

# Summary of Submissions

JUNE 2018

## **INTRODUCTION**

The Government Policy Statement on land transport (GPS) outlines the Government's direction to guide land transport investment over the next 10 years. It also provides guidance to decision-makers about where the Government will focus investment. The GPS operates under the Land Transport Management Act (LTMA) 2003, which sets out the scope and requirements for the GPS.

The GPS influences decisions on how money from the National Land Transport Fund (the Fund) will be invested across activity classes (such as public transport and regional roads). It also guides the New Zealand Transport Agency (the Transport Agency) and local government on the type of activities that should be included in Regional Land Transport Plans and the National Land Transport Programme (NLTP).

The GPS provides guidance on how around \$4 billion of New Zealanders' money is spent through the Fund each year. It also informs spending of a further \$1 billion each year on land transport through local government investment and a further \$0.5 billion a year of Crown investment.

Under the LTMA, the Minister of Transport must consult with the Board of the Transport Agency before issuing a new GPS, and must have regard to the views of Local Government New Zealand (LGNZ) and representative groups of land transport users and providers.

On 3 April 2018, we began a period of formal engagement on the draft GPS 2018. This ran until 2 May 2018. During this time we:

- held a Transport Summit with over 170 local government and other stakeholders in attendance
- held meetings with a number of stakeholders, including LGNZ, the New Zealand Automobile Association, the Road Transport Forum, and other non-government organisations
- undertook a series of regional engagement meetings with local authorities and other stakeholders across New Zealand
- received 924 submissions.

Following this engagement period, the draft GPS was revised and consultation with the Board of the Transport Agency followed.

This document provides a summary of the themes from the submission process. We would like to thank all who submitted on the draft GPS 2018.

## **PURPOSE OF THIS DOCUMENT**

This document aims to provide a record of the themes from the submissions on the draft GPS 2018. We have endeavoured to provide a summary of the prominent themes that emerged from the engagement process. The document does not intend to serve as a record of all feedback received.

This document sets out:

- the number of submissions received and from which groups

- a high level summary of feedback across the draft GPS 2018
- more detailed thematic information across key sections of the draft GPS 2018
- some concerns raised that are outside the scope of the GPS
- a high level summary of changes made in GPS 2018 since the engagement draft was released.

The Summary of Submissions is being released alongside the final GPS 2018 to enable interested persons to read GPS 2018 with full knowledge of the themes from the engagement process.

Due to privacy concerns, we have not identified any particular submitters in this Summary of Submissions. Some quotes have been taken from submissions that we believe represent the themes that emerged from the submissions, but these have not been attributed to the individuals or organisations who made the submission.

## **SUBMISONS RECEIVED**

A total of 924 submissions on the draft GPS 2018 were received.

Of these:

- 759 were from individuals (497 through form submissions (discussed below) and 262 through unique submissions)
- 60 were from local government
- 5 were from district health boards
- 85 were from interest groups
- 15 were from other groups (e.g. private sector organisations).

Many of the submissions made by individuals were form submissions (submissions with the same content). 497 submissions of this nature were received, from four groups. Due to the large number of these submissions received, the texts of the form submissions are attached as Appendix 1.

## **HIGH LEVEL SUMMARY OF KEY THEMES**

Although the views expressed in the submissions varied widely, a number of key themes emerged. These are summarised below, and discussed more fully in the following section.

### *Overall direction*

Overall, the draft GPS 2018 was well received by submitters. There was support for the general direction, priorities and funding profile signalled in the document.

### *Safety*

There was support for the increased focus on safety in the draft GPS 2018, and some submitters thought that safety should be prioritised over all other strategic priorities.

Submissions supported the development of a new safety strategy and consideration of a move towards a Vision Zero approach where the road system is designed around the ethical

principle that no one should die or be seriously injured on the roads. There were mixed and wide ranging views about the different interventions that need to be undertaken to improve road safety. There was support for increasing the focus on the safety of walking and cycling.

### *Access*

Submitters supported the focus on transport enabling social as well as economic opportunities. There was support for the associated increased provision for walking and cycling, and more accessible and affordable transport in the GPS. Local government and health focussed organisations gave extensive feedback supporting the access priority.

Submitters from regional parts of New Zealand supported the focus on public transport, rapid transit and active modes, but some felt that the document was focused on solutions for metropolitan areas rather than for towns or rural areas.

A concern raised was that the draft GPS 2018 placed emphasis on public transport at peak travel times, when in Auckland congestion also exists *between* peak travel periods. Submitters also said that because public transport is available at all times, access should be encouraged at all times rather than be focused on peak travel periods.

Some submissions supported demand management (tools which influence how and when people travel) and congestion pricing solutions which are not addressed in detail in the draft GPS 2018.

Other submitters requested greater focus on tourism and freight routes that are essential to the economic success of their region. There was support for the inclusion of resilience as an objective, but some submissions felt that it deserved higher importance than was indicated in the draft GPS 2018.

### *Environment*

The focus on the environment was supported, particularly relating to reducing greenhouse gas emissions from transport.

Some submitters requested that environment be raised to a key priority alongside access and safety.

### *Value for money*

The focus on value for money was also supported. Some submissions acknowledged the importance of an evaluation methodology for transport projects that includes a wide range of non-economic benefits and externalities. These submitters also supported a review of the Transport Agency's Economic Evaluation Manual, which sets out the economic evaluation procedures and values used in calculating benefits and costs for transport investments.

A concern raised was that the requirement to have a cost benefit ratio higher than one may make it difficult for some safety projects to receive funding. This was said to be a particular risk if the safety project decreases 'travel time savings' – for example, speed management interventions.

### *Themes*

There was support for the themes of mode neutrality, integrating land-use and transport planning, and technology.

A concern was raised about the misalignment between the LTMA, the Resource Management Act 1991 and the Local Government Act 2002. This was said to create a barrier to integrating land-use and transport planning. Some local government submitters commented that a shift to integrated land-use and transport planning will require increased capability in the sector, which would take additional time and support.

