



Transport Disability Incentives and Subsidies Review

Findings

February 2020

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1 Introduction

The point to point transport industry has undergone significant reforms over the past three years. An independent review of the taxi and hire car industries in 2015 found that the regulations were out of date, imposed additional costs on operators and limited scope for innovation. The review also recommended that the Government consider moving to a service provider neutral transport subsidy scheme for people with disabilities. In doing so, the Taskforce recommended that the Government should examine:

- “The viability of wheelchair accessible services given the higher capital and running costs associated with providing these services ...
- The effectiveness and adequacy of passenger subsidies and other incentives for the provision of services to all people with disabilities, with a view to directly subsidising some aspects of service provision, where necessary; and ...
- How best to ensure booking services for customers requiring wheelchair accessible services can be delivered, including in the context of moving to a provider-neutral model.”

A new framework (the *Point to Point Transport (Taxis and Hire Vehicles) Act 2016*) passed Parliament in June 2016 and commenced on 1 November 2017. The new point to point transport framework aims to cut red-tape for the taxi and hire car industries and enable new service offerings. The new framework focuses on safety and allows point to point transport services to compete more freely on service and price. This has enabled the taxi and hire vehicle industry to better respond to customer demand and provides greater choice and flexibility for customers.

As part of these reforms, a number of measures were taken to ensure that services for people with disability, especially wheelchair accessible services, remain available and affordable to people who need them. These measures took effect from 1 July 2016:

- The maximum TTSS subsidy was increased from \$30 to \$60 per trip.
- The WAT driver incentive payment (WATDIS) was increased from \$7.70 (ex. GST) to \$15 (ex. GST) per trip.
- The pool of funds available for the WAT interest-free loan scheme was expanded from \$800,000 to \$5 million, and WAT loans became available to cover the full cost of purchase and modification (rather than \$30,000 to cover just the modifications).
- The cost of Zero200, the centralised booking service for WATs in Sydney, was subsidised, saving WAT businesses \$2,130 per vehicle per year.
- WAT licence fees were decreased from \$1,000 per annum to zero in metro areas, in line with the rest of NSW.

The review into subsidies and incentives for the provision of services for people with disability including moving to a provider neutral model was announced by the Minister for Transport on 11 April 2017.

The review has found broad support for a provider neutral subsidy scheme supported by an electronic payment system that would replace the existing paper vouchers. In the short term, TfNSW will aim to partner with Booking Service Providers to provide more transport options for TTSS participants. TfNSW will work towards developing a new system to replace the current paper system, and gradually open up the scheme to all point to point transport providers.

2 Terms of Reference

Purpose

The purpose of the review is to make recommendations on the future operation of the Taxi Transport Subsidy Scheme and the incentives provided to Wheelchair Accessible Taxi operators and drivers to provide services to customers with disability.

Scope of the Review

The review was intended to:

- Evaluate the objectives of the Taxi Transport Subsidy Scheme in the context of changes to the policy and regulatory environment for point to point transport services.
- Consider the effectiveness of current incentives to encourage investment in wheelchair accessible vehicles and to prioritise use of the vehicles for customers with disability.
- Clarify the relationship between the Taxi Transport Subsidy Scheme and other transport options, including public transport, and the impact on scheme eligibility issues.
- Consider opportunities to amend administrative arrangements for the Taxi Transport Subsidy Scheme to improve the customer experience and the integrity of the program.

In considering these issues the existing subsidies and incentives were assessed according to the following criteria:

1. In relation to subsidies for people with disability for point to point transport services, the review examined:
 - the effectiveness and adequacy of current subsidies
 - how eligibility criteria is being applied and the impact on opportunities for people with disability to access point to point transport services, and
 - the feasibility of moving to a service provider-neutral transport subsidy scheme and the potential impact on service availability, cost and safety compliance.
2. In relation to wheelchair accessible vehicles, matters for consideration as part of the review included:
 - the commercial viability of operating wheelchair accessible vehicles, given the higher capital and running costs associated with providing these services
 - the extent to which the current wheelchair accessible vehicle fleet is being utilised by customers with disability
 - how industry incentives could be better linked to performance outputs and service delivery for customers with disability, including driver training requirements
 - options for the funding of future incentives, including directly subsidising some aspects of service provision if required, and
 - the function and public value of centralised booking services for wheelchair accessible vehicles, including alternative approaches to delivering reliable booking services for customers requiring wheelchair accessible vehicles.

Consultation

The review was conducted by Transport for NSW.

Consultation involved initial industry and ageing and disability stakeholder meetings, the development of a discussion paper, and broader community engagement.

Methodology

TfNSW conducted one-on-one meetings with key stakeholders throughout May 2017. These included peak bodies representing people with disability and older people, the taxi industry, the community transport industry and Uber. Insights and key concerns from these discussions formed the basis of a discussion paper that was released in September 2017. Open public forums were held in Sydney, Newcastle, Dubbo, Tamworth, Coffs Harbour and Kempsey in October and early November. Written submissions were accepted until 30 November 2017. 43 Written submissions were received.

PriceWaterhouse Coopers (PwC) was engaged to conduct an assessment of the current financial viability of wheelchair accessible taxi business in NSW and analyse the impact of existing incentives on commercial viability, to the extent where insights can be generated through the analysis of data. PwC collated and analysed data relating to the costs, revenues and specific market conditions that influence the provision of wheelchair accessible point to point transport services in NSW. They established baseline cost and revenue profiles of WAT businesses in Sydney, Other Urban and Rural areas using available data sources and select industry consultation.

