



Road User Charges Review  
Stock-take and Compliance Activity Report

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**January 2009**



## **Confidential**

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### Road User Charges Review Stock-take and Compliance Activity Report

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## Report Overview

The cost of using New Zealand's roads is recovered from road users via levies in the price of some fuels or through road user charges (RUC). The revenue collected from road user charges is dedicated to the National and Regional Land Transport funds. Road user charges are administered by Land Transport New Zealand (Land Transport NZ) and enforced by the New Zealand Police<sup>1</sup>.

As detailed in Table 1 below, more than 2 million transactions (purchases of Road User Charges licences) were completed in New Zealand during the 2007/08 financial year, representing more than \$1billion in revenue.

**Table 1: 2007/08 RUC revenue by channel**

Purchase Type	No of Transactions	RUC Revenue (GST incl)	Transaction Fees (GST incl)
Counter	1,209,303	\$482,206,669	\$11,510,512
Phone/Fax	206,313	\$119,274,188	\$1,439,033
Direct Connect	548,302	\$377,131,188	\$1,850,519
Automatic Teller	82,129	\$48,210,198	\$415,778
Internet	14,209	\$3,596,957	\$135,874
Total	2,060,256	\$1,030,419,200	\$15,351,716

In addition to the 2,060,256 RUC purchases made in the 2007/08 financial year, 10,432 applications for Change of Hubodometer (RUCHO) were lodged (with an average distance lifespan of 199,906 kilometres) and roughly 1,400 operators applied for off-road refunds.

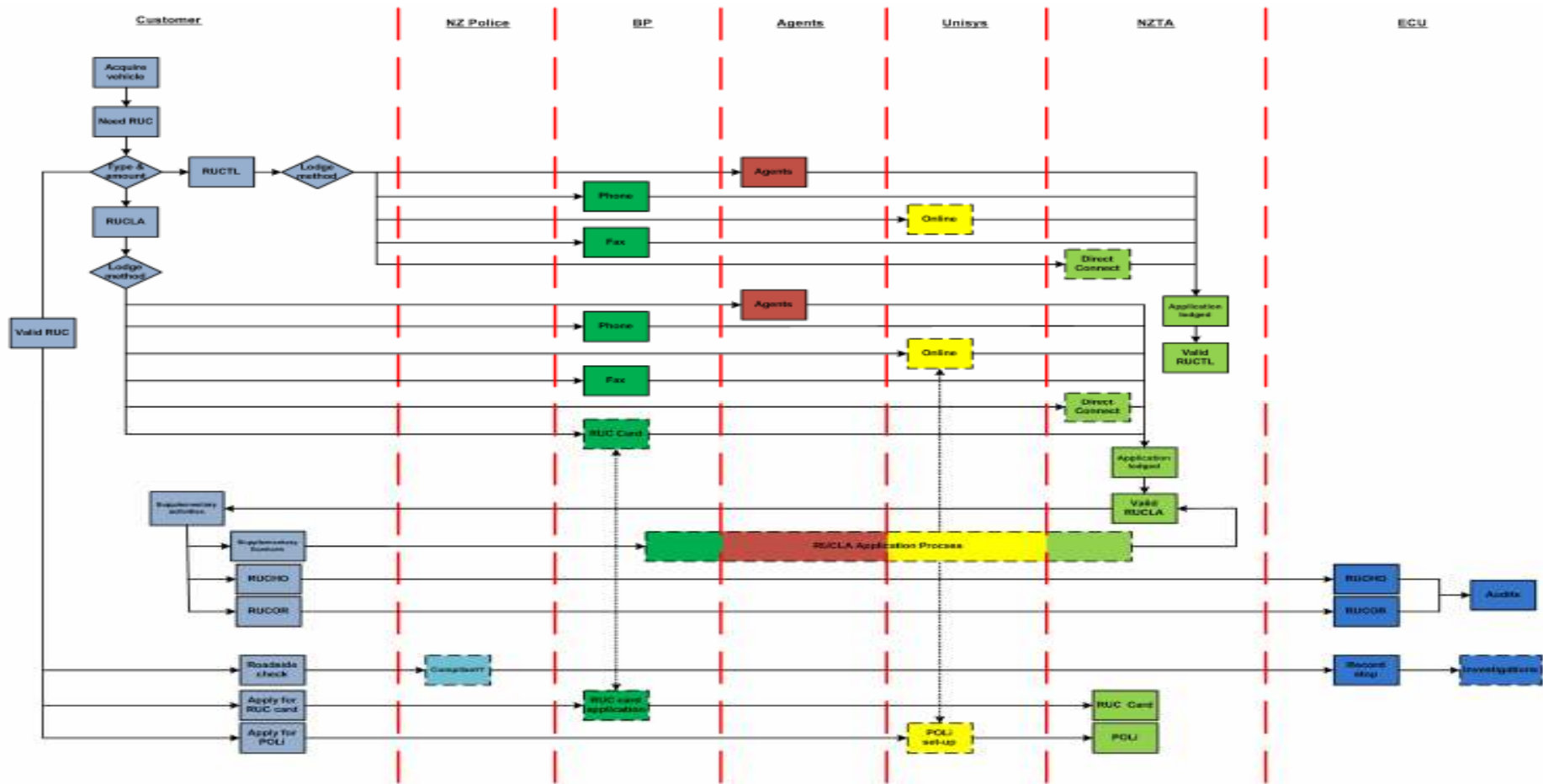
In 2008, the Government established the Road User Charges Review Group to complete an independent review of the road user charges system. The review group has been tasked to consider the basis on which roading costs and other costs of the National Land Transport Programme (NLTP) should be allocated and collected, with the intent of ensuring that the charging system is fair, efficient and based on up-to-date information.

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<sup>1</sup> Land Transport NZ. [2008, July] *Road User Charges*. Wellington. Retrieved November 27, 2008 from <http://www.ltsa.govt.nz/commercial/ruc-book.html>



Figure 1: Overview of RUC from a customer perspective





## Purpose of this document

As part of the review, the Review Group commissioned Research New Zealand to undertake a stock-take and mapping exercise to describe the processes involved in purchasing Road User Charges licences (RUC), from a customer perspective. An overview of the various processes, channels and agencies involved in the current RUC system can be found in Figure 1 on page XX.

The following report specifically describes these processes and channels and is structured as follows:

- ◆ Chapter 1 provides a description of the different types of RUC licences, their costs and the different means through which they can be purchased.
- ◆ Chapter 2 provides details about the information that is required to complete and lodge a RUC licence application, and then describes in detail the different processes that are involved from a customer perspective when purchasing RUC through the different channels that are currently available.
- ◆ Chapter 3 examines certain supplementary processes including the replacement of Hubodometers, and a number of scenarios when a customer is able to apply for refunds of unused RUC.
- ◆ Chapter 4 is a summary of the various RUC related enforcement checks that the Commercial Vehicle Investigation Unit undertakes with commercial vehicle drivers.
- ◆ Chapter 5 provides a summary of the NZ Transport Agency's Economic Compliance Unit activities, in relation to RUC related refunds and investigations.

The contents of the report are based primarily upon secondary information gathered from the following sources:

- ◆ A review of NZ Transport Agency published materials and secondary data, including:
  - ◆ The Road User Charges booklet (July 2008).
  - ◆ The NZ Transport Agency (<http://www.nzta.govt.nz/>) and Land Transport NZ (<http://www.landtransport.govt.nz/>) websites.
  - ◆ Land Transport NZ Fact sheets.
  - ◆ RUC related application forms (RUCLA, RUCTL, RUCHO, RUC OR, MR6A, MR13A, MR15 and the MR36).
  - ◆ DirectConnect application materials.
  - ◆ The Land Transport NZ Transaction centre website: <http://transact.landtransport.govt.nz/>



- ◆ The BP Customer Service Centre, including a review of the RUC Card Application forms and supporting materials.
- ◆ The Centricom website: Centricom – *POLi™ Frequently Asked Questions*.  
<https://www.centricom.com/faq/nz/>
- ◆ Site visits to the Automobile Association (Lambton Quay office) and two New Zealand Post shops in Wellington.
- ◆ Discussions with key informants from the Ministry of Transport and NZ Transport Agency and an interview with a senior staff member from the Commercial Vehicle Investigation Unit.
- ◆ A review of public submissions to the Road User Charges Review.

### **Online Survey of RUC Users**

In order to provide a 'customer perspective of the RUC system, where relevant we have incorporated the results from a recent survey of current RUC customers who were randomly selected from lists of vehicle owners (also drawn randomly from the Land Transport Authority database by staff at the NZ Transport agency).

The survey was commissioned by the Road User Charges Review Group to assist with their review of the road user charges system, as part of the broader project to describe and better understand the full range of compliance activities and costs associated with the current road user charging system.

Details of the methodology that was used for the survey, including comments on its limitations, may be found in Appendix E of this report, as well as a demographic profile of the survey respondents.

While it is not possible to calculate a response rate for the survey, as it is not known what percentage of all those sampled had access to the Internet to complete the survey during the period it was open, assuming that the achieved sample of n=392 respondents are representative of the broader population of RUC customers, the maximum margin of error associated with the total achieved sample is  $\pm 4.9$  percent at the 95 percent confidence estimate<sup>2</sup>.

Larger margins of error, as detailed in the Appendix, apply to the various sub-samples of respondents who were surveyed about different processes (either their most recent RUC license purchase, or in the case of a number of respondents the lodging of paperwork regarding a change of Hubodometer paperwork or off-road refund).

Also included in Chapter 6 of this report is a summary description of seven short case studies that were conducted as face-to-face semi-structured qualitative interviews with a carefully selected group of very dissatisfied RUC customers. It should be noted that the researchers do not seek to imply that the experiences and views expressed in the case studies are representative of all RUC

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<sup>2</sup> For similar reasons, as well as lack of comprehensive statistics regarding the demographic profile of RUC customers, the survey data has not been weighted.





customers. Rather they are intended to provide snap-shots of some of the negative experiences/perceptions that some transport-reliant business owners have had relation to the current RUC system.

Please note that throughout the report, the terms NZ Transport Agency, Land Transport NZ and LTNZ all refer to the current agency (NZ Transport Agency), which has undergone a number of re-branding' exercises in the last two years. Where one of the above terms has been used in this report, it is a reflection of the agency name on the form, application, or website that is being discussed.

### **Acknowledgements**

Research New Zealand would particularly like to thank the following individuals (in no particular order) who assisted with the identification, sourcing and interpretation of the various materials that were used to conduct the stock take of customer related Road User Charge activities: Bryan Talbot, Pat Aldridge, Delaney Myers and Andrew Thackwray of the NZ Transport Agency; Senior Sergeant Phil Critchley of the New Zealand Police; Hillary Talbot of the Ministry of Transport; Henry Dowler of HankStar Consulting Ltd and Anthony Gibson of the Road Users Charges Review Group.

## **Executive Summary – Key findings from the survey of RUC purchasers**

### **Purchase of a Distance licence is the most frequent transaction**

- ◆ The most common RUC-related transaction is the purchase of a Distance licence, with 89 percent of the survey respondents reporting that they had purchased Distance licenses for their vehicle(s) in the past 12 months, whereas replacing a Hubodometer, claiming a refund, and purchasing a Time licence were less frequent.
- ◆ Most respondents that had recently lodged an RUCLA application for a Distance/ Supplementary licence or Time licence reported that it took fewer than ten minutes to complete, and relatedly, most were satisfied with its ease of completion and the clarity regarding what information was required.
- ◆ To lodge their most recent RUC purchase they most often physically went to a NZ Transport agent (55 percent of Distance/Supplementary licence purchasers, and 65 percent of Time licence purchasers).



## **Satisfaction was highest for purchase through the DirectConnect, online and fax/telephone channels**

- ◆ Overall, most respondents who had purchased RUC licences at a **NZ Transport agent** did so at a PostShop or Books and More outlet (57 percent), or at a VTNZ (26 percent). The entire process tended to take longer than 20 minutes (including travel time and waiting in queue), but despite this, three-quarters reported they were satisfied with the ease of getting to the NZ Transport agent's physical location.
- ◆ Furthermore, 78 percent of the respondents were satisfied with the quality of the service they received on this occasion, and 67 percent were satisfied with the process of lodging the application and paying for their purchase.
- ◆ However, satisfaction with the process of purchasing RUC in general was lower amongst those purchasing a licence at a NZ Transport agent, with 50 percent of respondents satisfied or very satisfied.
- ◆ In comparison, respondents who had recently purchased RUC by using **DirectConnect** to the Motor Vehicle Registry tended to be more satisfied overall. It generally took ten minutes or less to lodge the paperwork during their most recent purchase (66 percent), and relatedly, they reported that they were satisfied with the ease of completing the application (62 percent), and that it was clear as to what information was required (70 percent).
- ◆ Overall, DirectConnect users reported being satisfied with their most recent purchase process (76 percent), and were satisfied with the process of purchasing RUC in general (66 percent).
- ◆ Those whose most recent purchase of RUC (Distance or Supplementary licences) was made **online**, indicated that they find it quick and easy to use, and that it is clear what information is required.
- ◆ They also appeared to be satisfied with the recent purchase process via the Internet (74 percent), and satisfied with the process for RUC purchase in general (74 percent).
- ◆ Similarly, for respondents whose most recent purchase of RUC was made at a **BP station or Truckstop**, indicative results suggest that users of the BP Card were satisfied with the process for their recent purchase, and satisfied with the RUC purchase process in general.
- ◆ Issues with the current RUC Card process most frequently related to the automated tellers not working all of the time and/or that not all BP stations offered the service.
- ◆ Respondents that made their most recent RUC purchase by **fax or telephone** with the BP Service Centre, found it quick and easy to complete the application, and clear what information was required.
- ◆ In addition, those that completed their lodgement over the telephone were satisfied with the quality of the service they received from the BP Service Centre during the transaction.



- ◆ Just over half (56 percent) reported they received their RUC licence/labels within the same day, and relatedly, 57 percent reported being satisfied with the time it took to receive their licence.
- ◆ As was the case for most of the other methods of RUC purchase, respondents were satisfied with the process (74 percent), and also reported being satisfied with the process for purchasing RUC in general (74 percent).
- ◆ Across all channels, a significant number did not feel that any changes to the process were needed or possible, however, those that did provide suggestions for **improvements** most frequently mentioned:
  - ◆ Paying at the pump.
  - ◆ Doing more online.
  - ◆ Scrapping the RUC completely.
  - ◆ Paying by credit card/Purchasing larger amounts by credit card (especially for online purchase).
- ◆ In addition, Card users mentioned being able to use the RUC Card at more BP outlets and/or other vendors, and Service Centre users mentioned better trained staff and a 24-7 call centre.

### **Process for RUCHO (Hubodometer) lodgement not highly rated**

- ◆ Of the n=67 respondents that had filled a change of Hubodometer application (RUCHO) in the last twelve months, half reported it took ten minutes or less to complete the application.
- ◆ As with those who purchased Distance, Supplementary and Time licenses, the majority reported that they physically went to a NZ Transport Agent to lodge the RUCHO application. Those who lodged their application in person at a NZ Transport agent, or by telephone with the BP Service Centre, reported being satisfied with the quality of service (71 percent).
- ◆ Just under two-thirds of respondents were satisfied with the ease of completing the application form, and that it was clear what information was required.
- ◆ However, satisfaction was relatively low on a more overall basis, with 49 percent satisfied with the length of time that it took to process their most recent application, 43 percent satisfied with the process for their most recent RUCHO lodgement, and 49 percent satisfied with the RUCHO lodgement process in general.
- ◆ More than half reported that they were eligible for a refund of the RUC on their old Hubodometer. Among these, 34 percent reported some degree of difficulty in going about claiming the refund.



### **Satisfaction is low with the refund process**

- ◆ Among respondents whose most recent RUC-related transaction was for a refund (n=46), 78 percent reported that they had applied for an off-road refund.
- ◆ Of all those whose most recent RUC-related transaction was for a refund, 41 percent reported that it took them more than 45 minutes to prepare their refund application. Accordingly, less than half of the respondents reported being satisfied with how easy the application was to complete, although 61 percent were satisfied with the clarity as to what information was required.
- ◆ Furthermore, four-in-ten respondents reported some degree of dissatisfaction in relation to the amount of time it took NZ Transport to process the refund application.
- ◆ The majority of those who had received the decision regarding their refund application reported that they had been given their refund, however less than half reported that they were satisfied with the refund process overall.
- ◆ Suggestions for improvements to the refund process tended to related to making the refund process easier or quicker.



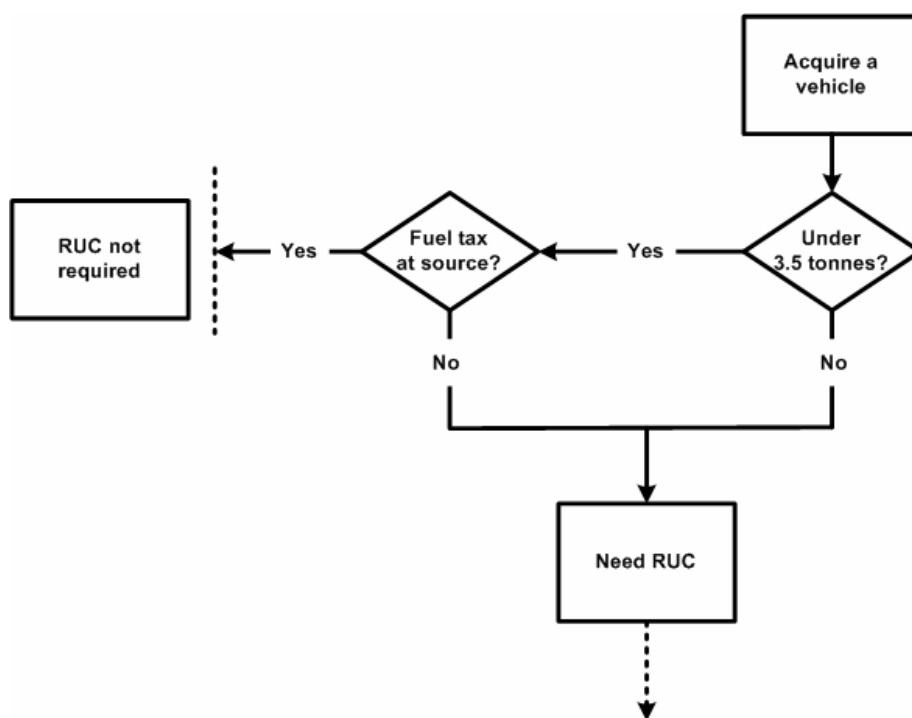
## 2.0 Road User Charges

### 2.1 Vehicles subject to RUC

As noted in Figure 1 below, all diesel powered vehicles and other vehicles powered by a fuel not taxed at source<sup>3</sup>, regardless of weight, must pay RUC. Vehicles with a manufacturer's gross laden weight of more than 3.5 tonnes (3,500 kg) must also pay RUC.

Any vehicle subject to RUC must display valid and continuous RUC licences at all times when the vehicle is on the road. The licence details are to be displayed on the passenger side of the front window, with the face of the licence which shows the vehicle registration plate number being plainly visible from outside of the vehicle.

**Figure 1: Determining if a vehicle is subject to RUC**



<sup>3</sup> Note: Fuels taxed at source are petrol, compressed natural gas (CNG) and liquefied petroleum gas (LPG).



### **2.1.1 Acquisition of new and used vehicles**

When a vehicle that requires RUC is acquired or changes ownership, technically it should already have a valid RUC licence.

RUC licences belong to the vehicle for which they are purchased and are not transferable to other registered vehicles. When a vehicle is sold, any existing licences continue to remain valid, and refunds for unexpired portions of licences are generally not given by the NZTA after it has changed ownership, if the vehicle remains on the road.

Rather, it is the seller's responsibility to seek a refund/reimbursement from the vehicle's new owner as part of the sale transaction.

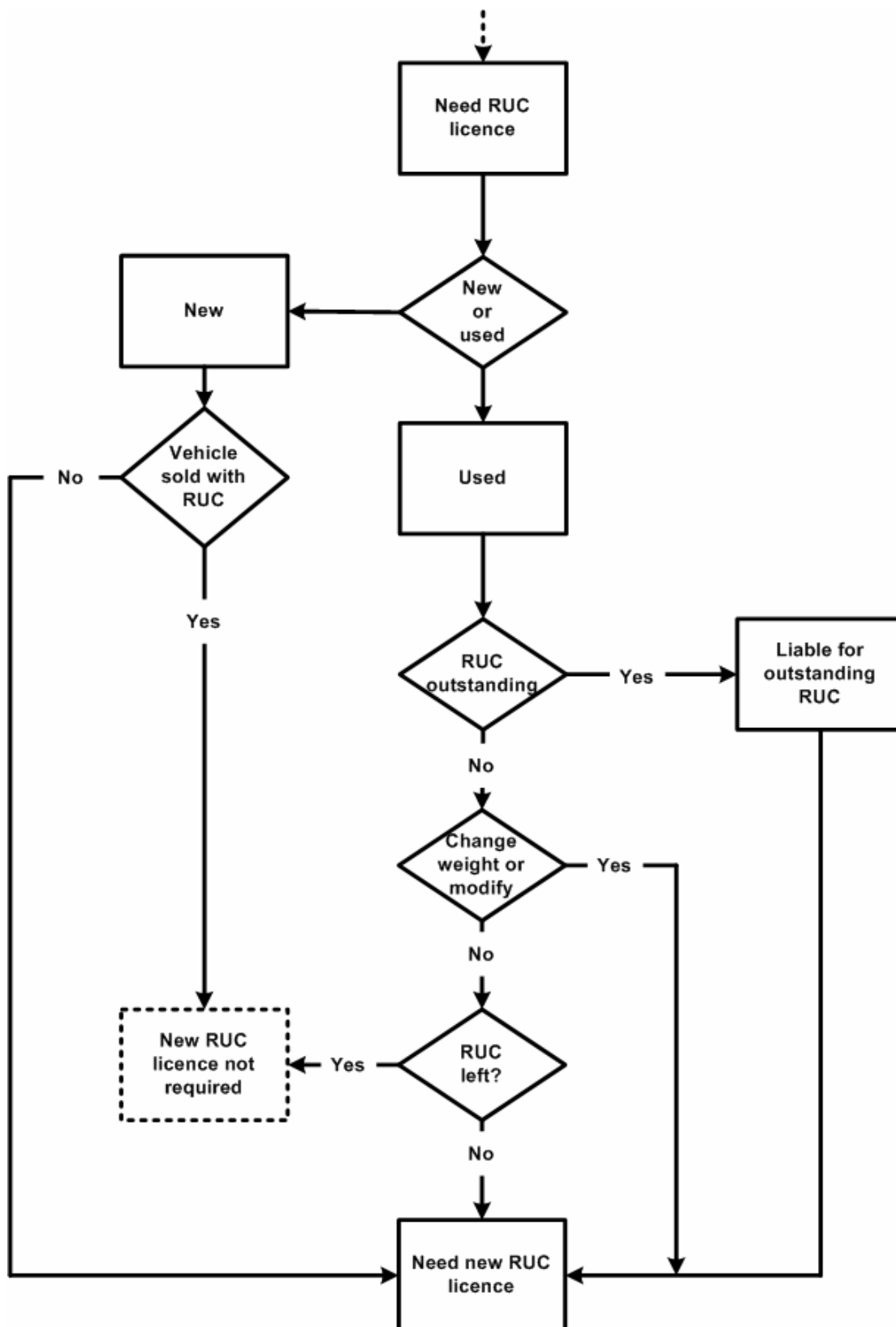
As noted in Figure 2, while new vehicles are sold with existing RUC, used vehicles can sometimes have outstanding RUC liabilities that the new owner must pay (irrespective of whether the seller has committed an offence by not having continuous RUC licencing).

When a vehicle is sold, and the new owner intends to operate it at a different weight or make modifications to it that affect its vehicle type classification, a new licence must be purchased, and the owner needs to make an application for any refunds due on the prior licence.

Alternatively, should a new owner/operator wish to increase the operating capacity of a 'distance licenced' vehicle to a greater weight than the vehicle is currently nominated for, they can either purchase a new distance licence at the increased total weight, or purchase a supplementary licence at an increased total weight. In either case, they will automatically receive a credit for the unused portion of the prior distance licence.



**Figure 2: Determining whether a used vehicle requires new RUC licences and/or is subject to outstanding RUC liabilities**





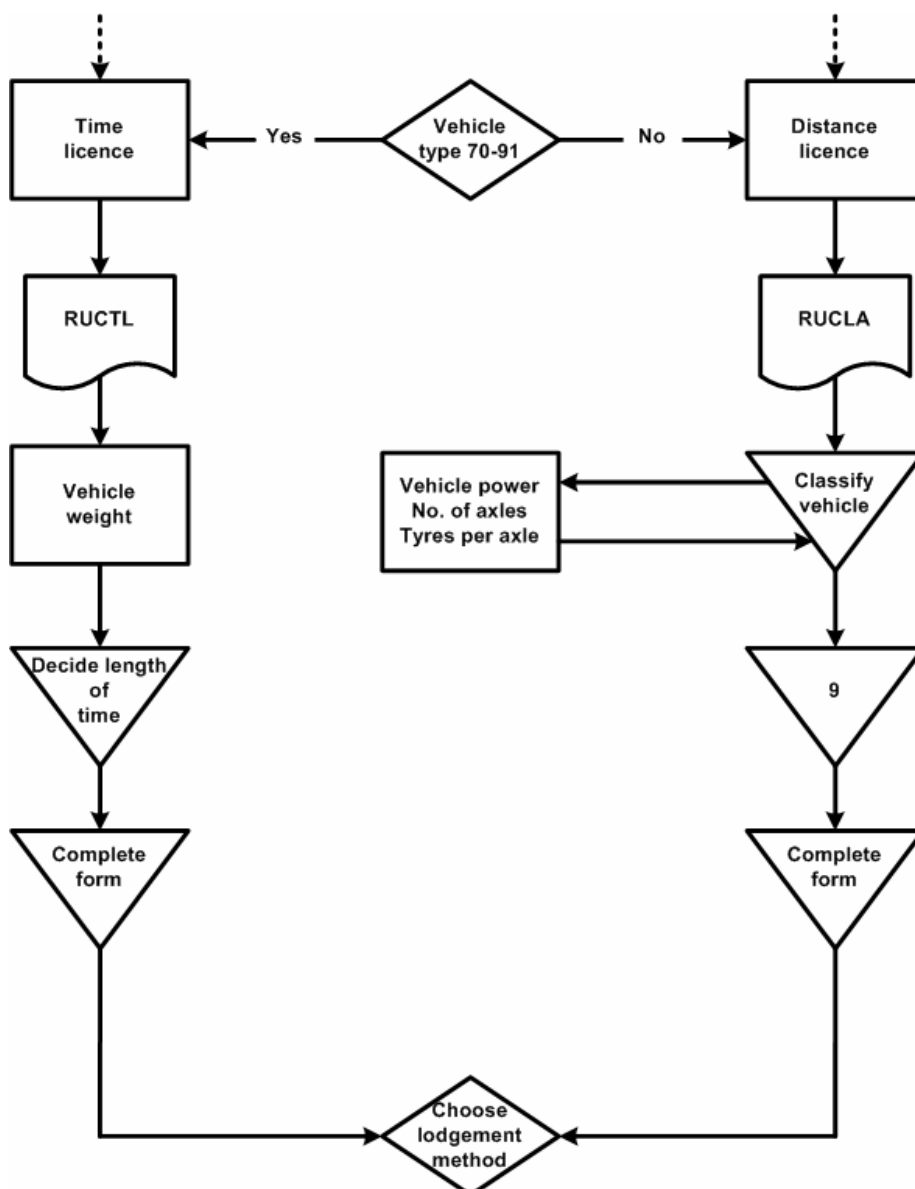
## 2.2 Determining type of RUC licence required

Figure 3 provides a summary overview of the processes involved in determining the appropriate type and amount of RUC licence for a vehicle. There are two primary types of RUC licences, Distance and Time. The determination of which type is required is based upon the vehicle type.

Time licences are required for vehicles which are classified as being types 70 through 91 (specific details of which are provided in Table 1 overleaf), and include heavy equipment such as bulldozers, mobile cranes and various construction, forestry and road maintenance-related heavy machinery.

All other vehicle types that are subject to RUC require a Distance licence.

**Figure 3: Determining type of RUC licence required and related RUC charges**







**Table 1: Vehicle number types covered by Time licences**

<b>Number Type</b>	<b>Type of vehicle</b>
<b>Vehicle type numbers 70-81</b>	
70	Trailer scrapers
71	Plant for servicing oil-filled cables
72	Road rollers
73	Tractors other than those exempted
74	Post debarkers
75	Saw bench apparatus
76	Forestry chippers
77	Sawing or shearing apparatus for tree cutting
78	Stone and gravel crushing and screening plant
79	Asphalt mixing and paving plant
80	Bulldozers and angle dozers (rubber tyred)
81	Tractor mounted mobile cranes and log skidders
<b>Vehicle type numbers 82-87</b>	
82	Font end loaders
83	Mobile pile drivers
84	Motor scrapers
85	Self-propelled water carts that are always unladen on the road
86	Self-propelled trench diggers and excavators
87	Self-propelled vehicles designed exclusively for carrying earth or bulk material that are always unladen on the road
<b>Vehicle type numbers 88-91</b>	
88	Mobile cranes (excluding vehicle recovery units, truck-mounted cranes and cranes to which a distance recording device is or could be readily fitted)
89	Motor graders
90	Unregistered motor vehicles operated under trade plates
91	Cable jinkers

Source: NZTA <http://www.landtransport.govt.nz/commercial/road-user-charges/23.html>



## 2.3 Determining amount of RUC to be purchased

### 2.3.1 Time licence rates

Time licences are purchased in periods of one month, and may be purchased for as little as a single month or up to a maximum of 12 months<sup>4</sup>. The charges for Time licences are based upon vehicle type and weight and determined by the length of period for which the owner intends to purchase the licence.

Depending upon the vehicle type and weight, the charges of a 12 month Time licence can range from as little as \$25.27 to more than \$3,000 per annum (see Appendix A for a full breakdown of Time licence rates by vehicle type and weight). These figures exclude transaction fees, which vary according to how and when the licence is purchased (summarised at the end of this Chapter).

For example, *ACME Road Services* has purchased a used 1988 Road Roller DYNAPAC CA-51-D, which weighs 20 tonnes<sup>5</sup>. The vehicle has been in storage off-road for the last three months and its pre-existing Time licence has expired.

Using the tables that are available either online at the Land Transport NZ website (<http://www.ltsa.govt.nz/commercial/road-user-charges/25.html>) or in the Road User Charges booklet, the vehicle's operator has determined that his/her vehicle type is 72. A 12-month Time licence for a Type 72 vehicle weighing 20 gross tonnes is \$356.17.

As ACME Road Services plan to only have the vehicle on and off the road for a period of five and one half months commencing in January 2009, and it is not possible to purchase for a partial month, they will need to pay for a six-month Time licence costing \$178.09, plus the relevant transaction fee.

### 2.3.2 Distance licence rates

All vehicles that are subject to RUC, but which are not classified as vehicle types 70 through 91, require a Distance licence.

As noted in Tables 2 through 4 overleaf, Distance licenced vehicles are classified according to:

- ◆ The number of axles on the vehicle.
- ◆ The number of tyres per axle (i.e. either single tyred or twin tyred<sup>6</sup>).
- ◆ Axle spacing (i.e. axles are 'close' if less than 2.4 metres from the nearest adjacent axle and 'spaced' if 2.4 metres or more from the nearest adjacent axle).

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<sup>4</sup> Purchases made part way through a month are calculated for the full month.

<sup>5</sup> A vehicle's weight can be found listed in its operating manual, or can be sourced online from either the original manufacturer's website or at one of many websites of heavy vehicle trading companies.

<sup>6</sup> For the purposes of the Road User Charges Act 1977, single large-tyred axles are classified as single tyred axles.






- ◆ Whether the vehicle is powered or un-powered.

Distance licences are purchased in units of 1,000 km or multiples thereof, and vehicles must be sufficiently licenced for continuous distance. That is, where the finish distance of one licence has passed a new licence is required to commence.

Depending upon the vehicle type and weight, the charges per 1,000 km can range from as little as just under \$11.00 (for a one tonne vehicle, Types 24 through 43) to \$887.04 (Type 27) assuming the vehicle is not exceeding its maximum legal weight for its type on a Class 1 road (see Appendix A for a full breakdown of Distance licence rates by vehicle type and weight).

However, the costs per 1,000 kilometres of RUC can exceed tens of thousands of dollars for vehicles that are far in excess of their maximum legal weight for operating on a Class 1 road.

**Table 2: Distance licence vehicle types**

Axle Type	Symbol
Single tyred axle	S
Twin tyred axle	T
Spaced axles (spaced axles must be more than 2.4m apart)	
Close axle groups	
Or	

**Note:** Single large-tyred axles are considered single tyred axles for the purposes of the Road User Charges Act.  
Source: NZTA <http://www.ltsa.govt.nz/commercial/road-user-charges/25.html>



**Table 3: Powered Distance licence vehicle types**

No. of axles	Types of axles	Example vehicles	Vehicle type no.
2	2 axles, both single tyred		1
2	2 axles, 1 single tyred and 1 twin tyred		2
2	Any other configuration		1
3	3 axles, one single tyred and two twin tyred		6
3	Any other configuration		5
4	Any configuration		14
5 or more	Any configuration		19

Source: NZTA <http://www.ltsa.govt.nz/commercial/road-user-charges/25.html>

**Table 4: Un-powered Distance licence vehicle types**

No. of axles	Types of axles	Example vehicles	Vehicle type no.
1	Any configuration		24
2	2 spaced axles, both single tyred		27
2	1 group of 2 close axles, both twin tyred		29
2	2 spaced axles, both twin tyred		30
2	Any other configuration		28
3	1 group of 3 close axles, all twin tyred		33
3	Any other configuration		37
4 or more	Any configuration		43

Source: NZTA <http://www.ltsa.govt.nz/commercial/road-user-charges/25.html>



For example, *Kiwi Tourism Services* is a small commercial venture operating out of Queenstown. The business owns a medium-sized diesel powered van, weighing 5.3 tonnes that has operated for short distance tours in the immediate Queenstown area for the last two years. Averaging between 15,000 and 17,000 kilometres per year, it requires a continuation licence for the coming year.

Because the owner has purchased RUC for the medium-sized diesel powered van and is applying for a continuation of the licence at the same weight as the previous year's licence, he/she already knows that the RUC licencing costs for the coming year will be \$47.86 per 1,000 kilometres for a Type 1 vehicle (after rounding up the weight from 5.3 tonnes to 6 tonnes).

Despite the vehicle's historic mileage, as with previous years the owner decides to play it safe and purchases a continuation distance licence for 20,000 kilometres costing \$957.20, plus a transaction fee.

The business has also recently purchased a "new to New Zealand" 13-tonne 12.2 metre long tour bus, which has a single tyred front axle and two twin tyred rear axles to transport tourists to and from Queenstown and Milford Sound. The owner needs to purchase a new Distance licence before it can be driven from Lyttleton Port in Christchurch, as well as sufficient licence to operate tours between Queenstown and Milford Sound for the coming year.

Using the tables that are available, either online at the Land Transport NZ website or in the printed Road User Charges booklet, the business owner has determined that the new tour bus is a Type 2, and that the RUC licence rate per 1,000 kilometres for a Type 2 vehicle weighing 13-tonnes is \$260.18.

As he/she expects to run one round-trip run per week between Queenstown and Milford Sound at 580 kilometres per round-trip, he will need sufficient licence to cover approximately 30,160 kilometres per year, plus the 484 kilometre trip from Lyttleton Port in Christchurch to Queenstown, and any incidental travel distances through-out the coming year.

He/she decides to purchase the equivalent licence for 33,000 kilometres costing the business \$8,585.94, plus the relevant transaction fee.

### **2.3.3 Supplementary licences**

When the operator of a vehicle that is subject to a Distance licence needs to cart heavier loads than the vehicle is licenced for, they are required to purchase a Supplementary licence to allow for the heavier load.

Supplementary licences, which are more expensive than normal Distance licences, are sold in multiples of 50 kilometres and are intended to be used for short trips with heavier than usual loads (See Appendix A for licence rates per tonne).

Once purchased, the Supplementary licence replaces the original licence for the distance specified for cartage of the heavier load (the operator is required to specify the new total gross weight and the vehicle's distance recorder readings for the distance that the licence will operate), but once it has expired the provisions of the original licence remain in force.



## Survey findings

As noted in the overview section of this report, and several of the comments that were made by the case study, many RUC customers (approximately one-in-five) find it difficult/very difficult to understand how their RUC charges were calculated. Notably, as detailed in Table 5 below, the issue seems to be prevalent among business operators (regardless of fleet size) as well as private citizens.

It was also noted in some of the survey comments and the case study interviews (see quotes below), that the current RUC tables are 'out-dated' and restrict commercial vehicles to rely on purchasing older vehicles with more axles, adding significantly to the vehicles operating weight, as well as wear and tear on the roads.

*The RUC tables promote unnecessary axles that, in turn, increases the tare weight of the trucks, reducing the payload of every truck, increasing the cost of cartage for every truck and reducing the profitability of the NZ producer and the economy – Case Study 6*

*Trucks are designed to reduce RUC. The more axles, the heavier the Tare weight of the vehicle. They cost more to build, and do more damage to the road. The more axles, the more drag. They scuff and tear up the tar seal. The tables are out-dated in today's environment – Case Study 5.*

**Table 5: Ease of understanding how RUC charges were calculated – private users and professional users by fleet size**

*Q17\_30\_43. How easy was it for you to understand how your RUC charges were calculated?*

	Total	Private User	1 vehicle	2-5 vehicles	6-10 vehicles	11-20 vehicles	21-50 vehicles	50+ Vehicles	Don't Know
Base =	375*	61	27**	77	46	62	48	51	3**
	%	%	%	%	%	%	%	%	%
Very difficult	9	5	19	10	11	5	4	10	33
Fairly difficult	11	10	4	12	11	15	13	8	0
Neither easy nor difficult	22	13	15	26	24	24	31	16	0
Fairly easy	30	41	22	27	17	34	23	37	33
Very easy	20	25	26	17	17	11	25	24	33
Don't know	9	7	15	8	20	11	4	6	0
Total	100	100	100	100	100	100	100	100	100

Total may not sum to 100% due to rounding.

\*Sub-sample based on those that had made a recent RUC purchase.

\*\*Caution: low base number of respondents-results are indicative only.



## 2.4 Channel options for purchasing of RUC and related transaction fees

Depending upon whether they are a commercial operator, a limited liability company or a general consumer, RUC users are currently able to purchase licences through six different channels including:

- ◆ Over the counter at Land Transport NZ agencies (Automobile Association, Post Shop, VTNZ and VINZ centres).
- ◆ Telephone (0800 800 027) the BP Customer Service Centre.
- ◆ Fax (04 499 5669) the BP Customer Service Centre.
- ◆ RUC card at authorised service stations and Truckstops, such as BP (Distance and Supplementary RUC licences only).
- ◆ By DirectConnect with Motor Vehicle Registry.
- ◆ Online via the Land Transport NZ Transaction centre.

As detailed in Table 5 overleaf, in addition to the costs of a RUC licence, transaction fees apply to every licence sale, regardless of the type of licence purchased.

The transaction fees vary from \$3.38 to \$9.56, depending upon the channel through which a licence is purchased (reflecting the overheads, support costs and service options available to customers through that channel).

### Perceptions of some RUC users of transaction fees and the various payment options

Notably, it is not possible to use some of the, what are from a consumer and business person's perspective, more convenient payment options (such as credit card or direct credit), at each of the above options. For example, it is not possible to use a credit card to purchase RUC (or make any other transaction) at a PostShop.

Similarly, some of the survey respondents queried why their RUC card cannot be used at NZTA agents or petrol stations other than those operated by BP. For others, the \$400 limit that applies to purchasing RUC online via POLi™ limits their abilities to purchase sufficient RUC<sup>7</sup>.

*We would have liked to be able to purchase 10,000km but because of the purchase amount limit [of \$400] we could only purchase 9,000km. Would like to be able to purchase 10,000 as purchasing online is a convenient way of being able to do this in our own time – Survey Respondents (Commercial Operator).*

---

<sup>7</sup> Credit card transactions are currently limited to \$400 (inclusive of GST) per transaction when purchasing RUC, due to the current levels of commission charged by the credit card companies. The current transaction fee of \$9.56 for online transactions would not recover LTNZ's administrative costs on larger credit card purchases.