While there was support for the concept of mode neutrality, some submitters said that the draft GPS 2018 favoured public transport, rail and active modes over vehicle travel which may not reflect mode neutrality. Some submissions emphasised the importance of robust and transparent project evaluation to give effect to mode neutrality. Other submitters raised a concern that the mode neutral theme was not consistent with the mode based activity classes in the draft GPS 2018.

### *Funding*

Submitters supported increased funding for walking and cycling, maintenance (especially for footpaths), public transport, local roads and regional improvements. However, some local government submitters were concerned that they would be unable to take advantage of these changes because of the increased local funding required.<sup>1</sup>

Some local government submitters were concerned that the decrease in state highway improvements funding would lead to a decrease in safety and access outcomes in their region. These submitters stated that state highway investment was their top priority and sought assurance that their priority road projects would go ahead. National organisations representing motorists and freight movement were concerned about the decrease in state highway improvements expenditure.

Other submitters did not disagree as strongly with the reduction in state highway improvements funding. Some submitters supported the reduction in funding in order to prioritise investment in other modes and some submissions asked the Government to reduce funding for state highway improvements even further.

There was support for funding rail through the Fund (at least on a transitional basis). Some submitters did, however, comment that rail users should contribute to the Fund, as road users do.

There were mixed reactions to the proposed increase in fuel taxes. Some submitters accepted the increase as necessary to achieve the desired outcomes, whereas others were highly opposed to the proposed increase because of the increased costs for households and businesses, especially when coupled with the regional fuel tax in Auckland.

Some local government and private sector organisations expressed concern about the ability of the local government and transport providers to give effect to the GPS due to regulatory, capacity and capability constraints.

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<sup>1</sup> If funding levels within activity classes in the GPS rise, the requirement for local contributions rises by an equivalent proportion – i.e. the local share. Submitters, therefore, called for enhanced Funding Assistance Rates (FAR), to reduce the overall local share requirement.

*Operational matters, other matters outside the scope of the GPS, and matters which will inform future work programmes*

Some submissions outlined areas of interest that are outside the scope of the GPS. This included submissions that mentioned or focused on specific local roading projects. The types of matters that fall into this category are discussed later in this document.

Additionally, some submissions contained suggestions, ideas, and proposals, that for a number of reasons (such as time), were not able to be reflected in the final GPS 2018. These submissions will help inform further work, including the second stage GPS intended for release in 2019.

## FURTHER DETAIL ON THE THEMES FROM SUBMISSIONS

### Strategic priorities

#### Priority: Safety

There was support for the increased priority given to improving safety in the draft GPS 2018. Some submitters emphasised the importance of the increased strategic priority for safety flowing through to increased funding, and the importance of the Transport Agency enabling that change in its Investment Assessment Framework<sup>2</sup>.

*“We strongly support a greater focus on safety and look forward to the development of a new safety strategy. The rising number of deaths and serious injuries on our transport network is of great concern.”*

There was support for developing a new safety strategy and action plan, as well as investigating a Vision Zero approach. Some submitters stated the importance of developing a better understanding of what a Vision Zero means in practice and understanding the key trade-offs that would need to be made. Others also raised concerns about the lack of understanding of the costs of applying such an approach in New Zealand.

Some submitters emphasised the importance of the Government taking leadership on safety. Submitters also emphasised the importance of engaging a wider range of stakeholders and engaging the public in the development and implementation of a new strategy.

*“We support the development of a road safety strategy and a safe systems approach to land transport. However, ‘Vision Zero’ requires greater consideration and public involvement before it can be adopted. To be successful a ‘Vision Zero’ framework needs to have strong buy-in from the general public and should be driven by a bottom-up, rather than a top-down approach.”*

Some submitters advocated to bring the timeframe for the new safety strategy forward, or to adopt a new road safety policy through the GPS. Others mentioned the importance of not just having a vision of zero road deaths, but short to medium term measurable targets for improving road safety, including potentially within the GPS.

There was support for increasing the focus on safety of cycling and walking. There was also support for increasing funding for road policing. There was support for increasing investment in safety improvements on state highways and local roads. Some local government submitters called for funding to upgrade particular state highways due to safety concerns.

There was support for accelerating the implementation of the speed management guide and making it easier to implement, particularly from local government. However, there were mixed views about the need to tackle speed. Some local government submitters advocated changes to default speed limits, while some interest groups advocated a risk based approach to any speed limit changes.

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<sup>2</sup> This is the framework the Transport Agency uses to assess and prioritise projects and programmes for inclusion in the National Land Transport Programme. It helps to understand how projects will be prioritised under the GPS and to frame up Regional Land Transport Plans.

*“We welcome the signalled acceleration of the implementation of the Speed Management Guide. This should not just focus on speed but also recognise that speed limit changes very often need to be complemented by local safety improvement works and funded accordingly.”*

Some submitters suggested that there should be a greater acknowledgment of the safety risk posed by heavy vehicles, and therefore the importance of increased freight movement by rail. Similarly, there was support for increased public transport and the reduced safety risk that results from this.

Other suggestions raised by submitters were:

- to cover more fully the risk posed to motorcyclists as vulnerable users
- to resolve the questions about the responsibility for, and funding of, level crossing upgrades
- to have a greater focus on vehicle technologies.

## Priority: Access

There was support for access being a key strategic priority. The feedback on the access section is summarised under the three objectives:

- a land transport system that provides increased **access for economic and social opportunities**
- a land transport system that **enables transport choice and access**
- a land transport system that is **resilient**.

### ***Access for economic and social opportunities***

Submitters supported the focus on enabling social as well as economic opportunities.

There was support for the associated increased provision for walking and cycling, and more accessible and affordable transport in the draft GPS 2018, particularly from local government, health organisations and many interest groups and individuals. There was recognition that this was a significant change and some stated that actions or targets were needed to ensure progress was made.

*“We support the GPS focus on developing liveable cities/ towns by improving walking, cycling networks, public transport and increasing transport choice.”*

However, there were some submitters who were concerned that there was insufficient focus on access for economic opportunities in the draft GPS 2018.

