

# The Funding Challenge

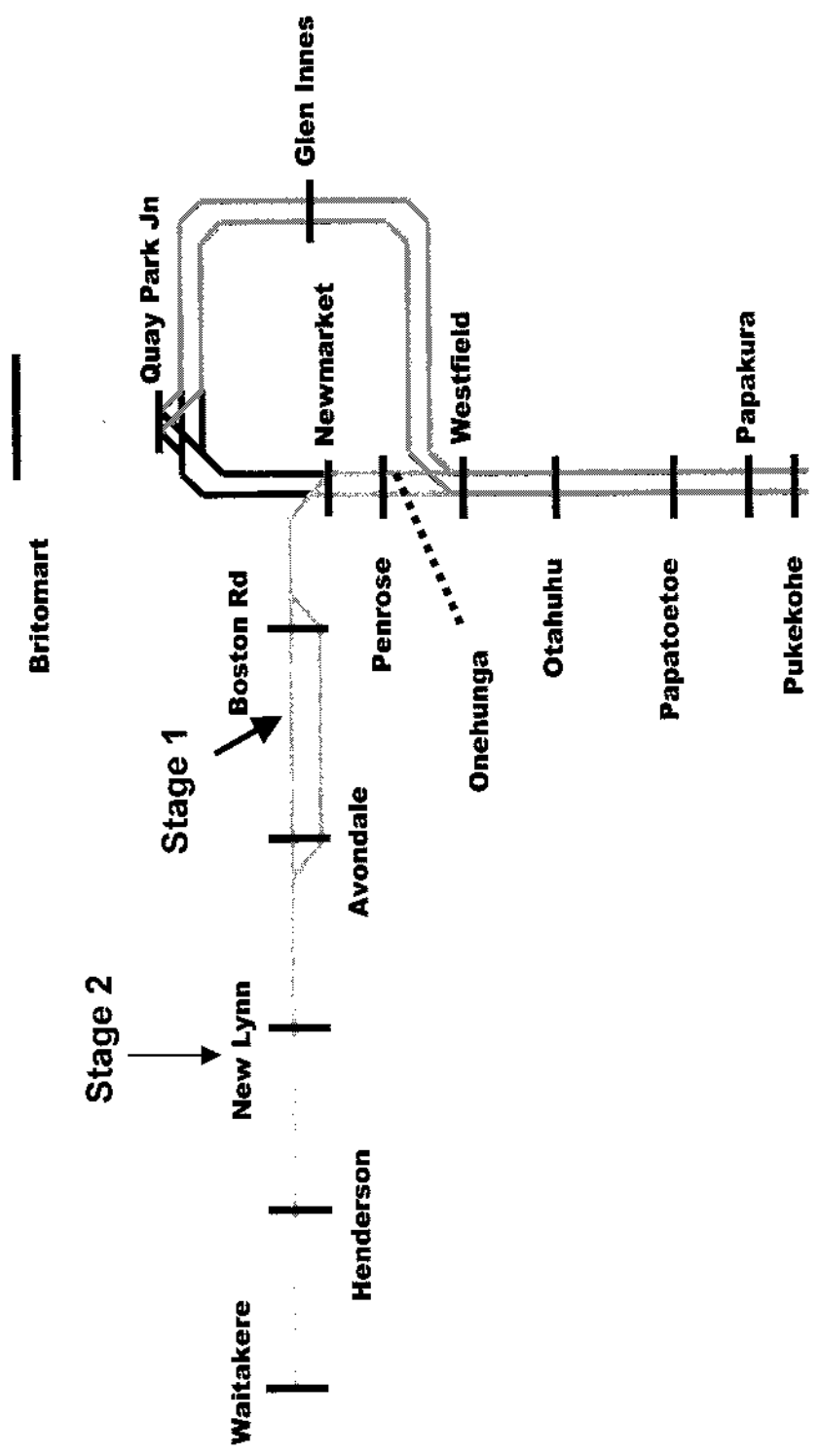
## Sources of subsidy funding for ARTA programmes

	<u>ARC %</u>	<u>Central Government / LTNZ %</u>
<b>Op-Ex</b>		
Bus & Ferry	50	50
Rail	40	60
<b>Capital</b>		
Bus & Ferry	50	50
Rail - Trains / Station superstructures	100	0
Rail - Track / Signalling / Platforms	0	100