3 Findings

3.1 Taxi Transport Subsidy Scheme

The current TTSS provides subsidised taxi transport for NSW residents who have certain severe and permanent disabilities. Predominantly, participants have mobility impairments, but participants may also have intellectual, cognitive, sensory or other impairments. Participants are assigned to two categories:

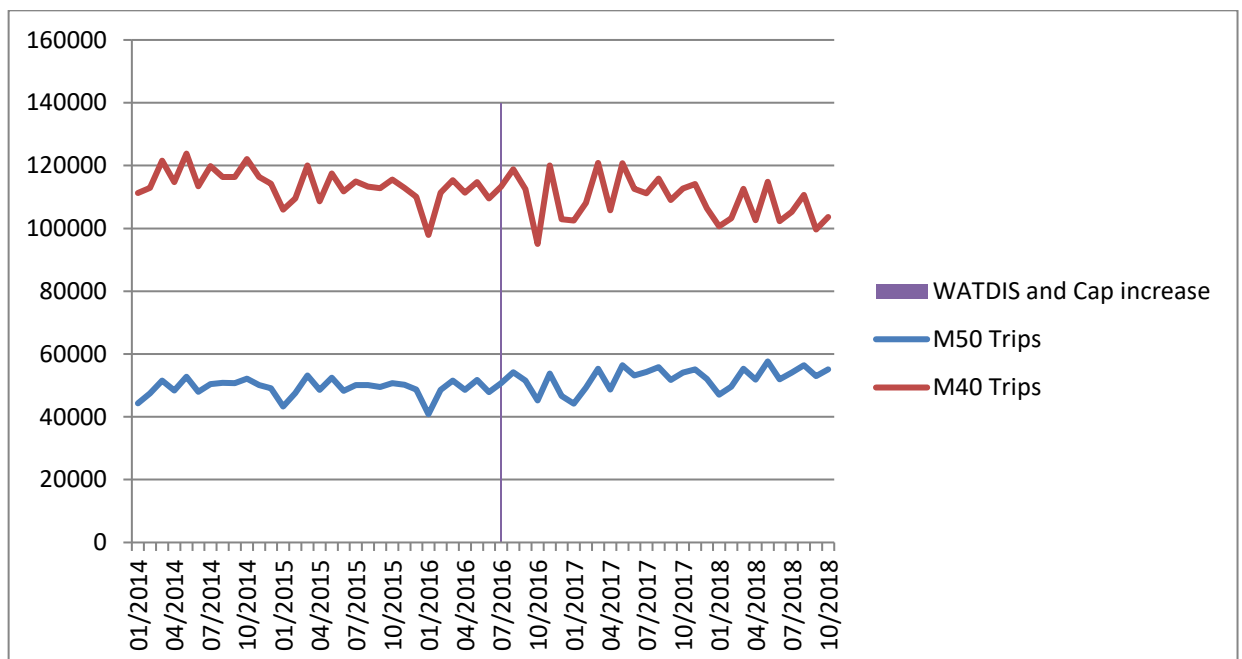
- M40 users, who can travel in a seat of the vehicle, and
- M50 users, who are unable to transfer to a seat and must travel in a wheelchair accessible vehicle.

The subsidy covers 50 percent of the total fare with a maximum subsidy of \$60 per trip. There is no overall spending cap for participants under the current Taxi Transport Subsidy Scheme.

Participants have told us that the scheme provides a vital link to the community for people with disability. It enables them to attend medical appointments, go shopping and access social activities. In particular, the scheme is essential in enabling many people to access education and employment, particularly in rural areas.¹

Usage of the scheme has remained relatively consistent over the past 5 years but with a slight increase in M50 trips and a decrease in M40 trips over time. This trend has continued since the increase of the incentive payment to wheelchair taxi drivers (WATDIS) or the per trip subsidy cap in 2016.

Scheme trips by month



¹ Guide Dogs NSW Submission, p.5

3.1.1 Feedback on eligibility criteria

The review sought to clarify the relationship between the TTSS and other transport options, including public transport, and the impact on scheme eligibility issues. The TTSS is sometimes referred to as being an alternative for people who are unable to use public transport as a result of their disability. However, this is not a criterion for eligibility and many participants can and do use public transport. Conversely, there are people who feel they cannot use public transport safely who would not be eligible for the TTSS, for example people with a condition which affects their mobility but is not permanent.

The current eligibility criteria recognise the unique transport needs of people with disability who, even where they can use public transport, may need to use point to point transport to get to and from transport nodes or in exceptional circumstances. The scheme provides a vital link to the community for people with disability to participate in day to day activities. During the initial consultation sessions with peak disability organisations and TTSS users, the following examples were provided on the circumstances where a person with disability who ordinarily travels by public transport may find public transport unsafe or impractical:

- Rain can make it unsafe to use an electric wheelchair outdoors.
- People with high support needs must work around the availability of attendants and carers.
- Service disruptions can make an accessible journey inaccessible.
- Roadworks, construction and inclement weather can make it difficult for a person with vision impairment to orient themselves.

Comment:

No other feedback was received through written submissions on the NSW eligibility criteria and initial consultations with peak bodies indicated general satisfaction with the existing eligibility criteria.