*“It is concerning that economic contribution is not listed as a strategic priority.”*

These submitters wanted more emphasis on freight and access for export markets. Some submitters with business interests thought that the previous priority ‘economic growth and productivity’ was preferable.

### *Metropolitan and high growth urban areas*

There was support for a focus on metropolitan centres and high growth urban areas. In particular, some submitters (especially from local government) supported the move towards more liveable cities<sup>3</sup>. Submitters stated that this was a significant change and would require re-thinking of many matters e.g. road design, design and use of public spaces, and an update of various policies and guidelines.

Some submitters suggested that successful integration of different types of transport was part of the answer to liveable cities, and that rapid transit could be a catalyst for urban development.

*“Walkability, access to effective public transport service and safe urban design are some examples of factors that contribute [to] place-making and liveability which in turn can contribute to improved community health and wellbeing outcomes.”*

There was support for an emphasis on transport for new housing development, but some submitters said this should include redevelopment and regeneration of existing housing.

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<sup>3</sup> Cities where people have improved health and personal well-being and increased social inclusion as a result of enhanced access and transport choice.

Some submitters suggested that the Government's Urban Growth Agenda<sup>4</sup> be referenced in the GPS.

Local government submitters from major urban centres indicated that they were very keen for a collaborative approach to transport planning and investment that involves central and local government. These submitters said this collaborative approach would support both central and local concerns. Many of the urban centres were keen to work together to overcome constraints to rapidly deliver the GPS priorities. Some said that the GPS needed to support the agreed implementation of the Auckland Transport Alignment Project<sup>5</sup>.

Some submitters thought that road pricing<sup>6</sup> (and other demand management tools) should be a priority and that government should give clear direction around its road pricing policy.

*"We note the lack of substantive comment or leadership on the issues of road pricing and land transport tax reform. This is at odds with the findings of [the Auckland Transport Alignment Project] ATAP and Ministers' public comments. We suggest that GPS 2018 could be more explicit about the path forward for these matters to give the public and road controlling authorities greater certainty around the medium to long-term direction".*

### *Public Transport*

There was support for an increased investment in public transport.

Some submissions said that supporting public transport enables an increase in the capacity and throughput of the transport network, as well as providing an important service to citizens.

*"Efficient, affordable and well-connected public transport systems are vital to providing access to services and opportunities especially for those who are transport disadvantaged."*

It was stated that to encourage mode shift, public transport needs to be provided to a wider range of locations, and at a wider range of times. Some submitters said that to make major gains for public transport the overall price needed to decrease and service needed to improve. To do this, it was recommended there be a review of fare-box recovery, parking management and the Public Transport Operating Model<sup>7</sup>.

To support environmental outcomes, some submitters stated the importance of moving away from diesel to electric powered public transport.

Some submitters were concerned that the GPS seemed to focus on public transport in major metropolitan centres only.

Some submissions stated there should be disincentives for private vehicle use, by increasing the costs of operating private vehicles. This could be by making private vehicles pay for the externalities<sup>8</sup> (such as environmental costs).

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<sup>4</sup> A cross government initiative designed to help create the conditions for the market to respond to growth, bring down the high cost of urban land to improve housing affordability and support thriving communities.

<sup>5</sup> A project to build consensus between Government and Auckland Council on a strategic approach to transport investment that addresses Auckland's challenges.

<sup>6</sup> The practice of charging motorists to use busy roads at certain times, especially to relieve congestion in urban areas.

<sup>7</sup> A framework for the provision of urban bus and ferry services.

<sup>8</sup> Externalities occur when producing or consuming a good, which cause an impact on third parties not directly related to the transaction.

Other submitters said that for some people public transport would not be an option and that private vehicles were still the best option in many cases. This was particularly strong in rural areas.

### *Regional development*

There was support from local government and some interest groups for a regional development focus. Some submitters wanted the GPS to be stronger on support for regional priorities such as tourism, resilience and freight movement. One national organisation (representing many members) was concerned that the importance of agriculture to the economy was not emphasised.

Some submitters appreciated the reference to supporting tourism in the draft GPS 2018. Others wanted tourism to have a higher priority, and asked for recognition of the need for increased investment to support tourism. Some submitters said that, while they supported tourism, they were concerned that with too much growth tourism might not be sustainable e.g. tourism growth might result in environmental damage. Aligned with this concern, was another around whether there is sufficient information and understanding of the broader impacts of tourism.

Some regional local government, interest group and individual submissions were concerned that reduced state highway funding would mean important regional state highway projects would not proceed. The decrease in state highway funding was seen to have potential impacts on resilience, safety and regional development. Some submitters said that less state highway capacity would mean more pressure on local roads.

Other submitters said that there should also be a focus on urban areas that support regional development, e.g. geographically close cities.

*“true gains and alignment will be achieved when the small cities of New Zealand, that are the commercial heart and employed base of much of regional economics that drive our export sector (including tourism), are afforded the same attention as large cities with respect to investment in liveability.”*

### **Transport choice and access**

As previously noted, submissions were supportive of the increased focus on transport choice, particularly in relation to public transport, walking and cycling. Public transport was said to have congestion, public health and environmental benefits.

There was support for improved cycling infrastructure (particularly to support cycling to school and employment), and the focus on the safety of walkers and cyclists. Some submissions specifically supported the completion of missing links in the urban cycle network in areas of high demand, and the continued development of the New Zealand Cycle Network. Submitters from health organisations strongly emphasised the important health benefits from active transport.

A concern raised was that the walking and cycling focus in the draft GPS 2018 was restricted to urban areas. Submitters that raised this concern said that walking and cycling is important for smaller towns, and rural areas as well. Some submitters stated that these modes are strongly linked to tourism.

*“We are very supportive of the recognition of the role walking and cycling plays in*

*land transport and the opportunities it presents. We support the increased funding available in this area. The ability for walking and cycling to assist in the delivery of the strategic priority of access is important and the expected results should not be limited to urban areas.”*

Another concern raised was that cycling has typically dominated the walking and cycling activity class of the GPS, and urged for the different needs of pedestrians as opposed to cyclists to be recognised.

