

20 December 2018

Matthew Woodward  
[fyi-request-8807-7a260527@requests.fyi.org.nz](mailto:fyi-request-8807-7a260527@requests.fyi.org.nz)

Dear Mr Woodward

**Local Government Official Information and Meetings Act 1987 (LGOIMA)**

**CAS-915232-K5N5Q3**

Thank you for contacting Auckland Transport on 3 October 2018, requesting a breakdown of all costs associated with dispensing a new AT HOP card from a Customer Service Centre and the amount of profit made per paid card including the following:

- Cost to produce physical card and delivery
- Cost of investment and maintenance of equipment that is used by your staff to top AT HOP cards
- Cost of training new staff member to operate AT HOP card top up machines
- Any other costs associated with dispensing new AT HOP cards
- The total number of cards returned as faulty, not including those damaged by the user.

The cost of card stock is withheld in accordance with sections 7(2)(b)(ii) and 7(2)(i) of the LGOIMA as the release of this information would be likely to unreasonably prejudice the commercial position of a person who supplied or is the subject of the information and withholding is necessary to enable a local authority holding the information to carry on negotiations without prejudice or disadvantage.

However, I can confirm the direct cost to Auckland Transport for each card supplied to the public is \$5.56 (\$9.25 for key tags) excluding G.S.T. This includes all fixed and direct costs associated with the production and sale of the card. There is no difference in cost between the blue and gold cards.

The overhead to Auckland Transport for the sale of AT HOP cards is \$2.52 per card (\$3.75 for key tags) excluding G.S.T. Therefore, the total direct and indirect costs of selling an AT HOP card are \$8.08 (\$13.00 for key tags) excluding G.S.T, or \$9.29 & \$14.95 respectively including G.S.T.

The cost of the AT HOP card increased from \$5 to \$10 on 17 December 2015. The purchase price covers the cost to Auckland Transport of the card otherwise public funding is required to support it. This permits the public funding to be focused elsewhere, e.g. on PT services.

For regular users, the \$10 is recovered through cheaper travel using the AT HOP card compared to cash payment within one to two weeks.

With regard to the total number of cards returned as faulty; For 2018, a total of 268,279 AT HOP cards have been sold and a total of 499 cards have been returned to the manufacturer as faulty. This represents 0.19% of total card sales for the same period. We are unable to advise if they were deemed faulty due to wear and tear as we do not record the fault reason.

Auckland Transport does not record the number of damaged cards that have been replaced. This portion of your request is therefore declined in accordance with Section 17(e) of the LGOIMA as the information you are requesting does not exist.

For reference, where a damaged or faulty card is replaced, a "Balance Transfer" case is logged to have any remaining credit or products transferred to the new card. This process is irrespective of whether





the customer purchased the replacement card or a complimentary card was provided by Auckland Transport.

Balance transfer requests are also created for other reasons (e.g. lost or cancelled cards) and we are therefore unable to identify the reason a transfer was requested as this detail is not always specified in the "free text" case description field.

Furthermore, there will also be instances where there is no remaining credit or product on the damaged or faulty card and therefore no further action required and subsequently no case created.

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

If you have any further queries please contact Auckland Transport on 09 355 3553 quoting Official Information request number CAS-915232-K5N5Q3.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Jo Stansfield', is positioned above the printed name.

Jo Stansfield  
**Group Manager Customer Services**