Finding:

The scheme provides a valuable support for people with severe and permanent disability, in some cases enabling the use of public transport through first mile/last mile journeys, and in other cases providing an alternative where public transport use is not possible.

3.1.2 Feedback on the adequacy of the subsidy

Of the ten written submissions from organisations representing people with disability most did not propose changes to the existing rate or structure of the subsidy. There were three exceptions who argued for a higher rate of subsidy:

- Spinal Cord Injuries Australia submitted that many scheme participants were on limited incomes and could not afford point to point transport even with the subsidy. They recommended that 75 percent of the cost of all trips should be subsidised, at least for a limited number of trips per year.
- The National Council of Social Services also asked for an increase in the rate of subsidy to 75 percent for participants who rely solely on point to point transport.
- The Disability Council suggested a level of subsidy greater than 50% be considered for those people who face higher daily expenses, or who are on lower incomes and where alternative transport is not an option.

Comment:

As indicated from a 2013 survey of TTSS participants, many on the scheme are on limited incomes. 49 percent of M50 users and 70 percent of M40 users reported a household income of less than \$20,000 per annum.² In many cases, this was someone living alone whose main or sole source of income was the Disability Support or Age Pension. Currently the scheme is not means tested and therefore no information is collected regarding the income of scheme participants, nor is any assessment made of whether participants are solely reliant on point to point transport, or use the scheme in conjunction with other forms of transport.

The TTSS is not the only source of transport funding for people with disability. People aged over 65 also may have access to community transport through the Commonwealth Home Support Program. NDIS participants will generally be able to access funding for transport assistance if the participant cannot use public transport without substantial difficulty due to their disability.³ NDIS Participants may also flexibly use their core budgets to fund additional taxi transport if they choose.

One of the potential benefits of moving to a provider neutral scheme is the possibility of lower prices due to increased competition. Over the coming years, as TfNSW rolls out administrative upgrades better data analysis capacity will be introduced that can monitor changes in service levels and pricing. In the future, changes to the rate of subsidy could be justified in order to maintain or improve service levels.

Finding:

Increased choice for customers, through a provider neutral TTSS, in conjunction with the availability of NDIS and aged care funding, could deliver improvements in cost and quality of services. Improved capacity for data capture will enable changes to be monitored.

3.1.3 Feedback on a provider neutral subsidy scheme

The Point to Point Transport Taskforce Report made recommendations about the Taxi Transport Subsidy Scheme, including that the NSW Government move to a service provider-neutral transport subsidy scheme for people with disabilities. The review found that there was broad support from disability organisations for this move.

Vision Australia stated in their submission:

The underlying principle should be that the TTSS follows the individual rather than a particular service offering. This would be consistent with individualised, person-centred funding models being used in the National Disability Insurance Scheme (NDIS).

People with Disability Australia noted:

People with disability should have the same transport options as other commuters. Non-traditional services such as Uber lower everyday transport costs, and by widening the reach of subsidies and incentives in this area the market has the potential to drive quality and competition in order to meet the needs of people with disability.

² *Wheelchair Accessible Taxi Customer Research Report*, May 2013, Prepared for Transport for NSW by Stancombe Research and Planning

³ <https://www.ndis.gov.au/participants/creating-your-plan/plan-budget-and-rules/transport-funding>, Accessed 27/05/2019

However, some submissions suggested imposing minimum requirements on service providers in order for them to have access to the scheme, particularly in the areas of driver training, accessibility, safety and minimum levels of wheelchair jobs completed for Wheelchair Accessible Vehicles (WAVs).

Spinal Cord Injuries Australia indicated that the NSW Government must ensure that the subsidy can only be used in a WAV that meets requirements for allocated space for wheelchairs, boarding devices and restraints and where “the driver has passed an accredited training course on how to competently load and unload a passenger using a wheelchair, applying the wheelchair restraints and seatbelt”.⁴

Vision Australia argue “it is imperative that point to point transport providers whose services qualify for the TTSS be required to demonstrate that they can provide a level of service safety and security that meets the needs of TTSS users.”⁵ People with Disability Australia suggest that “point to point and ride share transport operators should be required to address the range of access barriers to their services before being able to access any government funded subsidies.”⁶ They specifically refer to mandatory driver training in communicating with and assisting people with disabilities.

Comment:

There are regulated safety requirements for wheelchair accessible vehicles. Clause 10 of the Point to Point Regulation requires that all wheelchair accessible point to point vehicles meet minimum space requirements, carry wheelchair restraints and comply with the Disability Standards for Accessible Public Transport 2002 (DSAPT). This safety standard applies to the driver, the licensee and the vehicle owner. Clause 26 requires that all drivers of wheelchair accessible vehicles are able to demonstrate a level of competence in the safe loading, restraint and unloading of a person in a wheelchair to a standard equivalent to that required to complete nationally recognised competency units.⁷ This obligations falls not only on the driver, but on the taxi service or booking service that the driver is affiliated with. Further, all wheelchair accessible vehicles, whether taxis or hire vehicles are required to give preference to wheelchair jobs over other jobs under clause 65.

The requirement for vehicles to be fitted with security cameras applies only to “a taxi that plies or stands for hire” (i.e. accepts rank or hail jobs) under clause 18. It is possible that security cameras are viewed by certain people with disability as an essential security measure, for example where a passenger is unable to communicate and travelling unaccompanied. If the scheme is extended to non-taxi operators, consideration may be given to whether additional security measures may need to be applied to ensure comparable safeguards, including whether a GPS trace of the journey should be required.