*“Council recognises that Walking and Cycling are both active transport, but are concerned that with this approach they are seen as a single mode. We would like to see the activity classes separated to gain a greater focus on getting the best outcome for both modes rather than the prevalence of solutions that combine the two - for example shared paths. As we increase both walking and cycling numbers then shared paths have their own safety issues which need to be dealt with.”*

Some submitters were concerned that for some New Zealanders in rural and regional areas, private vehicle travel remains the only viable transport option. These submitters were interested in working with local and central government to explore how further transport choice could be provided for these rural and regional areas, while others thought that private vehicle travel would remain the primary mode of travel, and wanted the importance of private vehicle travel in these situations to be recognised.

There was also concern that transport choice varies based on income.

## **Resilience**

Although resilience was not the focus of many submissions, those that submitted on resilience were supportive of resilience as an objective within the access priority section of the draft GPS 2018. Some submitters also wanted to see resilience prioritised further. Some submitters acknowledged the importance of resilience in response to climate change. Resilience was seen as particularly important to tourism and freight movement. Some submitters said that providing more transport options would make the transport system more resilient.

Local government in particular highlighted the importance of having explicit reference to resilience and investment in risk management. Some submitters recommended that the GPS acknowledge the need for resilience planning and management across regional boundaries.

There was some clarification sought on how the ‘most critical parts of the network’ are defined. Submissions from regions with only one key route in and out were particularly focused on resilience and in some cases asked to be specifically referenced in the GPS.

*“We also agree with activities within the GPS to improve resilience of the transport network... We are totally dependent on route security for freight movement (including the importing of food and other daily essentials), supporting tourism and other industry, and especially in times of emergency.”*

## **Priority: Environment**

The focus on the environment in the GPS was supported, particularly relating to reducing greenhouse gas emissions from transport.

*“We applaud the fact that the environment is included as a priority as the transport system is important in reducing NZ’s greenhouse gas emissions and pollution.”*

Some submitters requested that environment be raised to a key priority alongside access and safety.

There was also support, particularly from district health boards, for the reference to public health in the draft GPS 2018. Some interest groups felt that support for public health outcomes could be further emphasised.

*“Transport plays a vital part in our society and can have direct or indirect, positive or negative, intended or unintended, and immediate or long term effects on public and population health.... It is well documented that design and investment decisions on transport have major impacts on the health and wellbeing of current and future populations.”*

Submitters from cycling groups supported a focus on the environment and increased investment in public transport, walking and cycling. The emphasis placed on public transport, active modes and rail throughout the document was seen to contribute to the environment objective. Some submitters requested that the GPS text show stronger support for the uptake of low-emission vehicles, including electric vehicles and e-bikes. Some submitters supported the electrification of public transport (both buses and trains).

Some submitters (including from interest groups, local government and district health boards) outlined concerns about environmental and health problems caused by dust from unsealed roads. These submitters recommended that the GPS support investment in dust suppression.

## Priority: Value for money

A theme emerging from the submissions on value for money was the need for transparency about how transport decisions are made.

*“...supports value for money from transport investment and would like to see robust analysis of different options to solve transport issues, and the trade-offs made.”*

There was support for value for money decisions being robust and based on a strong evidence base. Some submitters suggested that robust and transparent transport assessment would be crucial to the successful implementation of mode neutrality, as it would ensure that no mode is presupposed to deliver better results than any other.

Some submitters questioned whether light rail investment represented value for money. Some submitters stated that many of the previous government’s investment in large road projects did not represent value for money.

*“...we consider it essential that regardless of mode, if a low value project is being considered for delivery, there must be absolute transparency around why the project is being put forward, the benefits that it is expected to deliver, and the strategic case for the project (which we would expect would be very strong).”*

Submitters supported the statement that traditional approaches to transport economic evaluation need to better reflect the wider benefits associated with walking, cycling and public transport investment.

Some submissions also commented on the need for better understanding of the full costs associated with private vehicle travel. Submissions from many South Island local government bodies, commented on the importance of time/travel reliability for transport project assessments.

*“We recommend that economical, rather than financial, cost:benefits [sic] are undertaken in relation to transport projects, and that these consider true costs, including traditionally externalised costs.”*

Some submitters were concerned that the way in which transport projects are currently evaluated could be a barrier to safety projects being eligible for funding, particularly those that increase travel time.

The value for money section signals that lead investment is available through the draft GPS 2018 to provide access to serviced land for housing development in high growth areas. Some submitters requested clarity on this comment, particularly around the definition of high growth areas. Several local government submissions said that enabling transport to shape land use could mean putting in infrastructure and services before they are cost recoverable. In these situations, lead investments<sup>9</sup> were said to be important, particularly for public transport.

Some submitters commented on the process for producing transport plans, including business case requirements. Some submitters said that the requirements for local government were onerous and needed to be in line with the level of funding being sought.

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<sup>9</sup> Those investments which act as a catalyst for further development.

There were also calls for centralised data, analytics and information systems, designed for use by central and local government to support transport planning and investment processes.

Submitters said that dramatic shifts in policy direction promote uncertainty, which the commercial sector prices into contracts as risk, which in turn challenges value for money.

## Themes

### ***A mode neutral approach to transport planning and investment decisions***

Submitters supported mode neutrality, however many noted that mode neutrality depends on the 'true costs' of transport projects being considered and compared, including the quantification of the value of urban design, heritage, environment and well-being. It was also said that it is important that local government needs to know the weighting being used by central government to compare different modes.

Some submissions also said that allocating funding by activity classes that are based on transport modes does not support the idea of mode neutrality.

Some submitters felt the mode neutrality theme is inaccurate given the level of support for public transport and active transport over car travel. However, others feel this is justified to correct past imbalances that saw prioritisation of private motor vehicles and road freight.

*“Mode neutral is defined as choosing the best transport option for the transport task at hand, be that rail, road, ship or any other mode. Meanwhile, it is explicitly stated that under this GPS there will be a much heavier investment into rail and coastal shipping, and that these modes will be preferred over roads.”*

Some submitters suggested that the theme would be better to be 'mode preference' and set out a hierarchy of preferred transport modes.