*The RLTS requires 8% pa growth in PT patronage. This requires major Cap-Ex investment and Op-Ex to grow at around 7 to 8% pa real .....*

- ARTA recognises the commitment of the ARC to provide real increases in transport budgets
- ARTA will target projects to get the best out of the available funds
- *BUT full implementation of the RLTS will require further funding*

# Auckland Rail System Configuration 2005

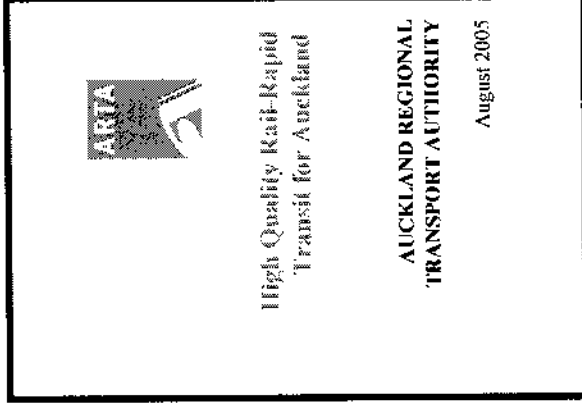


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## Rail Electrification - Business Case

- In August 2005, “the High Quality Rail – Rapid Transit for Auckland report was published
- Report advocated early electrification and purchase of modern electric trains (EMUs)
- Detailed business case studies now well-advanced
  - based on scope agreed with ARC and central government / ONTRACK
  - long-term benefits are clear
  - shorter term issues including sources of funding and NPV analyses proving to be challenging
  - implementation will rely on central government / ONTRACK



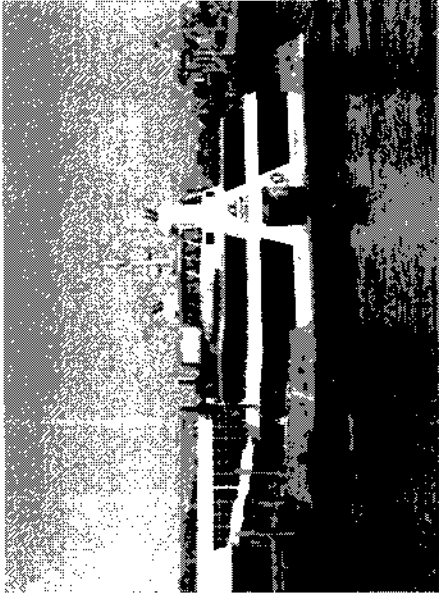
## Future Railing Funding

- In December 2005 Government announced a new approach to rail funding for the Auckland region.
  - Central govt to fund ONTRACK for “track and below track work”, including platforms
  - Region to fund trains, train maintenance and superstructures.
- ARC and ARTA have been working closely together to clarify details with central government
- ARTA has continued to call tenders and let contracts for Western Line Stage 2 (in conjunction with ONTRACK)
  - to date contracts have been let to the value of \$10m.
- ARTA plans to “novate” contracts to ONTRACK once agreement reached between ARC and government – end March?

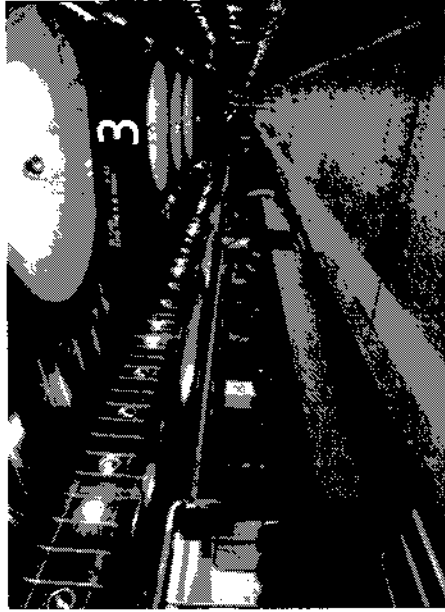
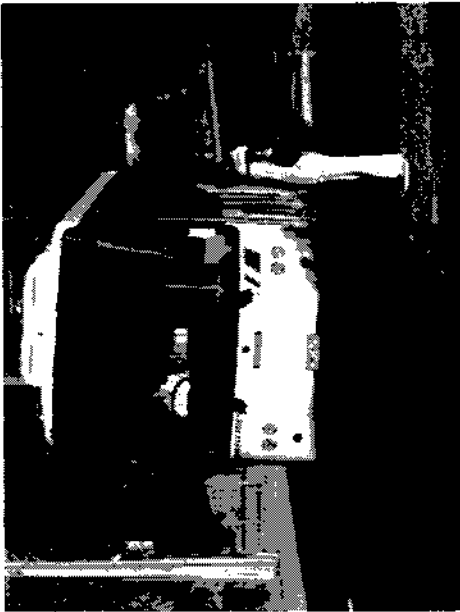
*ARTA will be guided by ARC about overall approach to this issue.*