All taxis, both conventional and wheelchair accessible, have obligations under DSAPT. DSAPT requires that response times for wheelchair accessible taxis are the same as for standard taxis and that raised taxi identifiers are placed on the exterior of taxis' passenger doors. The Commonwealth is currently conducting a review of

⁴ Spinal Cord Injuries Australia Submission, p.8

⁵ Vision Australia Submission, p.6

⁶ People with Disability Australia, p. 3

⁷ Element 3 and Element 4 of the competency unit TLIC2040 Provide wheelchair accessible taxi services to passengers with disabilities (Release 1) issued by the Commonwealth

DSAPT and one of the issues being considered is the entry into the market of non-taxi providers of point to point transport. The NSW Government supports consistent accessibility standards for all transport providers in the point to point transport industry.

Finding:

There is broad support for a provider neutral subsidy scheme. The *Point to Point Transport Act* and Regulation together with DSAPT provide the safety and accessibility standards that all point to point transport providers are required to meet.

3.1.3 Feedback on fare regulation in a provider neutral scheme

Currently, fares for booked point to point transport services, including booked taxi services, are de-regulated. However booked taxi services for which a TTSS subsidy applies (both M50 and M40) must use a fare calculation device and the maximum regulated fare applies. This serves two purposes. Firstly it provides protection for TTSS customers, many of whom may not be able to shop around or to negotiate for a competitively priced fare. Secondly it helps to control the overall cost to the taxpayer of the TTSS.

In order to maintain competitive neutrality in a provider neutral scheme, it will be necessary to ensure that all service providers are subject to the same requirements. This means there are two possible approaches to fare regulation. One option is to deregulate booked fares for TTSS passengers. The other is to require all service providers to comply with the regulated maximum fare for all TTSS trips.

A few submissions addressed the issue of the potential application of the TTSS to de-regulated fares. One suggested that pricing guides should be introduced to enable customers to make a price comparison.⁸ However, there are existing requirements for customers to be provided with fare information on de-regulated fares. Booking Service Providers (BSPs) now need to provide a fare estimate to an intending customer before a trip commences. This applies to all booked trips, whether they are in a taxi, traditional hire car, rideshare vehicle or other similar vehicle. A service cannot start unless the passenger has accepted the fare estimate. Another submission suggested that fare calculation was the best protection for vulnerable customers and that people with disability should be protected from dynamic pricing models. One submission suggested that customers should have a choice between regulated and unregulated fares.

Comment:

Given that TTSS participants are more likely to be on limited incomes and may be more dependent on point to point transport than the general population, particularly in thin markets, it is considered preferable to apply a maximum fare to all TTSS trips regardless of the service provider. Customers will still be able to derive the benefits of competition as service providers can always charge less than the regulated fare.

Finding:

It is recommended the Government impose a maximum fare (which may be the existing maximum fare or other fare specific to TTSS) for all journeys to which the subsidy applies and that service providers be required to verify that the fares they charge do not exceed that maximum.

⁸ Physical Disability Council
Transport Disability Incentives and Subsidies Review Findings– February 2020

3.1.4 Feedback on TTSS and Block Funded Services

The Point to Point Transport regulatory framework governs a wide range of services, some of which are funded in various ways by TfNSW, or through other State or Commonwealth government agencies. These include block-funded services such as community transport, buses and on-demand services, which receive some degree of ongoing funding from government to provide the service and may also derive additional income from fares paid by customers (depending on individual contractual arrangements). There are also programs which provide funding directly to participants to use on the service of their choice, such as the NDIS, or programs which fund trips for particular purposes, such as the Assisted School Travel Program.

It has been suggested that providing further subsidies through the scheme to services that are block funded, such as community transport, would give them a competitive advantage over private service providers in areas where both types of service are operating. Both the Community Transport Organisation (CTO) and the NSW Council of Social Services (NCOSS) disputed this suggestion. It was noted that, in areas where taxi services are not currently operating, block funded services may be the only services that are available to people with disability. Access to the TTSS could make it viable for those providers to operate additional services. The CTO notes that the scheme could enable community transport service providers “to provide other services and build commercial and financial resilience.” NCOSS notes that block funding is provided for a range of specific purposes including overcoming the disadvantage caused by remoteness or by providing services to vulnerable cohorts.

Comment:

It is proposed that all authorised BSPs are able to complete subsidised trips in a future provider neutral scheme. In order to maintain competitive neutrality, trips provided under contract will not be able to be subsidised through the TTSS. For example a trip completed under a community transport contract cannot also be subsidised through the TTSS. However, community transport operators, provided that they are authorised BSP and comply with the Point to Point act and Regulations, will be able to complete trips, outside of their contract obligations which attract the TTSS subsidy. Service providers will still be required to comply with all of their contract obligations, including obligations under community transport contracts which require that all fees from completing non-community transport trips in government funded community transport vehicles are reinvested back into community transport trips. This would include all fees derived from TTSS trips.

Finding:

All authorised BSPs will be able to provide subsidised trips in a future provider neutral scheme, as long as subsidies are not applied to trips provided in fulfilment of contract obligations.