**Table 5: Transaction fees per service channel**

Service Channel	Payment options	Tax invoice provided as	Transaction fees (inclusive GST)
Counter sales	Cash or cheque (credit card usage available at only certain types of agents)	Received copy of application form	\$9.56 per licence
By telephone or fax	Direct Debit through RUC Card or RUC enabled BP Fuel Card	Tax invoice printed by BP Service Desk and sent to postal address of record	\$6.86 per licence
Automatic teller sales	Direct Debit through RUC Card or RUC enabled BP Fuel Card	Tax invoice printed together with licence	\$5.06 per licence
Direct connect with Motor Vehicle Registry	Pre-arranged direct debit facility	Tax invoice printed weekly and sent to postal address	\$3.38 per licence
Online via the Land Transport NZ Transaction centre	Valid credit card or pre-arranged direct debit facility through POLi <sup>8</sup>	Tax invoice printed and sent with RUC to postal address	\$9.56 per licence

<sup>8</sup> POLi™ (Pay OnLine) allows RUC purchasers to pay directly from their bank account via an existing Internet banking facility. Payment is instantly debited from the purchaser's account. To use this facility operators/purchasers must be registered with their bank for Internet banking (ANZ NZ, ASB, BNZ, Kiwibank, TSB Bank or Westpac NZ only) and their Internet banking details will be required. Source: <http://www.landtransport.govt.nz/transaction-centre/payment-options.html>.

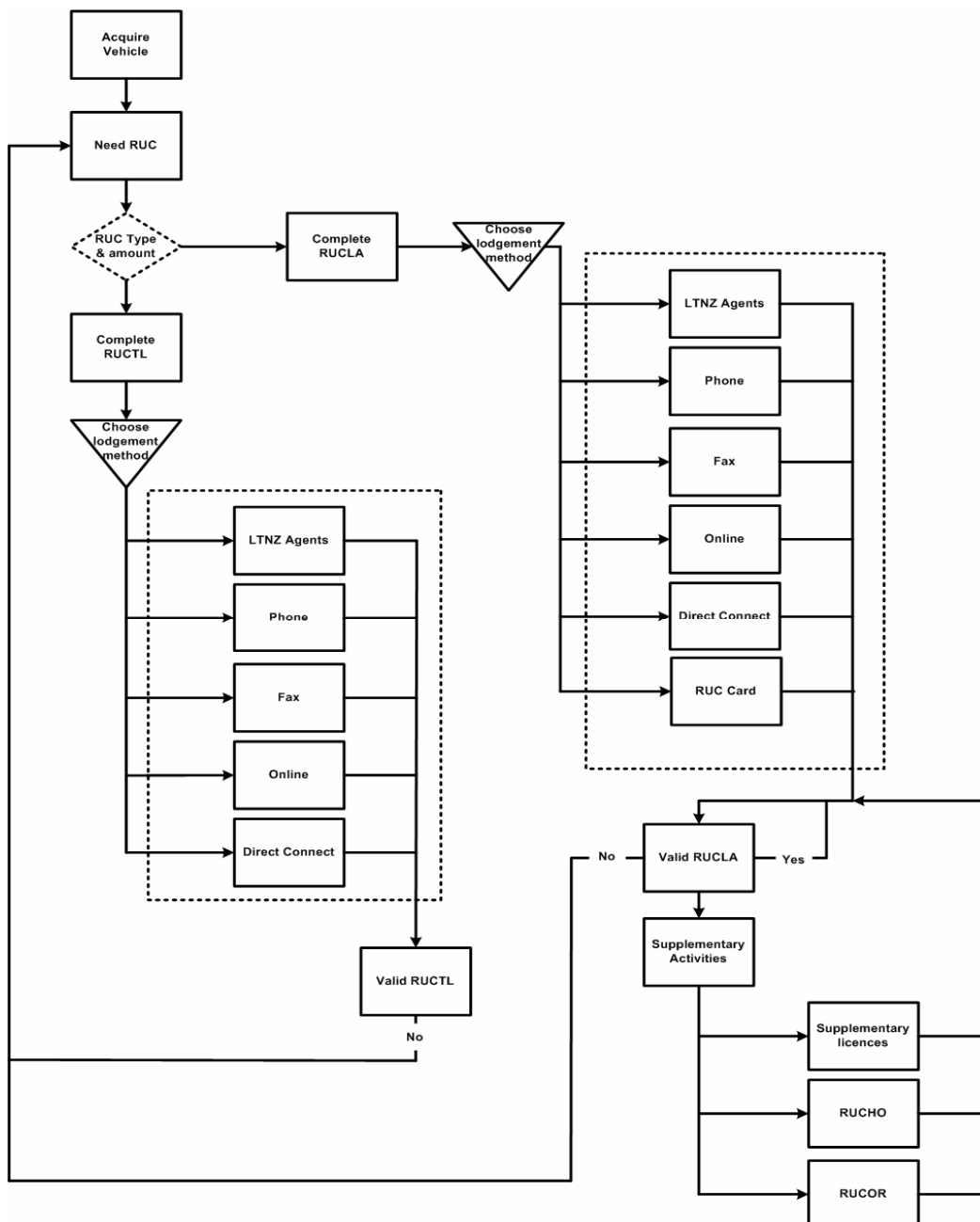




## 3.0 Application processes for Road User Charges Licences

As noted in the previous chapter, and detailed in the overview figure below (Figure 4), there are multiple channels for lodging a RUC application. This chapter details the specific processes involved in completing and lodging applications for Road User Charges licences, from a customer perspective, through each of the different channels available to customers.

**Figure 4: Overview of the RUC licence application process from an owner/operator perspective**





## Survey findings

To put these processes in context, the most common RUC-related transaction is the purchase of a Distance or Supplementary licence. For example, when queried about the number of activities they had undertaken in the past 12 months for the vehicle in question, the majority of the survey respondents (89 percent) reported that they had purchased Distance licenses for their vehicle(s).

As noted in Table 6, roughly one-in-five had replaced a Hubodometer and/or made an off-road refund (see comments below).

**Table 6: RUC related activities undertaken in last 12 months (private users and commercial operators by fleet size)**

*Q8. Thinking now about the vehicle in question, which of the following have you done in the past 12 months in relation to this vehicle?*

	Total	Private User	1 vehicle	2-5 vehicles	6-10 vehicles	11-20 vehicles	21-50 vehicles	50+ Vehicles	Don't Know
Base =	392	64	28**	78	49	65	50	55	3**
	%	%	%	%	%	%	%	%	%
Bought/renewed RUC - Distance licence	89	92	93	92	86	89	90	80	67
Bought/renewed RUC - Time licence	6	0	7	5	10	6	6	11	33
Bought supplementary RUC	13	5	4	12	12	20	20	13	0
Replaced a Hubodometer	22	9	0	26	18	29	34	27	33
Claimed a refund (off-road or otherwise)	19	8	11	13	16	22	40	24	0
None of these	3	3	4	1	4	5	2	2	0
Don't know	1	0	0	0	2	0	2	2	0

Total may exceed 100% because of multiple response.

\*\*Caution: low base number of respondents-results are indicative only.



## **3.2 Information required when completing a RUC licence application**

### **3.2.1 Completing the RUCTL (Time licence) application**

As discussed in Chapter 1, Time licences are required for vehicles which are classified as being types 70 through 91. Prior to lodging an application for a Time licence, the vehicle owner/operator needs to complete the RUCTL form (an example of which is provided overleaf).

The information requirements of the RUCTL form are relatively straight forward, and include:

- ◆ The vehicle owner's details (name or company name).
- ◆ The applicant's name, address and telephone contact details.
- ◆ The vehicle's registration plate, make and model.
- ◆ The start month for the licence.
- ◆ The number of months required (between one month minimum and 12 months maximum).
- ◆ The vehicle's gross weight (rounded up to the nearest whole tonne, e.g. if the vehicle weighs 3.2 tonnes, a 4 tonne licence will be required).
- ◆ A signature of certification that the particulars given on the application are correct.

While the section on the application regarding the amount payable is to be completed by Land Transport NZ or an authorised agency, the vehicle's owner/operator can also calculate the cost of the licence if they wish.



Please print clearly in the panels provided. IMPORTANT - Please read notes on back of form.



## Road User Charges Time Licence Application RUCTL

### Owner details

Complete in all cases

Last name/Company name

First name(s)

### Vehicle details

Complete only if continuation licence NOT required (see note 4 overleaf)

Registration plate	Vehicle make and model (see note 3 overleaf)	Start month	Licence period (No. in months)	Vehicle weight (in tonnes)	For office use only Amount \$

### Applicant details

Complete if you are NOT registered as the owner or if you are NOT an employee of the company registered as the owner

Last name/Company name

First name(s)

Address

### Owner/Applicant's signature

I certify that the particulars given are correct

Print name

Contact telephone number

Land Transport New Zealand or Authorised Agent

FOR OFFICE USE ONLY

Total payable (GST inclusive)

\$

Input

Chkd

Date Stamp

RUCTL 07/08 TRC COPY



## Survey findings

While only a few of the survey respondents reported that their most recent RUC-related transaction was to purchase/renew a Time licence (n=23 respondents), if their experiences are indicative of other Time licence purchasers, it takes relatively little time to complete the RUCTL application form (Table 7).

**Table 7: Time spent completing the application**

*Q25. Approximately, how much time did you spend filling out the RUC application - Time licence*

	Total 23 <sup>^</sup> ** %
1 minute or less	17
2-4 minutes	22
5-10 minutes	52
11-20 minutes	4
Don't know	4
<b>Total</b>	<b>100</b>

Total may not sum to 100% due to rounding.

<sup>^</sup>Sub-sample based on those respondents whose most recent RUC purchase was for a Time licence.

<sup>\*\*</sup>Caution: low base number of respondents-results are indicative only.

The majority of these respondents (61 percent) were also satisfied with the ease at which the RUCTL application form can be completed (Table 8), while more than half (57 percent) felt that it was clear on the form as to what information was required (Table 9).

**Table 8: Satisfaction with ease of completing the application form**

*Q28#A. Please tell me how satisfied you are with each of the following aspects of the lodgement process - Ease of completing the application form.*

	Total 23 <sup>^</sup> ** %
Very dissatisfied	0
Dissatisfied	0
Neither satisfied nor dissatisfied	26
Satisfied	48
Very Satisfied	13
Don't know	13
<b>Total</b>	<b>100</b>

Total may not sum to 100% due to rounding.

<sup>^</sup>Sub-sample based on those respondents whose most recent RUC purchase was for a Time licence.

<sup>\*\*</sup>Caution: low base number of respondents-results are indicative only.



**Table 9: Satisfaction with clarity of what information is required**

*Q28#B. Please tell me how satisfied you are with each of the following aspects of the lodgement process - Clear as to what information was required.*

	Base =	Total 23 <sup>^</sup> ** %
Very Dissatisfied		4
Dissatisfied		4
Neither satisfied nor dissatisfied		22
Satisfied		48
Very Satisfied		9
Don't know		13
Total		100

Total may not sum to 100% due to rounding.

<sup>^</sup>Sub-sample based on those respondents whose most recent RUC purchase was for a Time licence.

<sup>\*\*</sup>Caution: low base number of respondents-results are indicative only.



### **3.2.2 Completing RUCLA (Distance/Supplementary licence) application**

Vehicle owners who are subject to Distance RUC need to complete an application for a Distance or Supplementary licence, when:

- ◆ They purchase a continuation licence for an existing vehicle at the same weight and distance as the last licence.
- ◆ They purchase a licence for a new vehicle, or where it is the first on-road licence for the vehicle.
- ◆ They purchase a Supplementary licence to cover haulage of a greater weight than their vehicle is currently licenced for.
- ◆ The vehicle has had a change of Hubodometer, since the last licence purchased. (Further details regarding Hubodometers and the processes for completing a Road User Charges Application to Change Hubodometer (RUCHO) are provided in Section 3.1 of this report).

As with the RUCTL (Time licence) application, the information requirements for the Distance/Supplementary licence application (RUCLA) are also relatively straight forward:


- ◆ The vehicle owner's details (name or company name).
- ◆ The applicant's name, address and telephone contact details.
- ◆ The vehicle's registration plate, the licence type being purchased (i.e. D for Distance or S for Supplementary), and the vehicle's make and model.
- ◆ Whether the application is for a continuation at the same weight and distance as the last licence.
- ◆ A signature of certification that the particulars given on the application are correct.

If the licence application is not for a continuation at the same weight and distance as the last licence, the following information also needs to be provided on the application.

- ◆ The start distance (based upon the vehicle's distance recorder).
- ◆ The number of units required (in increments of 1,000 kilometres for a Distance licence or 50 kilometres for a Supplementary licence).
- ◆ The vehicle's gross weight rounded up to the nearest whole tonne (e.g. if the vehicle weighs 10.3 tonnes, an 11 tonne licence will be required).



As with the RUCTL, while the section on the RUCLA application regarding the amount payable is to be completed by an NZTA authorised agency, the vehicle's owner/operator can also calculate the cost of the licence in advance.



**Land Transport NZ**  
Heiaki Wharaiti Aotearoa

## Road User Charges Distance/Supplementary Licence Application RUCLA

**Owner details** Must be completed for all applications with a licence at the same weight and distance as your last licence. (See note 4)

**Complete in all cases** Last name/Company name: \_\_\_\_\_ First name(s): \_\_\_\_\_

**Vehicle details** **ENTER** Tick the continuation panel if you require a licence at the same weight and distance as your last licence. (See note 4) **OR** Complete ALL remaining panels if:
 

- purchasing a licence for a new vehicle or where this is the first RUC licence for a vehicle
- purchasing a supplementary licence
- the vehicle has had a change of Subdominant since last licence purchased (complete a RUC/NO form before lodging this form) or
- a continuation licence is NOT required.

Registration plate	Licence type (RUC, DVZ, (see note 3))	Vehicle make and model	Continuation licence? <input checked="" type="checkbox"/>	Start @ distance	Units required (see note 2)	Vehicle weight in metric (see note 3)	Land Transport NZ or authorised agent for office use only Amount \$

**Applicant details - Complete if you are NOT registered as the owner or if you are NOT an employee of the company registered as the owner.**

Last name/Company name: \_\_\_\_\_ First name(s): \_\_\_\_\_

Address: \_\_\_\_\_

Owner/Applicant's signature: \_\_\_\_\_

I certify that the particulars given are correct.  X

Print name: \_\_\_\_\_ Contact telephone number: (0) \_\_\_\_\_

---

**Land Transport New Zealand or authorised agent**

**FOR OFFICE USE ONLY**

Total payable (GST included) \$ \_\_\_\_\_

Input  Own

date stamp \_\_\_\_\_

RUCLA only TRC COPY





## **Survey findings**

As noted earlier, a significant number of survey respondents (n=350), had recently lodged an application (RUCLA) for a Distance/Supplementary licence.

Similar to the above findings regarding the completion of RUCTL forms, the majority of these respondents (87 percent) reported that it took fewer than ten minutes to complete the RUCLA (42 percent reported it took four or fewer minutes).

While the survey data suggests that larger commercial operators may be able to complete the forms more quickly than smaller operators or private individuals, the observed variance in Table 10 overleaf is not statistically significant.

Seventy-two percent of the survey respondents who had recently lodged a RUCLA reported being satisfied with its ease of completion (Table 11), while 78 percent were satisfied with the clarity regarding what information was required (Table 12).

Again, there were no statistically significant differences between private vehicle owners, and commercial vehicle owners of fleets of varying sizes.



**Table 10: Time spent completing RUCLA application (private users and commercial operators by fleet size)**

*Q11. Approximately, how much time did you spend filling out the RUC application*

	Total	Private User	1 vehicle	2-5 vehicles	6-10 vehicles	11-20 vehicles	21-50 vehicles	50+ Vehicles	Don't Know
Base =	350*	61	25**	73	42	57	45	45	2**
	%	%	%	%	%	%	%	%	%
1 minute	13	2	4	14	14	12	24	22	0
2-4 minutes	29	26	52	30	14	30	33	24	100
5-10 minutes	45	59	36	41	50	46	38	38	0
11-20 minutes	5	7	4	10	5	2	2	4	0
21-45 minutes	2	2	4	1	2	0	0	4	0
More than 45 minutes	1	0	0	0	0	0	0	4	0
Don't know	6	5	0	4	14	11	2	2	0
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

Total may not sum to 100% due to rounding.

\*Sub-sample based on those respondents whose most recent RUC purchase was for a Distance/Supplementary licence.

Note: Two of the respondents who were eligible to answer this question did not provide a response.

\*\*Caution: low base number of respondents-results are indicative only.



**Table 11: Satisfaction with ease of completing the RUCLA (private users and commercial operators by fleet size)**

*Q15#A. Please tell me how satisfied you are with each of the following aspects of the lodgement process - Ease of completing the application form.*

	Total	Private User	1 vehicle	2-5 vehicles	6-10 vehicles	11-20 vehicles	21-50 vehicles	50+ Vehicles	Don't Know
Base =	352*	61	25**	73	42	58	46	45	2**
	%	%	%	%	%	%	%	%	%
Very dissatisfied	2	2	4	0	2	2	4	2	0
Dissatisfied	5	8	4	7	2	2	9	2	0
Neither satisfied nor dissatisfied	17	13	16	23	19	17	11	18	0
Satisfied	50	56	48	51	40	52	52	49	50
Very satisfied	22	20	24	16	31	24	20	22	50
Don't know	3	2	4	3	2	3	4	4	0
Refused	1	0	0	0	2	0	0	2	0
Total	100	100	100	100	100	100	100	100	100

Total may not sum to 100% due to rounding.

\*Sub-sample based on those respondents whose most recent RUC purchase was for a Distance/Supplementary licence.

\*\*Caution: low base number of respondents-results are indicative only.



**Table 12: Satisfaction with clarity of information required to complete the RUCLA (private users and commercial operators by fleet size)**

*Q15#B. Please tell me how satisfied you are with each of the following aspects of the lodgement process - Clear as to what information was required.*

	Total	Private User	1 vehicle	2-5 vehicles	6-10 vehicles	11-20 vehicles	21-50 vehicles	50+ Vehicles	Don't Know
Base =	352*	61	25**	73	42	58	46	45	2**
	%	%	%	%	%	%	%	%	%
Very Dissatisfied	2	0	8	0	2	2	4	2	0
Dissatisfied	4	7	4	3	2	5	4	2	0
Neither satisfied nor dissatisfied	14	11	16	15	17	17	11	13	0
Satisfied	55	61	48	63	40	50	59	51	100
Very Satisfied	23	20	24	16	36	24	22	24	0
Don't know	2	2	0	3	0	2	0	4	0
Refused	1	0	0	0	2	0	0	2	0
Total	100	100	100	100	100	100	100	100	100

Total may not sum to 100% due to rounding.

\*Sub-sample based on those respondents whose most recent RUC purchase was for a Distance/Supplementary licence.

\*\*Caution: low base number of respondents-results are indicative only.



### 3.3 Lodgement options and processes

RUC licencees are able to purchase Time, Distance and Supplementary licences through a number of different channels including:

- ◆ Over the counter at an authorised NZ Transport agent.
- ◆ By telephone (0800 800 027) or fax (04 499 5669) with the BP Customer Service Centre (both require a direct debit facility using a RUC Card or a BP Fuelcard that is RUC enabled).
- ◆ At authorised service stations and Truckstops, such as BP Truckstops and some BP service stations (Distance and Supplementary RUC licences, but not Time licences).
- ◆ By DirectConnect with the Motor Vehicle Registry (also requires a direct debit facility).
- ◆ Online via the Land Transport NZ Transaction centre (requires payment by valid credit card or through direct debit facility via POLi<sup>9</sup>).

#### Survey findings

When queried as to how they had lodged their most recent RUC purchase, more than half of the respondents who had purchased or renewed a Distance/Supplementary licence reported they physically went to a NZ Transport agent (Table 13 overleaf). The second most frequent lodgement option reported was DirectConnect (used by 16 percent of the sub-sample).

Likely reflecting the fact the Time licences cannot be purchased online, two-thirds of the sub-sample of respondents who had recently lodged a RUCTL also reported physically going to a NZ Transport agent (Table 14 overleaf).

The following sections of the report (2.3.1 through 2.4.3) provide details of the steps and processes involved in purchasing RUC from each of the different main channels (e.g. over the counter, DirectConnect, etc.) from a customer's perspective, as well as the survey respondents' reported levels of satisfaction with various aspects of each process.

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<sup>9</sup> POLi (Pay OnLine) allows RUC purchasers to pay directly from their bank account via an existing Internet banking facility. Payment is instantly debited from the purchasers account. To use this facility operator/purchasers must be registered with their bank for Internet banking (ANZ NZ, ASB, BNZ, Kiwibank, TSB Bank or Westpac NZ only) and their Internet banking details will be required. Source: <http://www.landtransport.govt.nz/transaction-centre/payment-options.html>



**Table 13: Lodgement of most recent RUCLA (private users and commercial operators by fleet size)**

*Q12. How did you lodge the paperwork with NZTA – Distance.*

	Total	Private User	1 vehicle	2-5 vehicles	6-10 vehicles	11-20 vehicles	21-50 vehicles	50+ Vehicles	Don't Know
Base =	349*	61	25**	72	42	57	45	45	2**
	%	%	%	%	%	%	%	%	%
Physically went to a NZTA agent	55	90	76	69	52	42	20	27	100
Lodged the paperwork over the phone	7	0	0	8	14	16	9	2	0
By fax	7	0	4	3	5	9	20	9	0
Online through the NZTA website	7	3	12	4	14	7	7	4	0
Used Direct Connect	16	0	0	3	7	16	36	58	0
Used RUC card at BP service station	7	2	8	11	5	11	9	0	0
Other (Please specify)	1	5	0	0	2	0	0	0	0
Don't know	0	0	0	1	0	0	0	0	0
Total	100	100	100	100	100	100	100	100	100

Total may not sum to 100% due to rounding.

\*Sub-sample based on those respondents whose most recent transaction was for a Distance/Supplementary licence.

Note: Three of the respondents who were eligible to answer this question did not provide a response.

\*\*Caution: low base number of respondents-results are indicative only.

**Table 14: Lodgement of most recent RUCTL**

*Q26. How did you lodge the paperwork with NZTA - Time*

	Total
Base =	23**
	%
Physically went to a NZTA agent	65
By fax	9
Used Direct Connect	13
Other (Please specify)	13
Total	100

Total may not sum to 100% due to rounding.

\*Sub-sample based on those respondents whose most recent transaction was for a Time licence.

\*\*Caution: low base number of respondents-results are indicative only.



### **3.3.1 Over-the-counter at New Zealand Transport Agencies**

Regardless of the licence type, the process for lodging an application over-the-counter with an authorised New Zealand Transport Agent/Agency is the same. Authorised agencies which can process RUC licence applications include: the Automobile Association (AA), PostShops and Books & More outlets, Vehicle Inspection New Zealand (VINZ), Vehicle Testing New Zealand (VTNZ)<sup>10</sup>.

During 2007/08 a total of 1,209,303 counter transactions were completed with an authorised agent, resulting in \$482,206,660 of RUC revenue (GST inclusive) and \$11,510,512 in transaction fees (GST inclusive)<sup>11</sup>.

From a customer perspective there are between seven and nine discrete steps involved when lodging a licence application over-the-counter, including the following (see Figure 5 overleaf):

- ◆ Identifying the location of an authorised agent.
- ◆ Going to the authorised agent's place of business.
- ◆ Completing the RUCLA or RUCTL application, if this has not already been done.
- ◆ Lodging the application.
  - ◆ If the application is not correct, it may be returned by the agent to be corrected or a new application may be required to be completed.
- ◆ Receiving the RUC invoice.
- ◆ Selection of payment method (options include cash, cheque or Credit Card/EFTPOS),
- ◆ Paying the invoice.
- ◆ Receiving the RUC licence label and payment receipt.

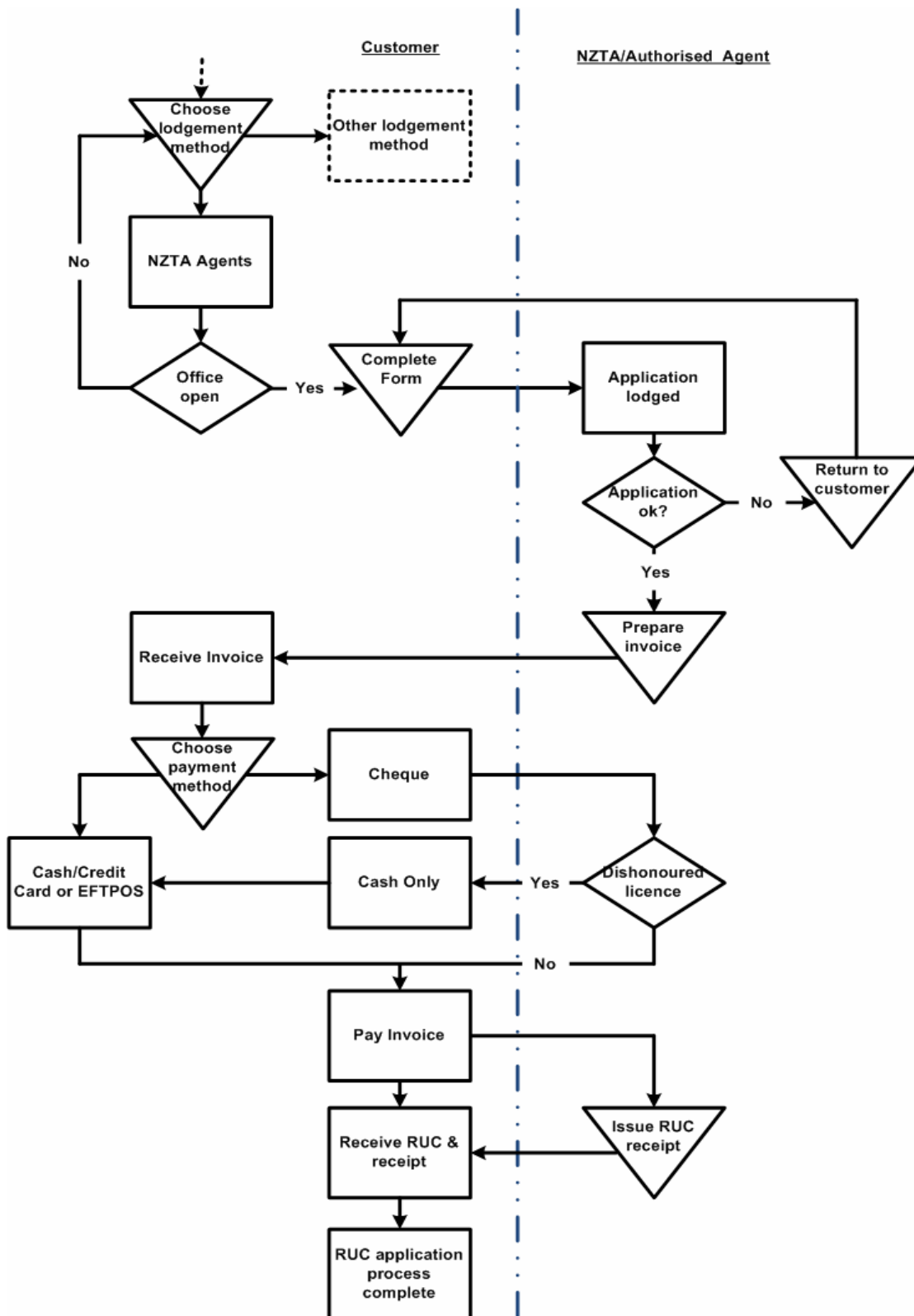
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<sup>10</sup> As a matter of course, over-the-counter lodgments for RUC licences can only be made during an agency's normal business of operations, which may vary depending upon the agent, time-of-year and its location.

<sup>11</sup> The transaction fee per over-the-counter transaction is \$9.56 inclusive GST.



**Figure 5: Overview of the over-the-counter application lodgement process from an owner/operator perspective**







## Survey findings

As noted in the previous section, the majority of the survey respondents reported that they physically lodged their most recent Distance/Supplementary/Time<sup>12</sup> licence purchases with a NZ Transport agent.

As noted in Table 15 below, more than half of the respondents who had recently purchased RUC licences at a NZ Transport agent did so at a PostShop or Books and More outlet (57 percent), while one-quarter (26 percent) went to a VTNZ.

**Table 15: NZTA Agent used (private users and commercial operators by fleet size)**

*Q12a. Which of the following agents did you go to?*

Base =	Total 203* %	Private vehicle 54 %	1 to 5 Vehicles 72 %	6 to 20 vehicles 51 %	20+ vehicles 24** %	Don't know 2** %
Automobile Association (AA)	5	6	3	10	4	0
PostShops and Books and More outlets	57	65	63	53	29	100
On Road New Zealand	1	0	1	2	0	0
Vehicle Inspection New Zealand	4	2	3	6	8	0
Vehicle Testing New Zealand	26	20	25	25	42	0
Other agency	5	6	4	2	17	0
Don't know	1	2	1	2	0	0
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

Total may not sum to 100% due to rounding.

\*Sub-sample based on those respondents who recently purchased a Distance/Supplementary/Time licence at a NZTA agent.

\*\*Caution: low base number of respondents-results are indicative only.

For many of the respondents whose most recent RUC purchase was conducted over the counter with an NZ Transport agent (25 percent), the entire process took fewer than ten minutes (including travel time and waiting in queue), however, more than half reported that the entire process took longer than 20 minutes (Table 16).

In relation to the quality of the service received, more than three-quarters of the sub-sample (78 percent) reported being satisfied or very satisfied (Table 17). Similarly, seventy-two percent reported being satisfied or very satisfied with the ease of getting to the NZ Transport agent's physical location (Table 18).

There were no significant differences in relation to these findings when viewed by private vehicle owner, or among commercial operators with varying fleet sizes.

<sup>12</sup> Due to the relatively small sub-sample of Time licence purchasers, when viewed by lodgement option, for the remainder of the report their results have been combined with the respondents whose most recent RUC purchase was for a Distance/Supplementary licence.



**Table 16: Time spent lodging RUCLA/RUCTL paperwork (private users and commercial operators by fleet size)**

*Q13. How much time did it take you to lodge the paperwork? (Please include any travel time, waiting time or queuing time)*

	Total	Private vehicle	1 to 5 Vehicles	6 to 20 vehicles	20+ vehicles	Don't know
Base =	203*	54	72	51	24**	2**
	%	%	%	%	%	%
1 minute or less	1	0	1	2	0	0
2-4 minutes	1	4	0	2	0	0
5-10 minutes	23	22	26	16	25	50
11-20 minutes	22	28	15	27	17	0
21-45 minutes	41	35	46	41	42	0
More than 45 minutes	12	9	11	12	17	50
Don't know	0	2	0	0	0	0
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

Total may not sum to 100% due to rounding.

\*Sub-sample based on those respondents who recently purchased a Distance/Supplementary/Time licence at a NZTA agent.

\*\*Caution: low base number of respondents-results are indicative only.

**Table 17: Satisfaction with quality of service (private users and commercial operators by fleet size)**

*Q15#C. Please tell me how satisfied you are with each of the following aspects of the lodgement process - Quality of service.*

	Total	Private vehicle	1 to 5 Vehicles	6 to 20 vehicles	20+ vehicles	Don't know
Base =	198*	51	71	51	24**	1**
	%	%	%	%	%	%
Very Dissatisfied	1	0	0	0	4	0
Dissatisfied	4	8	4	2	0	0
Neither satisfied nor dissatisfied	17	12	14	27	17	0
Satisfied	47	51	52	37	46	0
Very Satisfied	31	29	30	33	33	100
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

Total may not sum to 100% due to rounding.

\*Sub-sample based on those respondents who recently purchased a Distance/Supplementary/Time licence at a NZTA agent.

\*\*Caution: low base number of respondents-results are indicative only.



**Table 18: Satisfaction with ease of location (private users and commercial operators by fleet size)**

*Q15#D. Please tell me how satisfied you are with each of the following aspects of the lodgement process - Ease of getting to the physical location.*

	Total	Private vehicle	1 to 5 Vehicles	6 to 20 vehicles	20+ vehicles	Don't know
Base =	198*	51	71	51	24**	1**
	%	%	%	%	%	%
Very Dissatisfied	3	0	3	6	0	0
Dissatisfied	8	4	8	6	17	0
Neither satisfied nor dissatisfied	17	12	17	12	42	0
Satisfied	49	61	52	47	25	0
Very Satisfied	23	24	20	29	17	100
Total	100	100	100	100	100	100

Total may not sum to 100% due to rounding.

\*Sub-sample based on those respondents who recently purchased a Distance/Supplementary/Time licence at a NZTA agent.

\*\*Caution: low base number of respondents-results are indicative only.

Roughly two-thirds (67 percent) of the respondents who had recently made a RUC purchase with a NZ Transport agent, reported being satisfied or very satisfied with the process of lodging the application and paying for their purchase (Table 19).

**Table 19: Satisfaction with process of last purchase (private users and commercial operators by fleet size)**

*Q22. How satisfied were you with the process of lodging and paying for this last purchase of RUC*

	Total	Private vehicle	1 to 5 Vehicles	6 to 20 vehicles	20+ vehicles	Don't know
Base =	203*	54	72	51	24**	2**
	%	%	%	%	%	%
Very dissatisfied	2	0	1	6	0	0
Dissatisfied	10	9	11	10	4	50
Neither satisfied nor dissatisfied	21	19	19	22	33	0
Satisfied	54	59	58	47	46	0
Very satisfied	13	13	10	16	17	50
Total	100	100	100	100	100	100

Total may not sum to 100% due to rounding.

\*Sub-sample based on those respondents who recently purchased a Distance/Supplementary/Time licence at a NZTA agent.

\*\*Caution: low base number of respondents-results are indicative only.

However, when queried regarding their satisfaction with the process of purchasing RUC in general, fewer respondents (50 percent) reported being satisfied or very satisfied, while one-in-five were dissatisfied to some degree (Table 20).



**Table 20: Satisfaction with process of last purchase (private users and commercial operators by fleet size)**

*Q23. How satisfied would you say you were the process of purchasing RUC in general?*

	Total	Private vehicle	1 to 5 Vehicles	6 to 20 vehicles	20+ vehicles	Don't know
Base =	203*	54	72	51	24**	2**
	%	%	%	%	%	%
Very dissatisfied	7	4	7	12	8	0
Dissatisfied	13	7	14	14	25	0
Neither satisfied nor dissatisfied	29	30	33	24	21	50
Satisfied	42	48	40	45	33	0
Very satisfied	8	11	6	6	13	50
Total	100	100	100	100	100	100

Total may not sum to 100% due to rounding.

\*Sub-sample based on those respondents who recently purchased a Distance/Supplementary/Time licence at a NZTA agent.

\*\*Caution: low base number of respondents-results are indicative only.

When queried about what they thought could be done to improve the RUC purchasing process, the sub-sample of respondents who had most recently purchased RUC via an NZ Transport agent were mixed in their opinions (Table 21).

While 15 percent of the sub-sample felt that paying at the pump would be a better option, and 13 percent mentioned doing the process online, 25 percent felt that nothing needed to be done or could be done to improve the process, and a similar proportion (23 percent) did not know what could be done. When viewed by private vehicle owner compared to commercial owner of fleets of varying sizes, there were no statistically significant differences in relation to any of these findings.



**Table 21: Recommendations to improve the RUC purchasing process (private users and commercial operators by fleet size)**

*Q24. What do you think could be done to improve the RUC purchasing process?*

	<b>Total</b>	<b>Private vehicle</b>	<b>1 to 5 Vehicles</b>	<b>6 to 20 vehicles</b>	<b>20+ vehicles</b>	<b>Don't know</b>
<b>Base =</b>	<b>191*</b>	<b>52</b>	<b>68</b>	<b>48</b>	<b>21**</b>	<b>2**</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
Pay at pump	15	10	19	13	19	0
Do online	13	10	15	10	24	0
Scrap RUC completely	9	8	13	10	0	0
Pay by credit card/Purchase larger amounts by credit card	6	4	6	4	14	0
Exempt light vehicles	4	4	9	0	0	0
Better trained staff and/or 24-7 call centre	4	2	3	6	5	0
Simplify process/get rid of simplify forms	3	4	3	4	0	0
Improve time it takes to receive labels/print labels online	3	0	1	2	14	0
More working BP outlets/use RUC card with other vendors	3	2	6	2	0	0
Reduce costs/eliminate admin fees	3	4	3	0	0	50
Pay after the fact for actual use at COF/WOF	2	2	3	2	0	0
Make Direct Connect more readily available and 24-7	2	0	0	2	14	0
Scrap Hubodometers	2	0	4	0	0	0
Easier/quicker refunds	1	0	0	2	0	0
Better service from staff	1	2	0	0	0	0
Flexibility in amounts purchased	1	0	1	2	0	0
Nothing/no changes required	25	38	18	23	14	50
Don't know	23	21	21	33	10	0

Total may exceed 100% because of multiple response.

\*Sub-sample based on those respondents who recently purchased a Distance/Supplementary/Time licence at a NZTA agent.

Note: Some respondents did not provide any answers to this question, hence the reduced base size.

\*\*Caution: low base number of respondents-results are indicative only.



### 3.3.2 By DirectConnect to the Motor Vehicle Register

If an operator or customer makes a minimum of 40 licence purchases per month, they can qualify to use the DirectConnect to the Motor Vehicle Register option to purchase their RUC (via a VPN connection to the Internet used by the NZ Transport Agency for LANDATA). Applications can be requested from the Land Transport NZ office in Palmerston North by phone (06 953 6200) or fax (06 953 6409).

The application process entails completing:

- ◆ Two copies of the DirectConnect Contract (see Appendix B of this report for a copy of the standard contract). Specifically applicants are required to:
  - ◆ Complete pages one and two, sign the first page and initial the bottom of each page of both copies of the contract.
  - ◆ Complete *Appendix B* to the contract, providing details about the computer that will be used to connect to LANDATA (CPU, RAM and free disk space)<sup>13</sup>, the type of modem and printer that will be used (printers cost approximately \$2,000 inclusive GST and need to be sourced from ZEBRA, Models S-400, 500, 600 or S4M-22 or Sato, Model CL4083), and the name of their Internet Service Provider.
- ◆ An Application for VPN Connection to LANDATA – required information includes the applicant's details (agent name, trading name, contact details etc.) and information about the applicant's Internet Service Provider Account Details (user name, ISP company, email address and telephone number connected to the computer).
- ◆ A Direct Debit Authorisation form (see Appendix B for a copy).
- ◆ The Land Transport NZ Credit Application Form (see Appendix D for a copy).

When all of the documents have been received and processed, a NZ Transport Agent will contact the company to assist in setting up the company as a DirectConnect customer, with training in using the system being provided in the form of a self-training manual. As detailed in Figure 6 overleaf, once the DirectConnect setup process is complete, the operator is able to purchase RUC directly through LANDATA and print their own RUC labels. Their bank account is direct debited for the licences' costs, plus a GST inclusive fee of \$3.38 per transaction.

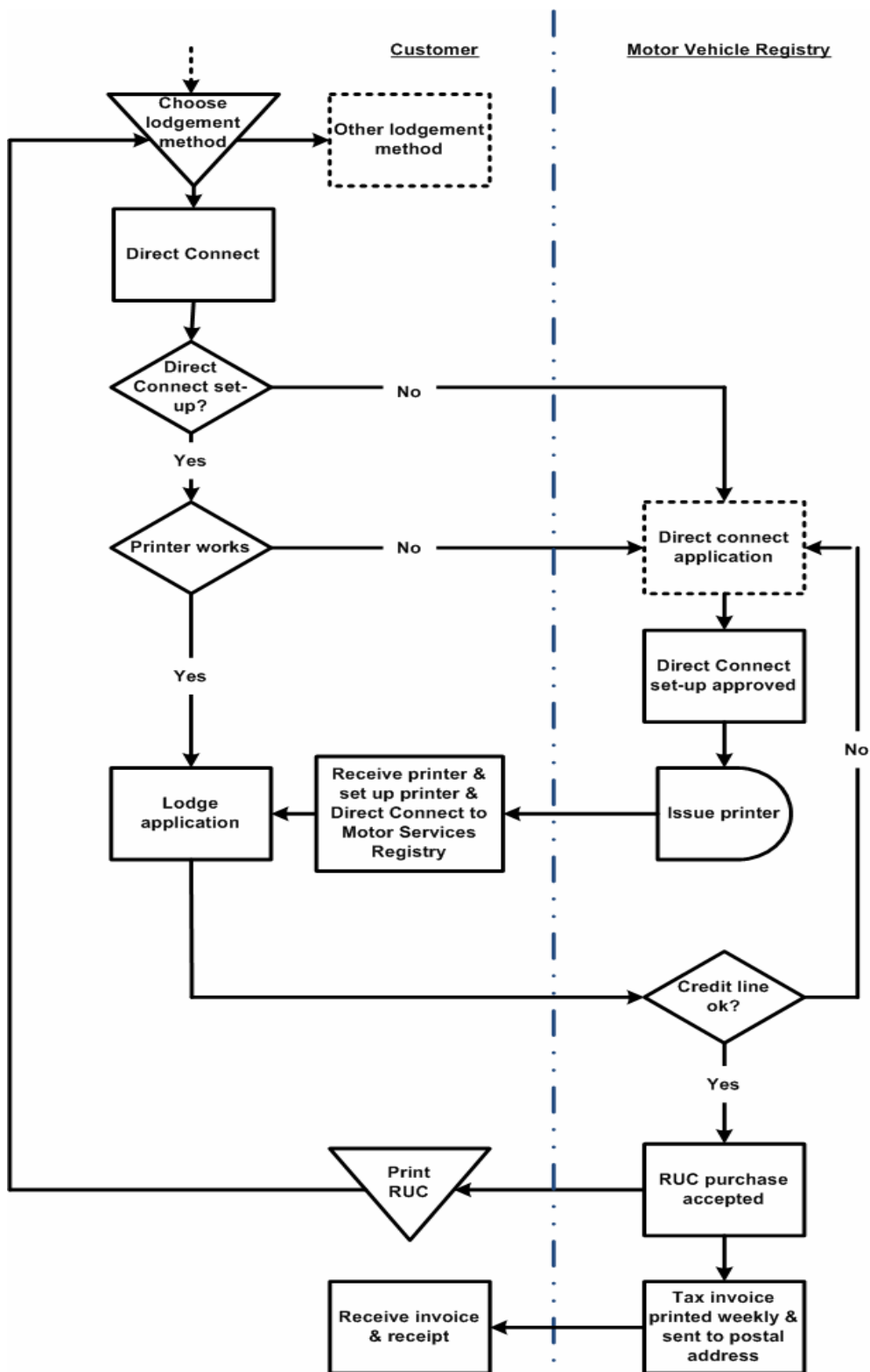
During 2007/08 a total of 548,302 transactions were completed through the DirectConnect option, resulting in \$377,131,188 of RUC revenue (GST inclusive) and \$1,850,519 in transaction fees (GST inclusive).