Some submitters also said that mode-neutral investment requires mode-neutral funding, i.e. if the Government is considering investing in road, rail and coastal shipping, then road, rail and coastal shipping should contribute to the Fund.

### ***Incorporating technology and innovation into the land transport system***

Those who submitted on the technology theme supported its inclusion. Some submitters acknowledged the important role technology will play to improve the transport system, and the benefits that technology can provide for the environment and the economy.

There were submitters that would like to see greater support in the GPS for technologies that reduce greenhouse gas emissions such as electric vehicles, e-bikes and pilot initiatives that support sharing and encourage a reduction in private vehicle use.

There was also interest from some organisations for 'Mobility as a Service'<sup>10</sup> as it is one method on reducing single occupant vehicles.

A concern was raised that the technology section in the GPS only relates to road, and the potential for rail and other modes in this areas should not be forgotten.

Some local government submissions expressed a desire to have greater engagement with central government on testing and trialling of new technologies. There was a desire from some interest groups for the Government to develop a clear and comprehensive plan for introducing technological advances into the transport system.

*“We recommend the Government ensure that GPS 2018 supports funding of innovative approaches and pilot projects. The ability to pilot new technology and approaches is critical*

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<sup>10</sup> Mobility as a Service (Maas) is a new approach to transport where customers can access and pay for all transport services through a common data and payment platform. This may include a combination of ride-sharing, taxis, public transport and, in some cases, active transport modes such as bicycle hire.

*to both test the effectiveness of interventions, and to support community buy-in and encourage behaviour change.”*

Some submitters also emphasised the importance of technology in supporting communication in rural areas, and for tourists while travelling around New Zealand.

***Integrating land use and transport planning and delivery***

There was support for the land use and transport planning theme, but some submitters felt that the emphasis could be stronger and the GPS could be clearer on what it means in practice.

*“We strongly support the added emphasis on land use and transport integration. This is the first time in many years a major Government transport document has been so explicit about the relationship between transport and land use. However, further detail is required. The current level of discussion in the GPS remains light and needs to be strengthened given the criticality of the land use-transport relationship.”*

Some submitters commented that integrating transport and land use planning requires work to ensure the Resource Management Act 1991, LTMA and Local Government Act 2002 are aligned. Some also said that there could be better alignment between the implementation of the National Policy Statement on Urban Development Capacity and transport planning cycles.

Some local government submitters said that integrating transport and land use planning requires the timely delivery of transport capacity. Some submitters were concerned that Government is only focused on capacity increases in Auckland.

## Investment in land transport

### **Total National Land Transport Funding**

There were divided opinions on funding for transport. Some submitters agreed with the proposed increases in fuel excise duty and road user charges to support the GPS priorities.

*“I support an increase in petrol tax and road charges to support funding for this policy. I would like to see some work done to consider and implement Government policy tools that ensure that changes in funding and tax do not hurt the poor disproportionately hard.”*

However, other submitters disagreed with the proposed fuel excise duty and road user charges increases. They raised concerns about the costs to households and business, and said that these increases would be regressive and have more impact on low income households. Some submitters felt that the regional fuel tax proposed for Auckland, along with the proposed nationwide fuel tax, would be particularly difficult for Auckland road users.

Others commented that other funding and financing arrangements should be considered before increasing fuel taxes.

*“Increases in fuel excise duty/road user charges are generally agreed to have a disproportionate impact on those who are unable to purchase newer, more efficient cars... It is our view that very careful analysis needs to be undertaken to ensure that those who can least afford to pay increases in fuel excise duty/road user charges will get some of the benefit from the subsequent investments.”*

Some submitters, including many significant interest groups and private sector organisations, stated that new funding and financing tools were urgently needed to fund future transport priorities. This was for major projects that would benefit many generations (when infrastructure bonds may be appropriate) and to ensure those who benefit pay, for example through value capture.

For some submitters, this was important for the future of the transport revenue system given the expected decrease in revenue from fuel excise duty as a result of increased fuel efficiency and electric vehicles.

Some local government submitters were pleased with the increased funding available to local government but said they might not be able to deliver the expected increase in transport investment. This was because this would require they provide their local share, meaning significantly increased investment for local government. Some local government submitters asked for changes to the Transport Agency’s funding assistance rates to reduce local share requirements, particularly for GPS priorities such as safety.

*“...the current funding model for infrastructure and services relies on a large local share component. If councils are required to match fund at current [funding assistance rates] FARs then it may be difficult to effectively implement the draft GPS.”*

Another area where new funding and financing tools were needed was for local government. A concern from some local government submitters was that the current transport funding and financing for local government was holding back transport development.

## **Activity Classes and Funding ranges**

### **Changes to funding ranges**

Submitters supported the intent to rebalance the activity classes to a wider range of modes. However, some submitters were concerned that this rebalancing was resulting in a decline in funding for state highway improvements.

Submitters supported increased funding for walking and cycling, maintenance (especially for footpaths, which is a new addition), public transport, local roads and regional improvements. Submitters indicated that this was a better balance of investment and some called for greater increases in these areas, particularly for walking and cycling and public transport.

As noted earlier, some local government submitters and organisations were concerned that the decrease in state highway improvements funding would lead to a decrease in safety and access outcomes in their region. Some regions felt that state highway investment was their top priority and sought assurance that their priority road projects would go ahead. Others were concerned that reduced investment in state highways may mean their local roads would come under increased pressure.

*“Tauranga Northern Link ...If the project does not proceed it will have significant affects on safety, capacity and housing development. We wish to see this project continue without unnecessary delay”.*

*“We strongly support the upgrading of the section of SH1 between Auckland and Whangarei which is part of NZTA’s Connecting Northland project. The business case for the proposed upgrading of the State Highway route between Auckland and Whangarei sets out the importance of this route to the Northland economy and the safety of the residents who have to travel along the route.”*

Other submitters asked the Government to reduce funding for state highway improvements even further.

Concerns were raised, particularly by local government and private sector organisations, about the ability of the sector to give effect to the GPS due to funding, regulatory and capacity constraints. Local government submitters were particularly concerned that they would be unable to take advantage of these changes because of the increased local funding required.