# Transferable ticketing & service procurement



SSS



# Service Procurement

## The current situation

Auckland has a mix of

- **Commercial Services** – operated by providers without subsidy, except for reimbursement for concession fares purchased by passengers. Commercial services comprise 26% bus services, 77% of ferry services and 0% train services
- **Contracted Services** – operated by providers under contract to ARTA, generally on the basis that operators retain fare box. Contracted services comprise 74% of bus services, 23% of ferry services and 100% of train services.

*For many bus routes the Commercial Services are the peak hour services and the Contracted Services are the off-peak, evening and weekend services*

## Procurement Problems

- Operators can hand back / deregister commercial services at short notice
- ARTA has little option but to “contract” with the operator to provide the service.  
The last de-registration by Stagecoach cost approx \$8 million per annum.
- Contracts are :
  - Small size
  - Relatively short term
- The current system results in limited competition :
  - Recent bus tenders for North Shore resulted in 4 out of 10 tenders having only one tenderer
- Multiple ticketing products ....

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## Current Ticketing

- Each operator has its own ticketing product
- Tickets cannot be used on other operators' services
- Some routes have more than one operator providing services
- Confusing for passengers, especially new users
- Generally no transfer between modes (ARTA is trialling limited MAXX passes/tickets)
- Operators have introduced a transferable ticket BUT it is expensive
  - Day ticket is \$13 (compares to Brisbane and Adelaide - \$6)

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*Blend of commercial and contracted services makes it difficult to introduce affordable transferable ticketing*

## ARTA's Preferences

- **Procurement Model**
  - No separate commercial services
  - All fare revenue collected by ARTA
  - Contractor receives an incentive to grow patronage
  - Contracts to
    - Cover larger parts of Auckland
    - Longer periods
  
- **Transferable Ticketing**
  - Passengers charged same fare from one point in Auckland to another, regardless of travel mode
    - Transferable between modes
    - Transferable between operators
    - Affordable for customers

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*This model will be facilitated by changes to Land Transport NZ procurement guidelines and underlying PT legislation (responsibility of MoT).*

## 1. INTRODUCTION: ACCESS TO JUSTICE AND UNMET LEGAL NEEDS IN AUCKLAND – THE CONTEXT FOR THE WORK OF THE EQUAL JUSTICE PROJECT

The Equal Justice Project functions in the context of unmet legal needs in Auckland. The basis of the project is therefore to close the gap between the demand of those unable to access legal assistance and supply currently available in Auckland.

Auckland comprises a large and culturally diverse population. It is also home to many legal professionals and Community Law Centres (CLCs), yet difficulties still remain in delivering access to justice. As EJP has previously noted, there is no detailed research into the specific nature of unmet legal needs in Auckland. However, it has been recognised that gaps remain between CLC services, legal aid and the demand for these services. Limitations in the operation of the legal aid scheme place further constraints on access to justice.

Combined, these factors prevent many citizens from having the opportunity to access justice (See *the Equal Justice Project Information Booklet*, May 2005, for an insightful and comprehensive discussion of the context of unmet legal needs in Auckland). EJP is committed to equal access to justice for all, rich or poor. This is a right deeply embedded in our legal tradition.