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<sup>13</sup> The approved software for the VPN connection is Cisco VPN – TN3270 INFOConnect. Computer operating system must be either Windows 2000 Professional or Windows XP Professional.



Figure 6: Overview of the DirectConnect lodgement process from an owner/operator perspective





## Survey results

Fifty-eight of the respondents who had recently purchased RUC reported doing so by using DirectConnect to the Motor Vehicle Registry. When queried as to how long it took to lodge the paperwork during their most recent purchase, roughly four-in-ten (38 percent) of the sub-sample said it took fewer than five minutes, and the majority (66 percent) said it took ten minutes or less (Table 22).

**Table 22: Time spent lodging paperwork by fleet size**

*Q13. How much time did it take you to lodge the paperwork? (Please include any travel time, waiting time or queuing time)*

	Total	1 to 5 Vehicles	6 to 20 vehicles	20+ vehicles	Don't know
Base =	58*	2**	12**	43	1**
	%	%	%	%	%
1 minute or less	19	0	17	21	0
2-4 minutes	19	0	17	21	0
5-10 minutes	28	50	17	28	100
11-20 minutes	3	0	8	2	0
21-45 minutes	2	0	0	2	0
More than 45 minutes	2	0	0	2	0
Don't know	28	50	42	23	0
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

Total may not sum to 100% due to rounding.

\*Sub-sample based on those respondents whose most recent RUC purchase was made through DirectConnect.

Note: One respondent did not provide an answer to this particular question.

\*\*Caution: low base number of respondents-results are indicative only.

When queried regarding their satisfaction with the ease of completing the application via DirectConnect, 62 percent of the sub-sample reported being satisfied or very satisfied, while eight percent expressed some degree of dissatisfaction (Table 23).

**Table 23: Satisfaction with ease of completing application form by fleet size**

*Q15#A. Please tell me how satisfied you are with each of the following aspects of the lodgement process - Ease of completing the application form.*

	Total	1 to 5 Vehicles	6 to 20 vehicles	20+ vehicles	Don't know
Base =	59*	2**	12**	44	1**
	%	%	%	%	%
Very dissatisfied	3	0	8	2	0
Dissatisfied	5	0	8	5	0
Neither satisfied nor dissatisfied	19	50	25	16	0
Satisfied	47	50	33	50	100
Very satisfied	15	0	8	18	0
Don't know	7	0	8	7	0
Refused	3	0	8	2	0
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

Total may not sum to 100% due to rounding.

\*Sub-sample based on those respondents whose most recent RUC purchase was made through DirectConnect.

\*\*Caution: low base number of respondents-results are indicative only.





Seventy percent of the sub-sample of DirectConnect users were satisfied or very satisfied that it was clear as to what information was required, while eight percent expressed some degree of dissatisfaction.

**Table 24: Satisfaction with clarity of information required by fleet size**

*Q15#B. Please tell me how satisfied you are with each of the following aspects of the lodgement process - Clear as to what information was required.*

	Total	1 to 5 Vehicles	6 to 20 vehicles	20+ vehicles	Don't know
Base =	59*	2**	12**	44	1**
	%	%	%	%	%
Very Dissatisfied	3	0	8	2	0
Dissatisfied	5	0	8	5	0
Neither satisfied nor dissatisfied	15	50	25	11	0
Satisfied	51	50	42	52	100
Very Satisfied	19	0	8	23	0
Don't know	3	0	0	5	0
Refused	3	0	8	2	0
Total	100	100	100	100	100

Total may not sum to 100% due to rounding.

\*Sub-sample based on those respondents whose most recent RUC purchase was made through DirectConnect.

\*\*Caution: low base number of respondents-results are indicative only.

**Table 25: Satisfaction with most recent purchase process by fleet size**

*Q22. How satisfied were you with the process of lodging and paying for this last purchase of RUC*

	Total	1 to 5 Vehicles	6 to 20 vehicles	20+ vehicles	Don't know
Base =	59*	2**	12**	44	1**
	%	%	%	%	%
Very dissatisfied	8	0	8	9	0
Dissatisfied	8	0	8	9	0
Neither satisfied nor dissatisfied	7	0	8	7	0
Satisfied	34	50	33	32	100
Very satisfied	42	50	42	43	0
Total	100	100	100	100	100

Total may not sum to 100% due to rounding.

\*Sub-sample based on those respondents whose most recent RUC purchase was made through DirectConnect.

\*\*Caution: low base number of respondents-results are indicative only.



When queried if they had experienced any problems with DirectConnect, 13 of the 59 DirectConnect users who participated in the survey provided the following comments, which primarily related to issues with the technology:

*Unavailable during weekends.*

*To be able to view all past licence history would have an advantage.*

*The link drops out whilst in session which causes re-connection issues. Unable at times to enter the DirectConnect system when I need to purchase RUCs during a weekend (other than times the site states for maintenance). This can cause us to park a vehicle up until RUCs can be purchased.*

*Slow/cumbersome/illogical re supplementaries.*

*Problems connecting. Long time to process. Often does not process before logging off. Has taken over four hours to process before.*

*Often off-line, service issues. Poorly set up, using ancient operating systems. Very hard to access. Printer is very expensive and temperamental.*

*Not user friendly, difficult to train new users.*

*Not user friendly - no search facility - not MS capable.*

*Need to see Registration / label history on screen.*

*Firstly, connecting to the site can take forever, and secondly, there is no way back if you purchase incorrectly or make a mistake.*

*Cumbersome to use because of the old technology used. It could be more user friendly. System appears to have been designed by "bureaucrats" and never been updated.*

*About once per week I get message disconnected from host.*

*We have had difficulty with support when trying to install DirectConnect into our offices.*

As noted above, three-quarters of the sub-sample of DirectConnect users reported being satisfied or very satisfied with their most recent purchase process. When asked about their satisfaction with the process of purchasing RUC in general, a similar proportion (66 percent) reported being satisfied or very satisfied (Table 26).

In relation to what DirectConnect users would like to see done to improve the process, one-third (36 percent) felt that no changes were required, while 16 percent did not know what could be done. Sixteen percent, however, felt that RUC should be paid at the pump (Table 27).



**Table 26: Satisfaction with purchasing RUC in general by fleet size**

*Q23. How satisfied would you say you were the process of purchasing RUC in general?*

	Total	1 to 5 Vehicles	6 to 20 vehicles	20+ vehicles	Don't know
Base =	59*	2**	12**	44	1**
	%	%	%	%	%
Very dissatisfied	12	0	17	11	0
Dissatisfied	12	0	17	11	0
Neither satisfied nor dissatisfied	10	0	17	9	0
Satisfied	39	50	25	41	100
Very satisfied	27	50	25	27	0
Total	100	100	100	100	100

Total may not sum to 100% due to rounding.

\*Sub-sample based on those respondents whose most recent RUC purchase was made through DirectConnect.

\*\*Caution: low base number of respondents-results are indicative only.

**Table 27: Recommendations for improvement to processes by fleet size**

*Q24. What do you think could be done to improve the RUC purchasing process?*

	Total	1 to 5 Vehicles	6 to 20 vehicles	20+ vehicles	Don't know
Base =	55*	2**	11**	41	1**
	%	%	%	%	%
Pay at pump	16	0	36	12	0
Scrap RUC completely	7	0	9	7	0
Reduce costs/eliminate admin fees	7	0	0	10	0
Make Direct Connect more readily available and 24-7	5	0	0	7	0
Do online	4	0	0	5	0
Simplify process/get rid of simplify forms	4	0	9	2	0
Easier/quicker refunds	4	0	0	5	0
Better trained staff and/or 24-7 call centre	4	50	9	0	0
Pay after the fact for actual use at COF/WOF	4	0	0	5	0
Scrap Hubodometers	4	0	9	2	0
Pay by credit card/Purchase larger amounts by credit card	2	0	0	2	0
Improve time it takes to receive labels/print labels online	2	0	9	0	0
More working BP outlets/use RUC card with other vendors	2	50	0	0	0
Flexibility in amounts purchased	2	0	0	2	0
Better service from staff	0	0	0	0	0
Exempt light vehicles	0	0	0	0	0
Nothing/no changes required	36	50	18	39	100
Don't know	16	0	27	15	0

Total may exceed 100% because of multiple response.

\*Sub-sample based on those respondents whose most recent RUC purchase was made through DirectConnect.

\*\*Caution: low base number of respondents-results are indicative only.



### 3.3.3 Purchasing RUC online

Recently, the option of Purchasing Distance RUC licences online (via the Internet) has been introduced. The online purchasing option is available to both commercial and private drivers who are subject to RUC.

To complete a RUC purchase online (Figure 7), the owner/operator needs to enter the following information via the Land Transport NZ Transaction centre website at <http://transact.landtransport.govt.nz/>.

- ◆ A valid New Zealand **driver licence** number, including licence version, the licencee's family name and date of birth.
- ◆ The vehicle's **plate number** and its gross weight in tonnes.
- ◆ The amount of RUC to be purchased (maximum of \$400 inclusive GST per purchase).

Payment is made online and customers can choose to provide a valid credit card (MasterCard, Visa, Diners or American Express), or their Internet banking details, using POLi™ (Pay OnLine).

POLi™ was introduced to New Zealand by Unisys and Centricom. The online payment service provides RUC customers with the ability to complete authenticated transactions over the Internet using their regular Internet banking facilities to transfer funds directly to the NZ Transport Agency<sup>14</sup>.

POLi™ is only available through normal consumer Internet banking (i.e. it is not available to business Internet banking customers). If a customer who only has business Internet banking wishes to use the online option, they must pay with one of the approved credit cards noted above.

To use the POLi™ payment option, the customer needs to have Microsoft Internet Explorer (v.6.0 or higher) installed on their computer, a modem and be registered with one of the main banks (ANZ NZ, ASB, BNZ, Kiwibank, TSB Bank or Westpac NZ) for Internet banking. They also need to be willing to provide POLi™ with their Internet banking details.

The first time a customer uses POLi™, they will be asked to install the Centricom POLi™ ActiveX control application (the transaction cannot proceed without installing the application).

Once the ActiveX installation is complete, the customer's bank's Internet banking log-in page will appear in a new browser window. A POLi™ help facility will appear in a separate window below the Internet banking window to guide the customer through the rest of the POLi™ transaction.

The customer then logs-into their Internet bank as normal by entering their user id and password. As part of the secure, authenticated transaction function the customer's Internet banking log-in details are not captured or stored by POLi™.

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<sup>14</sup> Source: Centricom – *POLi Frequently Asked Questions*. <https://www.centricom.com/faq/nz/>



Once logged-on to their Internet banking system, POLi™ will automatically navigate to the “Pay Anyone” screen and automatically fill in the payment amount (up to \$400 inclusive GST<sup>15</sup>), the NZTA payment account details and an NZTA reference number<sup>16</sup>.

If the customer has more than one account at their bank, they will need to select which account they wish to make the payment from, and they are also able to enter their own “transaction narrative” which will appear on their bank statement.

Once the customer confirms the payment, the bank’s internal systems take over and check any limits that might apply; if sufficient funds are available the transaction is approved.

Upon completion of the POLi™ payment, the Internet banking window closes automatically and the customer is returned to the Land Transport NZ site, where a receipt page is displayed containing the amount paid, the date and time stamp, an Internet banking receipt and the merchant receipt that the customer can print should they wish.

Unlike the over-the-counter or DirectConnect purchase options which produce a valid RUC label on the spot, POLi™ customers’ RUC labels are sent by post, and can take as many as five working days to arrive.

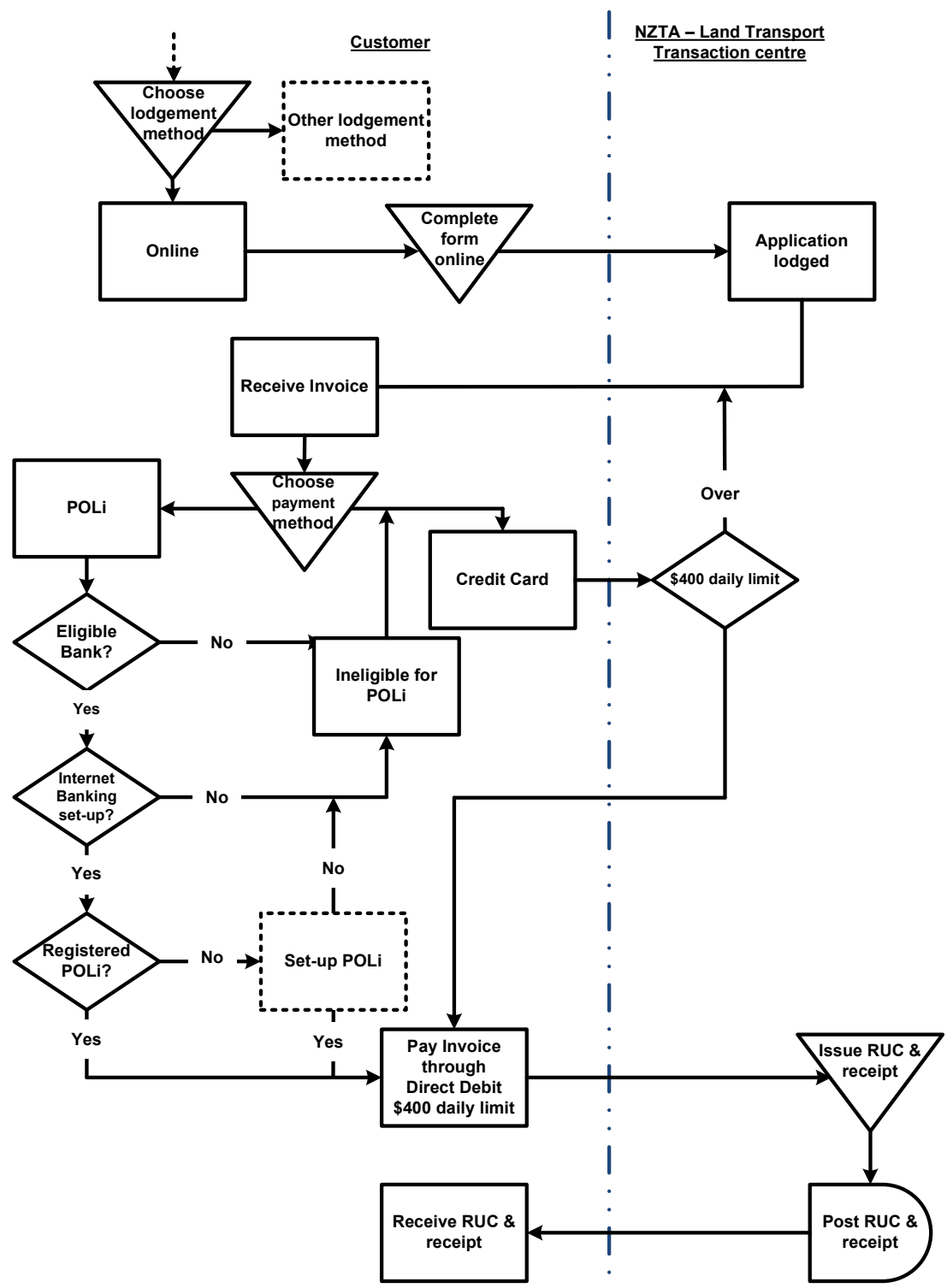
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<sup>15</sup> Credit card transactions are currently limited to \$400 (inclusive GST) per transaction when purchasing RUC, due to the current levels of commission charged by the credit card companies. The current transaction fee of \$9.56 for online transactions would not recover LTNZ’s administrative costs on larger credit card purchases.

<sup>16</sup> POLi™ will not allow the customer to change any of the details that are automatically loaded into the Pay Anyone screen.

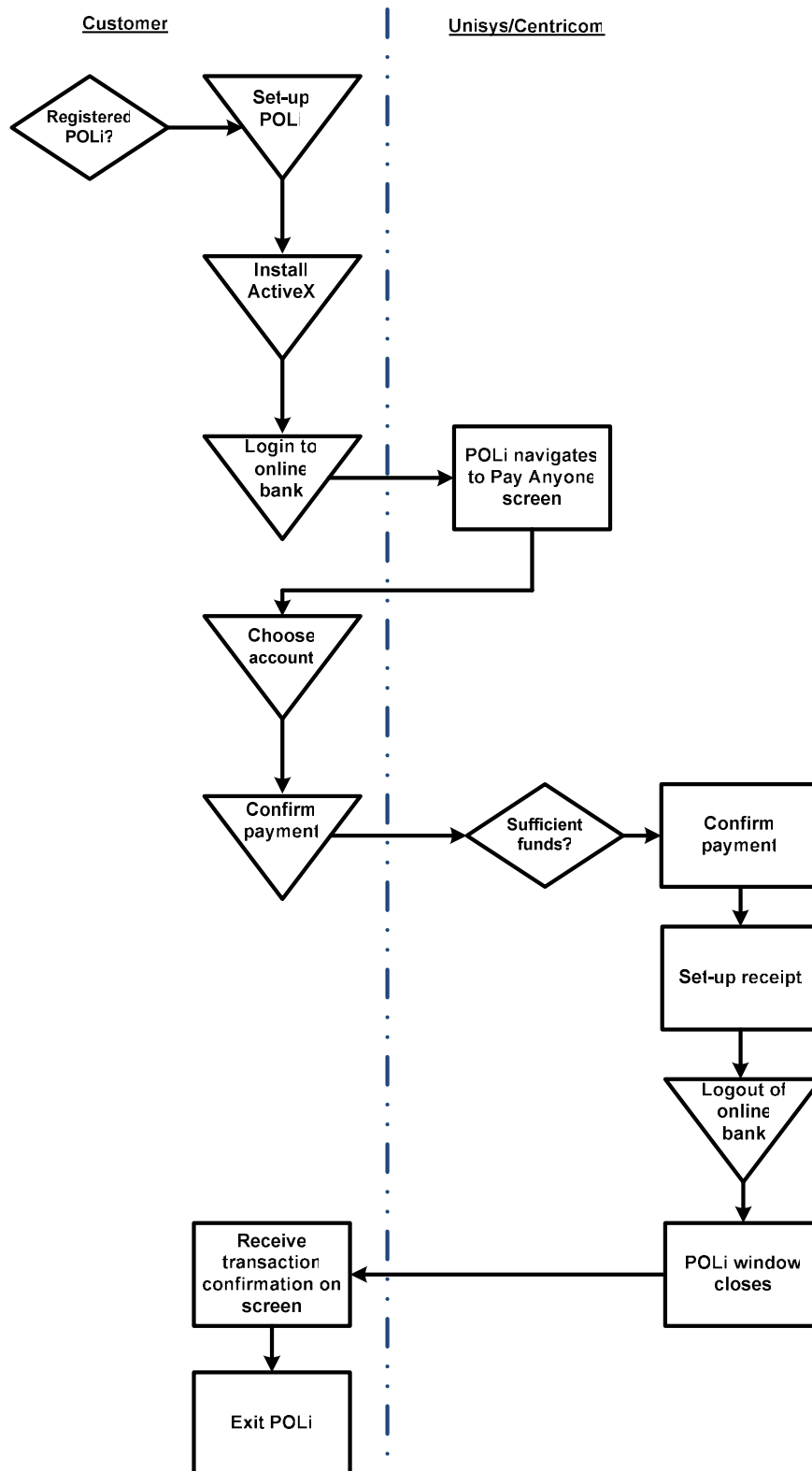


**Figure 7: Overview of the online lodgement process from an owner/operator perspective**





**Figure 8: Details of POLi™ payment process from an owner/operator perspective**





## Survey findings

While the sub-sample of respondents whose most recent purchase of RUC (Distance or Supplementary licences) was online is too small from which to draw a statistically robust conclusion, the indicative results detailed in the following tables suggest that, for the most part, users of the online system find it quick and relatively easy to use (Table 28 through Table 30).

The results also suggest that online users are more likely to be satisfied with the process for purchasing RUC via the Internet, than not (Table 31).

In relation to recommendations for improving the process, the most frequently mentioned improvement was being able to purchase a greater amount of RUC per transaction than \$400<sup>17</sup>.

**Table 28: Time spent lodging application**

*Q13. How much time did it take you to lodge the paperwork? (Please include any travel time, waiting time or queuing time)?*

	Total
Base =	23 <sup>^</sup> **
	%
1 minute or less	13
2-4 minutes	17
5-10 minutes	61
11-20 minutes	4
Don't know	4
Total	100

Total may not sum to 100% due to rounding.

<sup>^</sup>Sub-sample based on those respondents whose most recent RUC purchase was made online.

\*\*Caution: low base number of respondents-results are indicative only.

**Table 29: Satisfaction with ease of completing application online**

*Q15#A. Please tell me how satisfied you are with each of the following aspects of the lodgement process - Ease of completing the application form.*

	Total
Base =	23 <sup>^</sup> **
	%
Dissatisfied	9
Neither satisfied nor dissatisfied	9
Satisfied	43
Very satisfied	35
Don't know	4
Total	100

Total may not sum to 100% due to rounding.

<sup>^</sup>Sub-sample based on those respondents whose most recent RUC purchase was made online.

\*\*Caution: low base number of respondents-results are indicative only.

<sup>17</sup> While there are currently limits to the amount that can be purchased online due to the current levels of commission charged by the credit card companies, one option noted by some respondents (as well as the writers of this report) was to reorder the process slightly so that online purchasers nominate the payment option before entering the amount to be purchased (most personal Internet banking facilities allow for larger transactions than \$400).





**Table 30: Satisfaction with clarity of what information is required**

*Q15#B. Please tell me how satisfied you are with each of the following aspects of the lodgement process - Clear as to what information was required.*

	Total
Base =	23 <sup>^</sup> **
	%
Neither satisfied nor dissatisfied	9
Satisfied	52
Very Satisfied	39
<b>Total</b>	<b>100</b>

Total may not sum to 100% due to rounding.

<sup>^</sup>Sub-sample based on those respondents whose most recent RUC purchase was made online.

\*\*Caution: low base number of respondents-results are indicative only.

**Table 31: Satisfaction with process of lodging and paying for last RUC purchase**

*Q22. How satisfied were you with the process of lodging and paying for this last purchase of RUC?*

	Total
Base =	23 <sup>^</sup> **
	%
Very dissatisfied	4
Dissatisfied	17
Neither satisfied nor dissatisfied	4
Satisfied	48
Very satisfied	26
<b>Total</b>	<b>100</b>

Total may not sum to 100% due to rounding.

<sup>^</sup>Sub-sample based on those respondents whose most recent RUC purchase was made online.

\*\*Caution: low base number of respondents-results are indicative only.

**Table 32: Satisfaction with process of purchasing RUC in general**

*Q23. How satisfied would you say you were the process of purchasing RUC in general?*

	Total
Base =	23 <sup>^</sup> **
	%
Very dissatisfied	9
Dissatisfied	17
Satisfied	57
Very satisfied	17
<b>Total</b>	<b>100</b>

Total may not sum to 100% due to rounding.

<sup>^</sup>Sub-sample based on those respondents whose most recent RUC purchase was made online.

\*\*Caution: low base number of respondents-results are indicative only.



**Table 33: Recommendations for improving RUC purchasing processes**

*Q24. What do you think could be done to improve the RUC purchasing process?*

	Base =	Total 23 <sup>^</sup> ** %
Pay by credit card/Purchase larger amounts by credit card		17
Do more online		13
Simplify process/get rid of simplify forms		13
Flexibility in amounts purchased		9
Pay at pump		4
Exempt light vehicles		4
Better trained staff and/or 24-7 call centre		4
Reduce costs/eliminate admin fees		4
Make Direct Connect more readily available and 24-7		4
Nothing/no changes required		26
Don't know		13

Total may exceed 100% because of multiple response.

<sup>^</sup>Sub-sample based on those respondents whose most recent RUC purchase was made online.

<sup>\*\*</sup>Caution: low base number of respondents-results are indicative only.



## 3.4 RUC Cards

Commercial vehicle owners/operators can also purchase RUC licences (Distance, Time and Supplementary) by telephone (0800 800 027) or fax through the BP Customer Service Centre. Purchases can be made Monday through Friday between 7:00 a.m. and 7:00 p.m. (excluding legal holidays).

Distance and Supplementary licences, but not Time licences, can also be purchased through automated kiosks at all BP Truckstops and at selected BP service stations with a RUC Card or RUC enabled BP Fuelcard.

### 3.4.1 Applying for a RUC Card or RUC enabled BP Fuelcard

In order for commercial operators to purchase RUC through the BP Customer Service Centre or at an automated kiosk at a BP Truckstop or selected BP service stations, it is necessary to have a RUC Card (or RUC enabled BP Fuelcard) from BP New Zealand. However, prior to applying for a RUC Card, commercial operators must first have a Land Transport Customer number.

Land Transport Customer numbers and Land Transport NZ Cards are issued to recognised organisations to use as identification for Motor Vehicle Registration purposes. Eligible organisations include limited liability companies and transport companies that are limited liability companies. Sole traders, family trusts, partnerships, Friendly Societies and trusts that are not incorporated are ineligible for Land Transport NZ Cards.

Land Transport NZ Cards show the customer's name and Land Transport Customer number. If the Land Transport NZ Card is used as identification for Motor Vehicle Registration purposes, all of the operator's vehicles will be linked under the one identifier.

To acquire a Land Transport Customer number, eligible commercial vehicle operators must complete form MR36 *Application for Land Transport NZ card* (see example overleaf) and apply by fax (06 953 6267) or mail to the Transport Registry Centre in Palmerston North.

Applicants must provide the following information on the MR36 application form:

- ◆ Customer type (e.g. limited liability company).
- ◆ Customer name and details, including trading name and Ministry of Economic Development (MED) company number if applicable, the nature of the business, contact name and position in the company, the businesses Transport Service Licence number (if applicable<sup>18</sup>).
- ◆ The business' address details.

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<sup>18</sup> Transport Service Licences are issued to operators of Goods, Passenger, Vehicle Recover and Rental Vehicle Services.



- ◆ The applicant's signature certifying that the particulars given on the form are correct, along with their printed name and position in the company.

If the application for a Land Transport Customer number is accepted, the owner/operator will then receive a Land Transport NZ Card, which they can use when applying for a RUC Card or RUC enabled BP Fuelcard (process of which is described below), or other Motor Vehicle Registry related processes.

 Land Transport NZ  
Kiwi Writematai Authority

### Application for Land Transport NZ card MR36

**IMPORTANT - Please read notes on the back of this form**

**Customer Type**

<input type="checkbox"/> Limited liability company	<input type="checkbox"/> Incorporated society	<input type="checkbox"/> S.O.E.
<input type="checkbox"/> Transport company <small>(must be limited liability company)</small>	<input type="checkbox"/> Charitable trust	<input type="checkbox"/> Local body
<input type="checkbox"/> Statutory board	<input type="checkbox"/> Government body	<input type="checkbox"/> School/Church

---

**Customer name details**

Name

Trading name (if applicable)

Company number (if applicable)

Nature of business (eg transport company, haulier etc)

Contact name  Contact position

Transport Service Licence Number (if applicable - see note 2 on back)

Phone number  Facsimile number

---

**Business address details**

Physical address (must be supplied and include street/road name)

Suburb  Town

Postal address (if different from above)

---

**Applicant's signature**

I certify that the particulars given are correct

Print name

Position in company

This application together with the appropriate documentation (see the back of this form) can be posted to: Transport Registry Centre, Private Bag, Palmerston North or sent by facsimile to (06) 953 6267.

If you have any further enquiries relating to this application please call 0800 366 988.

MS060816



When an operator has a Land Transport Customer number, they are eligible to apply for a RUC Card which will allow them to purchase Time, Distance and Supplementary licences from the BP Service Desk by telephone or fax<sup>19</sup>.

An application pack for a RUC Card can be requested by telephone, fax or mail from the BP Customer Service Centre. The application pack contains:

- ◆ An introductory letter that provides a summary of where and when RUC cards can be used and some of the optional controls that can be loaded in advance (e.g. restricting purchase of Distance licences for a specific vehicle to a pre-determined operating weight and licence distance).
- ◆ An application checklist and the following forms:
  - ◆ RUC Card Application and/or a BP Fuelcard RUC Function Application form (see Appendix C for sample application forms).
  - ◆ A phone/fax application option form.
  - ◆ Road User Charges Direct Debit Authority form (mandatory) (see Appendix C).
  - ◆ Land Transport NZ Credit Application form (mandatory)<sup>20</sup> (see Appendix D for sample).
  - ◆ An Application for Land Transport NZ card (form MR36) in case the potential RUC Card applicant has not already applied for, and received, a Land Transport Customer number.

When completing the RUC Card application the owner/operator is required to provide the following information:

- ◆ The Land Transport Customer number.
- ◆ Account name.
- ◆ Contact person.
- ◆ Contact telephone number (optional).
- ◆ Banking details, including the account from which payments will be direct debited by the Ministry of Transport.

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<sup>19</sup> RUC Cards can also be used to make automated RUC purchases of Distance and Supplementary licences, but not Time licences, at all BP Truckstops and selected BP service stations (the process involved in making these transactions is described in Section 3.2.3 below).

<sup>20</sup> It was not clear at the time that this report was written, why a Credit Application with NZ Transport is required as part of the RUC Card application process. Currently payment is made through a Direct Debit facility that is set up with the registered owners' bank. NZ Transport does not actually extend a credit facility to RUC Card owners.



- ◆ Identify up to three vehicle registration numbers (if a customer already has existing BP Fuelcard numbers, they may nominate up to three vehicle registration numbers per Fuelcard).

They also have the option of pre-designating each vehicle's licenced gross operating weight in tonnes, and an 'auto distance' of RUC licences to be purchased for each vehicle in multiples of 1,000 kilometres (recommended by BP only for fleet use operators).

All applicants must also complete a Road User Charges Direct Debit Authority form, authorising the Ministry of Transport MVR and RM to debit all amounts owed from the designated bank account. Importantly the name on the account must match the name of the individual/partnership/company name on the RUC Card application.

They are also required to complete a signed and witnessed Land Transport NZ Credit Application form.

RUC Card applications can be lodged by fax or post with the BP Customer Enquiries Team who then process the application (including forwarding the Land Transport NZ Credit Application form to the Transport Agency for processing and approval).

Once the RUC Card application has been approved by BP, and the credit application has been approved by Land Transport NZ, the direct debit facility is set-up and linked to the operator's RUC Card number. The operator is then issued a RUC Card which they can use when purchasing RUC through designated BP channels.

In addition to any RUC purchase transaction fees, an annual administration fee of \$9.50 per card is also direct debited from the nominated bank account by Land Transport New Zealand.

Figure 9 and 10 on the following pages provide a pictorial view of the above application process.



**Figure 9: Overview of the first part of RUC Card application process from an owner/operator perspective**

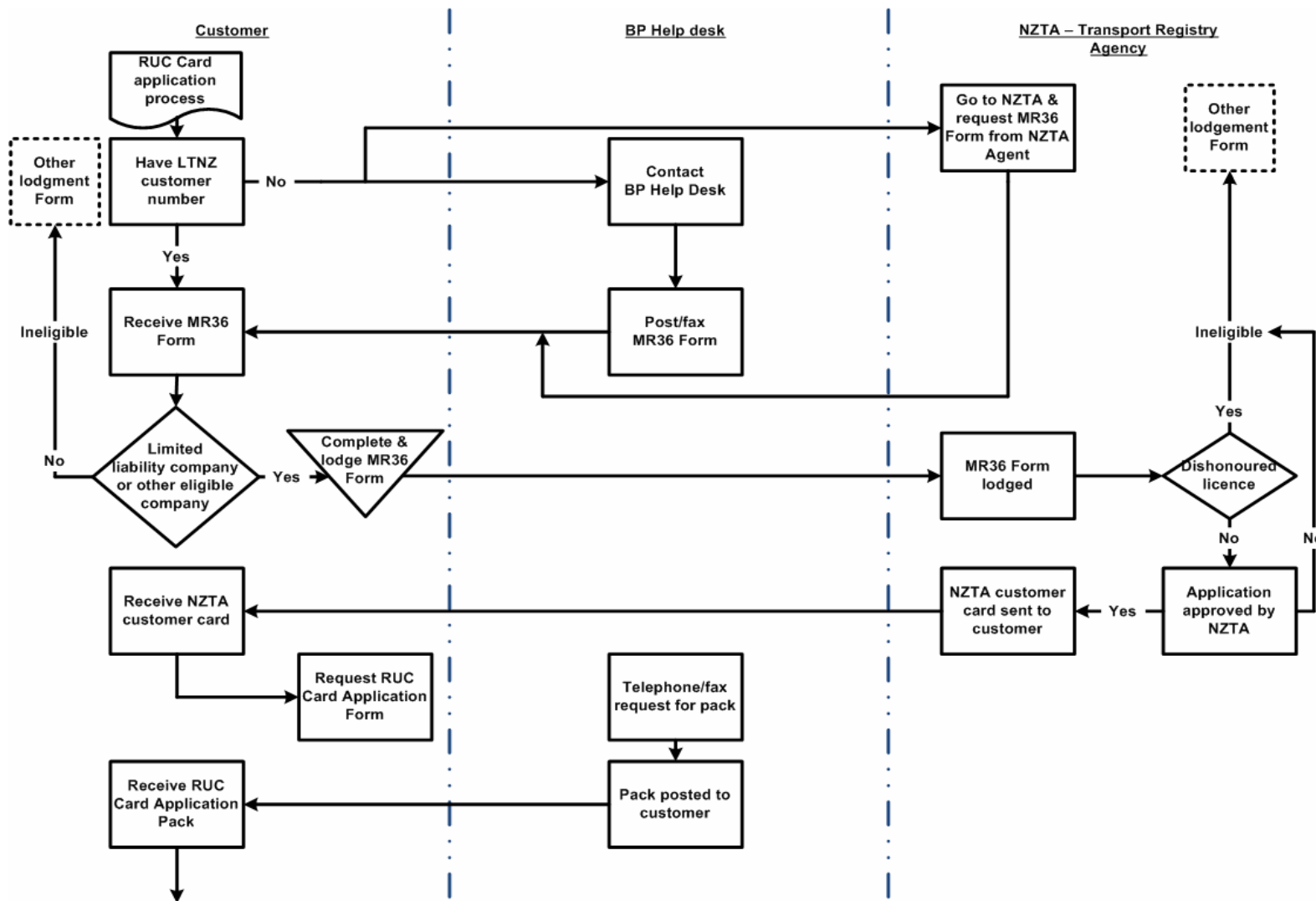
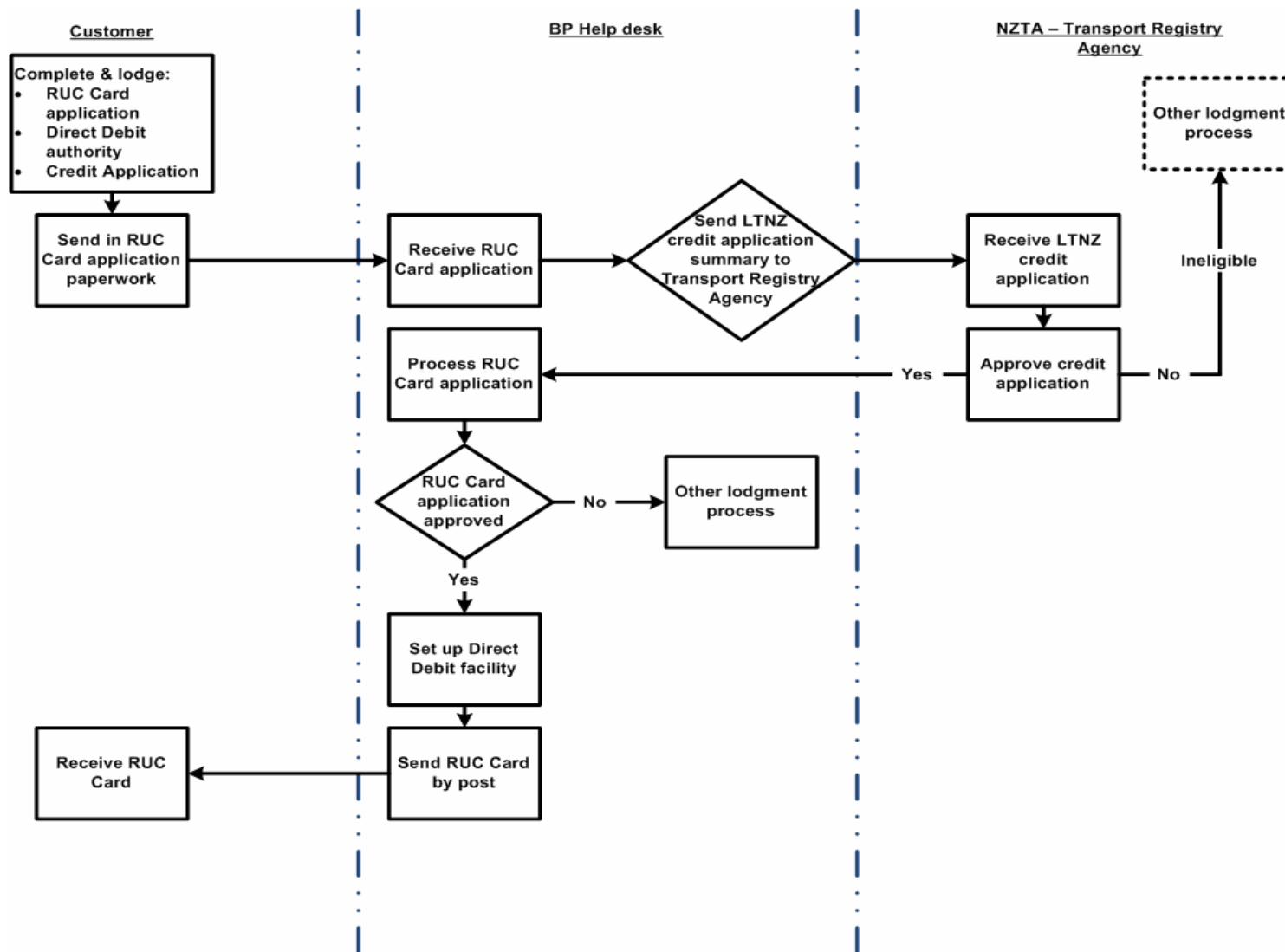




Figure 10: Overview of the second part of RUC Card application process from an owner/operator perspective







### **3.4.2 Purchasing RUC through BP Customer Service Centre by telephone or fax**

Once an operator has a valid RUC Card, they are able to purchase Distance and Supplementary licences for their vehicles via the telephone or fax (see Figure 11 overleaf).

The only information that is required is the customer number, the vehicle registration details (and operating weight, if this has not already been pre-designated as part of the original RUC Card application) and the amount of RUC to be purchased.

Once the RUC purchase has been processed and completed, and the operator's account has been direct debited for the appropriate licence cost and transaction fee, the operator is faxed a temporary copy of the RUC licence that is valid for seven days, and receipt.