Some submitters recognised the significant funding available for rapid transit, rail and public transport, as well as the announcements about the funding and projects for the Auckland Transport Alignment Project. Some were supportive of a focus on solving transport issues in Auckland.

*“We strongly agree with Government that Auckland has an infrastructure crisis, and that’s what we should focus on addressing with a set of funding tools and management that are of a scale and dimension to give certainty that we are making progress to solve with speed and urgency.”*

Others were concerned about the balance of investment between Auckland and the regions.

*“... it is important to balance the strategic directions of investment in the cities and regions. Presently, the GPS has a strong orientation toward metropolitan areas. In New Zealand, 86 per cent of councils are categorised as non-metropolitan.”*

## **New funding activity classes**

### *Activity class framework*

For the draft GPS 2018, the structure was changed to make the link between priorities, results and activity classes clearer. However, there was support for activity class structure to change from a mode-based system towards an outcomes-based framework.

*“We believe that the ‘silo’ structure of the current activity class framework does not encourage a whole system approach or consideration of a wide range of solutions.”*

### *New activity classes*

The draft GPS 2018 increased the scope of what the National Land Transport Fund could fund. Specifically, two new activity classes were added to provide funding for rail (rapid transit and transitional rail) and the scope of the maintenance activity classes were changed to allow footpath maintenance to be included.

Submitters supported these changes. However, some interest groups were concerned that road users would be cross subsidising other transport users.

*“In this case, however, the Government has obviously decided to neglect its own theme by generating a situation where road users will in essence be cross-subsidising other transport modes. This creates serious pricing and investment distortions to the detriment of economic efficiency. The economy works best with a transport system based, not on artificial cross-subsidisation, but true comparative advantage across the modes.”*

### *Rapid transit*

There was support for rapid transit investment, with some submitters noting the importance of rapid transit as shaping urban form. However, some submitters questioned whether rapid transit investment, particularly light rail in Auckland, represented value for money.

*“Rapid transit forms the backbone of Auckland’s public transport network, providing fast, frequent, high capacity services operating along corridors separated from general traffic and unaffected by road congestion. Rapid transit can also have a particularly significant impact on shaping urban form and development. The speed and reliability of rapid transit delivers a long-lasting step-change in the accessibility of an area.”*

### *Rail*

There was support for the inclusion of a transitional rail activity class in the draft GPS 2018.

The proposal to fund passenger rail services through the transitional rail activity class was supported, particularly a passenger rail service between Hamilton and Auckland. A concern was raised that the LTMA does not support inter-regional public transport, and that a review of legislative barriers to councils funding and operating inter-regional public transport should be considered.

Although passenger rail was supported, there was some concern at the lack of support for freight rail.

*“We support the inclusion of railways in the GPS and Land Transport Planning framework. We have some concern that the transitional rail category only considers passenger rail, and doesn’t support the more efficient use of the network for freight.”*

There was also support for funding rail through the Fund, with some submissions noting that rail had not received sufficient funding in the past. There was a desire, especially from local government, for a transparent long-term funding process for rail.

Some interest groups and private sector organisations did however have significant concerns about rail being funded from the Fund. There was concern that allowing KiwiRail to access the Fund would give it a competitive advantage against other transport providers in the commercial market. This was a particular concern as other transport providers contribute to the Fund, whereas KiwiRail currently does not.

*“If KiwiRail is to receive funding from the [National Land Transport Fund] NLTF then surely a ‘rail user charge’, comparable to the mass/distance road user charge should be introduced to maintain the integrity of the NLTF and a semblance of mode neutrality based on true market-driven comparative advantages.”*

Some submissions were concerned that introducing rail to the Fund would see investment in other activities decrease, and consequently levels of service drop.

Some local government submissions said that if KiwiRail was to receive funding from the Fund, it should cease charging local authorities for grants or licenses for any utilities or road crossings across or along rail corridors.

## A second stage GPS

Submitters were supportive of the indication that a second stage GPS would be required to fully give effect to the Government's intentions for land transport. Some submitters indicated that they would like to be involved in its development.

Some local government submitters requested that the timeframes of a second stage GPS be aligned with their planning processes. Local government and private sector organisations also said that increased capacity and capability is likely to be required in order to deliver on the Government's vision for land transport, and that there would be associated funding requirements.

The draft GPS 2018 outlined some areas that may be the focus of a second stage GPS, this included a new road safety strategy and further work on rail. These areas were supported by submitters, with some noting they would welcome additional detail in these areas through a second stage GPS rather than waiting for the next GPS in the typical release cycle (three years).

Some submitters emphasised the importance of certainty of longer-term funding for the sector and assumed that the priorities, objectives and associated funding in the document would not change drastically in the second stage GPS. Some submitters raised the importance of having a similar structure for the second stage GPS document so that the public can easily see where changes have been made.

## Other issues raised through submissions on the draft GPS 2018

Some submissions outlined concerns about matters that are outside the scope of the GPS. These submissions provided a level of detail that is helpful to inform the Transport Agency's assessment and other operational processes, and the Ministry of Transport's policy development. The types of matters that fall into this category are discussed more here, but this is not an exhaustive list.

Additionally, some submissions provided proposals, opinions, ideas and analysis which, for a number of reasons, could not be addressed for inclusion in GPS 2018. In some cases, policy work was required, in others there needed to be broader consideration/discussion that could not be progressed in time for GPS 2018. The content of these submissions has been passed on to relevant agencies and teams to help inform further work.

As discussed in the previous section, a second stage GPS, building on GPS 2018, was proposed through the draft GPS 2018. This is intended for release in 2019, and is one example of further work that will consider the content of the submissions received on the draft GPS 2018. As an example, it may be that outcome based funding can be considered through a second stage GPS. That would be in response to submitters' concerns around activity classes not being mode neutral.

Some of the areas that were raised through the submission process but were outside the scope of GPS 2018 are discussed below.