## 2. THE ROLE OF THE EQUAL JUSTICE PROJECT IN WORKING TO REDUCE UNMET LEGAL NEEDS IN AUCKLAND

The EJP student volunteers have much to offer given the context of unmet legal needs in Auckland. Current law students are the future lawyers of Auckland and New Zealand. EJP wants to create a ground swell in pro bono awareness. Having successive years of graduating students who have been involved with EJP will be a strong first step in this direction. Ideally, EJP will be a reason that students choose to study law in the first place.

This year, EJP will re-affirm its commitment to pro bono work and the pro bono ethic as a way to promote access to justice. This philosophy will be carried through each project within EJP and, in turn, highlight the importance of pro bono work in the community as an ethical obligation of those within the legal profession.

### 2.1 The ethical context for The Equal Justice Project: Pro bono work

The lack of empirical research into the level of pro bono work undertaken in Auckland and New Zealand renders it difficult to assess legal professionals' commitment to it. Some members of the legal profession actively seek pro bono work. Others could do more. It is EJP's position that lawyers should be encouraged to engage in a greater level of pro bono work. EJP sees pro bono work as an ethical obligation on those with legal qualifications. It is not a form of charity.

Given this ethical context, EJP hopes to position itself as a way of moving forward in the promotion of access to justice. In doing so it also seeks to highlight the valuable and essential role of pro bono work in the community.

## **2.2 The vision of The Equal Justice Project: Auckland law students promoting access to justice**

The EJP, in partnership with community groups and the profession, will draw on the valuable resource of Auckland law students. By harnessing their knowledge, skills and passion, EJP will promote access to justice.

Furthermore, EJP aims to foster a pro bono culture among students. It is our hope that pro bono work will become a recognised part of legal education. The EJP will continue to contribute to legal education in three key ways this year. Firstly, future lawyers will develop professional values such as commitment. Secondly, students will benefit in terms of career development. They will be allowed to apply some of the skills learned in the often theoretical framework of university legal education. Finally, students will benefit from increased problem solving skills, lawyering skills, leadership skills and professional responsibility and conduct.

## **2.3 Guiding documents: The EJP Constitution and Values Statement**

The EJP is guided by two major documents: the EJP Constitution and the EJP Values Statement. Both are set out in full in the appendix. The Constitution establishes the EJP vision within the object and purpose of the organisation. In paragraph three it states this is *“to promote access to justice in Auckland by encouraging and facilitating volunteer legal work by law students in partnership with community groups and the legal profession.”* The Value governs the project’s vision and will guide the EJP Executive in 2006 and the years to come. The values set out echo the EJP vision and ensure the project is conducted with the integrity to make a successful contribution to promoting access to justice in Auckland.

### 3. SUSTAINED MAINTENANCE AND CONSCIENTIOUS DEVELOPMENT TO PROMOTE ACCESS TO JUSTICE: DIRECTION FOR EJP'S SECOND YEAR AND BEYOND

The EJP leadership team of 2006 will ensure that the foundation established last year is maintained and expanded. Thus, EJP will be predicated on two guiding strategic directions. The first is sustained maintenance of the organisation. The second is development of areas within the project to lay groundwork for the future. These directions are drawn from the recognition EJP needs to maintain growth in 2006 and overcome existing challenges before it can move ahead. This maintenance will foster a strong EJP identity among law students and the wider community. It will also allow EJP to strengthen its administrative systems and governance, which in turn, will enable a more effective promotion of access to justice. Partnerships must also be maintained, as discussed further below at 5-5.4.

Project development is also a key factor in 2006. The five projects currently in place will be built on and strengthened from last year (refer to 4-4.5 for specific project by project development direction). This will help shape EJP into a cohesive and successful pro bono organisation. At the same time, work will be done to explore the project's future, post-2006. The specific goals for EJP in 2006 and beyond are discussed below.

#### 3.1 The ongoing goals guiding EJP

The following are the ongoing goals that will guide EJP's strategic direction during 2006:

- *Fostering a pro bono ethic amongst law students and legal practitioners.*
- *To maintain and build partnerships with partner agencies in the community, and with the legal profession (This is discussed in detail at 5-5.4)*
- *To cement EJP as an integral part of legal education for Auckland law students, and as an organisation with a strong profile within the legal and wider community in Auckland.*