The licence label is then posted to the operator by mail. Alternatively, operators can opt to not have the licence posted, but rather print out a valid copy of their licence at any of the automated RUC stations at designated BP Truckstops and selected BP service stations.

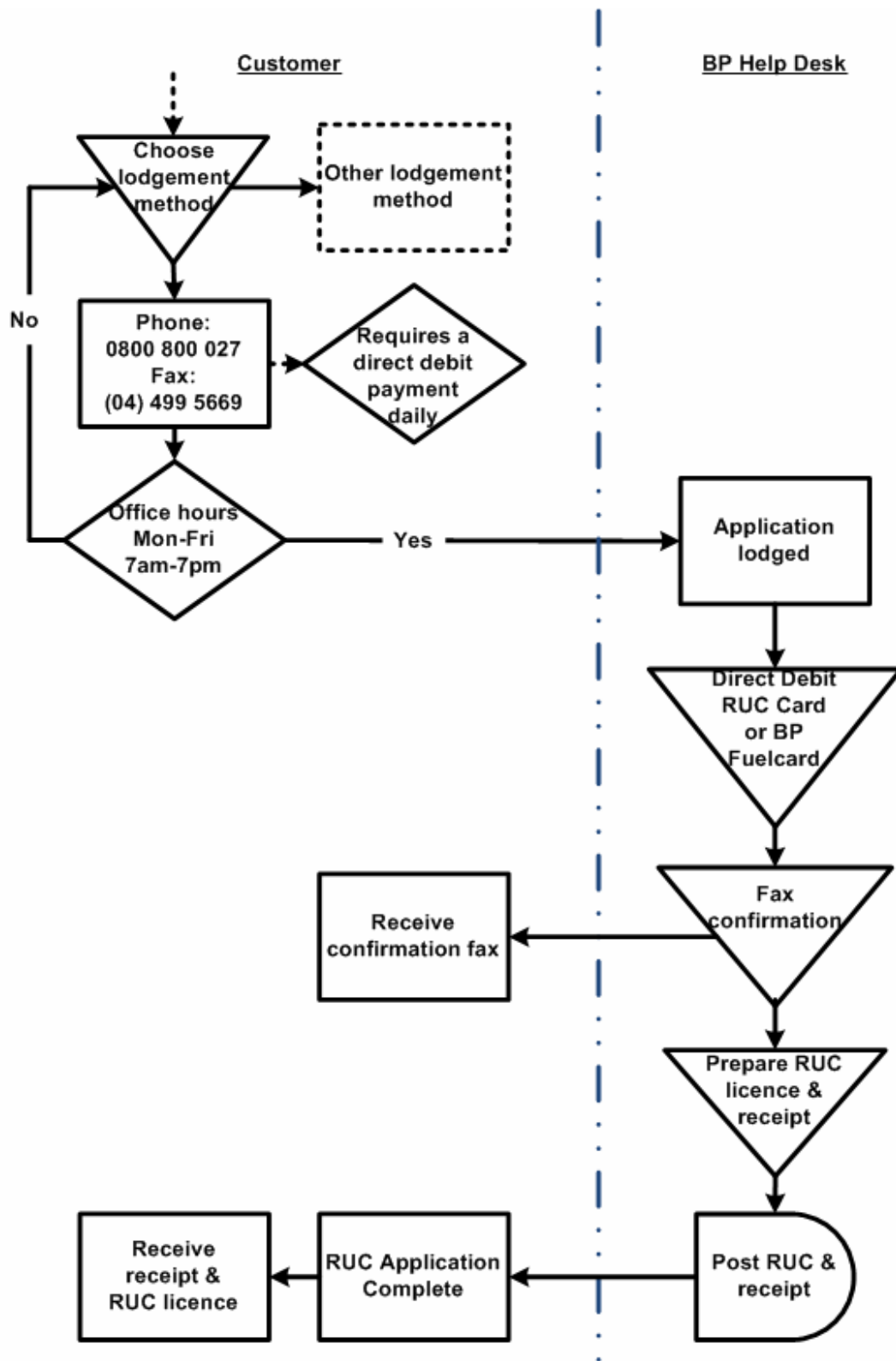
During 2007/08 a total of 206,313 telephone and fax transactions were completed through the BP Help Desk, resulting in \$119,274,188 of RUC revenue (GST inclusive) and \$1,439,033 in transaction fees (GST inclusive)<sup>21</sup>.

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<sup>21</sup> The transaction fee per telephone or fax transaction is \$6.98 inclusive GST.



**Figure 11: Overview of the telephone/fax RUC purchasing process from an owner/operator perspective**





## Survey findings

Fifty-one of the respondents to the survey reported that their most recent RUC purchase was made by fax or telephone with the BP Service Centre.

As detailed in the tables below (Table 34 through Table 37), approximately half of the respondents (49 percent) completed the lodgement of their most recent application in less than five minutes (92 percent did so in 10 minutes or less). Seventy-four percent were satisfied with the ease of completing the application and 76 percent were satisfied with the clarity of information required.

Of the sub-sample who completed their lodgement over the telephone rather than by fax (17 individuals), most were also satisfied with the quality of the service they received from the BP Service Centre during the transaction.

**Table 34: Time spent lodging 'paperwork/application' by phone or fax**

*Q13. How much time did it take you to lodge the paperwork? (Please include any travel time, waiting time or queuing time)*

	Total	1 to 5 Vehicles	6 to 20 vehicles	20+ vehicles
Base =	51*	9**	23**	19**
	%	%	%	%
1 minute or less	27	22	26	32
2-4 minutes	22	11	13	37
5-10 minutes	43	33	57	32
21-45 minutes	2	11	0	0
Don't know	6	22	4	0
Total	100	100	100	100

Total may not sum to 100% due to rounding.

\*Sub-sample based on those respondents whose most recent RUC purchase was completed by fax or telephone.

\*\*Caution: low base number of respondents-results are indicative only.

**Table 35: Satisfaction with ease of lodging application**

*Q15#A. Please tell me how satisfied you are with each of the following aspects of the lodgement process - Ease of completing the application form/transaction.*

	Total	1 to 5 Vehicles	6 to 20 vehicles	20+ vehicles
Base =	51*	9**	23**	19**
	%	%	%	%
Very dissatisfied	4	0	4	5
Dissatisfied	4	11	0	5
Neither satisfied nor dissatisfied	12	11	13	11
Satisfied	37	44	39	32
Very satisfied	37	22	35	47
Don't know	6	11	9	0
Total	100	100	100	100

Total may not sum to 100% due to rounding.

\*Sub-sample based on those respondents whose most recent RUC purchase was completed by fax or telephone.

\*\*Caution: low base number of respondents-results are indicative only.



**Table 36: Satisfaction with clarity of information required to complete lodgement process**

*Q15#B. Please tell me how satisfied you are with each of the following aspects of the lodgement process - Clear as to what information was required.*

	Total	1 to 5 Vehicles	6 to 20 vehicles	20+ vehicles
Base =	51*	9**	23**	19**
	%	%	%	%
Very Dissatisfied	4	0	4	5
Dissatisfied	2	0	0	5
Neither satisfied nor dissatisfied	14	22	13	11
Satisfied	41	44	48	32
Very Satisfied	35	22	30	47
Don't know	4	11	4	0
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

Total may not sum to 100% due to rounding.

\*Sub-sample based on those respondents whose most recent RUC purchase was completed by fax or telephone.

Note: Some respondents did not answer this question.

\*\*Caution: low base number of respondents-results are indicative only.

**Table 37: Satisfaction with quality of service (phone lodgements only)**

*Q15#C. Please tell me how satisfied you are with each of the following aspects of the lodgement process - Quality of service.*

	Total
Base =	17^ **
	%
Very Dissatisfied	6
Dissatisfied	6
Neither satisfied nor dissatisfied	18
Satisfied	41
Very Satisfied	29
<b>Total</b>	<b>100</b>

Total may not sum to 100% due to rounding.

^Sub-sample based on those respondents whose most recent RUC purchase was completed by telephone.

\*\*Caution: low base number of respondents-results are indicative only.

When queried as to how long it took for them to receive their RUC licence/labels (Table 38), more than half of the sub-sample (56 percent) reported receiving it within the same day<sup>22</sup>. Fifty-seven percent of the sub-sample who replied to the question reported being satisfied or very satisfied with the time it took to receive their licence (Table 39).

It is not clear why a number of respondents who reported receiving their label the same day reported being dissatisfied with the time this took. While it could be hypothesised that this may relate to some respondents needing to print their labels at a BP Station or Truckstop, the specific reasons for their dissatisfaction are not known.

<sup>22</sup> Labels can be sent by fax by the BP Service Centre, alternatively BP Card holders can print a copy of their most recent licence purchase at an automated teller at specified BP Service Stations and Truckstops.



**Table 38: Time spent before receiving RUC licence/label**

*Q13a. How long did you have to wait before you received your RUC?*

	Base =	Total 41* %	Lodged the paperwork over the phone 19** %	By fax 22** %
Same day		56	37	73
2-4 days		22	32	14
5-7 days		10	21	0
Don't Know		12	11	14
<b>Total</b>		<b>100</b>	<b>100</b>	<b>100</b>

Total may not sum to 100% due to rounding.

\*Sub-sample based on those respondents whose most recent RUC purchase was completed by fax or telephone.

Note: Some respondents did not answer this question.

\*\*Caution: low base number of respondents-results are indicative only.

**Table 39: Satisfaction with length of time to receive RUC label by number of days**

*Q13b. How satisfied were you with the length of time it took to receive your RUC licence*

	Base =	Total 41* %	Same day 23** %	2-4 days 9** %	5-7 days 4** %	Don't Know 5** %
Very dissatisfied		15	17	0	0	40
Dissatisfied		2	4	0	0	0
Neither satisfied nor dissatisfied		24	17	33	50	20
Satisfied		37	30	56	50	20
Very satisfied		20	30	11	0	0
Don't know		2	0	0	0	20
<b>Total</b>		<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

Total may not sum to 100% due to rounding.

\*Sub-sample based on those respondents whose most recent RUC purchase was completed by fax or telephone.

Note: Some respondents did not answer this question.

\*\*Caution: low base number of respondents-results are indicative only.

As noted in Table 40 overleaf, 74 percent of the sub-sample whose most recent RUC purchase was completed by fax or telephone reported being satisfied or very satisfied with the process. Seventy-four percent also reported being satisfied or very satisfied with the process for purchasing RUC in general (Table 41).

When queried as to what could be done to improve the RUC purchasing process (Table 42), 40 percent of those respondents who responded to the question (n=47) reported that nothing needed to be changed/could be changed, while 13 percent were unsure. Among those who provided a recommendation, the two most comment suggestions included:

- ◆ Pay at pump (noted by 11 percent).
- ◆ Better trained staff and/or 24-7 call centre (noted by 11 percent).



**Table 40: Satisfaction with most recent RUC purchase**

*Q22. How satisfied were you with the process of lodging and paying for this last purchase of RUC*

	Total	1 to 5 Vehicles	6 to 20 vehicles	20+ vehicles
Base =	51*	9**	23**	19**
	%	%	%	%
Very dissatisfied	6	0	9	5
Dissatisfied	2	0	0	5
Neither satisfied nor dissatisfied	18	33	9	21
Satisfied	37	56	39	26
Very satisfied	37	11	43	42
Total	100	100	100	100

Total may not sum to 100% due to rounding.

\*Sub-sample based on those respondents whose most recent RUC purchase was completed by fax or telephone.

\*\*Caution: low base number of respondents-results are indicative only.

**Table 41: Satisfaction with process for purchasing RUC in general**

*Q23. How satisfied would you say you were the process of purchasing RUC in general?*

	Total	1 to 5 Vehicles	6 to 20 vehicles	20+ vehicles
Base =	51*	9**	23**	19**
	%	%	%	%
Very dissatisfied	2	11	0	0
Dissatisfied	12	11	9	16
Neither satisfied nor dissatisfied	12	11	9	16
Satisfied	37	56	39	26
Very satisfied	37	11	43	42
Total	100	100	100	100

Total may not sum to 100% due to rounding.

\*Sub-sample based on those respondents whose most recent RUC purchase was completed by fax or telephone.

\*\*Caution: low base number of respondents-results are indicative only.



**Table 42: Recommendations for improvement of purchasing process**

*Q24. What could be done to improve the RUC purchasing process?*

	Base =	Total	1 to 5 Vehicles	6 to 20 vehicles	20+ vehicles
		47*	8**	22**	17**
	%	%	%	%	%
Pay at pump		11	13	14	6
Better trained staff and/or 24-7 call centre		11	0	23	0
Improve time it takes to receive labels/print labels online		6	13	5	6
Do online		4	0	0	12
Simplify process/get rid of simplify forms		4	0	9	0
Easier/quicker refunds		4	13	5	0
Better service from staff		4	0	5	6
Make Direct Connect more readily available and 24-7		4	0	0	12
Scrap Hubodometers		4	0	5	6
Scrap RUC completely		2	13	0	0
Pay by credit card/Purchase larger amounts by credit card		2	0	5	0
More working BP outlets/use RUC card with other vendors		2	13	0	0
Reduce costs/eliminate admin fees		2	0	5	0
Nothing/no changes required		40	13	32	65
Don't know		13	38	14	0

Total may exceed 100% because of multiple response.

\*Sub-sample based on those respondents whose most recent RUC purchase was completed by fax or telephone.

Note: Some respondents did not answer this question.

\*\*Caution: low base number of respondents-results are indicative only.



### 3.4.3 Authorised service stations and Truckstops

Operators with valid RUC cards have access to purchasing Distance and Supplementary RUC licences through a BP automated teller 24 hours a day, seven days a week, at all BP Truckstops that have the RUC facility. They are also able to purchase RUC at select BP Service Stations, though this is subject to the service stations' hours of operation, which may vary.

As detailed in Figure 12 overleaf, the process is relatively straightforward and can be completed relatively quickly (if the machine is in operation):

- ◆ The operator inserts a valid RUC Card or RUC enabled BP Fuelcard into the automated teller and enters a unique PIN.
- ◆ If there is more than one vehicle associated with the RUC Card, the operator selects the appropriate option (primary, second or third), enters the vehicle's gross operating weight in tonnes and selects the desired distance in multiples of 1,000 kilometres<sup>23</sup>.
- ◆ The operator's account is then automatically direct debited for the licence purchase plus a \$5.06 transaction fee (inclusive GST), and the automated teller prints out the RUC licence and receipt.

During 2007/08 a total of 82,129 transactions were completed through automatic tellers at BP Truckstops and selected BP service stations, resulting in \$48,210,189 of RUC revenue (GST inclusive) and \$415,778 in transaction fees (GST inclusive).

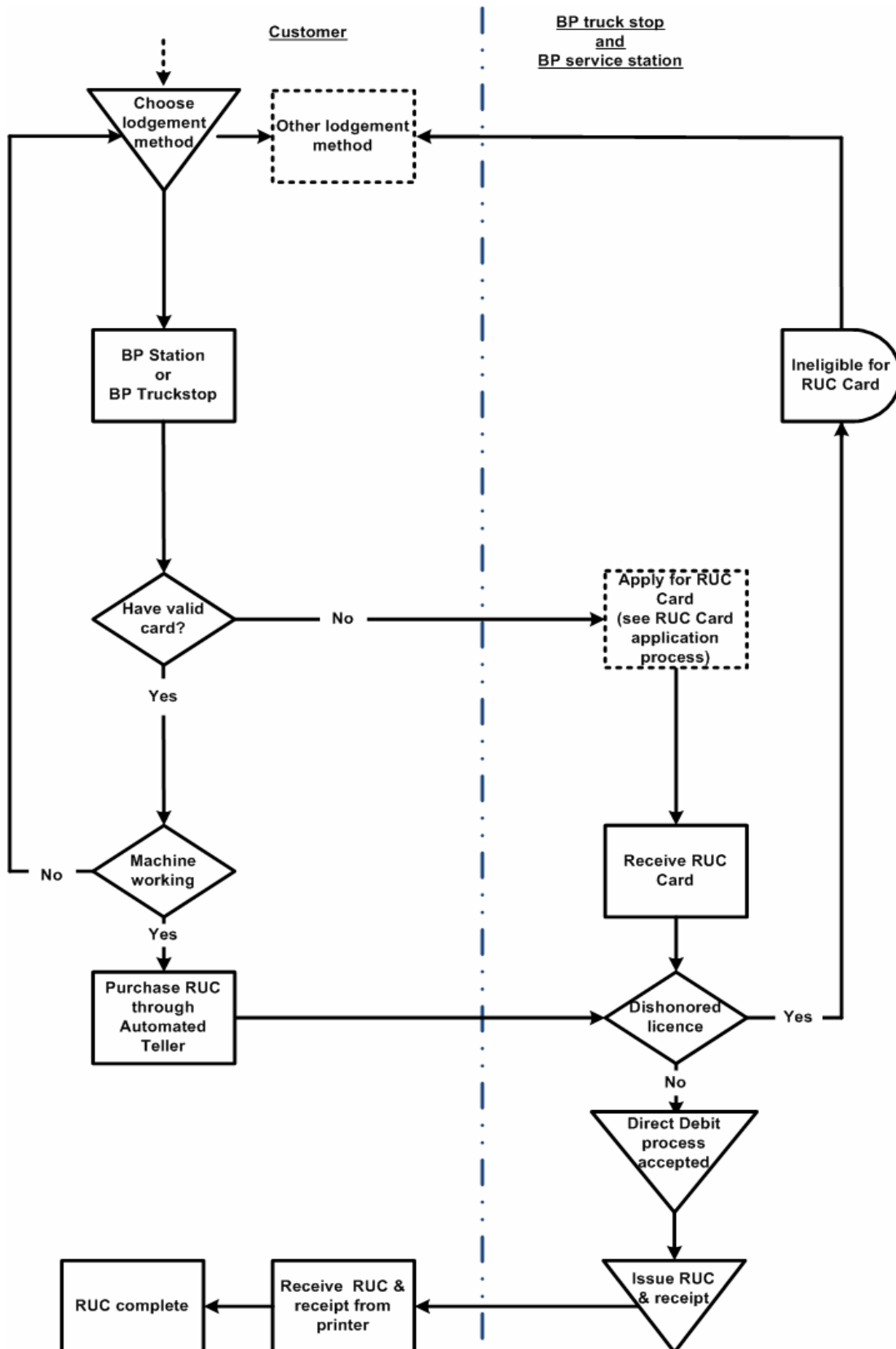
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<sup>23</sup> During the RUC Card application process, it is also possible to pre-designate each vehicle's gross operating weight in tonnes as well as pre-set the number of kilometres in RUC to be purchased per transaction.





**Figure 12: Overview of the automated teller purchasing process from an owner/operator perspective**





## Survey findings

As with the sub-sample of online users, the sub-sample of respondents whose most recent purchase of RUC was made at a BP station or Truckstop is too small from which to draw statistically robust conclusions. However, the indicative results detailed in the following tables suggest that, for the most part, users of the BP Card are more likely to be satisfied with the process for purchasing RUC via a RUC Card, than not (Table 45 and Table 46).

However, the results suggest that RUC Card users are the least likely group to feel that there are no changes which could be made to improve the process (Table 47), and while indicative only due to the small sub-sample, roughly half of the respondents reported that being able to use the RUC Card at more BP outlets and/or other vendors would be an improvement.

When queried specifically if there were currently any issues with the RUC Card process, their comments, as follows, most frequently related to the automated tellers not working all of the time and/or that not all BP stations offered the service:

*Yes. If the RUC machines are down you can't get RUC over the phone as the call centre doesn't operate after 7.00pm or on weekends. We had to go without RUCs until we got to Kaikoura as Blenheim machine was not working on a Sunday. This happens quite frequently. Occasionally the system is not available at the BP outlet we use. As an alternative, the purchase is made over the phone with the BP Helpdesk.*

*Very few BP service stations are now accepting the RUC cards. This means that at times we are running with no RUC.*

*[Automated Tellers] at Truckstops often don't work.*

*Travelling to RUC Card site is very time consuming, and there is a 30% chance once you get there the RUC machine is out of order.*

*Time taken to purchase RUC at petrol station, time queuing and slow processing while told to stand aside while cashier serves other customers.*

*There are 3 Regos per RUC card; you should be able to access any of the Regos for RUC without being charged more than once. Have more outlets other than BP.*

*The RUC machine at my nearest BP frequently breaks down and I have to use BP's 0800 number.*

*The card system is good. The problem is that the BP Truckstops or service stations do not all offer this service or are out of order quite a bit.*

*Staff in general good, sometimes machine is a bit slow.*

*Slow, machines are unreliable, out of order more often than not, 0800 help work Monday-Friday office hours?*



*RUC machines often not working or temporarily out of order.*

*Poor equipment.*

*Only when the system is not working. Also the process it takes to correct an error if by accident you buy the RUC for the wrong vehicle.*

*Only when the BP machine is down. Very seldom this happens.*

*Local card reader doesn't work well and often not work at all.*

*Machines are often out of labels.*

*Despite notification, the printing is often illegible.*

*Issues mean several trips (of 45 minutes per trip) required sometimes to be able to comply with RUC legislation.*

*Lack of sites that offer this on our route. Cards pain in the butt to administer with trailer swaps and always having issues with cards not working.*

**Table 43: Time spent making purchase**

*Q13. How much time did it take you to make the purchase? (Please include any travel time, waiting time or queuing time)*

	Total
Base =	26 <sup>^</sup> **
	%
1 minute or less	15
2-4 minutes	12
5-10 minutes	27
11-20 minutes	12
21-45 minutes	19
Don't know	15
Total	100

Total may not sum to 100% due to rounding.

<sup>^</sup>Sub-sample based on those respondents whose most recent purchase of RUC was made with a RUC Card.

<sup>\*\*</sup>Caution: low base number of respondents-results are indicative only.



**Table 44: Satisfaction with ease of getting to physical location**

*Q15#D. Please tell me how satisfied you are with each of the following aspects of the lodgement process - Ease of getting to the physical location.*

	Base =	Total 20 <sup>^</sup> ** %
Very Dissatisfied		10
Dissatisfied		15
Neither satisfied nor dissatisfied		15
Satisfied		40
Very Satisfied		15
Don't know		5
<b>Total</b>		<b>100</b>

Total may not sum to 100% due to rounding.

<sup>^</sup>Sub-sample based on those respondents whose most recent purchase of RUC was made with a RUC Card.

Note: Some respondents did not answer this question.

\*\*Caution: low base number of respondents-results are indicative only.

**Table 45: Satisfaction with most recent RUC purchase process**

*Q22. How satisfied were you with the process of lodging and paying for this last purchase of RUC*

	Base =	Total 26 <sup>^</sup> ** %
Very dissatisfied		4
Dissatisfied		8
Neither satisfied nor dissatisfied		15
Satisfied		38
Very satisfied		35
<b>Total</b>		<b>100</b>

Total may not sum to 100% due to rounding.

<sup>^</sup>Sub-sample based on those respondents whose most recent purchase of RUC was made with a RUC Card.

\*\*Caution: low base number of respondents-results are indicative only.

**Table 46: Satisfaction with process for purchasing RUC in general**

*Q23. How satisfied would you say you were the process of purchasing RUC in general?*

	Base =	Total 26 <sup>^</sup> ** %
Very dissatisfied		8
Dissatisfied		15
Neither satisfied nor dissatisfied		15
Satisfied		38
Very satisfied		23
<b>Total</b>		<b>100</b>

Total may not sum to 100% due to rounding.

<sup>^</sup>Sub-sample based on those respondents whose most recent purchase of RUC was made with a RUC Card.

\*\*Caution: low base number of respondents-results are indicative only.



**Table 47: Recommendations for improvement to RUC processes**

*Q24. What could be done to improve the process?*

	Base =	Total 23 <sup>^</sup> ** %
More working BP outlets/use RUC card with other vendors		52
Pay at pump		26
Easier/quicker refunds		17
Do online		9
Better trained staff and/or 24-7 call centre		9
Scrap RUC completely		4
Simplify process/get rid of simplify forms		4
Nothing/no changes required		13
Don't know		4

Total may exceed 100% because of multiple response.

<sup>^</sup>Sub-sample based on those respondents whose most recent purchase of RUC was made with a RUC Card.

Note: Some respondents did not answer this question.

**\*\*Caution:** low base number of respondents-results are indicative only.



## 4.0 Additional RUC processes

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The following chapter provides details of the processes involved in filing for a change in Hubodometer, including applying for a refund for unused Distance licences issued under a specific Hubodometer.

Also covered are some of the other common instances wherein an owner/operator can apply for refunds relating to Distance or Time licences, and the processes that are involved.

### 4.1 Hubodometers

All vehicles that are subject to RUC Distance licences are required to operate with a working distance recorder which provides an accurate and reliable record of the distance travelled. Where the manufacturer's gross laden weight is greater than 3.5 tonnes, the vehicle must be fitted with one of the following approved Hubodometers (as approved under the Road User Charges Regulations 1978):

- ◆ Engler
- ◆ Trailmark
- ◆ Veeder Root
- ◆ Macro
- ◆ Nechanex
- ◆ Stemco
- ◆ Accutrak
- ◆ Jost
- ◆ Argo
- ◆ Chicago rawhide

Each Hubodometer has a unique manufacturer's serial number inside its metal casing. They are required to be fitted at all times on the left hand side of the vehicle on a non-lifting axle (unless otherwise approved). Once fitted, the Hubodometer needs to be calibrated based upon the size and tread of the tyre to correctly track the kilometres travelled<sup>24</sup>.

If a Hubodometer becomes damaged, lost, stolen, or found to be faulty, there are a number of steps and processes that the owner must undertake, as detailed in Figure 8 overleaf:

- ◆ The vehicle owner/operator is required to purchase and fit a replacement, which must then be properly calibrated for the vehicle's tyre sizes.
- ◆ A new road user licence must be acquired in conjunction with the replacement Hubodometer.

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<sup>24</sup> Tyre specific Revolution Per Kilometre booklets for each of the different Hubodometers approved are available online from the Hubodometer manufacturers, and can also be downloaded online.



- ◆ The vehicle owner/operator must complete and lodge a Change of Hubodometer form (RUCHO – see example form overleaf) and provide the following information:
  - ◆ Vehicle details, including the make, model and registration plate.
  - ◆ Vehicle owner's details (name and postal address).
  - ◆ Current/changed Hubodometer details, including Hubodometer make, make code, serial number, start reading, and reading at the time of change.
  - ◆ New Hubodometer details, including Hubodometer make, make code, serial number, start reading (which should be zero for a new Hubodometer) and the vehicle's Odometer reading at the time of change.
  - ◆ Reason for change (options include faulty Hubodometer, lost, damaged, stolen or change in tyre size).
  - ◆ The applicant's details, if applicant is not the registered owner.
  - ◆ Comment as to whether the original RUC labels are being surrendered with the application, and if not the reasons why.
  - ◆ Owner/applicant's signature and contact telephone details.
- ◆ If the previous Hubodometer was damaged or faulty, the owner/operator is required to store it for a minimum of three months.

### **Refunds for unused RUC due to Hubodometer change**

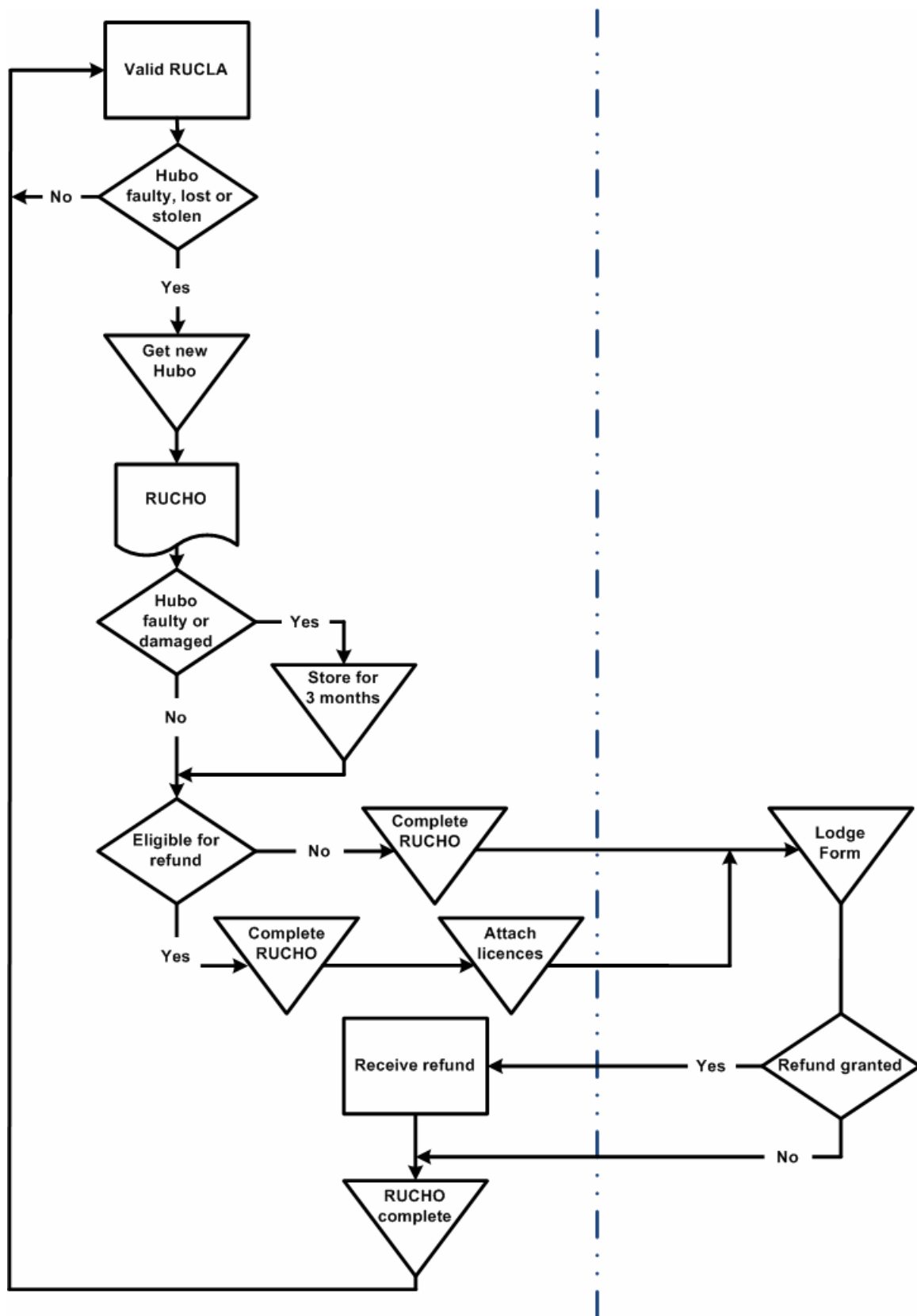
Where a Hubodometer has been replaced, and unused distance is left on the licence that was purchased when the lost/stolen/replaced Hubodometer was operational, the unused amount may be refunded by the Transport Registry Centre once the RUCHO form has been completed and lodged with the original RUC label(s).

Owners are required to ensure that their RUCHO application includes the Hubodometer reading at the time the device became inoperable, as well as provide the original RUC labels.

Where a refund has been requested due to a Hubodometer being lost or stolen, the owner/operator must calculate what the reading might have been at the time the Hubodometer was lost/stolen, and again, any original RUC labels must be returned when the RUCHO is lodged with the Transport Registry Centre.



Figure 13: Overview of the Hubodometer replacement process from an owner/operator perspective







Please print clearly in the panels provided. IMPORTANT - Please read notes on back of form.



Land Transport NZ  
Ikiiki Whenua Aotearoa

### Road User Charges Application to Change Hubodometer RUCHO

<b>Vehicle details</b>	Make <input type="text"/>	Model (See note 2 overleaf) <input type="text"/>	Registration plate <input type="text"/>
------------------------	------------------------------	---	--

<b>Owner details</b>	Complete in all cases	
	Last name/Company name <input type="text"/>	First name(s) <input type="text"/>
	Postal address <input type="text"/>	

<b>Change of hubodometer details</b>	<b>Current details</b>	<b>New details (See note 4 overleaf)</b>	<b>Hubodometer make code</b>
	Hubodometer make <input type="text"/>	Hubodometer make <input type="text"/>	<input type="text"/> (Please select code from note 3 overleaf and show here)
	Hubodometer serial no. <input type="text"/>	Hubodometer serial no. <input type="text"/>	Odometer reading at time of change <input type="text"/>
	Hubodometer reading at change <input type="text"/>	Start reading <input type="text"/>	

<b>Reason for change</b>	Please tick reason for change of hubodometer.	
	A <input type="checkbox"/> Faulty* _____ <small>(Provide reason)</small>	E <input type="checkbox"/> Stolen
	B <input type="checkbox"/> Lost	F <input type="checkbox"/> Tyre size _____ <small>(Provide correct tyre size)</small>
	C <input type="checkbox"/> Damaged*	
	*Note: if reason selected is either A (Faulty) or C (Damaged), the old hubodometer must be retained for a period of 3 months for inspection purposes.	

<b>Applicant details</b>	Complete if you are NOT registered as the owner or if you are NOT an employee of the company registered as the owner.	
	Last name/Company name <input type="text"/>	First name(s) <input type="text"/>
	Postal address <input type="text"/>	

<b>Original label(s) surrendered</b> (See note 6 overleaf)	<input type="checkbox"/> Yes <input type="checkbox"/> No
	REASON FOR NIL RETURN OF ORIGINAL LABELS (NOTE: Reprinted labels are not acceptable) <input type="text"/>

<b>Owner/Applicant's signature</b>	I certify that the particulars given are correct <input checked="" type="checkbox"/>	Contact telephone number <input type="text"/>
	Print name <input type="text"/>	Email address <input type="text"/>

<b>Land Transport New Zealand or authorised agent</b>	
FOR OFFICE USE ONLY	
Label returned Attach label if returned <input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="text"/>
End reading keyed <input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>
Chkd	Date stamp

RUCHO 09/06 TRC COPY



## Survey findings

Sixty-seven respondents to the survey reported that they had filled a change of Hubodometer application (RUCHO) in the last twelve months. When queried as to how long it took them to complete the application, roughly half reported it took ten minutes, or fewer, to do so (Table 48).

As with those respondents who purchased Distance, Supplementary and Time licenses, the majority reported that they physically went to a NZ Transport Agent to lodge the RUCHO application (Table 49), though there was a greater likelihood this was done at a VTNZ than a PostShop (Table 50).

**Table 48: Time spent filling out RUCHO application**

*Q51. Approximately, how much time did you spend filling out the RUCHO application*

	Total
Base =	67*
	%
5-10 minutes	49
11-20 minutes	22
21-45 minutes	16
More than 45 minutes	6
Don't know	6
<b>Total</b>	<b>100</b>

Total may not sum to 100% due to rounding.

\*Sub-sample based on those respondents who filled a change of Hubodometer application in last 12 months.

**Table 49: Method used to lodge RUCHO**

*Q52. How did you lodge the paperwork with NZTA?*

	Total
Base =	67*
	%
Physically went to a NZTA agent	58
Lodged the paperwork over the phone	7
By fax	1
Online through the NZTA website	1
Used Direct Connect	21
Other (Please specify)	10
<b>Total</b>	<b>100</b>

Total may not sum to 100% due to rounding.

\*Sub-sample based on those respondents who filled a change of Hubodometer application in last 12 months.



**Table 50: NZ Transport Agent application was lodged with**

*Q52a. Which of the following agents did you go to?*

	Base =	Total 39* %
Automobile Association (AA)		8
PostShops and Books and More outlets		31
On Road New Zealand		3
Vehicle Inspection New Zealand		8
Vehicle Testing New Zealand		44
Other agency		8
<b>Total</b>		<b>100</b>

Total may not sum to 100% due to rounding.

\*Sub-sample based on those respondents who filled RUCHO in person with a NZ Transport agent.

Unlike those respondents whose most recent RUC-related transaction was to purchase a Distance/Supplementary or Time licence, the respondents who lodged a RUCHO were less likely to report that this took fewer than five minutes to complete (Table 51).

**Table 51: Time spent lodging RUCHO paperwork**

*Q53. How much time did it take you to lodge the paperwork? (Please include any travel time, waiting time or queuing time)*

	Base =	Total 67* %
1 minute or less		1
2-4 minutes		4
5-10 minutes		28
11-20 minutes		18
21-45 minutes		19
More than 45 minutes		15
Don't know		13
<b>Total</b>		<b>100</b>

Total may not sum to 100% due to rounding.

\*Sub-sample based on those respondents who filled a change of Hubodometer application in last 12 months.

When asked to rate their satisfaction with various aspects of the lodgement process (Table 52 to Table 54):

- ◆ Sixty-three percent of the sub-sample reported being satisfied or very satisfied with the ease of completing the application form.
- ◆ Sixty-one percent of the sub-sample reported being satisfied or very satisfied that it was clear what information was required.
- ◆ Seventy-one percent of the sub-sample of n=44 respondents who lodged their application in person at a NZ Transport agent, or by telephone with the BP Service Centre reported being satisfied or very satisfied with the quality of service.



**Table 52: Satisfaction with ease of completing RUCHO**

*Q54#A. Please tell me how satisfied you are with each of the following aspects of the lodgement process - Ease of completing the application form*

	Base =	Total
		67*
		%
Very dissatisfied		3
Dissatisfied		9
Neither satisfied nor dissatisfied		21
Satisfied		57
Very satisfied		6
Don't know		4
Total		100

Total may not sum to 100% due to rounding.

**Table 53: Satisfaction with clarity of information required**

*Q54#B. Please tell me how satisfied you are with each of the following aspects of the lodgement process - Clear as to what information was required*

	Base =	Total
		67*
		%
Very dissatisfied		3
Dissatisfied		13
Neither satisfied nor dissatisfied		18
Satisfied		52
Very satisfied		9
Don't know		4
Total		100

Total may not sum to 100% due to rounding.

\*Sub-sample based on those respondents who filled a change of Hubodometer application in last 12 months.



**Table 54: Satisfaction with quality of service**

*Q54#C. Please tell me how satisfied you are with each of the following aspects of the lodgement process - Quality of service*

	Base =	Total 44* %
Very dissatisfied		2
Dissatisfied		5
Neither satisfied nor dissatisfied		20
Satisfied		66
Very satisfied		5
Refused		2
<b>Total</b>		<b>100</b>

Total may not sum to 100% due to rounding.

\*Sub-sample based on those respondents who filled a RUCHO in person or by phone with the BP Service Centre.

While relatively few respondents reported being dissatisfied with the various aspects of the RUCHO application process discussed above, roughly one-quarter (27 percent) were dissatisfied with the length of time that it took to process their most recent application (Table 55), and while 43 percent of the respondents reported being satisfied with their most recent RUCHO lodgement process (Table 56), one-fifth reported some degree of dissatisfaction.

**Table 55: Satisfaction with length of time it took process RUCHO application**

*Q53a. How satisfied were you with the length of time it took to process your RUCHO application*

	Base =	Total 67* %
Very dissatisfied		6
Dissatisfied		21
Neither satisfied nor dissatisfied		22
Satisfied		42
Very satisfied		7
Don't know		1
<b>Total</b>		<b>100</b>

Total may not sum to 100% due to rounding.

\*Sub-sample based on those respondents who filled a change of Hubodometer application in last 12 months.



**Table 56: Satisfaction with most recent RUCHO lodgement process**

*Q62. Overall, how satisfied were you with the process of lodging this RUCHO application*

	Base =	Total 67* %
Very dissatisfied		6
Dissatisfied		16
Neither satisfied nor dissatisfied		30
Satisfied		37
Very satisfied		6
Don't know		4
<b>Total</b>		<b>100</b>

Total may not sum to 100% due to rounding.

\*Sub-sample based on those respondents who filled a change of Hubodometer application in last 12 months.

When queried as to whether they were eligible for a refund of the RUC on their old Hubodometer, more than half reported that they were (Table 57). Notably, subsequent analysis found that eligibility for a refund did not bear significantly on whether or not the respondent was satisfied or dissatisfied with their most recent RUCHO lodgement.

**Table 57: Eligibility for refund on old Hubodometer**

*Q61. Were you eligible for a refund on your old Hubodometer?*

	Base =	Total 67* %
Yes		57
No		27
Don't know		16
<b>Total</b>		<b>100</b>

Total may not sum to 100% due to rounding.

\*Sub-sample based on those respondents who filled a change of Hubodometer application in last 12 months.

Among the sub-sample of respondents who were eligible for a refund of the RUC on their old Hubodometer (n=38), one-third of the respondents reported some degree of difficulty in going about claiming the refund, while approximately half (47 percent) reported it had been fairly or very easy (Table 58).