3.1.5 Scheme Administration

The review considered opportunities to amend administrative arrangements for the Taxi Transport Subsidy Scheme to improve the customer experience and the integrity of the program. Disability organisations have noted that the current voucher system is inaccessible to many people with disability, who cannot independently fill out the

vouchers.⁹ They agreed that a system that necessitates the client's use of smart phones, the internet or credit cards would not be practical for many users who would not have access to this technology.¹⁰ In particular the vision impaired sector and the ageing sector have emphasised that, while digital applications would benefit some, they are unlikely to be taken up by the majority of participants and participants must have other choices for booking and payment.¹¹

However, all stakeholders are supportive of the move to an electronic payment system within certain parameters. For example any new payment system would need to ensure that existing customer needs are met, including:

- The system does not mandate the use of a credit card for the customer contribution to the fare; and
- Customers can use the subsidy on any rank and hail taxi journey, not just on booked journeys.

Some stakeholders were also concerned that there was a lack of data available about scheme usage.¹² An electronic payment system should enable data to be captured more accurately and efficiently and in real time, thereby providing greater insight into how the subsidy is being used to meet the needs of participants.

Any system developed will be accessible for all users of the TTSS and flexible enough to be used by a variety of different market participants without imposing undue administrative burden or limitations on innovative business models.

TfNSW has begun revising the administrative arrangements for the scheme, clarifying the rights and responsibilities of participants and point to point transport service providers with a view to streamlining administrative processes where possible in advance of automation.

Comment:

Replacement of the paper docket system is the first step towards ensuring provider neutrality can be effectively introduced for all TTSS users. Customer facing aspects of the system will be co-designed with people with disability and industry to ensure that they are accessible and user friendly.

The approach recommended in this report is to stage extension of the TTSS to other service providers for M40 participants only in the first instance. Staging the extension of the scheme in this way provides choice for M40 customers and will assist TfNSW to understand how a service provider neutral TTSS scheme will operate and to test the levels of protections offered to scheme participants. It will allow monitoring of the scheme to determine the impact of a provider neutral approach on the expenditure for the scheme – from both the customer and government's perspective.

Continuing to restrict M50 participants' use of the TTSS to taxis in the first instance is aimed at ensuring the viability and supply of WATs for these customers and to support the extensive investment by the taxi industry in modifying vehicles to date. Once sufficient data is available from the implementation of a provider neutral scheme for M40 passengers, the Government will consider expanding the scheme to M50 participants.

⁹ Blind Citizens Australia p.3, Vision Australia p.5, Guide Dogs p.5, People with Disability Australia p.4, Physical Disability Council p.3,

¹⁰ People with Disability Australia p.4

¹¹ Guide Dogs NSW submission, p.6, Vision Australia Submission, p.9, Meeting with Combined Pensioners and Superannuants Association (CPSA) held on 31 May 2017.

¹² NCOSS p.3 Carers NSW p.2

While NSW completes the transition towards a provider neutral scheme, the Government will examine ways to provide more transport options for TTSS participants. TfNSW will investigate opportunities to partner with BSPs in both the taxi and hire car (including rideshare) industries, that offer integrated booking and payment apps. Participating BSP's could have the opportunity to carry subsidised TTSS passengers, provided that they meet strict controls.

Finding:

In the short term, TfNSW will investigate opportunities to partner with BSPs to offer the subsidy on a limited number of integrated booking and payment apps. This will provide an opportunity to understand and identify issues around the regulated fare; understand how TTSS participants use non-taxi services and assist in developing scheme improvements for when the scheme becomes fully provider neutral.

As most TTSS participants and many smaller point to point transport providers have limited access to, or do not use digital technology, a solution, other than a digital application will need to be developed over the longer term.

3.2 Wheelchair Accessible Transport

Wheelchair accessible vehicles are more expensive than conventional vehicles to purchase and operate. As well as the additional cost of modifying a vehicle for use as a WAT, there are also additional fuel, maintenance and cleaning costs compared to operating a conventional vehicle. A range of incentives operate in NSW to ensure that wheelchair accessible point to point transport is available to those who need it, namely:

- Free Wheelchair Accessible Taxi (WAT) licences.
- The WAT Interest Free Loan Scheme, which provides interest-free loans of up to \$100,000 to purchase and/or modify a vehicle for use as a wheelchair accessible taxi.
- The subsidised centralised booking service for WATs in metropolitan Sydney.
- The WAT Driver Incentive Payment (WATDIS) of \$15 (excluding GST) which is paid when drivers carry a passenger in a wheelchair.

3.2.1 Feedback on free WAT licences

To support the operation of existing and new WAT services across NSW, WAT licences are available free of charge at any time. The taxi industry indicated that the high initial cost of purchasing and modifying a WAV is a barrier to entry into the WAT market. Feedback suggested that free licences do offset the cost of putting a WAT on the road and maintaining it, and that a licence fee would be a deterrent to entering the market.

Comment:

The Point to Point Transport Commissioner monitors compliance with the licence condition for all wheelchair accessible taxis to give priority to people who use wheelchairs. As a first step, the Commissioner uses TTSS data for an indication of the number of wheelchair jobs a WAT has carried out, targeting the bottom 20% of performance for monitoring and potential enforcement action. The first round of compliance activity completed in the second half of 2018 indicates that there is still capacity within the existing WAT fleet to complete WAT jobs.

