community initiatives in Waikato region.

25. **Waikato District Health Board**: funds health shuttles including several community transport organisations.
26. **Local Authorities**: potential to partner for co-funding of current and new community transport services

5.0.3 Business change/organisational impact

The funding is expected to be *neutral* in terms of its effects on the business. There are no significant impacts that would effect any change to Waikato Regional Council at a business/organisational level.

5.0.4 Ongoing operational management

The community transport coordinator role, that is currently being recruited, will be responsible for the management and coordination of this community transport fund. Their role will include facilitating the co-design process with community transport groups as to how the fund should be allocated to different groups.

5.0.5 Assumptions, constraints and dependencies

This option assumes that other funding sources continue to be available, with funding being provided from local companies, community fundraising activities and donations from community transport users.

5.0.6 Risks

Risks associated with establishing the fund (the purpose of this business case) are non-significant. Risks associated with the granting of funds to community groups will be identified as part of the management case, to be developed as a co-designed process with community in coming months and before funds are granted.

Appendices

1 Appendix One: Evaluation of options

This section details the options evaluated.

1.0 Status Quo: Forum Support and a Coordinator

1.0.0 Option overview

The first option, the Status Quo, is to continue with the current format of community transport options for people in the Waikato. Two key features that exist to support community transport under the Status Quo are:

- o Continue to support and attend the Community Transport Forum.
- o Provide 1.5 full-time equivalent staff from WRC to provide regional coordination support and administration.

In this option, individual community transport services continue to operate in and service their communities, while WRC provides some more administrative and collaborative support than has been provided in the past, through the Community Transport Coordinator.

An additional option within this option, that could be pursued in the future, is:

- o Investigate ways to help community transport providers collaborate through a booking tool/platform

1.0.1 Pro's and Con's

Pro's	Con's
o Current community transport organisations can continue to operate in the way they have always known how (no 'shake up' to their operations). o Administration and coordination support from WRC so volunteers can focus on delivering the services. o Increased connection with community groups is likely to improve WRC's insight into rural transport disadvantage and other transport challenges.	o Lack of Council funding means that organisations may not be sustainable in the long term (e.g. if funding runs out). o Inconsistent availability of transport options (and types of trips supported) for people living in different communities across the region. o Stress on volunteers within each community means organisations may be dissolved or have to 'say no' to requests for trips, when key volunteers leave. o Increased connection with community groups through the administrative support may increase pressure on WRC to provide more tangible support (i.e. funding) to community transport providers.

1.0.2 Assumptions, constraints and dependencies

This option comprises of activities that WRC have already conducted in the past (ie supporting the Community Transport Forum and funding the maintenance of that website) and activities that have already been approved and committed (ie recruitment of a community transport representative within WRC).

At the time of writing, recruitment of a community transport representative is underway, so this option is dependent on the successful recruitment of an appropriate person.

1.. Option 1 – Part-fund Community Transport Groups

1.0.3 Option overview

Option 1 is to establish a Community Transport Fund, that individual community transport providers could apply to for funding to support their initiatives. The total amount of funding that would be available would be capped at around $200,000—$1 per rateable unit across the Waikato. The allocation process of funds to individual community groups would be co-designed with the community transport forum to determine a fair and meaningful way of allocating resources.

This funding stream would only partly fund the community transport activities. So, other funding sources, such as community donations and fundraising, and other grants or funds (e.g. from Waikato DHB) would still be necessary. This funding model will support the activities of the community transport groups while not making them reliant on the regional council or complacent about how they run their services.

For the purposes of this business case, we assume that any community transport provider could apply for funding, up to a limit, for any expenses relating to the provision of community transport services.

1.0.4 Pro's and Con's

Pro's	Con's
o Current community transport organisations can continue to operate in the way they have always known how (no 'shake-up' to their operations). o Existing community transport providers could have a more reliable and consistent funding source, making the future of the organisations more sustainable and certain. o Ties to the community would be maintained (e.g. ad-hoc relationships with local mechanics or local funding sources). This encourages community engagement and reinforces local funding and information sharing about community transport.	o Inconsistent availability of transport options (and types of trips supported) for people living in different communities across the region o Community transport groups will still be reliant on funding from local people and organisations. If that funding is difficult to source or maintain on an ongoing basis, the groups may not be financially sustainable.

1.0.5 High level financial overview

Both options assessed do not have any revenue, capital expenditure or labour costs above and beyond the do minimum. The additional ongoing/operating expense of Option 1 is estimated initially as $200,000 per year.

Benefits for community transport are largely qualitative and are difficult to monetise, so this has not been completed at this stage.

- Assumptions, constraints and dependencies

This option recommends (and assumes) that eligibility criteria and methods of allocating the funds will be co-designed with community transport groups to determine a fair and meaningful way of allocating funds.

This option also assumes that other funding sources continue to be available, with funding being provided from local companies, community fundraising activities and donations from community transport users.

1.1 Option 2 – Fully-fund Community Transport Groups

1.1.0 Option overview

Option 2 is to establish a Community Transport Fund, that would fully fund any community transport activities. A variation to this option could be to fully fund only certain aspects of community transport activities, such as vehicle costs or fuel costs. The total amount of funding required would depend on the costs incurred by each group.

This funding stream would fund most or all community transport activities. So, other funding sources would probably be unnecessary. However, if other funding opportunities continue to exist, this may lead to the potential for 'double dipping', with community transport groups receiving more money than their expenses.

For the purposes of this business case, we have not defined what the eligibility criteria might be for this funding. However, we assume that any organisation that provides community transport services with volunteer drivers would be eligible.

1.1.1 Pro's and Con's

Pro's	Con's
o Current community transport organisations can continue to operate in the way they have always known how (no 'shake up' to their operations). o Existing community transport providers would have a reliable and consistent funding source, making their financial future more sustainable and certain. o More community transport groups might start in other communities, as the guaranteed funding may reduce the 'barrier to entry'. This would provide more transport options to people living in those communities. o WRC could have more control or requirements around how community transport groups operate to improve the efficiencies of how they integrate into the wider transport network.	o Significant cost to Waikato Regional Council incurring more political risk / difficult to justify o Ties to the community would be lost (e.g. ad-hoc relationships with local mechanics or local funding sources). These relationships currently encourage community engagement and reinforce local funding and information sharing. o The total funding value will be uncertain, and it will be difficult to know the 'cap' on funding required. o If other funding sources still exist, e.g. from Waikato DHB, community transport organisations may be able to 'double dip' on funding, receiving more than their actual expenses. o Organisations might be a bit less cautious with their expenses if they know they are fully funded. o It may be difficult to put boundaries on what is funded. For example, if groups offer more social and recreational trips for more people, that would be funded in the same way as healthcare and other 'essential' trips.

	o The increased ease and affordability of community transport might disincentivise public transport, taxis and other transport modes.

1.1.2   High level financial overview

Both options assessed do not have any revenue, capital expenditure or labour costs above and beyond the do minimum. The additional ongoing/operating expense of Option 2 is difficult to estimate without further refining the option and collaborating directly with community transport groups to fully understand their expenses. However, we expect that this option could likely cost at least 2-3 times more than Option 1.

Benefits for community transport are largely qualitative and are difficult to monetise, so this has not been completed at this stage.

Assumptions, constraints and dependencies

This option assumes that WRC would be able to set aside an unknown amount of funding to fully fund all community transport activities. At the time of writing, the total value of that is unknown, and this is something that would need to be investigated should this option be selected.