**Table 58: Ease of claiming refund on old Hubodometer**

*Q61a. If so, how easy was it to go about claiming this refund?*

	Total
Base =	38*
	%
Very difficult	21
Fairly difficult	13
Neither easy nor difficult	18
Fairly easy	34
Very easy	13
<b>Total</b>	<b>100</b>

Total may not sum to 100% due to rounding.

\*Sub-sample based on those respondents who filled a change of Hubodometer application in last 12 months.

As noted in Table 590, similar proportions as found regarding their most recent lodgement process reported being satisfied or dissatisfied with the process of submitting a RUCHO in general.

When queried as to what could be done to improve the process, one-quarter of the n=61 respondents reported that nothing could be changed, while 13 percent were unsure (Table 60). The most frequent recommendation that was commented on related to paying for RUC at the pump (noted by 20 percent of the sub-sample).

**Table 59: Satisfaction with processes of submitting a RUCHO in general**

*Q63. Taking everything into account, how satisfied would you say you were with the process of submitting a RUCHO in general?*

	Total
Base =	67*
	%
Very dissatisfied	6
Dissatisfied	18
Neither satisfied nor dissatisfied	24
Satisfied	43
Very satisfied	6
Don't know	3
<b>Total</b>	<b>100</b>

Total may not sum to 100% due to rounding.

\*Sub-sample based on those respondents who filled a change of Hubodometer application in last 12 months.



**Table 60: Recommendations for improvements to the process**

*Q64. What could be done to improve this process (lodging RUCHOs)?*

	Base =	Total 61* %
Pay at pump		20
Do online		11
Better trained staff and/or 24-7 call centre		11
Scrap Hubodometers		11
More working BP outlets/use RUC card with other vendors		10
Scrap RUC completely		8
Simplify process/get rid of simplify forms		8
Easier/quicker refunds		7
Pay by credit card/Purchase larger amounts by credit card		5
Reduce costs/eliminate admin fees		5
Improve time it takes to receive labels/print labels online		3
Better service from staff		3
Make Direct Connect more readily available and 24-7		3
Nothing/no changes required		25
Don't know		13

Total may not sum to 100% due to rounding.

\*Sub-sample based on those respondents who filled a change of Hubodometer application in last 12 months.

Note: Some respondents did not answer this question.





## 4.2 Circumstances for claiming RUC refunds

Refunds for unused RUC licences are made most frequently under the following circumstances:

- ◆ Unused Distance licence, usually due to Hubodometer change (as discussed above in Section 3.1), or in relation to a claim for an off-road refund (discussed in Section 3.2.1 below).

- ◆ Unused Time licences:

In such cases, the holder of a Time licence can apply in writing for a refund for the unexpired portion of the licence when the vehicle will not be on the road for the duration of the outstanding time. Applications must be made in writing (there is no specific form or paperwork to be completed) to Land Transport NZ's RUC Refunds office in Palmerston North, and the application must also include the licence(s) in question.

- ◆ When a vehicle is permanently destroyed, exported or its registration has been cancelled:

In such cases, refunds may be granted only after the registration has been cancelled by lodging a form MR15 *Application to Cancel Registration* (see attached overleaf) at an authorised NZTA agent, with the vehicle's registration plates. In order to be eligible for a refund of unused RUC licences, the owner/operator must include the vehicle's details (make, model, VIN/chassis number and Engine number), the reason for cancellation, the last reading from the vehicle's distance recorder (Odometer or Hubodometer) and any unused RUC licence label/s are to be returned.

In order to be eligible, the vehicle needs to be either:

- ◆ Destroyed or become completely useless.
- ◆ Permanently removed from New Zealand.
- ◆ Permanently 'written-off' by the insurer.
- ◆ Taken permanently off the road.

Ineligible cases include the following:

- ◆ If the vehicle has been stolen, the owner should contact the Motor Vehicle Contact Centre directly.
- ◆ If its plates have been stolen, the owner should apply for replacement registration plates (form MR6A).
- ◆ If the owner is handing in the vehicle's plates, the authorised NZTA agent will take appropriate action.





## 4.2.1 Off-road travel refunds

In certain situations, the holder of a Distance licence can apply for a refund when the vehicle has been travelling off-road, and as such is not necessarily subject to Road User Charges. In order to claim for a refund for off-road travel, the licence in question must have expired, and the claim for a refund must be within two years of the licence's issue date (see Figure 9 overleaf).

Owner/operators wishing to file for an off-road travel refund must complete and lodge a *RUC OR* form (Road User Charges Application for Refund for Off-Road Travel – an example of which is provided overleaf) with Land Transport NZ's RUC Refunds office in Palmerston North, and provide the following information:

- ◆ The operator's Off-Road Customer number.
- ◆ The Company name and/or Customer name.
- ◆ The registration plate number(s) of the vehicle(s) in question, along with the expired RUC Licence number, the distance being claimed back, and the industry reason code:

Dairy supply	Scheduled road passenger
Sheep and beef	Other road passenger
Horticulture	Forestry and logging
Other Agriculture	Stock and haulage
Mining and quarrying	Refrigerated haulage
Manufacturing	Furniture removal
Construction	General freight line haulage
Wholesale and Retail Trade	Government, local body, community
	Private transport
	Trade and truck dealers

- ◆ A description of the nature of the off-road travel, and the method used to record the distance for which the refund is being claimed (e.g. GPS, Hubodometer, Odometer, surveyed distance or other quantifiable method).
- ◆ A description of what records the owner is able to provide in support of the refund claim.



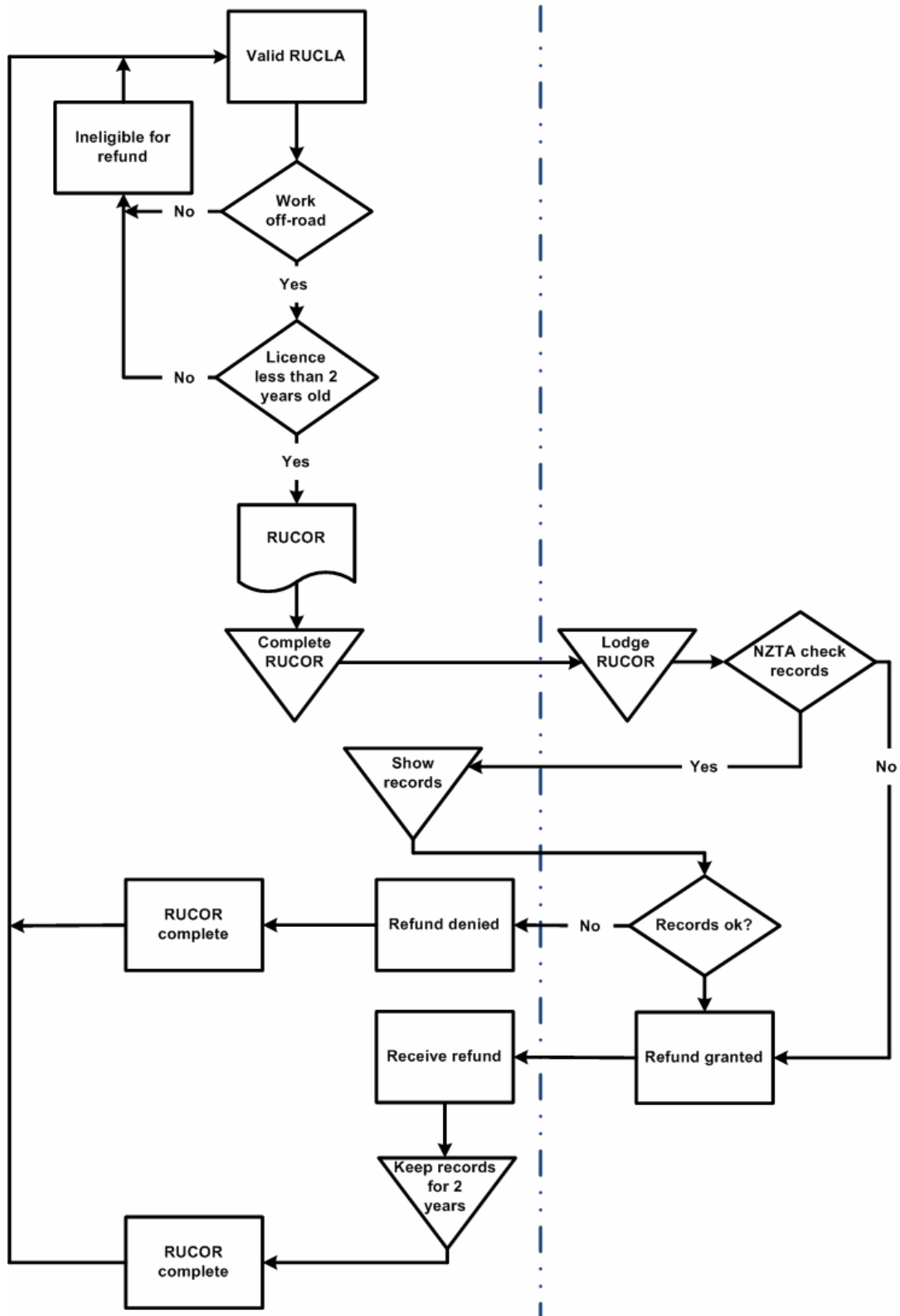
- ◆ The name and telephone contact details of the refund applicant, including a signed and dated statement certifying the particulars of the refund application.

In relation to the nature of the records that the refund claimant needs to keep to validate their claim, there is currently no mandatory or specified format. That said, the records must be of sufficient detail to demonstrate to a NZTA officer's satisfaction that the off-road distance for which the refund is being claimed was travelled by the vehicle.

Relatedly, authorised officers may also take extracts or make copies of any validating records which are kept in relation to the claimed refund as well as request provision of secondary verification of the information held or produced to substantiate the claim. While payments of off-road travel refunds may be made before the supporting records and documentation are validated, the NZTA reserves the right to require repayment of any moneys paid for claims that subsequently cannot be substantiated.



Figure 14: Overview of off-road travel refund process from an owner/operator perspective







## Survey findings

Forty-six respondents to the survey reported that their most recent RUC-related transaction was for a refund (Table 61), with 78 percent of the sub-sample reporting that they had applied for an off-road refund (of the nine respondents who said that it was another type of refund, six said it related to a change of Hubodometer, one had sold the vehicle, one was seeking rectification of a mistake made by the BP Service Centre, and one refused to comment).

**Table 61: Type of refund**

*Q65. Was this an off-road refund or another type of refund?*

	Base =	Total 46* %
Off-road refund		78
Another type of refund		20
Don't know		2
<b>Total</b>		<b>100</b>

Total may not sum to 100% due to rounding.

\*Sub-sample based on those respondents whose most recent transaction was to apply for a refund (off-road or otherwise).

Roughly two-thirds of the sample reported that it took them more than 20 minutes to prepare their refund application, with 41 percent saying it took longer than 45 minutes (Table 62). As noted in Table 63 and Table 64 overleaf, less than half of the sub-sample reported being satisfied with how easy the application was to complete, while 61 percent were satisfied with the clarity as to what information was required.

**Table 62: Time spent preparation application**

*Q66. Approximately, how much time did you spend preparing the refund application?*

	Base =	Total 46* %
2-4 minutes		2
5-10 minutes		22
11-20 minutes		7
21-45 minutes		24
More than 45 minutes		41
Don't know		4
<b>Total</b>		<b>100</b>

Total may not sum to 100% due to rounding.

\*Sub-sample based on those respondents whose most recent transaction was to apply for a refund (off-road or otherwise).



**Table 63: Satisfaction with ease of completing application form**

*Q69#A. Please tell me how satisfied you are with each of the following aspects of the lodgement process - Ease of completing the application form*

	Base =	Total 46* %
Very Dissatisfied		7
Dissatisfied		17
Neither satisfied nor dissatisfied		26
Satisfied		33
Very Satisfied		15
Don't know		2
<b>Total</b>		<b>100</b>

Total may not sum to 100% due to rounding.

\*Sub-sample based on those respondents whose most recent transaction was to apply for a refund (off-road or otherwise).

**Table 64: Satisfaction with clarity as to what information was required**

*Q69#B. Please tell me how satisfied you are with each of the following aspects of the lodgement process - Clear as to what information was required*

	Base =	Total 46* %
Very Dissatisfied		7
Dissatisfied		9
Neither satisfied nor dissatisfied		22
Satisfied		48
Very Satisfied		13
Don't know		2
<b>Total</b>		<b>100</b>

Total may not sum to 100% due to rounding.

\*Sub-sample based on those respondents whose most recent transaction was to apply for a refund (off-road or otherwise).

Of the sub-sample of respondents whose application was for an off-road refund (n=36), one-third reported that the NZTA asked to see records for the time they were claiming that the vehicle was off-road. All but one of the sub-sample reported that they had kept such records (Table 65 and Table 66).





**Table 65: Request for records by NZTA (off-road refunds only)**

*Q70. Did NZTA request to see records of the time that you spent working off-road?*

	Base =	Total 36* %
Yes		33
No		58
Don't know		8
<b>Total</b>		<b>100</b>

Total may not sum to 100% due to rounding.

\*Sub-sample based on those respondents whose most recent transaction was to apply for an off-road refund (other types of refunds not included).

**Table 66: Records kept for refund purposes (off-road refunds only)**

*Q70a. Do you keep records for this purpose?*

	Base =	Total 36* %
Yes		97
No		3
<b>Total</b>		<b>100</b>

Total may not sum to 100% due to rounding.

\*Sub-sample based on those respondents whose most recent transaction was to apply for an off-road refund (other types of refunds not included).

When queried as to how long it took before they received an answer regarding their refund application, roughly two-thirds (63 percent) said it was within one month, though four respondents (nine percent) had not yet heard of the outcome (Table 67). In relation to the amount of time it took NZ Transport to process the refund application, four-in-ten respondents reported some degree of dissatisfaction, while approximately one-third were satisfied or very satisfied (Table 68).

**Table 67: Length of time before received answer regarding refund**

*Q68a. How long did you have to wait before you received an answer about your refund application?*

	Base =	Total 46* %
Between 1 and 2 weeks		28
Between 2 and 4 weeks		35
More than a month		13
Don't know		15
Awaiting current application		9
<b>Total</b>		<b>100</b>

Total may not sum to 100% due to rounding.

\*Sub-sample based on those respondents whose most recent transaction was to apply for a refund (off-road or otherwise).



**Table 68: Satisfaction with length of time**

*Q68b. How satisfied were you with the length of time it took to process your refund application*

	Total
Base =	46*
	%
Very dissatisfied	20
Dissatisfied	22
Neither satisfied nor dissatisfied	26
Satisfied	22
Very satisfied	9
Don't know	2
<b>Total</b>	<b>100</b>

Total may not sum to 100% due to rounding.

\*Sub-sample based on those respondents whose most recent transaction was to apply for a refund (off-road or otherwise).

As noted in Table 69 below, the majority of the sub-sample who had received the decision regarding their refund application, reported that they had been given their refund, however less than half reported that they were satisfied with the refund process overall (Table 70).

**Table 69: Refund received**

*Q71. Were you given a refund on this last occasion?*

	Total
Base =	42*
	%
Yes	88
No	7
Don't know	5
<b>Total</b>	<b>100</b>

Total may not sum to 100% due to rounding.

\*Sub-sample based on those respondents who had learned of the outcome of their most recent refund application.

**Table 70: Satisfaction with refund process overall**

*Q72. Overall, how satisfied were you with the process of applying for a refund?*

	Total
Base =	42*
	%
Very dissatisfied	10
Dissatisfied	10
Neither satisfied nor dissatisfied	36
Satisfied	33
Very satisfied	10
Don't know	2
<b>Total</b>	<b>100</b>

Total may not sum to 100% due to rounding.

\*Sub-sample based on those respondents who had learned of the outcome of their most recent refund application.



When queried as to how the process could be improved (Table 71), roughly 40 percent of the sub-sample of respondents who had heard the outcome of their refund application reported that no changes were required, or that they did not know what could be changed. Among those who did make a recommendation, most frequently this related to making the refund process easier or quicker.

**Table 71: Recommendations for improvements to the process**

*Q73. How do you think the process could be improved?*

	Base =	Total 42* %
Easier/quicker refunds		17
Pay at pump		12
More working BP outlets/use RUC card with other vendors		12
Scrap RUC completely		10
Do online		7
Make Direct Connect more readily available and 24-7		7
Simplify process/get rid of simplify forms		5
Better trained staff and/or 24-7 call centre		5
Reduce costs/eliminate admin fees		5
Pay after the fact for actual use at COF/WOF		5
Pay by credit card/Purchase larger amounts by credit card		2
Better service from staff		2
Nothing/no changes required		21
Don't know		21

Total may not sum to 100% due to multiple response.

Note: Some respondents did not answer the question.

\*Sub-sample based on those respondents who had learned of the outcome of their most recent refund application.



## 5.0 Enforcement and infringements

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### 5.1 Commercial Vehicle Investigation Unit

The Commercial Vehicle Investigation Unit (CVIU) is a nationally managed unit responsible for monitoring all areas of the commercial vehicle industry, including trucks, buses, taxis, couriers, mobile cranes, and mobile homes<sup>25</sup>.

With 94 Enforcement Officers and 13 Vehicle Safety Officers, the CVIU operates mobile weigh stations throughout the country, as well as permanent weigh bridge stations in the following areas:

- ◆ Auckland (3 locations).
- ◆ Rotorua.
- ◆ Turangi.
- ◆ Ohakea.
- ◆ Plimmerton (on both sides of the highway).
- ◆ Glasnevin (north of Amberley).

According to New Zealand Police statistics the CVIU's officers inspect approximately 140,000 commercial vehicles annually in relation to Road User Charges, of which 45 percent are weighed. Approximately 25,000 offences, both safety and RUC related, are reported annually.

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<sup>25</sup> Source: <http://www.police.govt.nz/service/road/cviu.html>



## **5.2 Steps involved in a roadside stop**

The goals of the CVIU are to ensure safer drivers and safer vehicles operate on New Zealand roads. It is estimated by the CVIU that the average roadside stop takes about 25 minutes, with an additional 10-25 minutes should the vehicle need to be weighed. Every compliance check that is carried is recorded in the Roadside Check Database as well as going to the Economic Compliance Unit (ECU). The steps that are involved in a stop are detailed in Figure 15 overleaf.

The following steps are taken whenever an officer makes a roadside stop.

### **5.2.1 Driver check**

When a vehicle is first stopped by a CVIU officer, the officer approaches the cab of the vehicle and interacts with the driver. All drivers are subjected to a breath-test and the officer checks that the driver is wearing their seatbelt. Additionally, the drivers are asked to produce their drivers licence for the vehicle they are currently operating, as well as the log-book for the vehicle.

### **5.2.2 Vehicle compliance check**

When an officer is satisfied that the driver meets all of the requirements listed above, the officer then moves to the front of the vehicle and begins the vehicle compliance check. While at the front of the vehicle the officer checks that the vehicle is currently licensed. The officer also checks that the vehicle has a current Certificate of Fitness (CoF) and valid loading certificates, as well as checking the windscreen for cracks.

In relation to RUC, it is at this point in the stop that the officer will check the vehicle has sufficient, valid RUC for the load that it is currently carrying. Should a vehicle be found to be operating without a RUC, or with an expired RUC licence, then the officer will begin the infringement process that is described later in this chapter.

If the officer suspects that the load currently being carried is more than that which is covered by their RUC, then the vehicle may be weighed. This may occur at one of the eight permanent weigh bridges mentioned earlier, at a private weigh bridge or at mobile weigh pit set up on the side of the road.

Should a vehicle be found to be more than five percent overweight, the officer will begin the weight infringement process as described later in this chapter.

### **5.2.3 Mechanical check**

Should a vehicle pass all of the compliance checks as described above then the final stage of the roadside stop is the mechanical check. At this point the officer will walk around the vehicle and check the steering, suspension, brakes and chassis of the vehicle for any defects. Additionally the officer will check that the vehicle is fitted with a functioning Hubodometer.

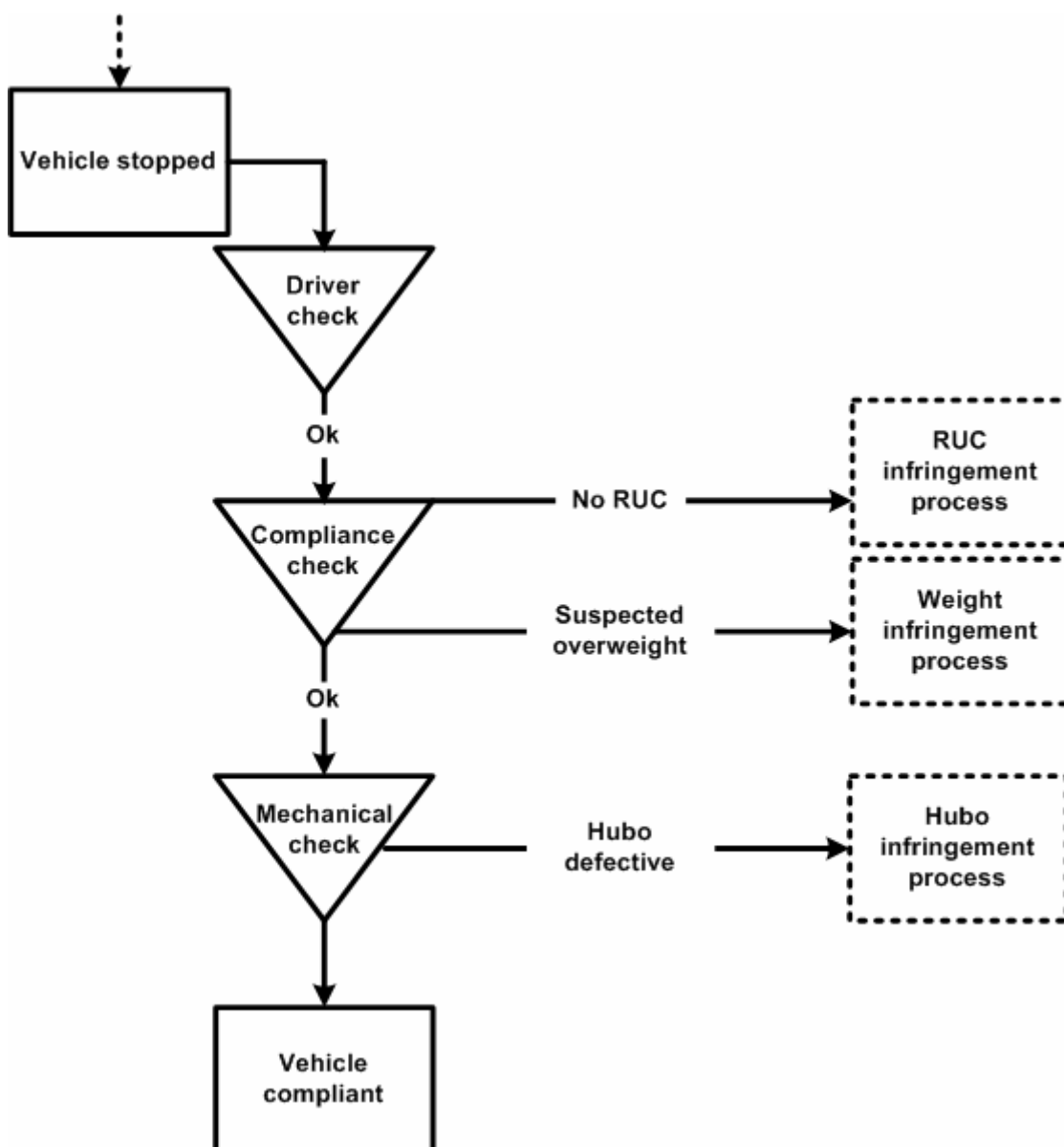


If the Hubodometer is found to be defective then the officer checks the vehicle's logbooks and the driver is given 100 kilometers to replace the Hubodometer.

If the officer thinks that the Hubodometer may be defective, then they may ask the driver to take part in a drive test. In these tests the officer will follow the truck for 10 kilometers and check that the Hubodometer is recording accurately. If the Hubodometer is found to be operating outside of the 7.5 percent tolerance then the officer will begin the defective Hubodometer infringement process as described later in this chapter.

Finally, if the Hubodometer is found to be over-run by more than 500 kilometers or if it is over-run by less than 500 kilometers and the vehicle is overweight, then the officer will issue an infringement notice.

**Figure 15: Overview of the steps involved in a roadside stop**





## **5.3 RUC infringement processes**

The following section details the different types of infringements that CVIU officers may come across during a roadside stop.

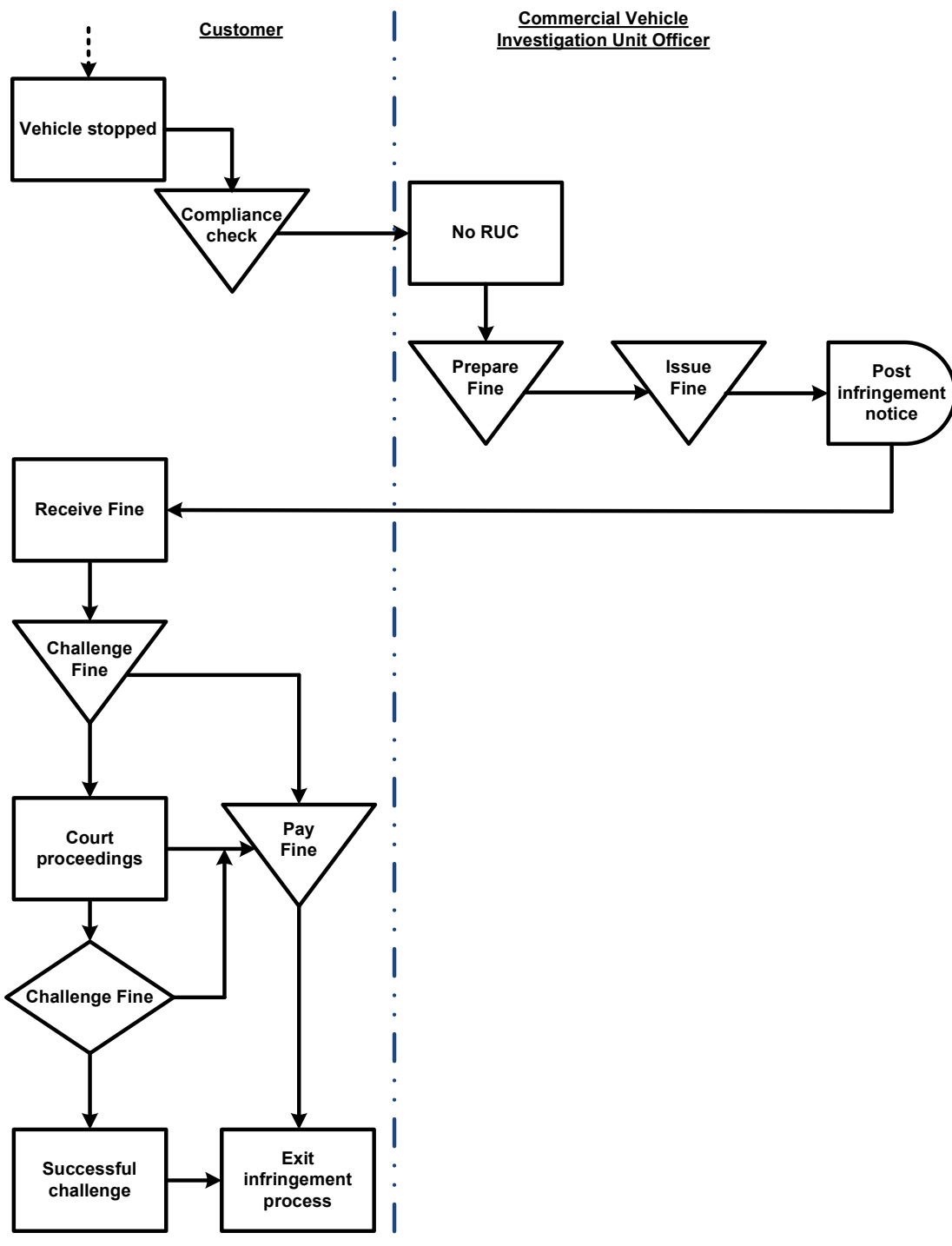
### **5.3.1 Insufficient/expired RUC found upon vehicle check**

Should a vehicle be found to be operating without a valid RUC, or with insufficient RUC, during the compliance check then the officer will begin the infringement process on their return to their base. The officer prepares the infringement notice and calculates the fine that is due. The infringement notice is then posted to the registered company office, unless there are other arrangements for the delivery of such notices.

Upon receipt of the infringement notice, the vehicle owner may decide to challenge the notice through the court system. Depending on the court's decision, the fine may be reduced or the owner may have to pay the fine in full. In either case, upon payment of the fine the owner exits from the infringement process.



**Figure 16: Insufficient or expired RUC found upon vehicle check**







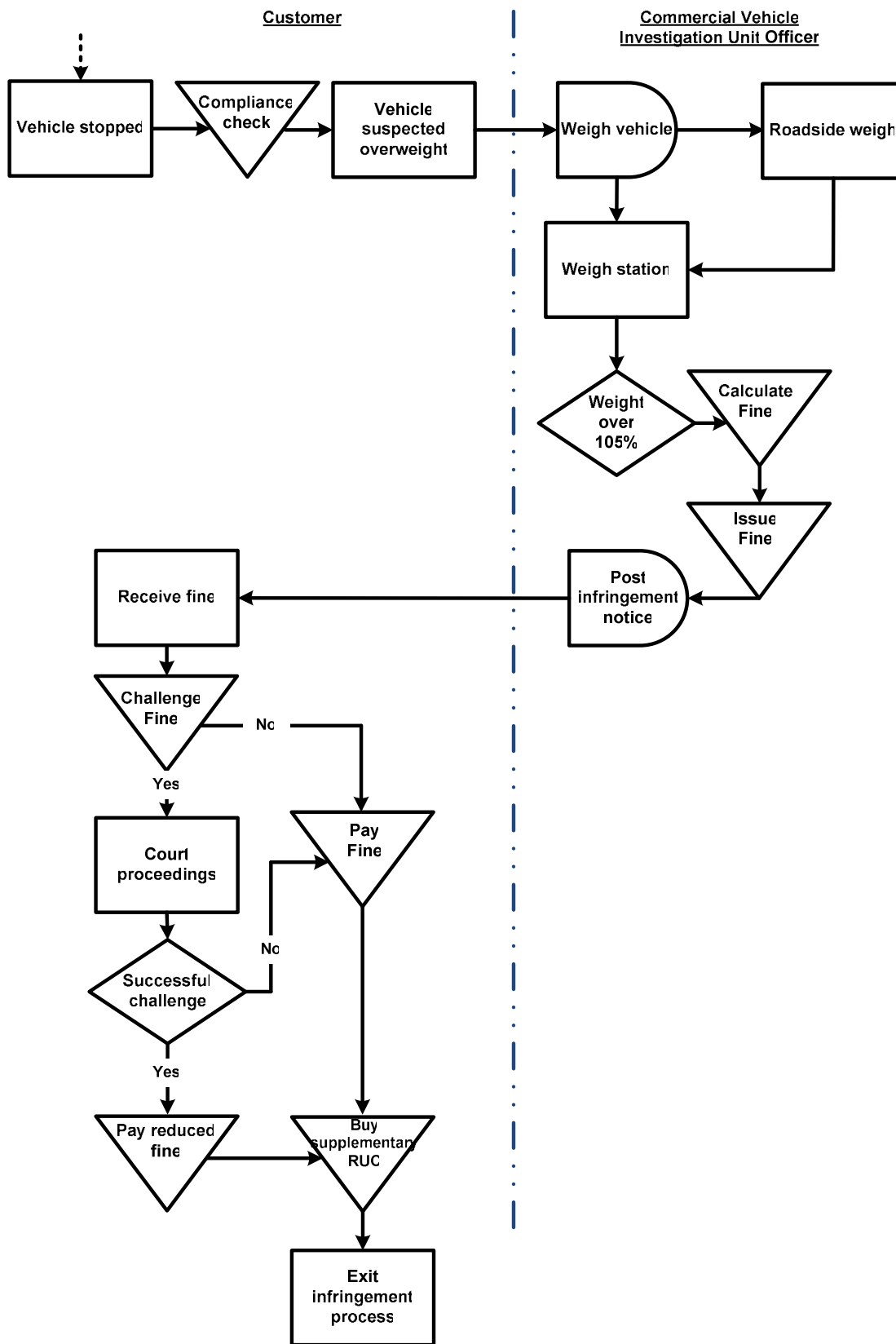
### **5.3.2 RUC operating weight infringement**

If, after weighing the vehicle, the laden weight is found to be more than five percent over the allowed weight, then the officer will begin the weight infringement process. The registered owner of the vehicle will be issued with a fine (the amount of which is between \$200 and \$10,000, depending on the weight that the licence is exceeded by) and the infringement notice will be sent to the registered company office, unless there is a prior arrangement for the delivery of such notices.

Upon receipt of the infringement notice, the vehicle owner may decide to challenge the notice through the court system. Depending on the court's decision, the fine may be reduced, or the owner may have to pay the fine in full. In addition, they must purchase a supplementary licence at the weight recorded at the stop. This licence must cover the entire distance that the load had travelled.



Figure 17: RUC operating weight infringement





### **5.3.3 Defective distance recorder**

Should a vehicle be found to have a Hubodometer that is over-run by more than 500 kilometres, then the officer will issue a fine for three times the value of the RUC that was not purchased. In addition, the vehicle owner will have to purchase the required RUC for the vehicle.

For example, should a Type 2 vehicle with a maximum gross weight of 18 tonnes be found to be over-run by 1,500 kilometres, then the fine is calculated as follows. The cost per 1,000 kilometres on this vehicle is \$771.27. In this case, the vehicle has over-run the RUC by 1,500 kilometres, therefore, the RUC would have cost  $\$771.27 \times 1.5 = \$1542.54$  (as the RUC licence can only be purchased in lots of 1,000km).

The fine for the over-run is three times the cost of the RUC, ( $\$1542.54 \times 3 = \$4,627.62$ ) therefore, the amount the operator will be fined is \$4,627.62. In addition, the operator must purchase the RUC that was not purchased initially. In all, operator will have to pay \$6,170.16.

Likewise, should a vehicle be found to have a licence that is over-run by less than 500 kilometres and is overweight, then the officer will issue a fine to the registered owner of the vehicle. In the case of over-runs, the option is available for the owner to challenge the fine through the court system.

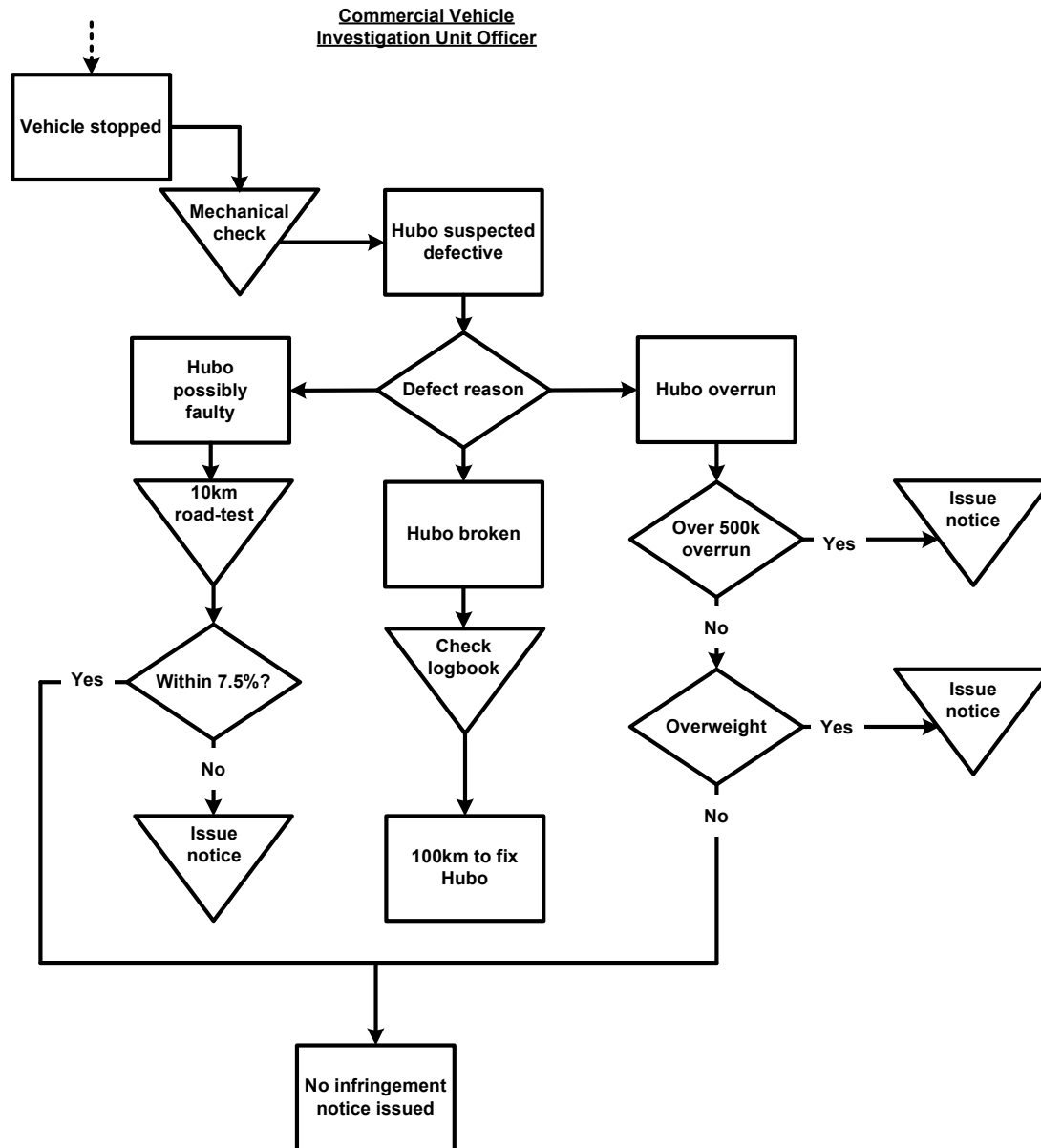
If an officer believes that the Hubodometer may be malfunctioning, then the driver is asked to take part in a 10 kilometre road test. If this test shows that the Hubodometer reading is more than 7.5 percent outside the actual distance, then the officer will issue an infringement notice to the registered owner.

Finally, if the Hubodometer is broken, then the officer will check the log-books of the truck to ensure that the problem is a recent one. The driver is then given 100 kilometres in which to replace the defective Hubodometer.

In the event that an infringement notice is to be issued, then the officer will calculate the fine that is due as described above and post the infringement notice to the registered office of the company, or to an alternative address by prior arrangement. Upon payment of the fine, the owner exits the infringement process.