Finding:

The NSW Government is committed to ensuring the availability of wheelchair accessible services throughout NSW, retaining the current levels of service at a minimum. The free WAT licence is a valuable incentive to ensuring the supply of WATs in NSW; and there is capacity within the existing fleet to complete additional WAT jobs.

3.2.2 Feedback on the loan scheme

Interest free loans are available for the initial cost of putting a wheelchair accessible taxi on the road.

The NSW Taxi Council suggested that the interest free loan scheme should be available all year round and that funding should also be available for upgrades and repairs to extend the life of the vehicle.¹³

The Community Transport Organisation has asked that the loan scheme be expanded to include non-taxi providers.¹⁴ They note that the current scheme provides little benefit to customers in rural and remote areas where there are no taxis available.¹⁵

Comment:

NSW is the only state or territory that currently provides loans for purchasing wheelchair accessible taxis. However, the Queensland Government is providing one-off grant based funding to modernise their WAT fleet. WATs aged eight years or older will be eligible for 50 percent funding for gradual vehicle replacement from 2019-20 through to 2022-23.¹⁶ In Victoria, the Wheelchair Accessible Vehicle Subsidy Scheme subsidises the purchase or upgrade of wheelchair accessible vehicles in urban, regional and country areas up to a maximum amount of \$44,000. Recipients of the subsidy must enter into an agreement with Commercial Passenger Vehicles Victoria (CPVV) that requires the owner to operate the vehicle in the geographic area nominated in the application and provide priority to wheelchair passengers. Since 2014, CPVV has paid over \$3 million to support the introduction of 84 new or upgraded WAVs.

Since the loan scheme was expanded in 2016, loans are now awarded through funding rounds to manage the larger volume of applications, and to give effect to the policy commitment to prioritise areas of high need. The loans are now:

- for a maximum of \$100,000, repayable over 10 years
- from a total pool of \$5 million
- throughout New South Wales

Four rounds of applications have been completed under the new funding arrangements. A total of 19 loans have been funded over the first three rounds. A further 39 loans were approved in the 2019 round. Most loans sought are for between \$75-80,000. 65 percent of the applications received across the first two rounds were from metropolitan Sydney. In the third round, applications were restricted to areas outside metropolitan Sydney. In the 2019 round, loans were available throughout NSW, in particular to ensure that funds were available to replace vehicles that have to be decommissioned or further modified by November 2019 to meet the 2017 WAV

¹³ NSW Taxi Council, p.8

¹⁴ Community Transport Organisation, p.4

¹⁵ Community Transport Organisation, p.5

¹⁶ <http://statements.qld.gov.au/Statement/2019/5/27/new-fund-to-support-wheelchair-accessibility>, accessed 11/06/2019

measurement requirements established in clause 10 of the Regulation. Over 70 percent of the applications were from metropolitan Sydney.

To date, no applications were received from a town without an existing WAT service, however loans have been awarded for replacement vehicles in towns with only one WAT.

Finding:

Along with free licences, the loan scheme provides a valuable incentive in ensuring the supply of WATs in NSW. However, demand for the loans has mainly come from metropolitan Sydney and large regional centres.

3.2.3 Feedback on the WAT driver incentive

The Wheelchair Accessible Taxi Driver Incentive of \$15 (excluding GST) is paid for each trip where an M50 passenger is travelling in a WAT. The driver incentive is provided to address two main functions; the first is to encourage prioritisation of M50 journeys by drivers, and the second is to compensate drivers for the extra time taken to load and unload a passenger in a wheelchair. Clause 82 of the Regulation requires a driver of a WAT to which a fare calculation device is fitted, to only start the device when the taxi is ready to safely transport a passenger in a wheelchair and to stop the device on arrival at the destination.

The review received feedback and submissions suggesting that drivers continue to engage the meter before passengers are secured in the vehicle. The Point to Point Transport Commission Industry Contact Centre has received complaints from two individuals on this issue.¹⁷

Consultations with the NSW Taxi Council, the financial viability assessment, and the public consultation forums all indicate that the WATDIS is a strong incentive to complete wheelchair jobs and a key factor affecting the sustainability of wheelchair accessible services.

M50 trips are generally more lucrative than conventional taxi trips, both because of the WATDIS and because they tend to be longer on average.¹⁸ Outside of Sydney, where the average trip is significantly shorter, the WATDIS becomes a much larger component of the total fare. In Sydney the WATDIS represents on average 29 percent of the total fare, this proportion increases to 39 percent in other urban areas¹⁹ and 48 percent in Regional areas.²⁰ This indicates that WAT services operating outside Sydney receive a greater relative benefit than metropolitan WAT services from the WATDIS. In areas with a low customer base, this may contribute to the overall sustainability of the business.

Not all WAT jobs are requested by M50 users; unsubsidised WAT jobs booked outside the TTSS might be self-funded or funded by an insurance company, nursing home or private hospital, and will not include a WATDIS. Further, many industry participants argue that there are a large number of WAT jobs where the passenger is not a TTSS participant or where the passenger is an M40 client who requires a WAT, for example a client with a mobility scooter. A representative of Zero200 argued that

¹⁷ According to data provided by the Point to Point Transport Commissioner on 14/3/2019, a total of 35 complaints relating to WATS were received in the 13 month period to 31 December 2018

¹⁸ PwC 2018

¹⁹ Central Coast, Illawarra, Newcastle and Lake Macquarie, Southern Highlands and Shoalhaven

²⁰ PwC 2018, p.34

drivers are 'chasing' the M50 jobs and refusing to take jobs that do not attract the WATDIS.²¹

People with Disability Australia and the NSW Taxi Council have suggested extending the WATDIS to participants using a mobility scooter, who otherwise meet the requirements of the scheme.²² Analysis of TTSS dockets showed that over 230,000 M40 jobs were completed in wheelchair accessible taxis in 2016, alongside 480,000 M50 jobs.²³ These M40 passengers may not need to travel in a WAT, however they might also be temporarily using a wheelchair; or be a permanent wheelchair user who is able to transfer to a seat; or using a mobility scooter.