### *Projects*

Some local government submitters sought clarification through the submission process on the status of particular local projects. Decisions on funding of specific projects sit outside the GPS and outside the Ministry of Transport's work, and are addressed through the development of the NLTP led by the Transport Agency.

The NLTP is the ten-year programme of investment through the Fund and through co-investment with councils, to give effect to the GPS. The Draft Transport Agency Investment Proposal, released in late April 2018, sets out the projects and programmes that the Transport Agency proposes for inclusion in the 2018-27 NLTP. These activities will be complemented by locally-led activities that councils put forward (through their Regional Land Transport Plans) for inclusion in the NLTP. The NLTP is due to be adopted by 31 August 2018.

### *Capability of the sector*

Some submitters from local government were concerned that capability and capacity at the local government level and of the wider transport sector would be an impediment to implementing the direction of the draft GPS 2018.

*"We also note the risk of a lack of capacity and capability experienced in transport planning and implementation, which can have impact on the speed of implementation of projects. We suggest that increased government leadership and resourcing is provided in targeted areas particularly where nationwide consistency is required."*

Work is underway to ensure the sector is well placed to take up the new investment opportunities signalled in the GPS. The Transport Agency and LGNZ are working together to build capability and capacity, where needed, to give effect to the GPS and to address any operational barriers to implementation.

Specific measures may include: improvements to processes (e.g. for submission of funding proposals); new funding arrangements to help councils meet local share; and capability-building (e.g. to help with development of business cases for new projects or programmes that are well-aligned with the GPS priorities).

#### *Funding Assistance Rates*

As discussed earlier in this document, the requirement for increased local share to implement the GPS is a concern for local government. Some local government submitters called for enhanced Funding Assistance Rates (FARs).

This matter is under consideration by the Transport Agency, as part of the work programme mentioned above. Decisions on any changes to FARs will be confirmed and published as part of the process for adopting the NLTP (by 31 August 2018).

#### *Timing of the release of the draft GPS 2018*

Some feedback from local government related to the timeframe under which the draft GPS 2018 was produced. Some submitters recognised why the accelerated timeframe was required (following the forming of the new Government in November 2017), but also expressed some frustration about the misalignment with Regional Land Transport Plan and Long Term Plan processes and timeframes.

Although Ministers Twyford and Genter provided high level direction to stakeholders to support planning and development of core documents ahead of the release of the draft GPS 2018, full details of the GPS were not able to be released in the same timeframe as had occurred in previous years.

Some submissions advised that the GPS may not be fully given effect until local government Long Term Plans (which provide funding) are amended to include additional funding for projects that would be prioritised under the GPS 2018. On the other hand, others advised there was reasonably close alignment between the objectives of the GPS and those of their draft Regional Land Transport Plans (which define transport investment priorities).

Amending Long Term Plans and consulting on any amendments requires additional resource and time. This may, in some cases, result in varying levels of alignment between the direction of the GPS and local government transport plans.

## CHANGES MADE TO THE GPS SINCE ENGAGEMENT COMMENCED

Along with receiving submissions on the draft GPS 2018, formal consultation with the Transport Agency Board has also occurred. In parallel, policy development to complete parts of the GPS has progressed.

The culmination of these processes, along with Ministerial discussions and Cabinet processes, is the final GPS 2018.

Substantive changes between the draft and final GPS documents are listed below:

- The access section has been amended to explicitly support public transport for areas of social deprivation, and areas beyond urban centres. It also acknowledges that support for increasing public transport capacity covers both peak and non-peak times. This makes it explicit that public transport should support those most in need and addresses a concern raised in submissions about areas of New Zealand outside of urban centres needing public transport improvements.
- The access section now includes explicit reference to supporting regional priorities such as tourism, freight and resilience.
- Regarding resilience, the access section has been amended to place greater focus on proactive risk management, to reflect the Government's "4R" approach to resilience and emergency management (reduction, readiness, response and recovery). Reflecting submissions, this section has also been amended to support resilience planning and management across regional boundaries.
- The environment objective has been changed from "A land transport system that reduces the adverse effects on the climate, local environment and public health" to "A land transport system that reduces greenhouse gas emissions, as well as adverse effects on the local environment and public health". The focus on reducing greenhouse gas emissions more directly reflects what the GPS is trying to achieve.
- The environment section of the GPS has been amended to explicitly include dust in the reference to transport-related air pollution.
- There were concerns that a benefit cost ration requirement of greater than one would prevent some projects from advancing that were critical to successfully completing an overall programme. The submitters were particularly concerned about safety and resilience projects. In response, the wording in the value for money section of the GPS has been amended to state that, although it is expected that evaluations will normally occur at the project level, there is flexibility for programme level evaluations to take place when safety and access outcomes are being sought (noting there is a requirement for the Transport Agency to be transparent and report when this occurs). A review of the investment assessment framework is underway, and this wording change will ensure key programmes that will lead to enhanced safety and access outcomes will continue while the review is underway.
- There has been a minor amendment to the scope of the transitional rail activity class. There was a suggestion that funding of inter-regional rail - transport between regions - would support the broader priorities of the GPS. In response, the definition of the transitional rail activity class has been amended to include reference to funding rolling stock (trains and carriages). This allows the Transport Agency to fund operational and capital costs from the transitional rail activity class, but does not preclude funding from the public transport activity class.