**Figure 18: Defective Hubodometer process**





## 6.0 Economic Compliance Unit

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### 6.1 Overview

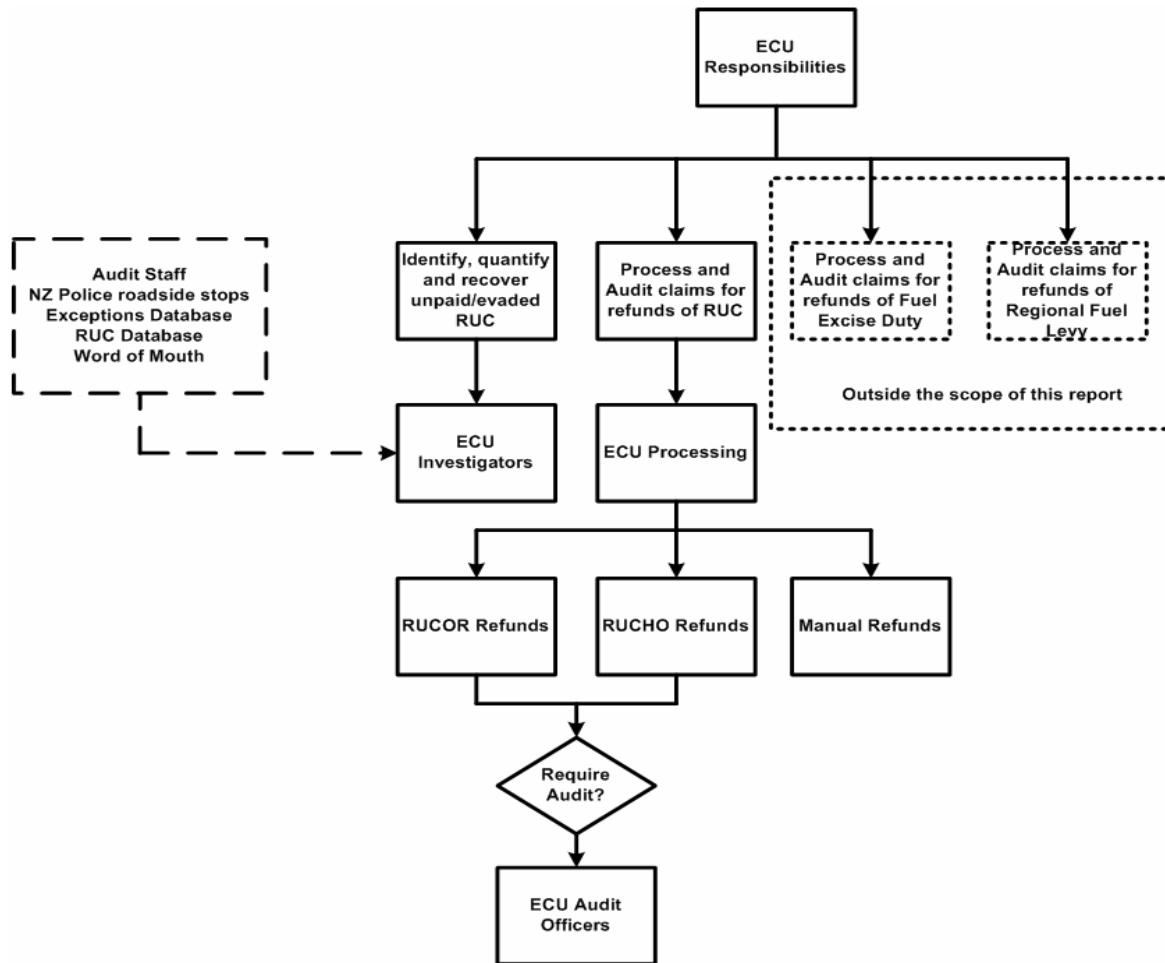
The Economic Compliance Unit (ECU) is part of the New Zealand Transport Authority. The overarching purpose of the ECU is to ensure that road users who are subject to the Road User Charges Act make the correct payment for road use. More specifically, the responsibilities of the ECU include:

- ◆ Identifying, quantifying and recovering evaded/unpaid Road User Charges.
- ◆ Processing and auditing claims for refunds of RUC.
- ◆ Processing and auditing claims for refunds of Fuel Excise Duty.
- ◆ Processing and auditing claims for refunds of Regional Fuel Levies.

For the purposes of this research, we are only interested in the processes that relate to RUC.



**Figure 19: Defective Hubodometer process**





### **6.1.1 Processes for identifying, quantifying and recovering unpaid/evaded RUC**

While the CVIU (New Zealand Police) is in charge of the day-to-day issuing of infringement notices in relation to RUC, it falls to the ECU to investigate incidences of ongoing evasion or underpayment of RUC. Details of every RUC infringement notice that is issued by NZ Police is supplied to the ECU.

ECU investigators can choose to investigate any operator that they suspect of sustained evasion of RUC. The information that triggers an investigation can come from a number of sources, including from the ECU's Audit Staff, from the NZTA's Exception Database, from infringement notices or even from word of mouth.

During the course of an investigation, ECU investigators target the whole fleet of the operator and also examine their business practices in detail. The aim of these investigations is to establish whether the operator is engaging in underpayment or evasion of RUC.

In general, these investigations deal with issues relating to the weights carried by vehicles. There are few set processes for the investigations and each case of evasion or underpayment is dealt with on a case by case basis. Examples of some scenarios that investigators may encounter are set out below.

In cases where RUC is found to have been underpaid then the investigators also arrange for the recovery of the unpaid RUC although the RUC legislation does not give investigators the power to force an operator to repay the unpaid RUC. The proceeds of any such repayments are added to the National Land Transport Fund.

In the event that agreement is not made for repayment, legal action can be commenced by the NZTA under Section 18A of the Road User Charges Act 1977, for an inquiry by a District Court Judge.

ECU investigators carried out 526 investigations resulting in the recovery of more than eight million dollars in unpaid RUC between 2005 and 2008, as detailed overleaf.



**Figure 20: ECU activities last four years**

	2005/06		2006/07		2007/08		2008/09 (Q1)		Totals	
<b>Bulk Cartage</b>	<b>27</b>	<b>24.77%</b>	<b>28</b>	<b>13.86%</b>	<b>37</b>	<b>17.21%</b>	<b>7</b>	<b>10.94%</b>	<b>99</b>	<b>16.78%</b>
<b>Bulk Liquid</b>	<b>1</b>	<b>0.92%</b>	<b>1</b>	<b>0.50%</b>	<b>4</b>	<b>1.86%</b>	<b>1</b>	<b>1.56%</b>	<b>7</b>	<b>1.19%</b>
<b>Bus</b>	<b>9</b>	<b>8.26%</b>	<b>1</b>	<b>0.50%</b>	<b>3</b>	<b>1.40%</b>		<b>0.00%</b>	<b>13</b>	<b>2.20%</b>
<b>Construction</b>	<b>6</b>	<b>5.50%</b>	<b>11</b>	<b>5.45%</b>	<b>11</b>	<b>5.12%</b>		<b>0.00%</b>	<b>28</b>	<b>4.75%</b>
<b>Containers</b>	<b>1</b>	<b>0.92%</b>	<b>6</b>	<b>2.97%</b>	<b>9</b>	<b>4.19%</b>		<b>0.00%</b>	<b>16</b>	<b>2.71%</b>
<b>Courier</b>	<b>1</b>	<b>0.92%</b>	<b>1</b>	<b>0.50%</b>	<b>3</b>	<b>1.40%</b>		<b>0.00%</b>	<b>5</b>	<b>0.85%</b>
<b>Furniture Removal</b>	<b>1</b>	<b>0.92%</b>	<b>6</b>	<b>2.97%</b>	<b>0</b>	<b>0.00%</b>	<b>2</b>	<b>3.13%</b>	<b>9</b>	<b>1.53%</b>
<b>General Goods - Linehaul</b>	<b>17</b>	<b>15.60%</b>	<b>19</b>	<b>9.41%</b>	<b>28</b>	<b>13.02%</b>	<b>15</b>	<b>23.44%</b>	<b>79</b>	<b>13.39%</b>
<b>General Goods - Local</b>	<b>10</b>	<b>9.17%</b>	<b>19</b>	<b>9.41%</b>	<b>42</b>	<b>19.53%</b>	<b>8</b>	<b>12.50%</b>	<b>79</b>	<b>13.39%</b>
<b>Heavy Haulage</b>	<b>9</b>	<b>8.26%</b>	<b>12</b>	<b>5.94%</b>	<b>3</b>	<b>1.40%</b>	<b>1</b>	<b>1.56%</b>	<b>25</b>	<b>4.24%</b>
<b>Log Haulage</b>	<b>5</b>	<b>4.59%</b>	<b>18</b>	<b>8.91%</b>	<b>27</b>	<b>12.56%</b>	<b>5</b>	<b>7.81%</b>	<b>55</b>	<b>9.32%</b>
<b>Refrigerated Haulage</b>	<b>1</b>	<b>0.92%</b>	<b>2</b>	<b>0.99%</b>	<b>1</b>	<b>0.47%</b>		<b>0.00%</b>	<b>4</b>	<b>0.68%</b>
<b>Stock Cartage</b>	<b>3</b>	<b>2.75%</b>	<b>2</b>	<b>0.99%</b>	<b>4</b>	<b>1.86%</b>		<b>0.00%</b>	<b>9</b>	<b>1.53%</b>
<b>Vehicle Recovery</b>	<b>1</b>	<b>0.92%</b>	<b>2</b>	<b>0.99%</b>	<b>0</b>	<b>0.00%</b>		<b>0.00%</b>	<b>3</b>	<b>0.51%</b>
<b>Waste &amp; Refuse</b>	<b>0</b>	<b>0.00%</b>	<b>31</b>	<b>15.35%</b>	<b>13</b>	<b>6.05%</b>		<b>0.00%</b>	<b>44</b>	<b>7.46%</b>
<b>Other</b>	<b>17</b>	<b>15.60%</b>	<b>43</b>	<b>21.29%</b>	<b>30</b>	<b>13.95%</b>	<b>25</b>	<b>39.06%</b>	<b>115</b>	<b>19.49%</b>
	<b>109</b>		<b>202</b>		<b>215</b>		<b>64</b>		<b>590</b>	

Source: NZ Transport Agency, Economic Compliance Unit.





## **Scenario A – Hubodometer failure**

In this scenario, the operator has purchased a new 21 tonne truck. The new vehicle is fitted with a Hubodometer and on the day the vehicle is delivered both the Odometer and Hubodometer readings equal zero kilometres.

On each CoF inspection the Hubodometer and Odometer readings are recorded. Using these readings as a guide, the ECU Refund Officer can fairly accurately predict what the reading of the Hubodometer would have been, had it been functioning correctly.

For each successive CoF inspection, the normal variance can be calculated. This figure is calculated by a weighted average of the variance between hubodometer and odometer at each individual inspection.

In this case, the estimated Hubodometer reading would be calculated as follows:

Estimated Distance = (Total distance recorded by Odometer since failure – total distance recorded since hubodometer since failure) +/- (Total distance recorded by odometer since failure x the weighted average variance) + the 'end reading' of the hubodometer, see below.

Estimated Distance = (184,000 - 151,000) + (184,000 x 3.33%) + 271,000 = 310,127 kilometres.

Therefore, the Hubodometer for this vehicle should have recorded around 310,127 km since it was first attached to the vehicle. The ECU Auditor will then inform the operator of their findings and request that any outstanding RUC be repaid using these figures.



**Table 73: Scenario A: Odometer/Hubodometer reading discrepancy**

**ECONOMIC COMPLIANCE UNIT - HUBODOMETER CALCULATION SHEET**

Calculation For:	Example A
Plate Number:	ABC123
RUC licence end distance:	272000
RUC rate per 1000km:	\$389.54

**VEHICLE HUBO AND ODO COMPARISON FROM THE NZ TRANSPORT AGENCY RECORDS**

WHEN RECORDED	RECORDED READINGS Record date	DISTANCE RECORDED		DISTANCE TRAVELLED		DIFFERENCE	DIFF %
		Hubo	Odo	Hubo	Odo		
Read on new hubo							
At hubo change	15/02/2009	271000	300000	5000	22000	17000	340.0
At inspection (CoF)	15/12/2008	266000	278000	146000	162000	16000	10.96
At inspection (CoF)	15/06/2008	120000	116000	64000	62000	-2000	-3.13
At inspection (CoF)	15/12/2007	56000	54000	56000	54000	-2000	-3.57
At inspection (CoF)	15/06/2007	0	0				

<b>Last Known Consistent Hubodometer Reading*</b>	120000	Date:	15-Jun-08
<b>Odometer reading at time</b>	116000		
Difference/Variance between hubo and odo until 15-Jun-08		-3.33%	<i>Odo slower than Hubo</i>
Hubo kilometres recorded between 15-Jun-08 and 15-Feb-09		151000	
Odo kilometres recorded between 15-Jun-08 and 15-Feb-09		184000	
Hubo and odo difference between 15-Jun-08 and 15-Feb-09		33000	
PLUS established hub/odo variance of -3.33% of odo distance		<b>6127</b>	
<b>TOTAL hubo/odo difference PLUS -3.33% of odo distance</b>		39127	

<b>REVISED END READING**</b> on old hubodometer	310127		
<b>COMPARISON WITH RUC LICENCE PAID UP TO (272000 KM)</b>		<u>38127</u>	<i>Kms Unpaid</i>
		<b>\$14,851.99</b>	<b>AMOUNT OUTSTANDING</b>

\* The "Last known Consistent Hubodometer Reading" is the last reading that the hubo and odo were tracking consistently together - this is gauged by the consistency of the "% DIFF" column

\*\* The "Revised End Reading" is the calculated distance that the hubodometer would have recorded at the time it was removed, had it been working accurately. It is calculated by adding the 'TOTAL hub/odo difference PLUS -3.33% of odo distance' to the hubo reading at hubo change

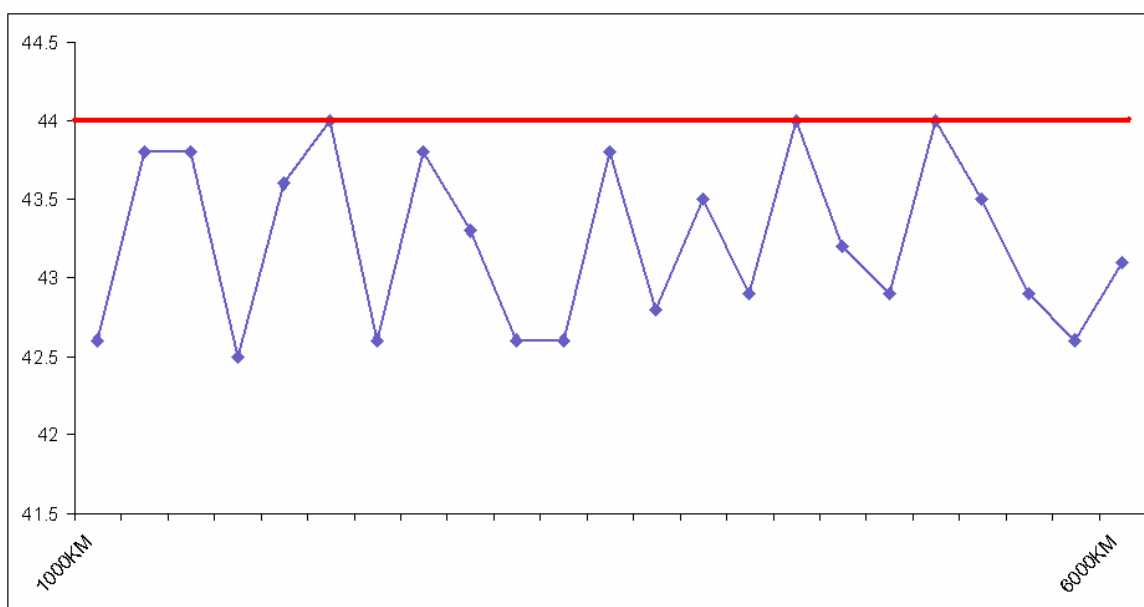


### **Scenario B – Under-purchased weight licences**

The following scenarios demonstrate how operators and ECU investigators deal with some of the issues relating to the operating weight of the vehicle. In each example, weight data is available on a number of occasions between 1,000 and 6,000 kilometres.

In the first instance, Operator A has purchased licences totalling 44 tonnes. As shown the vehicle combination has been running at or below weight on each occasion that weight data was available. Therefore, ECU would be satisfied that the weight purchased was sufficient.

**Figure 21: Scenario B: Operator running at or below weight**



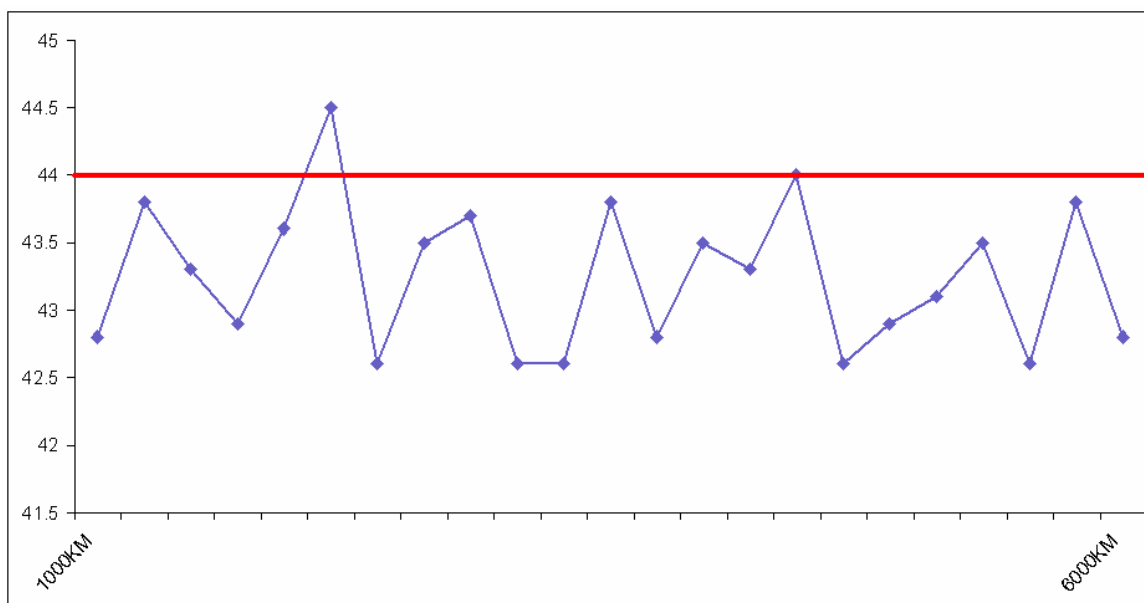
Source: NZ Transport Agency, Economic Compliance Unit.

In the second instance, Operator B has again purchased licences totalling 44 tonnes but in this case has exceeded the licence weight on one occasion. The weight on this occasion was 44.5 tonnes.

Therefore the operator should have purchased a Supplementary licence to cover the distance travelled on this occasion. As this operator is running below weight most of the time, and only rarely exceeding the RUC weight they would be unlikely to be assessed as having underpaid RUC by the ECU, as an occasional overload is not considered sustained evasion.



**Figure 22: Scenario B: Operator occasionally running over-weight**



Source: NZ Transport Agency, Economic Compliance Unit.

In our final example, Operator C has again purchased licences totalling 44 tonnes for the vehicle combination. On eight separate occasions between 1,000 and 6,000 kilometres the operator has been found to be overweight.

In order to calculate how much the operator owes in unpaid RUC, the investigator would work out what the average of all the overweight loads was. In this example, the vehicle has been weighed twenty times and found to have been overweight on eight occasions. In total, all of the overweights add up to 4.9 tonnes. Therefore, the operator has been overweight by an average of 0.61 tonnes (4.9 tonnes / 8 stops).

The operator should have purchased a 45 tonne licence and would only have needed a Supplementary licence on one occasion (when running at 46.1 tonne). The ECU investigator would then inform the operator that they required an additional tonne of RUC to cover the average of the overweight loads.

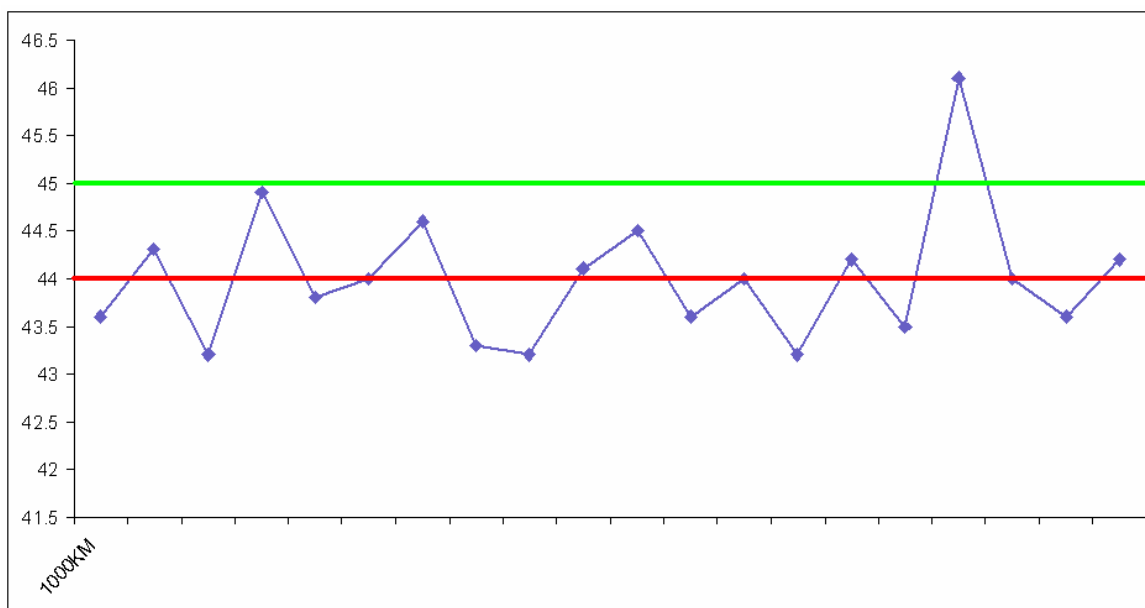
As RUC can only be purchased in one tonne increments the operator would need to make payment for an additional 1 tonne of licence weight for the 5,000 Kms that they covered in this time.

It is up to the operator to decide if they agree with the investigator's decision, and whether they will pay the additional RUC or not. Should the operator choose not to pay for the additional RUC, then they may be taken to court by the NZTA under Section 18A of the Road Users Charges Act.

Once the case is before a Judge, the NZTA will assess all licences to the strict interpretation of the Road User Charges Act 977, and assess each individual licence at the weight required to cover the heaviest load carried. The Judge, in making his or her assessment will use the NZTA assessment as a starting point but may make any allowances they deem appropriate for circumstances specific to the operator's case.



**Figure 23: Scenario B: Operator regularly running overweight**



Source: NZ Transport Agency, Economic Compliance Unit.



## **6.1.2 Processes for Audit claims and refunds of RUC**

### **RUCHO**

Upon receipt of a completed RUCHO for a truck, the ECU Refunds Officer has the decision of whether or not the operator will receive a refund. If the vehicle has a working odometer the officer compares a historical time series of Hubodometer and Odometer readings. If these readings are consistent (although they are not expected to be in the same range), and the variance is below 7.5 percent up to the point where the Hubodometer was changed, then the application for a refund is granted. Should the readings suggest that the Hubodometer has not been recording accurately, the refund may be reduced, or an assessment calculated for unpaid RUC.

If the vehicle does not have a working odometer, other comparisons are made, including with vehicles which travel in combination (i.e. dedicated truck and trailer, B-train etc.), normal distance travelled on average and the operator's RUC purchasing patterns. In addition, further information is sourced from Logbooks, maintenance records and daysheets to determine the distance the vehicle had travelled.

Depending on the complexity of the situation, this may be handled by the Refund Officer, or referred on to an Audit Officer.

The Audit Officer then writes to the operator and informs the operator of their decision. Should an operator disagree with the assessment made by the Audit Officer then they are given the opportunity to discuss the situation further, which may include providing additional information or a road test (a trailing test of more than 10 kilometres but less than 20 kilometres) in order to determine the accuracy of the vehicles Odometer. Any variation found during the road test will result in a similar variation of the assessment.

### **RUCOR**

In all, around 1,200 operators in New Zealand apply for off-road refunds. Every new claimant of off-road refunds is audited the first time that they apply for a refund. Should the ECU Audit Officer be satisfied with the claimant's application, then the claimant will be given a refund. Subsequent applications made in the next three years are normally approved, provided that the application is for a similar portion of total distance travelled to the initial refund application that was granted. All operators that claim off-road refunds are the subject of an audit every three years, although audits may occur more frequently depending on individual circumstances.

As mentioned above, all new off-road refund claimants are referred to an Audit Officer. If a subsequent RUCOR form is processed and the Refund Officer is not satisfied with the accuracy of the claim, it may be referred to an Audit Officer. Alternatively, the amount of the refund may be reduced, (this is normally due to errors made by the operator when submitting their claim). The operator is informed of this by letter. If the operator contests this decision then their case is referred to an Audit Officer.

Global Positioning Satellite (GPS) technology has begun to be used more frequently by the trucking industry in recent years. Many operators in New Zealand now use GPS to keep track of



their vehicles, and in particular, to keep track of times and distances spent working off-road. This in turn allows them to more accurately calculate the value of any off-road refunds that they may be owed.

Any off-road refund claims that are made based on GPS data are liable to be audited by the NZTA. In the case of two specialist GPS providers, the internal processes of these organisations are audited by the NZTA, rather than their clients.

For any operator who is making off-road claims based on a GPS system that is not operated by either of the two main specialist providers, then their off-road claims will be calculated and checked in the following way:

- ◆ The New Zealand road network has been programmed into the GPS mapping system.
- ◆ The GPS records all movements of the vehicle.
- ◆ All travel records can then be retrieved from the system and overlaid on a map.
- ◆ The GPS data must have been checked physically by the person submitting the claim; and any erroneous GPS signals removed from the dataset.
- ◆ The distance that the vehicle spent off-road is then forwarded to the NZTA as an off-road claim.
- ◆ The data is then retrieved during an audit at the customer's premises, where samples are manually checked by the NZTA to ensure that the area being claimed for is actually off-road.
- ◆ Once the NZTA are happy that the claim is genuine then a refund will be generated.

### **Manual Refund**

Upon receipt of a request for a manual RUC refund the ECU makes a decision as to whether a refund will be granted. Depending on the decision of the ECU, the customer is either reimbursed financially or is informed of the reasons why they have not been granted a refund.

Figures 24 through 26 on the following pages illustrate the various ECU-related steps and processes involved in the above refund types.



**Figure 24: Audit and refunds processes (RUCHO)**

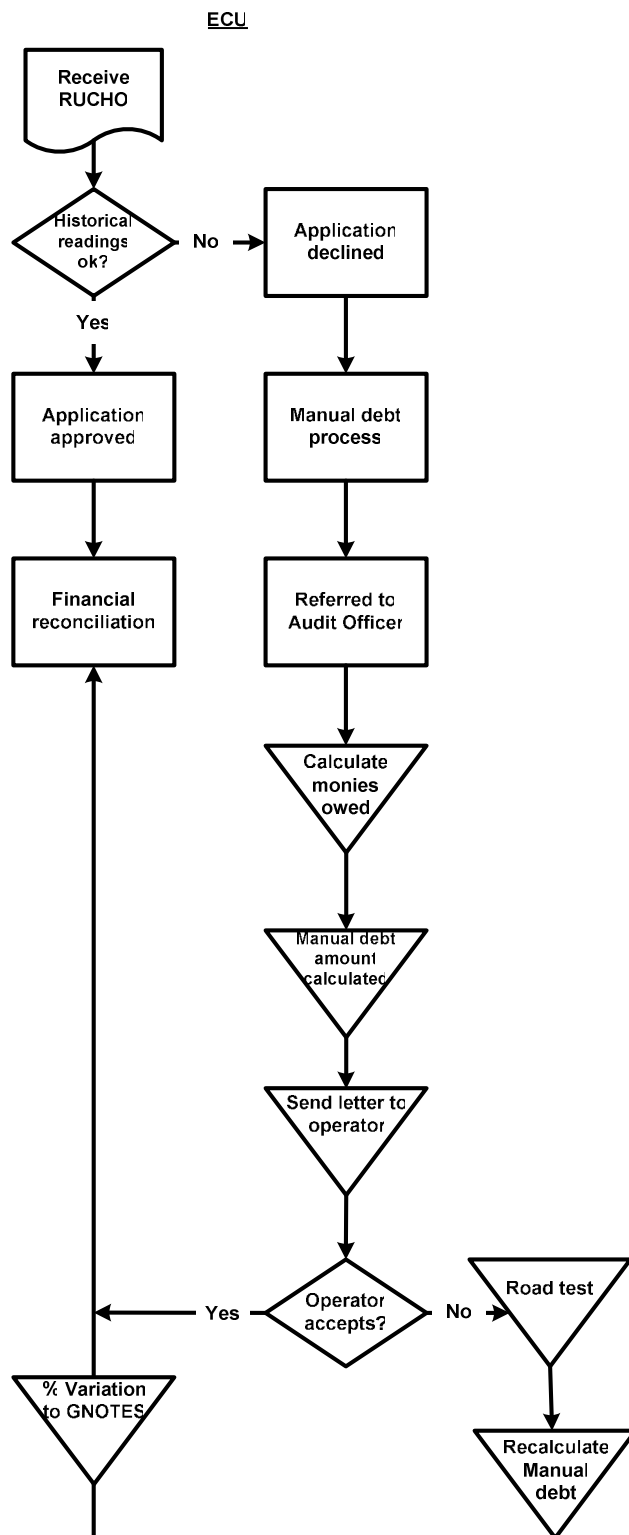
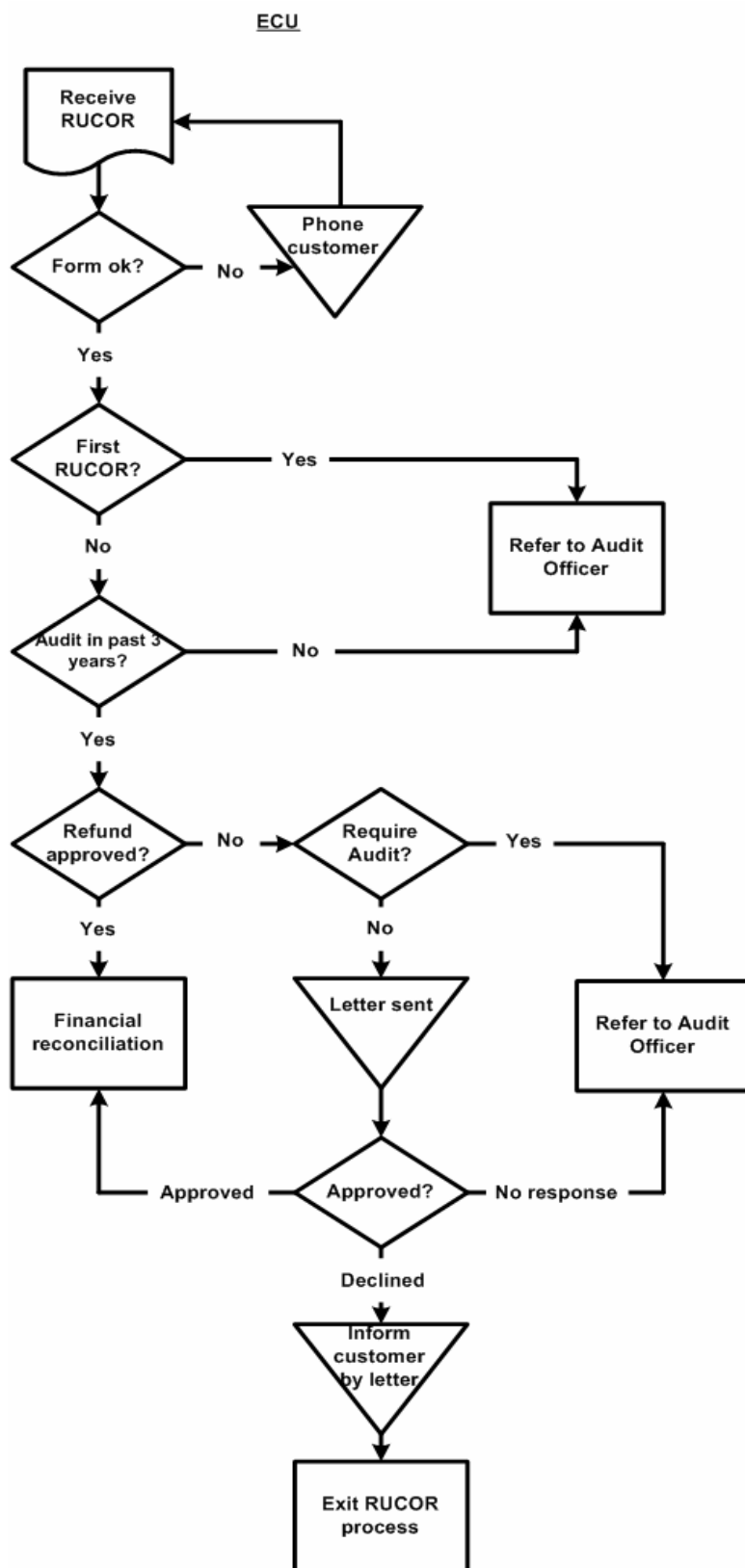




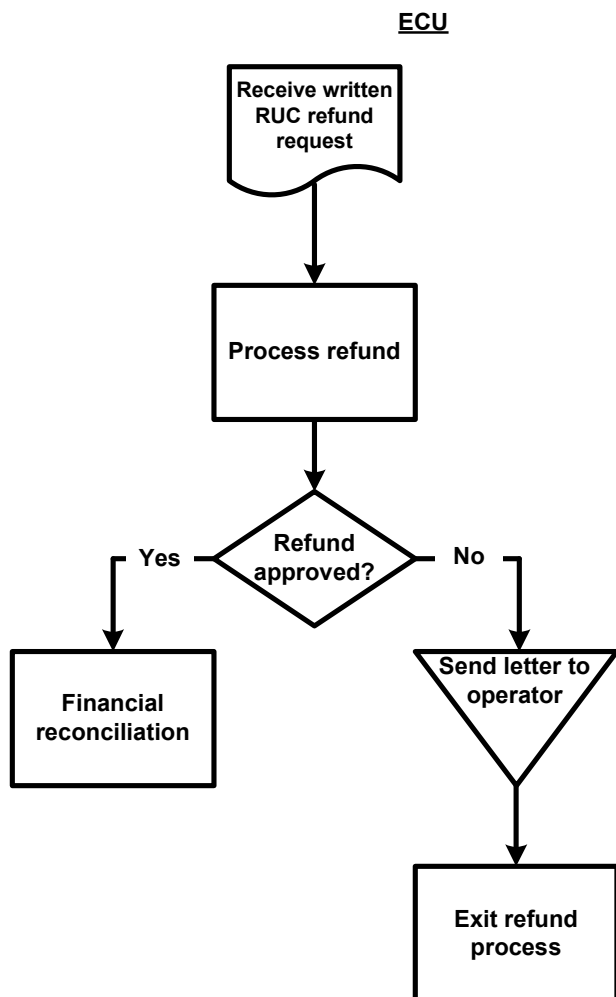


Figure 25: Audit and refunds processes (RUC OR)





**Figure 26: Audit and refunds processes (Manual refund process)**





## 7.0 Case studies: Very dissatisfied users' perspectives of the RUC system

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This section reports summaries of findings of n=7 case studies of very dissatisfied RUC users. Each case study included discussion about what's working well and what's not working so well in the current system, and concluded with discussion about any changes they would like to see to the RUC system, with a view to remedying any issues they raised.

The objective of the case study interviews is to bring to life and augment the survey findings by gaining a greater understanding of what sits behind the views held by a variety of different dissatisfied RUC users. The small number of respondents (n=7) were selected to represent a broad cross-section of the RUC market in terms of size and type of organisation.

### 7.1 Key findings

#### 7.1.1 Overview

The RUC system is perceived to benefit neither the transport industry, nor the country (economically or environmentally). From the respondents' perspectives, even the improvements made to the purchasing of RUC (online facilities and DirectConnect) have done little to reduce the administrative burden for compliance.

In summary, the key issues respondents raised about the RUC system include:

- ◆ There is significant administrative burden for businesses and, they envisage, for NZTA.
  - ◆ Police and court time is believed to be “wasted” collecting taxes, and they would prefer to see police focus on road safety, and the courts dealing with “real criminals”.
  - ◆ RUC revenue is believed to be “misspent” on costs to administer and enforce RUC, rather than on road maintenance.
- ◆ Although channels have improved overtime (e.g. DirectConnect, online purchasing are an improvement to previous manual purchase options), these are not as reliable as they need to be to increase efficiency:
  - ◆ BP stand-alones not always working or accessible.
  - ◆ The limited availability of call centre.



- ◆ The online facility is not always accessible and only allows for purchases up to \$400.
- ◆ There is no setup support for DirectConnect.
- ◆ There is strong criticism of the RUC pre-purchase system for two reasons:
  - ◆ They are not reimbursed for their work until much later. This especially affects small businesses, who find the outlay a significant financial burden.
  - ◆ They pay for what they could/should potentially haul, rather than what they actually haul (i.e. they believe they are more often than not over paying, or risking penalties if they underestimate a load weight).
- ◆ The lack of transparency of the RUC system creates “hidden” costs of diesel (RUC charges and the “hassle” involved in the purchase process), as compared to petrol, is criticised by private and small commercial drivers, as they believe diesel to be a more efficient fuel that is potentially more environmentally friendly, which they believe should be promoted.
- ◆ They believe it is complex and high maintenance for truck drivers to complete all the recording required. Owners rely on drivers to ‘get it right’ and believe the risk for error is significant (e.g. failure to display labels, incorrect Hubodometer readings or weight assessments), resulting in fines being incurred for what they consider to be simple mistakes.
  - ◆ As well, some small commercial users note that they may inadvertently “forget” to purchase RUC prior to running out of their distance purchased (especially if they purchase the minimal amount of 1000kms, with the maximum online purchase being only 5000kms).
  - ◆ There are also significant logistical issues for drivers to access labels to display while on the road (channels may be unreliable/inaccessible (BP stand-alone availability) and it is considered inefficient/difficult to fax labels to drivers in remote locations).
  - ◆ Faulty and unreliable Hubodometers result in:
    - ◆ A constant need to replace these, incurring purchase costs, as well as the administrative burden of re-licensing these to the trucks/trailers.
    - ◆ The potential for penalties for incorrect readings, or the discrepancy between Odometer and Hubodometer readings.
  - ◆ Accurately weighing loads is problematic:
    - ◆ On-board scales are inaccurate, making it difficult for some to accurately weigh loads, which risks penalties. These businesses complain that they can only accurately weigh their loads at the point of destination.



- ◆ Most overcompensate and purchase maximum weight, so as not to be 'caught out'. Some criticise the requirement to purchase 46 tonnes, when 45.5 tonnes is believed to be the maximum legal load.
- ◆ The audit system is criticised for historical compliance penalties it issues, as these are considered to be too vigilant (sticking to the letter of the law, and allowing for 5% leeway after the fact is not well understood). Penalties are also considered to be unfairly assessed because the fine is assessed assuming every load is overweight for the license distance (e.g. 10,000km).
- ◆ They believe the cumbersome nature of the RUC system creates the opportunity for companies to "*rip it off*".
- ◆ Refunds for off-road distance are considered to benefit only larger organisations, as the resources (administrative and technical, e.g. GPS systems) to achieve a refund are believed to be too costly for smaller businesses.
- ◆ There is criticism that trucks are purchased/modified to reduce users' RUC (i.e. increasing axels) to comply with the RUC tables, rather than to maximise productivity and safety. Maximising mass and dimension and reducing axels is considered to be a more efficient means of reducing the number of trucks necessary on the roads, thereby reducing the industry's overall emissions. In addition, some believe that eight-wheeler multi-axel trucks do more damage to the road.
- ◆ They do not believe that safer driving (slower/smoothier) is promoted by the RUC system, as they are more focussed on reducing RUC charges than what they pay at the pump.
- ◆ Additional Regional Fuel taxes, currently rolling out across the country, are criticised for creating what is perceived to be an "unfair" discrepancy between the regions and adding to the overall price they pay for diesel.

### **7.1.2 Preferred system to tax road users**

In short, these dissatisfied RUC users believe a fairer and more transparent system of a National Fuel Tax ('pay at the pump') would have a significant impact on their businesses and would have the added advantage of benefiting the economy and the environment.

This solution, to collect road user tax at the point of sale, was consistently preferred by these respondents, versus making changes to the RUC current system.

In these users' opinions, the benefits of a National Fuel Tax, in comparison to the current RUC system are multiple. These are summarised as follows:

- ◆ Increasing revenue by minimising administration requirements both for users and NZTA.
- ◆ Increasing road maintenance through greater revenue.



- ◆ Increasing police presence for safety-related issues.
- ◆ Freeing up the courts.
- ◆ Allowing them to more accurately and transparently cost contracts.
- ◆ Eliminating the need for a Regional Fuel Tax (at different rates).
- ◆ Eliminating the potential to “rip off the system”.
- ◆ Promoting safer and more fuel-efficient driving.
- ◆ Allowing greater mass dimension “state of the art” trucks to increase the industry’s productivity by reducing the number of trucks required to move the required volume, thereby increasing safety, and decreasing road damage and emissions.

## **7.2 RUC user case studies**

The following case studies provide profiles and stories of seven respondents from a range of organisations. In each case, the respondent is either the direct RUC user (e.g. sole-operators, owner-operators), or is in a position to oversee the company’s overall RUC usage.

Each organisation is described in terms of size and type of business, with the exception of Rotorua Forest Haulage (Case study 3), who agreed to be identified.

### **7.2.1 Case study 1**

#### **Organisational profile**

Case study 1 is a small family business. They have 10 freight trucks (mostly multi-G-train units) used for long-distance dry freight haulage.

The company has a Direct-Connect licensing system and administration is carried out by a mother-daughter team. They also use RUC cards at BP Connect.

As a primarily mobile fleet, the drivers require distance licenses while on the road (as opposed to returning to the depot). Consequently, licenses are either faxed to driver-locations, or purchased at BP facilities.

Some trucks are fitted with on-board scales, but generally weight is over-estimated for RUC purchases, to be on the safe side.



## Views on the RUC system

### ***What's working***

When asked to rate the RUC system overall, the response was that it did not 'rate' at all. The RUC system was considered to be a totally ineffective method of taxing commercial road users.