Suggestions were made to tie the WATDIS to customer service outcomes. The NSW Council of Social Services suggested linking driver incentive payments to completion of driver training, higher proportions of wheelchair jobs completed or positive customer feedback.²⁴ The Spinal Cord Injuries Association suggested that a variable WATDIS could be used to improve responsiveness to bookings at times or in locations where it is difficult to get a WAT.²⁵ They also indicated that they were keen to ensure that WAT services operated 24/7.²⁶ This opinion was also expressed by a taxi industry representative who suggested applying a higher incentive at night.²⁷

Comment:

Currently, the location and time of trips is not captured with sufficient accuracy to determine whether or how a variable subsidy could be applied or prevent gaming that may result from the application of these types of incentives.

Finding:

The WATDIS is a strong incentive to prioritise wheelchair jobs. As the scheme is extended beyond taxis, increased competition in the wheelchair accessible market may lead to improvements in customer service outcomes. TfNSW will continue to monitor the availability of wheelchair accessible services, and improved data collection through administrative upgrades, will enable better analysis of the demand for WAT services at different times of the day and in different geographical areas.

3.2.4 Feedback on the Centralised Booking Service

Zero200 is the current centralised booking service (CBS) for wheelchair accessible taxis in Sydney. Under clause 43 of the Regulation, taxi service providers in Sydney must enter into an arrangement for the provision of booking services for the wheelchair accessible taxis with Zero200. This service was previously provided privately by Taxi Combined Services and funded by charging wheelchair accessible taxi operators for accessing the service. Since 1 July 2016, the NSW Government has funded this service. According to data provided by Taxi Combined Services, over 120,000 trips were booked through Zero200 in 2018. This equates to about seven jobs per fortnight for each WAT in Sydney. The total number of M50 TTSS jobs in Sydney over a 12 month period is around 280,000.

Feedback from both the taxi industry and wheelchair users indicated that the CBS is an essential service. In general, disability organisations stressed the importance of

²¹ Sydney CBD Workshop, 23 October 2017

²² NSW Taxi Council Submission

²³ PwC 2018, p.32

²⁴ NCOSS Submission, p. 7

²⁵ SCIA Submission, p. 3, 7

²⁶ Ibid

²⁷ Tamworth workshop, 20 October 2017

retaining phone booking services for point to point transport, manned by staff who are trained to understand the needs of people with disability.²⁸

Some submissions asked that the service be extended to areas outside of metropolitan Sydney.²⁹ However, there are conditions specific to metropolitan Sydney that necessitate the efficient use of wheelchair accessible transport, more so than in other parts of the state. There is more choice available in the broader transport market so clients may use point to point transport less frequently; consequently the jobs are spread thinly over a large geographical area. Further, traffic congestion can significantly impact travel times between jobs, so locating the closest vehicle to the job is essential to providing a timely service. Jobs are spread more thinly amongst WATs in Sydney compared to other parts of the state, however 'black spots' can still develop where it is difficult to get a WAT. Finally, fuel costs represent a significant cost to WATs especially in Sydney, so minimisation of dead running time through the efficient allocation of jobs to the nearest suitable vehicle is important to the financial viability of WATs.

Disability stakeholders have suggested that the CBS be used to improve the level of WAT service, including by:

- Building in incentives for drivers and providing preferential allocation to those drivers who meet certain minimum criteria for accessibility;
- Incorporating disability awareness training requirements for drivers; and
- Offering discounted or set fares for regular customers.

Submissions included discussions of how a CBS may operate in a provider neutral environment, particularly where different service providers are offering different pricing. NCOSS suggested that the cheapest option be prioritised as a 'default' with other options being presented as a 'choice'. The Spinal Cord Injuries Association noted that passengers would need to be informed of the type of vehicle, fare structure and estimated time of arrival before accepting the booking.

Comment:

Customers have suggested a variety of ways in which the booking process can be made easier for people with disability. The most common suggestion was that the service should collect and store information about customers, so they did not have to repeat information every time they made a booking. Interestingly, the current service provider already provides this option. Other suggestions included drivers calling customers to advise of estimated arrival times and on approach.

Currently, the centralised booking service relies on all WATs using the same dispatch software to enable the service to efficiently allocate jobs. This imposes a cost on WAT operators, although there are no other fees associated with affiliating with the service. It is unclear at this stage how a CBS might operate in a provider neutral environment, particularly where different service providers offer different fee structures. However, it is desirable that if the requirement to affiliate with the service exists, it should apply to all WAVs operating in Sydney, consistent with the principle of the level playing field.

Finding:

The CBS is viewed by the customers and the taxi industry as an essential service that ensures that WAT bookings are efficiently allocated amongst Sydney's WAT fleet.

