

CONFIDENTIAL

AGENDA ITEM 15.1 BOARD NOTING PAPER	
To:	The Board
From:	Raveen Jaduram, Chair, Design and Delivery Committee
Reviewed:	N/A
Date:	22 October 2024
Title:	Design and Delivery Committee Chair Feedback

Reason for inclusion in closed board meeting session	
1. Please state why this report is being considered in the closed board meeting as opposed to the open board meeting. Please refer to the 'reasons for confidentiality' and provide a direct reference to one of these reasons.	To protect information to be reported to Auckland Council (such as Annual Report, Quarterly Report) that will soon be publicly available.
2. Please provide an estimated date for release of this report.	On the last release date noted in the papers referenced under item 3.

Aronga / Purpose

- To provide an overview of the recommendations as endorsed by the Design and Delivery Committee (DDC) at its meeting held on 8 October 2024.

Te tūtohunga / Recommendation

That the Auckland Transport Board (board):

- Notes the contents of the paper.

He Whakarapopoto o Ngā Whakatau ā te Komiti / Summary of Committee Recommendations

Fare Structure (Agenda item 15.2)

- During the discussion around the proposed public transport fare increases for implementation from 9 February 2025, and the amendments to the fare structure outlined in the L.E.K. Consulting (LEK) report, the following matters were highlighted:
 - A weighted increase of 5.2% is proposed against the current Consumer Price Index of 3.3%. Escalating operating costs are the main driver for the increase.
 - Seven fare structure reforms were recommended by LEK.
 - These proposed changes aim to improve perceived fairness, value for money and will be easy for customers to understand.
 - Under the proposed ferry fares flexibility scheme, some ferry journey fares would increase by as much as 18% to reflect operating costs and maintain stability for future investment.
 - The new structure improves equity for customers travelling longer distances, as a weighted increase is less for longer journeys.
 - Ferry journeys will use a separate pricing table to reflect the different cost of service.
 - Longer ferry journeys are excluded from the weekly fare cap.
 - Concerns were raised that the removal of off-peak discounts and concessions will not be well received.
 - It was acknowledged that a higher lift in fares would be a burden on consumers. A more fundamental lever to increase farebox revenue is growing public transport patronage.
 - Management was asked to restructure the proposal to incorporate the feedback, subsidy information, and caveats for ferry journey.
- The DDC did not endorse the recommendations tabled at its meeting. They requested an amended proposal be tabled under agenda item 15.2 for consideration and approval.

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Te pou whenua tuhinga / Document ownership

Submitted by

Raveen Jaduram

Chair, Design and Delivery Committee