### ***What's not working***

Their opinion of the RUC system is very negative overall, due principally to the "excessive" time, energy and expense of administering RUC for their business and, they believe, for the economy.

*It's a clumsy, time-consuming system. The time involved is huge.*

*The bureaucracy involved... I hate to think what the system costs to run! From an operator's view, it's costly in practical administration terms, but for the country to operate it, the costs must be huge!*

Other and related issues raised during the discussion include:

- ◆ The potential for error that may result in penalties for non-compliance is believed to be huge, with owners relying on drivers to comply.

*We rely on drivers. Three Hubodometers on a truck to read and record. Three readings that need to be right. Plus the correct tonnage, and correct licenses. Truck drivers are not the sharpest tacks in the box!*

*Especially for training up new staff. It's a hard learning process. There's a lot of paperwork... a lot for them to remember. And we are relying on them to get it right, or we face the penalties.*

- ◆ In order to ensure the weight is correct, they over-compensate, purchasing more than should be required, in case a load is inaccurately estimated in the contract.

*We err on the side of caution and buy more weight than we need to. It's better to be safe than sorry. I don't think you could get a refund.*

- ◆ Channel problems cause delays, as drivers are held up either waiting for their office to fax through licenses to the drivers, or for the drivers to find a BP station with a RUC stand-alone facility that is working.

*It's frustrating when they don't work [stand-alone facilities]. The driver needs to drive around looking for the next one. On average it's only about 10-15 minutes, but it can take up to an hour to purchase their RUC. If you analyse that by all our trucks, it's an extensive exercise.*

*We tried to reduce it [time] by having our own machine, but it still takes about 10 minutes to administer the mileage and weights... collect the readings, do the paperwork, call,*



*purchase, and then the driver still doesn't have it to display. So they risk prosecution. So they have to find somewhere for us to fax it through to them. It's time consuming. It's a clumsy time consuming system away from the depot.*

- ◆ Hubodometers are considered to be unreliable and of poor quality. The replacement process not only incurs the business the cost of the equipment, but costs a significant amount for the administration of re-licensing these to the trucks/trailers.

*They do 100,000 km if you're lucky. We bought a new truck recently, and the hubo lasted 19 km! They all vary in accuracy. They don't operate properly. Then there are issues with reading them properly. They have a Perspex face that gets scratched up and the driver misreads it, or the police request it to be replaced. They aren't a huge cost, but with the frequency you replace them... it adds up.*

*Then it's such rigmarole to replace them! Again, it's the clumsiness of the admin system through NZTA to register the serial number with the truck in the RUC system.*

- ◆ The policing of RUC compliance at the weigh stations is considered to be an unnecessary use of police time, which they would prefer to see focussing on safety.

*It's a clumsy and confusing checking system. The police time should be spent on safety checking.*

## **Ideal system**

In this business' view, the simpler the system, the better.

They believe the ideal system is to tax RUC at the tank (i.e. a National Fuel Tax), principally because they believe the cost savings would be immense for both consumers and the economy.

*There's always some administration with tax. But the current system is too much. There is always going to be some administration. We are collecting taxes here, so we can't get away from that, but it appears the current system has a lot of costs just to make it work.*

*There're probably problems that I'm not aware of from doing that [taxing diesel at the pump], but to me, from my point of view, if everyone had to pay a tax on diesel, and it's a uniform amount, then everyone's paying the tax. To me it's simple... it takes the clumsiness out of the way.*





## 7.2.2 Case study 2

### Organisational profile

Case study 2 is made up of two companies, with a total of 40 employees spread between them. They operate 35 44 tonne trucks, mostly six-wheelers. The majority of their work is long distance bulk haulage.

They have 6-7 dedicated office staff. They complete the RUC administration using spreadsheets to update the drivers' logs and printing labels using DirectConnect, which they leave for drivers and rely on them to remember to collect and display them.

On average, they estimate the administration time spent on RUC amounts to 1.5 office hours per day.

### Views on the RUC system

#### ***What's working***

This company does not believe the current RUC system is 'working' as a road user tax system should, to effectively maintain New Zealand roads.

*I fundamentally believe we need a fairer system. The Road User Charges system is to build roads, but how much of it ends up being deducted on administrative costs on the government side?*

#### ***What's not working***

Overall, this business does not believe the RUC system is working to anyone's advantage: neither the industry, nor the country. Principally, this is based on their criticism of the administrative burden, including the costs incurred to administer penalties. They estimate they spend "a good" hour and a half on administering RUC per day.

*All it is, is collecting a tax. The administration is horrendous! It's time consuming and excessive. The admin costs are huge to the business.*

*Road users is one of the biggest hurdles in the transport industry.*

Other and related issues raised during the discussion include:

- ◆ They criticise the lack of training available to set up the DirectConnect system, as logging on to purchase labels to print is not as reliable or easy as they expected, as the online facility is not always available.

*It's not 24/7 as it's supposed to be. You can't always log on, and, although the online phone system's is good for help, there was no help or assistance for training or setting it up... you just have to rely on manuals .*



- ◆ Reliance on drivers to carry out accurate readings and to display labels is such that they believe there are significant chances for error to occur and risks of incurring penalties for simple mistakes.

*We have to rely on drivers, dyslexic and tired drivers to remember to put them [labels] in the truck and to record the information correctly at night when they can hardly see the readings. When you're using semi-skilled labour at the lower end of the skill-base, the risk of error is quite high. You're relying so much on your drivers to make the system work.*

*Even if you've purchased the RUC, the requirement in the Act is that the label is on display. Recently, a relief driver forgot to pick up the label and we got a fine, even though the CVIU admitted in their evidence that they could see it on the computer that we'd purchased it.*

*It's so time consuming. It took three hours waiting at court, and then there were about seven court staff, including the Magistrate and the police... all for a \$130 fine. It's a ridiculous waste of court time and ours! It was the first time we'd been in court, so you get a black mark against your name, just for an admin failure to collect tax we've already bloody paid! Basically, it's making law abiding citizens criminals, because of an administration mistake. That annoys the hell out of me!*

- ◆ Inaccuracy and unreliability of Hubodometers is also an issue, in relation to the potential for error and penalties, as well as the costs these afford to replace and re-register.

*We had two new trucks recently and both hubs failed. We had to buy new ones. The Hubodometers are so unreliable, it's an issue.*

- ◆ The requirement to display labels means that they occasionally need to fax these to the drivers while they are on the road. This is considered both time-consuming and an imposition on their clients.

*We have the drivers wait around while we fax the label through, usually to our clients while they're there. It's an imposition on our customers.*

- ◆ They consider the time spent policing and administering penalties to be unnecessary. The court system is criticised for wasting valuable court time on “petty fines”.

*The weigh station stops. We're paying police to walk around the truck and check numbers. It's a waste of time they should be spending on safety. Free up the police and free up the courts!*

- ◆ They believe the RUC tables to encourage an increase of wear and tear of the roads, by increasing the axel use.

*The different road user charges by different configurations of trucks... you've got two steering axels and they cut up the road. The science behind that in terms of wear and tear to the road just isn't there.*



## **Ideal system**

The ideal system from their point of view is “*a quick tax collected the same as petrol is*”. A more visible cost-effective system would, they believe, have a significant impact on the industry and the economy.

*Sometimes the simplest system is the best system! If you add in all the administration costs from both ends, how much actually ends up being spent on the roads? It would make the economy a hell of a lot more efficient!*

*If there was a straight tax on diesel, then all companies, whether you have got one truck; 10 trucks, 35 trucks like us; or 100 trucks, you are all paying the same. You won't have people buying a sticker for 18 tonnes, when they are carrying 21 tonnes. It's a more honest system.*

They also believe off-road use of diesel under such a system should be allocated to such areas by Treasury (e.g. into fishing, agricultural or forestry), rather than be claimed as rebates.

*For those industries that it's mostly off-road, like farming, or fisheries... the money that is collected from them as an industry could be put towards coast guards, or things to do with the farming community. So, then it could be just a quick allocation by Treasury as to where the money goes, in terms of how much goes into roads and how much goes into benefiting their industry.*



## 7.2.3 Case study 3

### Organisational profile

Case study 3 is a large forestry company. The company has been operating for 37 years. Their fleet amounts to 150 trucks and they employ 250 staff.

### Views on the RUC system

#### ***What's working***

This company believes that the current RUC system *"is a set up to failure"*:

*Failure as an operator; to fail the New Zealand economy; to fail for environmental efforts; to fail for road safety; and to fail for simple taxation.*

#### ***What's not working***

Overall, they attributed the RUC system to the relationship breakdown between the industry and the government.

The RUC system is considered to be *"pedantic and officious"*, working to the detriment of the industry, the economy, the environment and the consumer.

The key areas they believe RUC as a system to collect road user revenue fails are summarised by RFH as follows:

- ◆ RFH believes the RUC system sets up an operator to fail due to the pre-pay system and the requirement for users to over-purchase by purchasing for weight they 'could use', rather than for what they 'actually' use, in order to comply.

*Operators are required to pay in advance for a weight they are unable to utilize! The operator buys a weight that they cannot administratively, physically and precisely attain.*

*Hence the operator is required to over-purchase a RUC weight at a cost which they are then not able to fully utilize. The over-purchased cost to be borne by the NZ business economy.*

*The operator is consistently required to under load, and not to exceed the license weight, without any acknowledgement of the underweight loads carted less than the license weight.*

*The operator is liable for prosecution up to six years later for any breaches of the license weight from commercial weight records.*

*Operators are liable at any point to be weighed by police enforcement, axle by axle, and fined for any breach of axle weight breaches as well as gross weight breaches*



*The majority of Forest Corporates do not pay for weights in excess of legal maximum weight. Hence operator not only exposed to loss for not attaining license, prosecution, 18A audits – but also not attaining any financial gain for any overload amount.*

*Petty, Pedantic and prescriptive enforcement by RUC economic compliance fails to acknowledge any “under loading” – prosecuting selected transport sectors that have good weight records for “any” breaches of a RUC license.*

- ◆ They believe that the RUC system fails the productive New Zealand economy due to the following:
  - ◆ Making operators use less productive trucks to comply with RUC tables.

*The RUC tables promote unnecessary axles that, in turn, increases the tare weight of the trucks, reducing the payload of every truck, increasing the cost of cartage for every truck and reducing the profitability of the NZ producer and the economy.*

- ◆ Increasing transportation costs to add in RUC risk.

*Over-purchased RUC are required to be costed into client transport rates, adding RUC risk into NZ economy. RUC, as well as Regional Fuel Tax, have to be costed into transport rates, administered and reconciled by operators and bureaucrats.*

*Pre-purchase with expensive label costs – and requirements to carry labels for enforcement purposes – means it is cost prohibitive to purchase labels for less distance for more precise weight calculation [supplementary labels]. Hence, the over-purchase of license distance and weight.*

*A change to post-purchase of RUC – for precisely the weight carted - would allow any unnecessary risk or underutilized cost to be removed from the NZ economy cost of transport.*

- ◆ They also felt that the RUC system fails in relation to administrative simplicity.

*RUC fails the NZ economy for being a simple and efficient –only one method of road tax collection. Now with Regional and National Fuel taxes – plus road tolls being enacted – these will all require multiple administration, costing and reconciliation processes for the operators and bureaucrats – at a Regional and National level. All of which need to be transparently costed into transport rates for clients*

*RUC requires separate government administration – separate of IRD. Administered as a tax, RUC could be paid in conjunction with other monthly tax requirements that would negate multiple parties being involved in payment and refund processes.*

*Legal challenges and precedents of the current RUC Act acknowledge the operators difficulties in meeting pedantic, petty and prescriptive interpretation of the Act. But judges*



*are bound by the Act as it stands, and are unable to be more pragmatic in their application of the Act.*

- ◆ The company said that from their perspective the RUC system fails New Zealand road safety performance.

*RUC forces the Police to focus their efforts to axle by axle weight enforcement at limited weighbridge locations around the country, rather than attend numerous more productive and proactive road safety policing initiatives for HMV trucks and drivers over more of the country.*

*Extra tare weight associated with RUC tables which have driven increased axles, which means more trucks carting less weight. This increases the exposure of the general public to trucks and truck incidents.*

*Petty RUC policing and economic compliance actions compromise the efforts other sections within Police and LTNZ want to advance in willing compliance with the transport operators. The credibility of LTNZ and Police is compromised by RUC activities, which undermines advancing more proactive and necessary areas of safety development with operators.*

*RUC economic compliance approach is inconsistent and selective of transport sectors where they can easily identify weight. Hence disadvantages to those industry sectors and companies that keep good records.*

*Where operators may be inclined to utilize GPS for a management tool, such petty and reactive practices as has been undertaken by the economic compliance unit of LTNZ over the past 5 years has operators hesitant to invest in such technology, with the likely petty use made of the GPS technology for other enforcement activities.*

- ◆ They also believe the RUC system fails New Zealand's environmental performance.

*RUC for light diesel vehicles disadvantages the LMV diesel relative to a petrol option, making the more environmentally friendly LMV diesel less utilised than would be environmentally desirable.*

*RUC promotes extra axles, which, in turn, makes the trucks less productive, requiring more trucks to shift the same volume of product, hence more fuel, tyres, road wear and emissions per tonne carted. Extra tyres also have extra disposal costs (\$8.00 per tyre).*

*RUC tables promote 4 axle trucks, which are difficult to source internationally and difficult to sell internationally. Four axle trucks are old technology, old engine technology, expensive to buy and difficult to sell*



## **Ideal system**

The ideal, in their opinion, would be to tax RUC at the pump, and institute a National Fuel Tax.

However, if the RUC system remains instituted, they would like to see the following changes to the system:

- ◆ A pay system in arrears (post-purchase vs. pre-purchase), so that users are only paying for what they use, as they use it. This would also allow them to more accurately cost for clients (rather than building in the “fat” that RUC requires).
- ◆ A taxation system administered by IRD, rather than NZTA, because it is tax collection and can be administered along with ongoing tax.
- ◆ Remove Regional Fuel Tax (as this is *“double-dipping from users’ pockets”*).
- ◆ Review RUC tables to reflect today’s fleet potential, to encourage companies to benefit their own and national productivity, as well as road safety and the environment.
- ◆ Remove RUC for light vehicles (and collect at Registration).
- ◆ Promote and facilitate GPS technology to more accurately assess off-road usage.



## 7.2.4 Case study 4

### Organisational profile

Case study 4 has been in the haulage business for 37 years. They are a husband and wife team who started with two trucks and a van. They built up the business to 10 trucks in the 1970s, and now run a small fleet of four trucks. They have a bulk operation and haul one-way loads short distances locally that they weigh on destination.

The business has been investigated and fined due to their purchasing RUC for less weight than was on average carried for a period of years.

### Views on the RUC system

#### *What's working*

In their opinion, the current RUC system is not working effectively or efficiently to the detriment of both the industry and the economy.

*There's nothing good about it.*

#### *What's not working*

The main issue raised by this company is the lack of discretion used under an investigation to assess weight purchases. They operated purchasing 44 tonne RUC, and on occasion hauled up to their maximum capacity at 45.5 tonnes, believing there was a discretionary 1.5 tonne tolerance (or 5%) afforded in RUC.

When investigated, they found that the 5% discretion was not afforded historically, which they consider unfair. They believe that to comply too the "*letter of the law*" would be unfair, as they would have to overpay (they especially balk at paying for a load that would make them illegally overweight) and purchase their RUC up to 46 tonnes.

*In 37 years we have probably had half a dozen over-loading tickets and we've shifted several hundred thousand loads. But they came and they said, "Do you load your trucks to a maximum (which is 45 and a half tonne)?" And I said, "Yes," And they said, "Have you always done that? Because we have stepped our road users in 2006." We had an agreement that you could run a 44 tonne sticker with a tonne and a half tolerance. So, on that ground, I wouldn't change.*

*They should have come, or sent us a letter and say that the tolerance we had for 25 years is now not being accepted, and we will enforce it to the letter of the law. If you have a black and white law, there shouldn't be grey areas. It's a moral issue. We didn't sit down and say, "We'll cheat on our Road Users". You try and comply, but they sell in 1000 tonne increments, and we shouldn't have to pay for an extra half tonne that we couldn't legally carry.*





Other and related issues raised during the discussion include:

- ◆ The administrative time spent on RUC is considered to be too heavy.

*The time it takes to sort out our RUC is very heavy. Especially for a small operation like ours, the administration is very heavy.*

- ◆ They believe pre-paying RUC in advance both disadvantages them in terms of financial outlay, and forces them to estimate haulage weights, which may be incorrect on the day.

*You should be able to buy when you're getting paid, as you go, not before you use it. The pre-pay system is unfair.*

- ◆ Off-road refunds are considered to be slow.

*It takes three weeks to get an off-road claim refund back. It's a big time lag, when what you're paying out in advance is expensive in the first place.*

- ◆ They believe the axle tables to force the industry to operate inefficiently.

*Running an extra axle adds an extra tonne or so, so you sacrifice a tonne of payload.*

### **Ideal system**

In their view, the ideal system is a National Fuel Tax. They believe this would have the dual benefits of being a fairer system, as they think weight and distance would be charged more accurately, and without the administration involved, it would create more revenue.

*The heavier you load, the more you pay at the pump. It's that simple! You still need maximum load weights enforced, but that's a safety issue.*

*I've worked out the costs of administering Road User Charges to be exactly double that of collecting fuel tax. It's a win-win for the truck companies and the government.*

In addition, they believe it would "keep users honest".

*Nobody can cheat putting fuel in the tank, but they can cheat the Road Users. Pay as you go, nobody can cheat!*



## 7.2.5 Case study 5

### Organisational profile

Case study 5 is a rural operator who has been in the business for 42 years. They operate 40 trucks and trailers carting a variety of rural goods, from metal to fertiliser. They generally undertake bulk cartage, but sometimes simply shift goods from farm to farm.

This operator uses DirectConnect to purchase RUC and claims back refunds for their off-road usage.

### Views on the RUC system

#### ***What's working***

This organisation does not believe that the RUC system has any positive qualities.

*Nothing positive at all to say. The system's Draconian. A tax should be totally accurate. Any law with grey areas has inequities. There are too many grey areas in RUC. You're treated as a criminal, but it's not black and white.*

#### ***What's not working***

As with others we spoke to, a key criticism of the RUC system is the time and effort they put into administering their RUC (both managing this daily and applying for off-road refunds and re-licensing Hubodometers).

Other and related issues raised during the discussion include:

- ◆ Due to their variable loads, they take issue with the requirement to accurately assess weight in advance, when on-board hydraulic scales are inaccurate, or there are no weight facilities available (e.g. on farms).

*There are inequities in the system, with inaccurate distance and weight recordings. Everything works on averages for cartage. We rely on averages and weigh on disposal. But for some things, like hay, it's never weighed. You might be doing 10 trips in a truck a day, with all different weights. But if the weight is checked, you might be deemed a criminal... to be evading tax, when you may not have willingly underestimated it.*

- ◆ They also criticise the investigators' analysis penalising them for carrying weights in excess of their RUC. They have defended themselves in Court and criticise the penalty system under s18a of the Act that assumes every weight carried for the whole distance purchased was up to the maximum weight carried.

*There are millions of dollars in fines going through [the courts] for exceeding weight under the Act. You might have done hundreds of loads under [the weight purchased], but if one*



*exceeded the weight, you'd be assessed on the whole 10,000km. It's simply a revenue gatherer.*

- ◆ They believe the Hubodometer technology is inadequate, given the frequency with which they are required to replace these.

*All the time and cost. They don't last the life of the truck, as they should. And people use these failures to cheat the system.*

- ◆ The annual audit for off-road refunds is considered to be an extra administrative burden associated with the RUC system. As well, they believe certain companies are targeted by the auditors.

*They come in and audit the off-road refunds. They look at your procedure. In admin time, it's about half a day. In the area, they pick on a few.*

- ◆ They believe the current tables encourage companies to purchase and use trucks to reduce RUC, rather than looking to better designed mass and dimension vehicles that could increase productivity and reduce road damage.

*Trucks are designed to reduce RUC. The more axels, the heavier the Tare weight of the vehicle. They cost more to build, and do more damage to the road. The more axels, the more drag. They scuff and tear up the tar seal. The tables are outdated in today's environment.*

## **Ideal system**

The ideal system in this company's view would be a National Fuel Tax, as they believe this would be a fairer system to gather revenue from heavy commercial road users and enhance safety on the roads.

*The heavier the load, the more fuel. It would also encourage safety, drivers trained to use the gears properly and reduce speed can save you up to 20-30% on fuel.*

*Reduce the army of Civil Servants. There are quotes around the 80 million mark for the management and policing of the current system. Money better spent planting trees! It's a waste of time and effort, and for what?*

As well as the savings on administration, they believe the removal of the refund system and every user to pay to be a fairer way to manage road maintenance.

*I also believe the refund system should go. Everybody needs the roads, whether they're using off-roads or not, eventually they need to road.*



## 7.2.6 Case study 6

### Organisational profile

Case study 6 is a small independent contractor who has recently traded in his 3 tonne diesel van in favour of a petrol fuelled vehicle. They drive locally about 1000km per fortnight and purchased 5000km at a time. They purchased RUC at the PostShop or VTNZ prior to using the online facility when this became available.

### Views on the RUC system

#### *What's working*

The system is relatively simple for the smaller user such as this. The online purchase channel in particular is considered to be positive, as this reduced the “hassle factor” of going to shop for their RUC.

#### *What's not working*

The main criticism they have of the RUC system is the “hassle factor” of having to purchase RUC on top of their fuel. The extra requirement of purchasing RUC, as opposed to just filling up at the tank, was such that it was considered to be relatively easy to “forget”, and find themselves without a current label.

*It's so easy to forget. I've found myself at risk of a fine numerous times. There's no nudge, like the fuel gauge... no reminder. If you get caught, it's an instant fine*

Other and related issues raised during the discussion include:

- ◆ The pre-pay outlay for RUC charges was also considered to be a burden for a business with a fluctuating cash flow.

*It's a simple process... it's just finding the money to pay for it.*

- ◆ After calculating the actual costs of diesel versus petrol fuelled vehicles, they found the difference to be negligible, and chose petrol over diesel, as this eliminated both the “hassle factor” of administering RUC and the financial burden of the pre-pay system.

*It's one less thing you have to do... just one less thing to worry about. And I'm very price sensitive, so paying at the pump, I get the costs back quicker, as I go.*

### Ideal system

With the ability to choose to pay at the pump, or use the RUC system, this individual saw no benefits to stick with diesel.

*Paying at the pump is much fairer. There are no worries. Without User Charges, it would be much more transparent, and lots more people would probably stick with diesel, as it's marginally cheaper.*



## 7.2.7 Case study 7

### Organisational profile

Case study 7 is a taxi driver who operates a diesel taxi in Wellington.

They purchase RUC online and pick up labels at the PostShop.

### Views on the RUC system

#### ***What's working***

As with Case study 6, they believe the system is relatively simple, but is generally inconvenient.

#### ***What's not working***

The main area of complaint they have is that the inconvenience of another piece of paperwork, and the potential to be “caught out” and not have a current license.

*We now live in a very busy and demanding world, and should one overlook one's RUC, the penalty costs associated with the oversight appears to be quite severe and frustrating.*

*It's just one more thing that we can get penalised for.*

### Ideal system

To avoid the hassle and potential fines, this taxi driver would prefer the simplicity of a system at which they could “pay at the pump”..

*I would prefer to have RUC inclusively charged at the pump as a matter of convenience. This would eliminate administration and possible compliance costs, as well as eliminating possible fines.*



# **Appendix A: RUC licence Charge Rates (Source: Land Transport New Zealand – Road User Charges Booklet)**

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## Charge rates for time licences

TABLE II

Dollars per year

Maximum gross weight (in tonnes) to be specified in licence	Vehicle type numbers		
	70-81	82-87	88-91
2	25.27	63.17	126.35
3	29.16	72.88	145.78
4	34.71	86.77	173.54
5	43.93	109.84	219.67
6	52.87	132.19	264.37
7	63.73	159.32	318.65
8	76.50	191.25	382.50
9	91.19	227.97	455.93
10	107.79	269.47	538.94
11	126.30	315.76	631.52
12	146.02	365.05	730.10
13	167.17	417.92	835.85
14	190.00	474.99	949.98
15	214.98	537.44	1,074.89
16	241.16	602.89	1,205.78
17	268.53	671.33	1,342.66
18	297.11	742.76	1,485.53
19	326.40	815.99	1,631.99
20	356.17	890.42	1,780.84
21	386.42	966.04	1,932.08
22	417.14	1,042.86	2,085.72
23	448.11	1,120.28	2,240.56
24	479.08	1,197.70	2,395.39
25	510.05	1,275.12	2,550.23
26	541.01	1,352.53	2,705.07
27	571.98	1,429.95	2,859.91
28	602.95	1,507.37	3,014.74
29	633.92	1,584.79	3,169.58
30	664.88	1,662.21	3,324.42
Incremental rate	30.97	77.42	154.84



## Charge rates for distance licences

TABLE IV

Dollars per 1,000 kilometres (621 miles) of distance to which licence relates

Maximum gross weight (in tonnes) to be specified in licence	Vehicle type numbers				
	1	2	5	6	14
1	36.07	36.07	35.59	35.59	34.68
2	36.07	36.07	35.59	35.59	34.68
3	37.71	37.71	37.20	37.20	36.26
4	39.85	38.89	37.42	37.31	36.34
5	43.25	41.23	37.64	37.42	36.42
6	47.86	43.66	37.86	37.53	36.50
7	70.44	61.39	48.95	48.21	46.01
8	92.00	76.55	55.34	54.08	50.32
9	121.95	97.21	63.22	61.21	55.19
10	162.51	124.81	73.01	69.93	60.77
11	214.10	160.98	85.14	80.64	67.22
12	277.58	206.39	100.11	93.73	74.73
13	358.24	260.18	118.46	109.67	83.49
14	459.04	327.15	140.76	128.94	93.74
15	583.21	409.41	167.66	152.08	105.69
16	734.21	509.21	199.83	179.65	119.60
17	915.72	628.98	235.01	211.60	135.75
18	1,131.67	771.27	276.11	246.68	154.42
19	1,386.24	938.83	324.11	287.58	175.92
20	1,683.83	1,134.52	379.81	334.97	200.57
21	2,029.09	1,361.40	444.05	389.54	227.26
22	2,426.90	1,622.66	517.69	452.03	256.56
23	2,882.39	1,921.64	601.65	523.22	289.71
24	3,400.91	2,261.86	696.89	603.90	327.06
25	3,988.06	2,646.97	804.42	694.93	368.99
26	4,649.68	3,080.80	925.27	797.19	415.88
27	5,391.85	3,567.31	1,060.54	911.59	468.14
28	6,220.87	4,110.65	1,211.35	1,039.07	526.19
29	7,143.31	4,715.08	1,378.88	1,180.64	590.47
30	8,165.94	5,385.07	1,564.34	1,337.32	661.43
Incremental rate	1,740.14	1,139.34	313.87	264.82	118.80
40	25,567.38	16,778.43	4,703.06	3,985.54	1,849.42
Incremental rate	3,665.92	2,399.07	658.52	555.10	247.19
50	62,226.55	40,769.15	11,288.27	9,536.51	4,321.36
Incremental rate	6,663.77	4,360.10	1,195.03	1,006.97	447.07

As a guide, the licences purchased at the rates shown in the screened blocks, would normally exceed the maximum legal weight for that vehicle type on a Class 1 road. It is the operator's responsibility to ensure that they comply with all Acts and Regulations.





## Charge rates for distance licences

TABLE IV continued

Dollars per 1,000 kilometres (621 miles) of distance to which licence relates

Maximum gross weight (in tonnes) to be specified in licence	Vehicle type numbers				
	19	24	27	28	29
1	34.31	10.73	10.69	10.68	10.67
2	34.31	13.85	13.44	13.41	13.34
3	35.87	19.13	17.06	16.92	16.55
4	35.93	28.30	21.78	21.31	20.17
5	35.97	44.34	28.42	27.28	24.48
6	36.03	68.68	37.45	35.20	29.72
7	45.02	108.83	48.00	44.03	34.31
8	48.62	176.13	67.01	60.24	43.64
9	52.46	266.35	93.18	82.07	55.51
10	56.61	391.05	133.75	113.66	70.55
11	61.13	558.30	185.42	158.01	89.55
12	66.11	777.01	248.90	210.97	113.39
13	71.62	1,056.95	329.56	277.31	147.61
14	77.76	1,408.74	430.36	360.09	188.20
15	84.63	1,843.85	554.53	461.93	235.41
16	92.35	2,374.60	705.53	585.65	292.41
17	101.02	3,014.15	887.04	734.26	360.55
18	110.77	3,776.51	1,102.99	910.96	441.26
19	121.73	4,676.57	1,357.56	1,119.17	536.07
20	134.03	5,730.02	1,655.15	1,362.47	646.57
21	147.83	6,953.44	2,000.41	1,644.66	774.48
22	163.28	8,364.24	2,398.22	1,969.71	921.56
23	180.53	9,980.68	2,853.71	2,341.81	1,089.70
24	199.76	11,821.88	3,372.23	2,765.33	1,280.84
25	221.07	13,907.79	3,959.38	3,244.83	1,497.03
26	242.83	16,259.24	4,621.00	3,785.08	1,740.40
27	266.90	18,897.88	5,363.17	4,391.03	2,013.17
28	293.44	21,846.22	6,192.19	5,067.83	2,317.64
29	322.64	25,127.62	7,114.63	5,820.83	2,656.20
30	354.71	28,766.30	8,137.26	6,655.57	3,031.33
Incremental rate	52.53	6,197.03	1,740.14	1,420.02	637.01
40	880.01	90,736.63	25,538.70	20,855.81	9,401.44
Incremental rate	107.46	13,063.59	3,665.92	2,990.92	1,339.88
50	1,954.64	221,372.49	62,197.87	50,765.02	22,800.24
Incremental rate	192.98	23,752.76	6,663.77	5,436.34	2,434.04

As a guide, the licences purchased at the rates shown in the screened blocks, would normally exceed the maximum legal weight for that vehicle type on a Class 1 road. It is the operator's responsibility to ensure that they comply with all Acts and Regulations.



## Charge rates for distance licences

TABLE IV continued

Dollars per 1,000 kilometres (621 miles) of distance to which licence relates

Maximum gross weight (in tonnes) to be specified in licence	Vehicle type numbers			
	30	33	37	43
1	10.68	10.67	10.67	10.67
2	13.35	13.30	13.30	13.29
3	16.62	16.34	16.36	16.30
4	20.37	19.49	19.55	19.35
5	24.98	22.84	22.98	22.50
6	30.71	26.49	26.79	25.78
7	36.05	28.61	29.11	27.41
8	46.62	33.92	34.76	31.88
9	60.26	39.93	41.28	36.66
10	77.81	46.83	48.88	41.61
11	100.18	54.75	57.83	46.68
12	131.64	63.84	68.39	52.41
13	172.40	74.66	80.86	58.92
14	218.98	87.51	95.60	66.34
15	275.98	102.55	112.96	74.82
16	344.93	119.86	133.33	84.52
17	427.48	139.94	159.01	95.60
18	525.38	164.86	189.95	108.25
19	640.49	194.48	224.07	122.66
20	774.78	227.19	263.53	139.01
21	930.31	264.72	308.88	157.53
22	1,109.27	307.55	360.75	178.44
23	1,313.93	356.20	419.75	201.97
24	1,546.68	411.21	486.55	228.36
25	1,810.03	473.15	561.86	257.87
26	2,106.57	542.61	646.38	290.75
27	2,439.00	620.19	740.88	327.30
28	2,810.15	706.54	846.13	367.79
29	3,222.93	802.32	962.94	412.52
30	3,680.37	908.22	1,092.16	461.80
Incremental rate	777.23	178.31	218.05	81.87
40	11,452.72	2,691.35	3,272.70	1,280.46
Incremental rate	1,635.55	372.68	456.48	169.32
50	27,808.26	6,418.19	7,837.51	2,973.63
Incremental rate	2,971.70	675.26	827.64	305.45

As a guide, the licences purchased at the rates shown in the screened blocks, would normally exceed the maximum legal weight for that vehicle type on a Class 1 road. It is the operator's responsibility to ensure that they comply with all Acts and Regulations.



## Charge rates for supplementary licences

TABLE V

Dollars per 50 kilometres (31 miles) of distance to which licence relates

Maximum gross weight (in tonnes) to be specified in licence	Vehicle type numbers				
	1	2	5	6	14
2	1.83	1.83	1.79	1.79	1.75
3	1.91	1.91	1.87	1.87	1.83
4	2.14	2.05	1.90	1.90	1.84
5	2.45	2.25	1.94	1.92	1.85
6	2.90	2.52	1.99	1.97	1.87
7	4.59	3.77	2.64	2.57	2.37
8	6.43	5.02	3.09	2.98	2.64
9	9.02	6.77	3.68	3.50	2.95
10	12.31	9.16	4.45	4.17	3.34
11	16.65	12.08	5.43	5.02	3.80
12	22.30	15.83	6.66	6.08	4.35
13	29.51	20.60	8.20	7.40	5.02
14	38.55	26.56	10.09	9.03	5.83
15	49.72	33.92	12.21	10.92	6.79
16	63.32	42.87	14.77	13.10	7.93
17	79.70	53.64	17.82	15.69	9.27
18	99.21	66.45	21.43	18.76	10.80
19	122.23	81.56	25.68	22.36	12.47
20	149.17	99.23	30.62	26.54	14.41
21	180.43	119.73	36.34	31.38	16.63
22	216.47	143.36	42.91	36.94	19.17
23	257.76	170.42	50.42	43.29	22.06
24	304.78	201.23	58.96	50.50	25.34
25	358.03	236.12	68.61	58.66	29.03
26	418.06	275.43	79.47	67.83	33.17
27	485.41	319.54	91.65	78.11	37.80
28	560.65	368.81	105.24	89.58	42.95
29	644.39	423.64	120.35	102.33	48.67
30	737.23	484.42	137.09	116.45	55.00
Incremental rate	158.07	103.45	28.41	23.95	10.68
40	2,317.96	1,518.97	421.21	355.98	161.78
Incremental rate	333.14	217.98	59.74	50.34	22.35
50	5,649.39	3,698.72	1,018.64	859.39	385.29
Incremental rate	605.68	396.25	108.52	91.42	40.52

As a guide, the licences purchased at the rates shown in the screened blocks, would normally exceed the maximum legal weight for that vehicle type on a Class 1 road. It is the operator's responsibility to ensure that they comply with all Acts and Regulations.



## Charge rates for supplementary licences

TABLE V continued

Dollars per 50 kilometres (31 miles) of distance to which licence relates

Maximum gross weight (in tonnes) to be specified in licence	Vehicle type numbers				
	19	24	27	28	29
2	1.74	0.72	0.68	0.68	0.67
3	1.82	1.07	0.89	0.87	0.84
4	1.82	1.79	1.19	1.15	1.05
5	1.82	3.12	1.67	1.57	1.32
6	1.83	5.22	2.38	2.17	1.68
7	2.28	9.13	3.28	2.93	2.04
8	2.48	14.74	4.99	4.24	2.73
9	2.71	22.82	7.58	6.39	3.65
10	2.96	34.03	10.88	9.22	4.87
11	3.24	49.11	15.22	12.78	6.69
12	3.57	68.88	20.87	17.42	8.98
13	3.94	94.20	28.08	23.33	11.71
14	4.38	126.06	37.12	30.73	15.10
15	4.88	165.50	48.29	39.87	19.27
16	5.45	213.62	61.89	50.99	24.33
17	6.11	271.64	78.27	64.38	30.41
18	6.87	340.83	97.78	80.32	37.62
19	7.74	422.53	120.80	99.13	46.12
20	8.74	518.17	147.73	121.12	56.04
21	9.87	629.27	179.00	146.66	67.55
22	11.11	757.41	215.04	176.08	80.80
23	12.43	904.23	256.33	209.79	95.96
24	13.91	1,071.49	303.34	248.17	113.22
25	15.58	1,261.00	356.60	291.64	132.75
26	17.44	1,474.65	416.62	340.63	154.75
27	19.50	1,714.40	483.97	395.60	179.43
28	21.79	1,982.31	559.22	457.00	206.98
29	24.33	2,280.50	642.95	525.33	237.64
30	27.12	2,611.16	735.80	601.10	271.62
Incremental rate	4.65	563.24	158.07	128.97	57.79
40	73.65	8,243.61	2,316.53	1,890.81	849.50
Incremental rate	9.65	1,187.48	333.14	271.78	121.69
50	170.13	20,118.38	5,647.96	4,608.61	2,066.36
Incremental rate	17.42	2,159.22	605.68	494.09	221.15

As a guide, the licences purchased at the rates shown in the screened blocks, would normally exceed the maximum legal weight for that vehicle type on a Class 1 road. It is the operator's responsibility to ensure that they comply with all Acts and Regulations.



## Charge rates for supplementary licences

TABLE V continued

Dollars per 50 kilometres (31 miles) of distance to which licence relates

Maximum gross weight (in tonnes) to be specified in licence	Vehicle type numbers			
	30	33	37	43
2	0.67	0.67	0.67	0.66
3	0.85	0.82	0.82	0.82
4	1.06	0.99	0.99	0.97
5	1.36	1.17	1.18	1.14
6	1.77	1.38	1.40	1.31
7	2.20	1.52	1.56	1.41
8	3.00	1.85	1.93	1.66
9	4.09	2.24	2.37	1.95
10	5.65	2.72	2.90	2.26
11	7.86	3.29	3.55	2.60
12	10.49	3.97	4.37	3.00
13	13.79	4.81	5.35	3.47
14	17.90	5.81	6.57	4.03
15	22.96	7.07	8.22	4.67
16	29.11	8.72	10.07	5.43
17	36.49	10.51	12.23	6.30
18	45.27	12.61	14.78	7.29
19	55.61	15.07	17.76	8.49
20	67.70	17.92	21.22	9.90
21	81.72	21.21	25.22	11.46
22	97.86	24.98	29.82	13.24
23	116.35	29.28	35.06	15.26
24	137.38	34.16	41.01	17.54
25	161.20	39.67	47.73	20.10
26	188.04	45.86	55.29	22.96
27	218.14	52.79	63.76	26.17
28	251.76	60.52	73.21	29.72
29	289.16	69.11	83.71	33.67
30	330.62	78.61	95.33	38.03
Incremental rate	70.54	16.09	19.70	7.32
40	1,035.98	239.50	292.35	111.23
Incremental rate	148.56	33.76	41.38	15.27
50	2,521.63	577.08	706.11	263.94
Incremental rate	270.03	61.27	75.12	27.65

As a guide, the licences purchased at the rates shown in the screened blocks, would normally exceed the maximum legal weight for that vehicle type on a Class 1 road. It is the operator's responsibility to ensure that they comply with all Acts and Regulations.



# **Appendix B: Direct Connect Application Forms and Documents**

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**NZ TRANSPORT AGENCY**  
WAKA KOTAHI

## Application for VPN connection to LANDATA

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### Application

I request that the NZ Transport Agency connect my ISP user name to the Internet used by the NZ Transport Agency for LANDATA. I accept the following Terms and Conditions as a user of LANDATA.

- ◆ I will only connect to LANDATA using a computer that is at the site approved by the NZ Transport Agency for LANDATA.
  - ◆ I will always connect to LANDATA with a separate communications circuit for each site approved by the NZ Transport Agency.
  - ◆ I will immediately notify the Transport Registry Centre (TRC) whenever I sell, trade or otherwise dispose of a computer that has been used with LANDATA.
4. I will not give copies of the security software provided by NZ Transport Agency for using LANDATA to any other person or organisation.
  5. I will not permit anybody access to LANDATA using my computer system, unless they are under my direct control and on my premises at the time.

Signature of applicant

---

### Application details

Agent Name

Trading Name (if different to above)

Address

Postal Address (if different to above)

Contact phone number

Contact fax number

Name of Principal/Manager

Date

---

### Computer Details

#### Internet Service Provider Account Details

User name

ISP Company

Email address to be used in communications with NZ Transport Agency

Telephone number connected to my computer

---

### OFFICE USE ONLY

#### TRC Agency

Agent Short Code

Date sent to TRC Administrator

received

#### TRC Administrator

VPN Concentrator

XTRANET enabled

LANDATA d  updated

Date Terminal Establishment form sent to Unisys





**NAME OF YOUR ACCOUNT:** (e.g J Smith or J Smith Ltd)

**TO ACCEPT AUTHORITY DIRECT DEBITS**  
(Not to operate as an assignment or agreement)

**CUSTOMER** (Acceptor) to complete Bank/Branch number, Account Number and Suffix details of the Account to be debited.

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Bank	Branch Number	Account Number	Suffix

Authorisation Code

0	3	0	1	3	8	7
---	---	---	---	---	---	---

(User Number)

Name of Your Bank	
Street Address or PO Box Number of your Bank	
Name of Town of Bank	

Date     /     /    

**I/We authorise you until further notice in writing to debit my/our account with all amounts which – NZ Transport Agency -**  
(hereinafter referred to as the Initiator)  
the registered Initiator of the above Authorisation Code, may initiate by Direct Debit.  
I/We acknowledge and accept that the Bank accepts this authority only upon the conditions listed on the reverse of this form.