²⁸ Vision Australia submission

²⁹ NSW Disability Council

4 Summary of Findings

Consultations and investigations conducted during the review confirmed the importance of subsidised travel for people with disability and established some broad parameters for a provider neutral scheme. Below is a summary of the key findings from the review that have informed the proposed way forward by Transport for NSW:

- The scheme provides a valuable support for people with severe and permanent disability, in some cases enabling the use of public transport through first mile/last mile journeys, and in other cases providing an alternative where public transport use is not possible.
- Increased choice for customers, through a provider neutral TTSS, in conjunction with the availability of NDIS and aged care funding, could deliver improvements in cost and quality of services. Improved capacity for data capture will enable changes to be monitored.
- There is broad support for a provider neutral subsidy scheme. The *Point to Point Transport Act* and Regulation together with DSAPT provide the safety and accessibility standards that all point to point transport providers are required to meet.
- It is recommended the Government impose a maximum fare (which may be the existing maximum fare or other fare specific to TTSS) for all journeys to which the subsidy applies and that service providers be required to verify that the fares they charge do not exceed that maximum.
- The free WAT licence is a valuable incentive to ensuring the supply of WATs in NSW; and there is capacity within the existing fleet to complete additional WAT jobs.
- Along with free licences, the loan scheme provides a valuable incentive in ensuring the supply of WATs in NSW. As the scheme is gradually extended beyond taxis, consideration will be given to extending the loan scheme to any service provider providing wheelchair accessible point to point transport services.
- The WATDIS is a strong incentive to prioritise wheelchair jobs. As the scheme is extended beyond taxis, increased competition in the wheelchair accessible market may lead to improvements in customer service outcomes.
- The Centralised Booking System is viewed by the customers and the taxi industry as an essential service that ensures that WAT bookings are efficiently allocated amongst Sydney's WAT fleet.

5 The Way Forward

A provider neutral subsidy scheme for point to point transport services has the potential to provide increased choice to customers and drive customer service improvements. Feedback from people with disability has indicated that they support a provider neutral subsidy scheme.

While noting that there are accessibility concerns with the existing voucher system, disability stakeholders have also noted that many TTSS participants do not have access to digital technology. This means that services which rely on digital applications accessed through internet enabled devices will only benefit a minority of TTSS participants. In transitioning to a provider-neutral scheme, it is critical to ensure that participants without access to digital technology are not left behind.

Transport for New South Wales has established a project to define and implement alternative ways to administer the scheme to achieve improvements from both a customer, payments and stakeholder perspective. Ultimately we expect this will achieve a holistic strategy for the scheme which achieves the key recommendations in this report and makes it easier for our diverse set of customers to access transport options. As improvements are implemented customers will have the opportunity to contribute as part of a co-design process.

In the short term, to facilitate greater choice for TTSS participants, TfNSW will investigate opportunities to partner with BSPs that offer integrated booking and payment applications, to trial the use of the subsidy on those services, including non-taxi services. These opportunities will be extended on the condition that strict controls are met, including having in place satisfactory fraud mitigation measures. This will assist in gaining a better understanding of the issues that will need to be considered in moving to a provider neutral scheme, including the impact on the availability of services in regional areas and particularly the viability of wheelchair accessible services. As far as possible TfNSW will ensure that its approach to transport in regional areas is informed by a holistic consideration of needs and the most effective way to meet them rather than an ad hoc approach. An assessment of existing transport services including taxis, community transport, buses, and on demand transport will form part of the trial design and evaluation.

TfNSW will work towards developing a new system to replace the current paper system, and gradually open up the scheme to all point to point transport providers. Recognising that a digital-only solution won't support all customers' needs, this will be taken into account in the solution design. In order to ensure that providers are operating on a level playing field, and to protect customers, all trips will be subject to a maximum regulated fare. Implementation will be phased, with M40 (non-wheelchair) participants to access the subsidy on non-taxi services before M50 (wheelchair) participants. This will assist in ensuring that TfNSW can adequately monitor and manage the supply of wheelchair accessible services.

A priority is to maintain existing levels of wheelchair accessible service, both in terms of the supply of vehicles and their availability to complete wheelchair jobs. Levels of service will be monitored through analysis of the size of the WAT fleet and the number of TTSS jobs completed. Administrative upgrades to the TTSS may enable better monitoring of the geographical distribution of wheelchair accessible services and identify areas with unmet need. This monitoring will assist in determining if it is possible to introduce targeted incentives to meet unmet demand and ensure access to WAV services in regional and outer metropolitan areas.

Transport for NSW will investigate whether it is possible to incentivise the transportation of mobility devices in a WAV. Consideration will be given to whether

criteria can be developed which identify where a user requires a mobility device and whether those mobility devices can be adequately restrained within a WAV.

As NSW investigates options to transition to a provider neutral system, further consideration could be given to how funding could be made available to encourage entry into the market for both taxi and non-taxi WAVs.

In the interim, the government will continue to fund the Centralised Booking Service for WATs in Sydney and provide interest free loans through the WAT interest-free loan scheme.

The continued funding and proposed digitisation of the TTSS and other incentives to support wheelchair accessible transport supports key outcomes of the Future Transport 2056 Strategy:

Accessible Services: Transport enables everyone to get the most out of life, wherever they live and whatever their age, ability or personal circumstances.

Customer Focussed: Every customer experience will be seamless, interactive and personalised by technology and big data.