- More direction on the scope of the rapid transit activity class has been included in the final GPS. The new text aims to ensure investment is targeted to where it is needed most, to clarify the expected role of the Transport Agency, and to emphasise the role of rapid transit in enabling urban development in high growth areas.
- The minimum funding level for the walking and cycling activity class has been increased, to ensure increased minimum levels of expenditure.
- The overall funding level (both lower and upper levels) for public transport has been increased. The draft GPS 2018 was released prior to Cabinet agreeing to the Auckland Transport Alignment Project package, so an increase to this activity class in the final GPS will provide sufficient funding to support delivery of the Auckland package and ensure funding is also available for public transport priorities in other areas of New Zealand.
- The rapid transit activity class funding range (over 10 years) is now \$4 billion. This funding range gives clear signals to stakeholders and investors of the Government's commitment to rapid transit. The actual expenditure from the Fund will depend on any funding and financing arrangements made with those providing rapid transit. The GPS funding ranges assume less expenditure from the Fund for rapid transit in early years where financing is used, with higher expenditure in later years when borrowing is repaid.
- The scope of the promotion of road safety and demand management activity class has been clarified, and the funding range has been widened to allow greater flexibility for investment in behaviour-related measures to improve road safety (such as bike safety training), promote mode shift and optimise the transport system (such as travel management plans and promotion of ride-sharing).
- The GPS now reflects a revenue change at a level of 3.5 cents per litre per year for three years for petrol excise duty, and a one-year equivalent increase for road user charges pending a review of the way road user charge rates are set. Two further increases in road user charge increases are intended.
- There are new draft reporting measures and reporting expectations for GPS 2018. These reporting measures are not yet finalised (some of the proposed measures require further development). The Ministry of Transport and the Transport Agency will continue to work together to further develop these draft measures and finalise them for the second stage GPS.
- The Ministerial Expectations section has been revised to include expectations for the Transport Agency for each of the themes - integrated planning, mode neutrality and technology. The expectations related to prudent activity management, investment decision making and investment efficiency, and Auckland, have been amended. This structure is intended to better represent the Government's expectations for the Transport Agency to deliver an integrated, well managed and mode neutral investment programme.
- The 'second stage GPS' text now includes specific reference to the Urban Growth Agenda and work to consider the true costs of transport in investment appraisal and in pricing mechanisms.

## **NEXT STEPS**

The Summary of Submissions is being released alongside the final GPS 2018 to enable interested persons to read GPS 2018 with full knowledge of the themes from the engagement process.

As noted in this document, the engagement process from GPS 2018 will also inform the second stage GPS. The process to develop this second stage GPS is underway and further information (including timelines) will be released on the Ministry of Transport website later in 2018.

We are grateful to everyone that provided a submission on GPS 2018, as well as those that attended the Transport Summit or regional forums. Some submissions were submitted on behalf of large groups of people, and we acknowledge the input of everyone who contributed to this process.

We look forward to working with you as we develop the second stage GPS.

# APPENDIX ONE - TEXT OF FORM SUBMISSIONS

## Form submission 1

Short version:

"I strongly support the Government's new strategic transport priorities of safety, access, environment and value for money. I welcome the increased funding for public transport, walking, cycling and rail, and the decreased funding for state highways. I want to see the Government do even more to build a safe, modern, sustainable transport system for New Zealand that sharply reduces transport greenhouse gas emissions."

Long version:

"We strongly support:

1. The strategic priorities of safety; access; environment; value for money;
2. Increased funding for public transport (including rapid transit), walking, cycling and rail;
3. Emphasis on integrated planning and mode neutrality;
4. A second-stage GPS "to fully realise Government's direction for transport investment" (draft GPS p5)

Here are some things we would like to see changed:

- a) Allocating funding by Activity Classes that are largely defined by mode is inconsistent with the theme of "a mode neutral approach to transport planning and investment decisions" (p23);
- b) Environment "reduces the adverse effects on the climate, local environment and public health", (p7) should be a key strategic priority (like safety and access), rather than a supporting one;
- c) Continuing the very high level of funding for state highway improvements is not consistent with the strategic priorities;
- d) Recognising the safety implications of mode choice (e.g. the risk associated with travelling by car is roughly ten times greater than the risk of travelling by public transport);
- e) Greater support for demand management, such as congestion charging and road pricing;
- f) Ensuring distributional effects and equity effects of policy tools are managed properly - so the changes in transport funding and mode provision don't hit poor people disproportionately hard."

## **Form submission 2**

“Overcapacity is one of our primary safety problems. We have our share of bad drivers, drunks, speeders, poor decision and mistake makers but we have more than our fair share of motorists on a single lane highway and more than our fair share of dead motorists. Yes, safety is number one - and overcapacity is one of our safety issues - beyond what can be realistically solved by improvements to public transport, cycling and more freight to rail.

The hypothecated fund is where all money raised from motorists via petrol excise duty, road user charges and motor vehicle registration is invested back into the land transport system. For the first time, Labour proposes to fund rail from these road budgets. The amount is roughly \$500m; roughly the price of the TNL. Despite that, there is still \$982m for State Highways - plus increased government funding proposed for local road improvements, regional improvements, road safety promotion and demand management, state highway maintenance and local road maintenance. BoP is listed as a priority region in the GPS. We don't care which pot of money is used. SH2 is also our local/regional road, and it needs fixing now because these capacity issues have been forecast “next on the list” for 20 to 25 years.

This is an evidence-based submission. Based on facts, the final GPS should include a specific reference for NZTA to consider a median barrier and 4-lane capacity improvements on the Katikati-Tauranga SH2 corridor, which urgently requires prioritising by central government and NZTA, just above SH1N at Kawakawa. There were 619 incidents on SH2 Katikati-Tauranga from 2010 to 2017. 93% of those were multi-vehicle accidents. 79% of accidents happened during the daytime when more motorists are on the road. There were 401 no injury crashes, 146 minor injury crashes, 52 serious injury crashes - and 20 fatalities, 100% of them in fine weather. The Bay of Plenty Regional Council received more than 2,000 submissions, 1890 written and 140 verbal, plus a petition of 7,000 obtained in three weeks for action on the SH2N corridor evidencing that this is a real issue for the engaged people of this region.”

## **Form submission 3**

“I support the Government's new transport policy direction. It's good for the climate, good for public health, and it provides better transport choices so fewer people need to rely on private cars.

I especially like the increased funding for public transport (including rapid transit), walking, cycling and rail, and the decreased funding for state highways.”

## **Form submission 4**

“I strongly support the Government's new transport strategy. The focus on public and active transport (cycling and walking) as well as safety has many benefits for health, the environment and equity of access. Benefits include reduced greenhouse gas emissions and less air pollution, reduced diseases associated with a sedentary lifestyle (diabetes, obesity and cardiorespiratory disease), fewer road traffic accidents and fairer more equitable access to transport.”