**PLEASE ENCLOSE BANK DEPOSIT SLIP FOR BANK ACCOUNT VERIFICATION AND POST ALL FORMS TO NZ TRANSPORT AGENCY IN THE ENVELOPE PROVIDED.  
IMPORTANT: DO NOT SEND TO YOUR BANK**

**Type of Bank Account – Customer to Complete**

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**All Authorised Signatures**

APPROVED <b>0138</b> 05 1993	Date Received: <table border="1" style="display: inline-table; margin-left: 20px;"> <tr> <td>Recorded</td> <td>Checked</td> </tr> <tr> <td>By:</td> <td>By:</td> </tr> </table>	Recorded	Checked	By:	By:	Loaded at NZ Transport agency by:
Recorded	Checked					
By:	By:					





## CONDITIONS OF THIS AUTHORITY TO ACCEPT DIRECT DEBITS

### 1. The initiator:-

- (a) The initiator undertakes to give written notice to the Acceptor of the commencement date, frequency and amount at least 5 calendar days before the first Direct Debit is drawn (but not more than 2 calendar months).

Where the Direct Debit System is used for the collection of payments which are regular as to frequency, but variable as to amounts, the Initiator undertakes to provide Acceptor with a schedule detailing each payment amount and each payment date.

In the event of any subsequent change to the frequency or amount of the Direct Debits, the Initiator has agreed to give written advance notice at least 30 days before the change comes into effect.

- (b) May, upon the relationship which gave rise to this Authority being terminated, give notice to the Bank that no further Direct Debits are to be initiated under the Authority. Upon receipt of such notice the Bank may terminate this Authority as to future payments by notice in writing to me/us.

### 2. The Customer may:-

- (a) At any time, terminate this Authority as to future payments by giving written notice of termination to the Bank and to the Initiator.
- (b) Stop payment of any Direct Debit to be initiated under this authority by the Initiator by giving written notice to the Bank prior to the Direct Debit being paid by the Bank.
- (c) Where a variation to the amount agreed between the Initiator and the Customer from time to time to be direct debited has been made without notice being given in terms of clause 1(a) above, request the Bank to reverse or alter any such Direct Debit initiated by the Initiator by debiting the amount of the reversal or alteration of a Direct Debit back to the Initiator through the Initiator's Bank, PROVIDED such request is made not more than 120 days from the date when the Direct Debit was debited to my/our account.

### 3. The Customer acknowledges that:-

- (a) This authority will remain in full force and effect in respect of all Direct Debits passed to my/our account in good faith notwithstanding my/our death, bankruptcy or other revocation of this authority until actual notice of such event is received by the Bank.
- (b) In any event this authority is subject to any arrangement now or hereafter existing between me/us and the Bank in relation to my/our account.
- (c) Any dispute as to the correctness or validity of an amount debited to my/our account shall not be the concern of the Bank except in so far as the Direct Debit has not been paid in accordance with this authority. Any other dispute lies between me/us and the Initiator.
- (d) The Bank accepts no responsibility or liability for the accuracy of information about Direct Debits on Bank Statements.
- (e) The Bank is not responsible for, or under any liability in respect of:-
- any variations between notices given by the Initiator and the amounts of Direct Debits.
  - the Initiator's failure to give written advance notice correctly nor for the non-receipt or late receipt of notice by me/us for any reason whatsoever. In any such situation the dispute lies between me/us and the Initiator.
- (f) Notice given by the Initiator in terms of clause 1(a) to the debtor responsible for the payment shall be effective. Any communication necessary because the debtor responsible for payment is a person other than me/us is a matter between me/us and the debtor concerned.

### 4. The Bank may:-

- (a) In its absolute discretion conclusively determine the order of priority payment by it of any monies pursuant to this or any other authority, cheque or draft properly executed by me/us and given to or drawn on the Bank.
- (b) At any time terminate this authority as to future payment by notice in writing to me/us.

- ◆ Change its current fees for this service in force from time-to-time.





**FIRST SCHEDULE**  
**DETAILS AND DEFINITIONS**

**New Zealand Transport Agency**

**Street Address:** Cnr Ashley & Ferguson Streets  
Palmerston North

**Postal Address:** Private Bag 11777  
Palmerston North 4442

**Customer's Name:** \_\_\_\_\_  
(the "Customer")

**Trading as (if applicable):** \_\_\_\_\_

**Postal Address:** \_\_\_\_\_  
\_\_\_\_\_

**Type of business:** \_\_\_\_\_

**Telephone No.:** \_\_\_\_\_

**Fax No.:** \_\_\_\_\_

**Principal Contact:** \_\_\_\_\_

**Customer's Bank:** \_\_\_\_\_  
**Branch:** \_\_\_\_\_

**Account to be Debited:** \_\_\_\_\_  
(“nominated account”)

**GST No:** \_\_\_\_\_

**Commencement Date:**        /        /

**Location of Equipment:** \_\_\_\_\_



In addition to those terms defined previously.

**“Account”** means the name, address and unique System identifier approved by the NZTA for use by the Customer and which represents the applicant for a Licence.

**“the Acts”** means the Road User Charges Act 1977 and/or the Transport (Vehicle and Driver Registration and Licencing) Act 1986 and includes, where the context requires, any regulations made under those Acts;

**“Agreement”** means this agreement and includes the Appendices, Background and any Schedules;

**“Approved Vehicles”** means the motor vehicles approved by the NZTA for which the Customer may print Licences and pay RUC and Licence fees;

**“Certified User”** means the person who has completed to the NZTA’s satisfaction such training as the NZTA may determine as necessary to operate the Equipment in combination with the System;

**“Commencement Date”** means the date specified above in this First Schedule as “Commencement Date”;

**“Equipment”** means the NZTA approved computer equipment and printer configuration as set out in Appendix B to the Second Schedule (which approved configuration and suppliers thereof the NZTA may vary from time to time);

**“Helpdesk”** means a facility comprising a telephone number to which the Customer shall direct all calls for assistance and/or information in respect of the System;

**“Labels”** means all blank labels (used in the printer forming part of the Equipment) onto which a Licence is printed;

**“LANDATA”** means the NZ Transport Agency’s integrated database resident on the dedicated Unisys 2200 mainframe processor located at Auckland and any successors to that configuration, forming part of the System and includes all software used in conjunction with the integrated database;

**“LANDATA System Rules”** means those rules set out in Appendix A to the Second Schedule (which the NZTA may vary from time to time);

**“New Zealand Transport Agency”** means the New Zealand Transport Agency established under section 93 of the Land Transport Management Act 2003; and includes any person for the time being duly authorised by the NZTA to carry out any functions in respect of this Agreement.

**“Licence”** means a licence issued, as appropriate, under the Road User Charges Act 1977 or the Transport (Vehicle and Driver Registration and Licencing) Act 1986;



**“Manual”** means the Landata Direct Connect User Manual;

**“MVR”** means the Motor Vehicle Registration charges charged pursuant to the Act;

**“Nominated Account”** means such bank account as the Customer may nominate from time to time for the purpose of clause 3.9 and from which all payments shall be transferred by the NZTA;

**“Printer Media”** means all Labels and printer ribbons used by the Customer to print Licences;

**“Print”** means both to print and to issue a licence unless the context otherwise requires;

**“RUC”** means road user charges charged pursuant to the Act;

**“System”** means the NZTA’s computer equipment, telecommunications equipment and the software used in conjunction therewith networked to computer equipment operated by Unisys New Zealand Limited;



## **SECOND SCHEDULE**

### **TERMS AND CONDITIONS**

#### **1. DEFINITIONS AND CONSTRUCTION**

Terms and expressions used in this Agreement (including the recitals) shall, unless the context otherwise requires, have the definitions set out in the First Schedule.

##### **1.1 Construction**

1.1.1 References to clauses, to Appendices and to Schedules are references to clauses, to Appendices and to Schedules in this Agreement;

1.1.2 a reference to an enactment, regulation or rule is a reference to that enactment, regulation or rule as amended, or to any enactment, regulation or rule that has been substituted for that enactment, regulation or rule;

1.1.3 to the extent that the Appendices conflict with this part of this Agreement the Appendices shall prevail;

1.1.4 references to either party to this Agreement include the successors and any permitted assigns of that party;

1.1.5 the singular includes the plural and visa versa and words importing gender include the other genders.

#### **2. TERM**

2.1 This Agreement shall commence on the Commencement Date and shall continue unless terminated in accordance with clause 8.

#### **3. THE CUSTOMER'S DUTIES AND RESPONSIBILITIES**

The Customer shall:

3.1 at its own expense acquire from the approved suppliers set out in Appendix B and properly maintain at all times, the Equipment from time to time required to Print Licences;

3.2 upon application for any Licence, where approved, access approved Accounts and Print Licences;

3.3 not Print any Licence except as permitted by the NZ Transport Agency System Rules;

3.4 upon delivery of Printer Media to the Customer, keep an accurate record of the Labels delivered (identified by a series of consecutive numbers endorsed on the Labels);



- 3.5 take all reasonable and prudent steps to ensure that the Printer Media and the Equipment are protected and kept safe and secure and comply with any directions issued by the NZTA from time to time in relation to the security of those items;
- 3.6 as soon as practicable, on discovery of any spoiled Labels record the series of numbers of those Labels and then destroy any such spoiled Labels;
- 3.7 immediately inform the NZTA of any theft of any Printer Media;
- 3.8 immediately inform the NZTA of any Labels for which the Customer is unable to account, specifying the series of numbers of those Labels;
- 3.9 ensure that the Account on which the Customer is allowed to complete transactions has a Nominated Account, acceptable to the NZTA, into which sufficient funds to cover the fees appropriate for Licences Printed will be deposited within one day of the Printing of such Licences;
- 3.10 permit authorised representatives of the NZTA from time to time to audit, observe or inspect the Equipment and the activities carried out by the Customer under this Agreement;
- 3.11 be or employ (as appropriate) a Certified User at all times, and in all respects at the Customer's own expense. The Certified User may train and authorise such other persons to use the Equipment in combination with the Systems as he or she considers necessary;
- 3.12 prevent any person not authorised in accordance with clause 3.11, access to the Equipment or the System; and
- 3.13 not at any time capture in any way any data processed by or contained in the System.
- 3.14 neither, during the term of this Agreement, nor at any time thereafter, use or divulge to any person any confidential information (which includes all data stored on the System) obtained as a result of the Customer relationship with the NZTA, for any purpose other than in the Agreement or as required by law;
- 3.15 comply with the Acts, and any regulations or rules made pursuant to the Acts which might be in force from time to time;
- 3.16 as soon as a roll of printer ribbon (forming part of the Printer Media) is finished with, return it to the NZTA.



#### **4. THE NZTA'S DUTIES AND RESPONSIBILITIES**

The NZTA shall:

- 4.1 supply the Labels and Printer Media to the Customer at the NZTA's expense, including an initial supply of Labels and Printer Media by or at the Commencement Date and thereafter in accordance with the orders notified to the NZTA by the Customer;
- 4.2 provide the System to enable the Customer to print the Licences in accordance with this Agreement except for planned periods of maintenance;
- 4.3 provide a help desk to answer inquires from the Customer in relation to the System.

#### **5. PAYMENT TO THE NZTA**

On the next business day following a day in which the Customer Prints any Licence, the NZTA shall by direct debit from the Nominated Account, transfer to the NZTA's bank account, the total amount of monies as indicated by the System, in relation to the Licences printed for that previous business day.

#### **6. SYSTEM FAILURE**

In the event of a System failure for whatever reason, no Licences shall be printed by the Customer during the duration of the failure.

#### **7. OWNERSHIP OF THE EQUIPMENT**

All Equipment acquired by the Customer in accordance with clause 3.1 shall be and remain the property and responsibility and be at the risk of the Customer. Subject to clause 9.2, the NZTA shall assume no liability or responsibility with respect to such Equipment either during or after termination of this Agreement.

#### **8. TERMINATION**

- 8.1 This Agreement may be terminated immediately by the NZTA giving written notice to the Customer in the following circumstances:
  - 8.1.1 any breach by the Customer of its obligations under this Agreement; or
  - 8.1.2 if the Customer ceases to carry on business; or
  - 8.1.3 if the Government enacts any law, regulation or by law repealing any RUC; or
  - 8.1.4 in the event of any change or proposed change in the effective ownership and control of the Customer or in the event of the Customer entering into any compromise or scheme of arrangement with any of its creditors, or the Customer committing any act of bankruptcy or going or being put into receivership or liquidation or being wound up, or where a meeting is called for the purpose of considering appointment of a liquidation.





8.2 The Customer may terminate this agreement upon 28 days' notice in writing to the NZTA.

8.3 The NZTA may terminate this agreement:

8.3.1 if there is reason to believe that Licences being applied for and supplied are not correct; or

8.3.2 if the terms of clause 3.9 are not complied with; or

8.3.3 if the conditions of clause 8.1.4 apply to any holder of the Account.

## 9. CONSEQUENCES OF TERMINATION

9.1 Upon termination of this Agreement for any reason and subject as set out in this clause, all rights of the Customer under this Agreement immediately cease and determine without releasing the Customer from liability for any monies payable pursuant to this Agreement which liability shall continue after such termination. Immediately upon the termination of this Agreement

9.1.1 the Customer shall immediately discontinue any use of the Equipment in combination with the System;

9.1.2 the Customer shall deliver to the NZTA without making or retaining any copies all Labels and Printer Media (whether used or unused as the case may be);

9.1.3 the Customer shall return to the NZTA all instructions and other information relating to Printing Licences (except as may be required for performing any legal requirements) and shall not thereafter or in any way exploit any know how or other information supplied by the NZTA or acquired by the Customer in any way relating to Printing Licences and the Customer shall immediately stop Printing any Licence.

9.2 Upon termination of this Agreement for any reason whatsoever, the NZTA may, at its sole option, purchase the Equipment from the Customer at its depreciated value calculated in terms of Inland Revenue Department guidelines.

## 10. DETERMINATION OF DISPUTES

In the event of any genuine dispute arising between the parties in relation to any matter arising out of this Agreement, the parties agree to endeavour to resolve promptly such dispute in the first instance by consultation and negotiation in good faith. However, neither party shall be obliged to continue any process under this clause if it believes immediate resolution is not possible. The NZTA may, without being in breach of this clause, take whatever lawful action he or she considers necessary in the interests of land transport safety and law enforcement.



## **11. ASSIGNMENT**

11.1 This Agreement is personal to the Customer and may not be transferred or assigned in whole or in part by the Customer.

11.2 This Agreement may be transferred or assigned in whole or in part by the NZTA without the prior consent of the Customer.

## **12. NOTICES**

Any notice required or permitted to be given under this Agreement shall be sufficient if in writing and delivered personally or sent by post or facsimile transmission to the address of the party specified in the First Schedule or any subsequently notified new address. Any such notice shall be deemed given upon personal delivery or sending of the facsimile transmission or two days after mailing.

## **13. INTELLECTUAL PROPERTY**

All software and other media relating to the System, the Printer Media and the copyright and other intellectual property rights of whatever nature in the System and Printer Media are and shall remain the property of the NZTA.

## **14. NO WAIVER**

No failure, delay or indulgence by any party in exercising any power or right conferred on that party by this agreement shall operate as a waiver of such power or right. Nor shall a single exercise of any power or right preclude further exercises of that power or right under this Agreement.

## **15. SEVERABILITY**

If any part of this Agreement is held by any court or Administrative body of competent jurisdiction to be illegal, void or unenforceable such determination shall not impair the enforceability of the remaining parts of this Agreement which shall remain in full force.



## **APPENDIX A**

### **LANDATA SYSTEM RULES**

1. The customer shall be responsible for all and any use of the Equipment in combination with the System.
2. Where a Licence print file has been sent from the Land System host the transaction will be deemed to be completed unless a cancellation is received.
3. All transactions shall be conducted and all data entered with reasonable care and in accordance with the Acts and Manual as amended from time to time by the NZTA to the customer.
4. Requests for print media will be made to the NZTA's supplier. The NZTA's supplier will deliver stocks to the customer.



## APPENDIX B

### Equipment Specifications

APPROVED EQUIPMENT, COMMUNICATIONS AND MAINTENANCE SCHEDULE		
APPROVED EQUIPMENT SPECIFICATIONS	APPROVED SUPPLIER(S) <i>Where only specific suppliers are to be used, these are detailed otherwise the Agent may select a supplier of their choice.</i>	EQUIPMENT/SPECS IN USE  Agent to complete the shaded panels below.
<b>APPROVED EQUIPMENT</b>		
<b>PC operating specs - minimum of</b> <ul style="list-style-type: none"> <li>• Pentium CPU or better</li> <li>• Minimum of 64 MB RAM</li> <li>• Minimum of 10MB Disk capacity free</li> </ul>	Agents Preferred Supplier	<b>Please provide details of the computer that will be used to process LANDATA transactions:</b> CPU: _____ RAM: _____ Free Disk Space: _____
<b>Modem</b> <ul style="list-style-type: none"> <li>• Dial up Modem (56K)</li> <li>• Broadband</li> </ul>	Agents Preferred Supplier	<b>Please tick the relevant box:</b> <input type="checkbox"/> Dial up modem <input type="checkbox"/> Broadband
<b>Printer</b> <ul style="list-style-type: none"> <li>• Zebra Model S-400 c/w PDF417 capability</li> <li>• Zebra Model S-500 c/w PDF417 capability</li> <li>• Zebra Model S-600 c/w PDF417 capability</li> <li>• Zebra Model S4M c/w PDF417 capability</li> <li>• Sato CL408e c/w PDF417</li> </ul>	Rapid Allmark, or Walker Datavision (Sato)	<b>Model Zebra Printer to be used to print labels:</b> <i>Tick relevant model</i> <input type="checkbox"/> Zebra Model S-400 <input type="checkbox"/> Zebra Model S-500 <input type="checkbox"/> Zebra Model S-600 <input type="checkbox"/> Zebra Model S4M -22 <input type="checkbox"/> Sato CL408e
<b>APPROVED SOFTWARE</b>		
Cisco VPN - TN3270 INFOConnect	Unisys	
<b>Operating Systems</b> <ul style="list-style-type: none"> <li>• Windows 2000 Professional</li> <li>• XP Professional</li> </ul>	Agents Preferred Supplier	<b>Operating System installed on the computer(s) that will process transactions:</b> <input type="checkbox"/> Windows 2000 Professional <input type="checkbox"/> XP Professional
<b>APPROVED COMMUNICATIONS</b>		
NZ Transport Agency Agent Virtual Private Network  (all connection and communication costs are payable by the agent)	Agents preferred Internet Service Provider	<b>Please provide the name of your Internet Service Provider (e.g. Xtra, TelstraClear, etc)</b>  _____



<b>MAINTENANCE SUPPLIERS</b>		
		<b>Provide the name of who will be maintaining the items specified. If none, then please note "none".</b>
PC and Operating System	Agents Preferred Supplier	
Printer	Rapid Allmark, or Walker Datavision (Sato)	



## **Appendix C: RUC Card Application and Documents**

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# BP FUELCARD™



## RUC Function Application Form

**Important:** Please read the Terms and Conditions section of this Application Form before completing it and before using your Fuelcard(s) to purchase RUC Licences. Should you require assistance please phone the RUC Card Agent on (04) 486 5590.  
Please complete all sections.

### CUSTOMER DETAILS

**Important:** To purchase RUC Licences using your BP Fuelcard you must provide identification for the name you wish the account to be established. If you are a company, provide the LTSA Customer Number. If you do not have an LTSA Customer Number, you apply for one on the MR36 Form. For an individual, provide your New Zealand Driver's Licence Number.

#### DETAILS AS PER RUC CUSTOMER ACCOUNT:

DRIVER'S LICENCE NUMBER

LTSA CUSTOMER NUMBER

COMPANY NAME / SURNAME / CUSTOMER NAME

\_\_\_\_\_

FIRST NAMES

\_\_\_\_\_

STREET RESIDENTIAL ADDRESS

\_\_\_\_\_

CITY / TOWN / SUBURB

\_\_\_\_\_

POSTAL ADDRESS (ONLY REQUIRED IF DIFFERENT FROM STREET / RESIDENTIAL ADDRESS)

\_\_\_\_\_

CITY / TOWN / SUBURB

\_\_\_\_\_

CONTACT NAME

TITLE (MR/MRS/MS)

\_\_\_\_\_

PHONE NUMBER (INCLUDE STD)

MOBILE NUMBER

FAX NUMBER (INCLUDE STD)

\_\_\_\_\_

### NOMINATED BANK ACCOUNT/PASSWORD DETAILS

Bank Account from which payments are to be direct debited by the Ministry of Transport MVR & RM (see following page):

BANK      BRANCH NUMBER      ACCOUNT NUMBER      SUFFIX

\_\_\_\_\_

PASSWORD

\_\_\_\_\_

#### OFFICIAL USE ONLY

FORM RECEIVED  
DATA INPUT - CARD SYSTEM  
- RUC SYSTEM  
D.D. AUTHORITY TO BANK

DATE	INIT.

D.D. VERIFIED O.K.  
RUC CARD(S) O.K. & SENT  
PIN MAILER(S) SENT

DATE	INIT.





## DIRECT BANKING AGREEMENT

I/We \_\_\_\_\_

grant the Ministry of Transport MVR & RM the right to debit my/our bank account for the debt incurred by:

- (a) the use of my BP Fuelcard(s) to purchase RUC Licences ("RUC function"), and
- (b) the application by me for RUC Licences by way of facsimile or telephone.

I/We understand that the Ministry of Transport MVR & RM will undertake the following:

- (a) debit only the Bank Account nominated on the previous page and authorised in the Authority to Accept Direct Debits
- (b) debit my Bank Account only in relation to the charges payable as a consequence of the use of the RUC function and the application by me for RUC Licences by way of facsimile or telephone, and
- (c) under no circumstances debit my Bank Account for any other items nor give any other person the right to debit my Bank Account without my written authority.

Please note that additional information to appear on your bank statement will, for each Licence purchased, comprise:

- vehicle registration number,
- tax invoice number, and
- payer reference number (generated by bank).

Thus, a Licence for vehicle AB 1234, tax invoice No. 5678923 will appear on your bank statement as follows:

PAYER PARTICULARS

AB1234

PAYER CODE

INV#5678923

PAYER REFERENCE

PAY#3333333

## AUTHORISED SIGNATURE

I am authorised to sign on behalf of the Customer identified by the Identification Details provided by me on the previous page.

I certify that the particulars are correct.

I understand that the Ministry of Transport MVR & RM reserves the right to decline my application.

Upon acceptance of this application, I agree to be bound by the Terms and Conditions of use of the RUC function.

NAME OF APPLICANT: \_\_\_\_\_

SIGNATURE OF APPLICANT: \_\_\_\_\_

POSITION (IF APPLICABLE): \_\_\_\_\_

DATE: \_\_\_\_\_

## THE FOLLOWING NOTES WILL ASSIST YOU IN COMPLETING YOUR VEHICLE DETAILS ON THE OPPOSITE PAGE

### NOTE 1

Each BP Fuelcard can be used for purchasing RUC Licences for one, two or three vehicles. It is recommended that only those vehicles which will be operated as a permanent combination (e.g. a prime mover and trailer unit(s), or a prime mover and tanker) should share the same BP Fuelcard.

When purchasing Licences for your vehicle you will be asked if the Licence is for your Primary, Second or Third Vehicle.

If you wish to nominate more than one vehicle per BP Fuelcard, it is recommended that you nominate your powered vehicle as your "Primary Vehicle", your forward trailer unit as the "Second Vehicle" and your rear trailer unit as the "Third Vehicle".

Alternatively, any one BP Fuelcard can be used for Purchasing Licences for up to:

- 3 prime movers
- 3 trailer units
- 3 vehicles of any type

Vehicles should only share a BP Fuelcard if it does not cause you operational problems.

### NOTE 2

Each BP Fuelcard can be used for purchasing Distance Licences, Supplementary Licences and Auto Distance Licences (Distance Licence with the same weight and distance as the previous Licence and which follows on from the end hub/odometer reading).

However, by nominating a gross weight and a distance against a vehicle in the table opposite, then Licences purchased for that vehicle, using the BP Fuelcard, are restricted to the gross weight and the distance nominated. These are purchased using the Auto Distance Licence facility on BP EFTPOS terminals and at BP Truckstops.

If you nominate a gross weight and distance against a vehicle you will not be able to purchase Distance Licences (with a different gross weight or distance) or Supplementary Licences for that vehicle using the BP Fuelcard.

This restriction is optional, but provides fleet controllers and vehicle owners with a means of controlling Licence purchases by the BP Fuelcard user.

If you do not wish to restrict the Licence purchasing as described, do not nominate a gross weight and distance.

### COMPLETED APPLICATION FORMS SHOULD BE SENT TO:

RUC Card Agent

Card Services

PO Box 1993

Wellington

Tel: (04) 495 5590

Fax: (04) 499 5689







**RUC CARD**  
**NEW/CHANGE/REPLACEMENT/CANCELLATION FORM**  
 Fax back to BP Customer Enquiries Team  
 Fax: 04 499 5669 or Email [ganzcustomeenquiries@bp.com](mailto:ganzcustomeenquiries@bp.com)



Land Transport Customer Number: \*

Account Name: \*

Contact Person: \*

Contact Phone:

(\*Mandatory Fields)

NEW  REPLACEMENT  CHANGE  CANCEL

(NB: An Annual Card Fee of \$9.50 will apply)

PIN Number: \_\_\_\_\_

Your PIN number must be four numerical digits.

A PIN will be randomly chosen for you if you don't choose your own number.

Reason for Replacement or Change ( Please tick one)

RUC CARD # 708174 \_\_\_\_\_ (Mandatory for replacement card)

- 200- Card Lost
- 300- Card Stolen
- 501- Cancelled Customer Request
- 901- Card Damaged
- 903- Vehicle Sold
- R03- Change Of Rego

Vehicle	Vehicle Reg Number	Optional (Auto Distance)	
		Licence Gross Weight in Tonnes	Distance Multiplies 1000 km
Primary			
Second			
Third			

I/We have authorization to request these changes to be made

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

<b>Office Use Only:</b>	
Date Sent: 8/01/2009 10:57 a.m.	Date Processed:
Initials:	Initials:



## Road User Charges

NAME OF ACCOUNT:

AUTHORITY TO ACCEPT DIRECT DEBITS  
(Not to operate as an assignment or agreement)

BANK ACCOUNT FROM WHICH PAYMENTS TO BE MADE:  
  -   
BANK BRANCH No. ACCOUNT NUMBER SUFFIX  
(Please attach an encoded deposit slip to ensure your account number is loaded correctly)

AUTHORISATION CODE

TO THE BANK MANAGER  
  
BANK  
  
BRANCH  
  
TOWN/CITY

I/We authorise you until further notice to debit my/our account with you all amounts which -

### MINISTRY OF TRANSPORT MVR & RM - RECEIPTS

(Hereinafter referred to as the Initiator)

the registered Initiator of the above Authorisation Code, may initiate by Direct Debit.

I/We acknowledge and accept that the bank accepts this authority only upon the conditions listed on the reverse of this form.

INFORMATION TO APPEAR ON MY/OUR BANK STATEMENT ( TO BE COMPLETED BY INITIATOR).

Payer Particulars  Payer Code  Payer Reference

NAME OF ACCOUNT - CUSTOMER TO COMPLETE  
  
  
AUTHORISED SIGNATURE(S)

APPROVED  
0138  
08 | 96

FOR BANK USE ONLY:  
Date Received:  Recorded By:  Checked By:   
Original - Retain at Branch  
Copy - Forward to initiator if requested

Bank Stamp



# **Appendix D: Land Transport NZ Credit Application Form**

---



**PERSONAL DETAILS:** (To be completed by all applicants)

*Title: Mr Mrs Miss Ms Other		*Surname:	
*First Name:	*Middle Name:	*Date of Birth / /	
*Home Address: Flat/Unit no:	Street no:	Street Name:	
Suburb/Town:		City:	
*Telephone No: Home: STD Code:	Number:	Work: STD Code:	Number:
Mobile:	Drivers Licence No:	Classes:	
*Duration at Current Address:	0-6 months	6-18 months	18-36 months over 36 months
*Previous Address: (if less than 3 years at current address)			
Flat/Unit no:		Street no:	Street Name:
Suburb/ Town:		City:	
*Bank Account number:	/	/	

**EMPLOYMENT DETAILS:**

Applicants Employer:			
Postal Address:		City:	
Business Phone: STD Code:	Number:	E-mail Address:	
Position Held:	Length of Service: years: months:		
Previous Employer:			
Postal Address:		City:	
Business Phone: STD Code:	Number:	E-mail Address:	
Position Held:	Length of Service: years: months:		

**SELF EMPLOYED DETAILS:** (if applicable)

Business Name:		GST No:	
Nature of Business:			
Business Street Address:			
Business Postal Address:			
Business Phone: STD Code:	Number:	E-mail Address:	
Name of Accountant:			
Postal Address:			
Contact Name:	Contact Phone: STD Code:	Number:	
Bank Account number:	/	/	

Please sign Declaration on page 3

Fields marked with an \* are Compulsory



**COMPANY DETAILS** (Only to be completed by Limited Liability Companies)

*Company Name:		*Company No:	
*Trading As:			
Nature of Company:		*GST No:	
*Registered Address:			
Company Street Address:			
Company Postal Address:			
*Business Phone: STD Code:	Number:	E-mail Address:	
*Contact Name:		*Contact Position:	
*Bank Account number:	/	/	
Name of Accountant:			
Postal Address:			
Contact Name:		Contact Phone: STD Code:	Number:
<b>(Specify all Directors)</b>			
*Directors: Full name:		*Date of Birth:	
*Home Address: Flat/Unit no:	Street no:	Street Name:	
Suburb/Town:		City:	
Telephone No: Home: STD Code:	Number:	Work: STD Code:	Number:
Mobile:			
*Directors: Full name:		*Date of Birth:	
*Home Address:	Flat/Unit no:	Street no:	Street Name:
Suburb/Town:		City:	
Telephone No: Home: STD Code:	Number:	Work: STD Code:	Number:
Mobile:			
*Directors: Full name:		*Date of Birth:	
*Home Address:	Flat/Unit no:	Street no:	Street Name:
Suburb/Town:		City:	
Telephone No: Home: STD Code:	Number:	Work: STD Code:	Number:
Mobile:			
*Directors: Full name:		*Date of Birth:	
*Home Address:	Flat/Unit no:	Street no:	Street Name:
Suburb/Town:		City:	
Telephone No: Home: STD Code:	Number:	Work: STD Code:	Number:
Mobile:			
If additional Directors attach details to application form.			

Please sign Declaration on page 3

Fields marked with an \* are Compulsory





## TERMS AND CONDITIONS

### Declaration:

The customer agrees to abide by the standard Terms and Conditions of trade as set out below, including those contained in the direct debit application and authority forms. The customer acknowledges by signing this application, that he/she has read and understood the terms and conditions of trade.

### Customer Information:

I/We authorise any person or company to provide Land Transport NZ with such information as Land Transport NZ may require in response to any credit enquiries they may wish to undertake. I/We further authorise the Land Transport NZ to furnish to any third party details of this application and any subsequent dealings that I/We may have with you as a result of this application being actioned. (Information collected on this form may be supplied to a credit reporter or reporters, to assist us with making a decision on the grant of credit and/or for the purpose of debt collection.)

### Interest:

Failure to pay any account by the due date specified in the Direct Debit Authority. The customer could pay interest on the balance outstanding as per section 21A of the Road User Charges Act 1977, interest up to a rate of 10% per annum.

### Third Party Costs:

The customer shall pay or reimburse all costs and/or expenses incurred by Land Transport NZ in instructing our Collection Agencies to recover any amount overdue for payment as per the court rules under civil legislation.

### Applicant Signature:

\*Name: \_\_\_\_\_ Signature: \_\_\_\_\_ Date: \_\_\_\_\_

I confirm that I am authorised to give approval.

### Witnessed By:

\*Name: \_\_\_\_\_ Signature: \_\_\_\_\_ Date: \_\_\_\_\_

### Personal Guarantee: (for Limited Liability Companies)

I/We (name of guarantor): \_\_\_\_\_

Occupation: \_\_\_\_\_ of (guarantor's Address) \_\_\_\_\_

request Land Transport NZ to allow (account holder): \_\_\_\_\_

or any company or partnership formed in amalgamation or reconstruction thereof (hereinafter called together with his/its successors and administrators and assigns referred to as "The Customer") to facilitate the future supply of goods and services including the provision of credit and as consideration thereof I/We do hereby jointly and severally guarantee the due and punctual payment of all monies which have become payable or shall become payable in the future to Land Transport NZ in any manner by the account holder. In the event that further goods, services or credit are not provided from the date of this guarantee, I/We acknowledge that it shall be deemed and agreed as between the parties that this guarantee is given in consideration of a forbearance to sue on the part of the credit provider, the customer in respect of any monies owing.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_\_

Signed by: \_\_\_\_\_ Name: \_\_\_\_\_

as guarantor in the presence of: \_\_\_\_\_

Witness: \_\_\_\_\_

Occupation: \_\_\_\_\_

Address: \_\_\_\_\_

Fields marked with an \* are Compulsory



# Appendix E: Survey methodology and demographic profile of survey respondents

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## Methodology

The survey was commissioned by the Road User Charges Review Group to assist with their review of the road user charges system, as part of the broader project to describe and better understand the full range of compliance activities and costs associated with the current road user charging system.

The survey was conducted as an online survey via the Internet. In total, 3,800 owners of vehicles covered by a Road User Charge License, and sent introductory letters on Road User Charges Review Group letterhead inviting them to participate in the survey. Each letter was customised to the potential respondent and referred to a specific vehicle (via its registration number) for which, according to NZ Transport Authority records, a RUC related transaction had recently occurred.

The introductory letters explained the purposes of the research, how the respondents had been pre-selected, and as matter of course their rights under the Code of Practice of the Market Research Society of New Zealand (MRSNZ). Each letter also included instructions on how to access the survey, via Research New Zealand's secure website, and a unique login and password.

As part of the survey process, the respondents were provided with the option of either completing the survey in 'one go', or to return to it a number of times (in which case they were automatically be returned to the part of the questionnaire where they had previously left off).

In total, n=392 of the 3,800 RUC customers who were sampled completed the survey between 9 January and 25 January. While it is not possible to calculate a response rate for the survey, as it is not known what percentage of all those sampled had access to the Internet to complete the survey during the period it was open, assuming that the achieved sample of n=392 respondents are representative of the broader population of RUC customers, the maximum margin of error associated with the total achieved sample is  $\pm 4.9$  percent at the 95 percent confidence estimate<sup>26</sup>.

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<sup>26</sup> For similar reasons, as well as lack of comprehensive statistics regarding the demographic profile of RUC customers, the survey data has not been weighted.





## Demographic profile of survey respondents

**Table 72:**

*Q1. Is the vehicle used as a work vehicle?*

	Base =	Total 392 %
Yes		83
No		16
Don't know		0

Total may not sum to 100% due to rounding.

**Table 73:**

*Q2. Main Industry*

	Base =	Total 328* %
Agriculture/Forestry/Fishing		15
Business/Financial		3
Commercial Road Transport		41
Community Services		1
Construction		23
Electricity/Gas/Water Services		3
Manufacturing		3
Mining/Quarrying		1
Tourism/Leisure		3
Transport Non Road		1
Vehicle dealer		1
Vehicle trader		1
Wholesale/retail/trader		5
Other (Please specify)		2
Don't know		0

Total may not sum to 100% due to rounding.

\*Sub-sample based on respondents who reported that the vehicle in question was used as a work vehicle.



**Table 74:**

*Q3. Types of work business involved in*

	Total
Base =	327*
	%
Bulk cartage – Liquids	3
Bulk cartage - Solids	20
Bus services – Inter Urban	2
Bus services - School	1
Bus services - Urban	2
Courier – Rural & Inter Urban	1
Courier - Urban	1
Furniture removals	2
General goods – Line haulage	15
General goods – Local	16
Heavy haulage	9
Limousine	0
Log haulage	6
Refrigerated haulage	4
Shuttle – Inter urban	0
Shuttle – Urban	0
Stock cartage	6
Taxi	0
Tour & Charter	2
Vehicle recovery	0
Other (Please specify)	41
Don't know	1

Total may exceed 100% because of multiple response.

\*Sub-sample based on respondents who reported that the vehicle in question was used as a work vehicle.

**Table 75:**

*Q4. Respondent's role in organisation*

	Total
Base =	327*
	%
Business owner	37
Owner/Operator	23
Driver/Employee	2
RUC Administrator	16
Logistics/Transport/Fleet Manager	10
Other Management	11
Other (Please specify)	0

Total may not sum to 100% due to rounding.

\*Sub-sample based on respondents who reported that the vehicle in question was used as a work vehicle.



**Table 76:**

*Q5. How many vehicles does this business purchase RUC for*

	Total
Base =	327*
	%
1 vehicle	9
2-5 vehicles	24
6-10 vehicles	15
11-20 vehicles	20
21-50 vehicles	15
50+ vehicles	17
None	0
Don't know	0

Total may not sum to 100% due to rounding.

\*Sub-sample based on respondents who reported that the vehicle in question was used as a work vehicle.

**Table 77:**

*Q5aa. Are these vehicles mostly heavy or light vehicles? (Heavy is over 3.5 tonne GVM)*

	Total
Base =	326*
	%
All heavy vehicles	27
Mostly heavy vehicles	32
Mixture of heavy and light vehicles	24
Mostly light vehicles	8
All light vehicles	9
Don't know	0

Total may not sum to 100% due to rounding.

\*Sub-sample based on respondents who reported that the vehicle in question was used as a work vehicle.

**Table 78:**

*Q6. What percentage of these vehicles are fitted with onboard scales*

	Total
Base =	304*
	%
Don't know	6
0%	76
1-25%	11
25-50%	2
50-75%	1
75-100%	5

Total may not sum to 100% due to rounding.

\*Sub-sample based on respondents who reported that the vehicle in question was used as a work vehicle.

Note: Some respondents did not respond to the question.



**Table 79:**

*Q6a. Do the onboard scales operate from air pressure (airbag suspension) or are load cells mounted on the vehicle chassis or suspension*

	Base =	Total 76* %
All operate by air pressure		29
All use load cells		14
Mixture of air pressure and load cells		20
Other (Please specify)		8
Don't know		29

Total may not sum to 100% due to rounding.

\*Sub-sample based on respondents who reported that the vehicle in question was used as a work vehicle, and that some vehicles in their fleet have onboard scales.

**Table 80:**

*Q6b. What percentage of vehicles in your fleet are fitted with GPS based fleet monitoring systems.*

	Base =	Total 298* %
Don't know		5
0%		63
1-25%		12
25-50%		3
50-75%		4
75-100%		14

Total may not sum to 100% due to rounding.

\*Sub-sample based on respondents who reported that the vehicle in question was used as a work vehicle.

Note: Some respondents did not respond to the question.

**Table 81:**

*Q7. Are you the only person who deals with the RUC licensing on this vehicle?*

	Base =	Total 392 %
Yes		54
No		46
Don't know		0

Total may not sum to 100% due to rounding.



**Table 82:**

*Q74. Does your business operate mainly in urban or rural areas*

	Base =	Total 317* %
Mainly urban areas		22
Mainly rural areas		25
Between urban areas (i.e. inter-city)		10
Both urban and rural areas		42

Total may not sum to 100% due to rounding.

\*Sub-sample based on respondents who reported that the vehicle in question was used as a work vehicle.

Note: Some respondents did not answer the question.

**Table 83:**

*Q75. How frequently do you/ does your business have to purchase RUC licences (either new or supplementary)?*

	Base =	Total 381* %
Purchase multiple licences on a daily basis		17
Purchases licences at least once per week		25
Purchases licences at least once per month		21
Less frequently than that		33
Other (Please specify)		2
Don't know		2

Total may not sum to 100% due to rounding.

\*Sub-sample based on respondents who reported that the vehicle in question was used as a work vehicle who reported making a RUC relate transaction in the prior 12 months.

**Table 84:**

*Q76. Is there anyone else in the business who spends time dealing with RUC-related issues*

	Base =	Total 317* %
Yes (Please specify)		52
No		46
Don't know		2

Total may not sum to 100% due to rounding.

\*Sub-sample based on respondents who reported that the vehicle in question was used as a work vehicle.

Note: Some respondents did not answer the question.