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## **Government Policy Statement (GPS) on Land Transport 2018/19 - 2027/28**

Local Government New Zealand's submission to the Ministry of  
Transport on the draft GPS on Land Transport 2018/19 – 2027/28

31 March 2017

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## We are. LGNZ.

LGNZ is the national organisation of local authorities in New Zealand and all 78 councils are members. We represent the national interests of councils and lead best practice in the local government sector. LGNZ provides advocacy and policy services, business support, advice and training to our members to assist them to build successful communities throughout New Zealand. Our purpose is to deliver our sector's Vision: "Local democracy powering community and national success."

This final submission was endorsed under delegated authority by Lawrence Yule, President, Local Government New Zealand (LGNZ).

## Introduction

Thank you for the opportunity to submit on the draft Government Policy Statement (GPS) on Land Transport 2018/19-2027/28. In preparing this submission, LGNZ has co-ordinated with the Transport Special Interest Group (TSIG), representing regional government transport interests, communicated with the New Zealand Traffic Institute (TRAFINZ) and reviewed draft submittals from a myriad of council organisations.

LGNZ recognises that the proposed draft GPS adopts the same strategic direction as taken in the 2015 GPS, and also incorporates changes reflecting the lessons learned over recent years and anticipated of technological changes. However, there are several issues that we believe require greater clarification.

LGNZ has focused most of all on Section 2, *Strategic direction of the GPS*, with some additional commentary on Section 3, *Investment in land transport*.

## Strategic direction

In this submission we provide comment on three strategic priorities and six objectives of the draft GPS:

- A. Strategic direction:
  - economic growth and productivity;
  - road safety; and
  - value for money.
- B. National land transport objectives and results:
  - addresses current and future demand to economic and social opportunities;
  - is a safe system, increasingly free of death and serious injury;
  - that delivers the right infrastructure and services to the right level at the best cost;
  - provides appropriate transport choices; and
  - increasingly mitigates the effects of land transport on the environment.

## Summary

LGNZ generally supports the structure, approach and objectives of the draft GPS. On the whole, it agrees with the focus of policy for the coming decade and recommends several adjustments to emphasise focus areas to effectively meet objectives and targeted results. Some of those recommendations include the following:

- Central government could go much further to address the quantity and quality of multi-modal connections with a “whole of system” approach across all strategies of this draft GPS.
- The GPS should more clearly recognise the resources and policy that are required and dedicated to interfacing with local transport and land planning.
- If the term “results” is adopted in the objectives, then general measurement and timing should be outlined for each result.
- Though considerable focus is made on areas of urban growth, it’s important not to underestimate rural New Zealand’s contribution to GDP.
- New Zealand has ratified the Paris Agreement and this GPS must link its target and transport investment with Agreement obligations over the next decade.
- The increase focus on resilience is supported but it needs to include longer-term impacts such as climate change and population demographic change.
- The GPS should weight all objectives equally. The GPS currently provided lower priority to two of the six national land transport objectives and this is not supported.

### A. Strategic direction

LGNZ supports the Ministry of Transport’s (MoT) approach to substantiate policy planning and direction through empirical evidence. We also support the continuance of the three strategic priorities - economic growth and productivity, road safety and value for money, and note that a unifying “vision statement” for the goals of improved land transport planning and development may coalesce objectives for this GPS with three strategic priorities.

The broad-based statements guiding policy are similar to those found in other developed countries. However, it is unclear what the Government’s desired outcomes are for the next 10, 20 or 30 years. Local government is required under the Land Transport Management Act 2003 to prepare regional land transport plans and by the Local Government Act 2002 to prepare and implement 30-year infrastructure plans. Central government does not, at least within this document, provide a vision of what transport services and infrastructure will look like in the decades to come, which would assist local government align their plans.

We strongly support the “one transport system” approach and technology cross cutting themes identified in the GPS. Further, throughout the draft GPS, we would prefer to see a “whole of system” approach, to the wider transport system including public transport and the roading network, rather than in just the areas that pertain to resilience and environmental impact. The approach would yield benefits that go beyond systems planning, including encouragement of an integrated multi-modal approach to logistics and perhaps more effective preparedness for technological innovation.

**Strategic priority: economic growth and productivity**

LGNZ supports the proposed priority and is encouraged by a regional approach to growth and welcomes the increased weight given to regional routes and regional economic development. This regional approach is noted in LGNZ's "Mobilising the regions" report, which proposes outcomes and action points that now align with many of central government's priorities.

As noted above, central government could go much further to address the quantity and quality of multi-modal connections with a whole of system approach across all strategies of this draft GPS. It is our view that the GPS should not address land transport as a primary subject, but should address all transport modes as a value chain for investment in improving local, regional and national economic development. As noted on page 6 of the draft GPS 2018, there are no current national strategies or plans for rail, maritime or aviation planning. For example, Connecting New Zealand is an example of a document with a whole of system view, but was last published in 2011. We strongly support the greater emphasis on freight in the economic growth and productivity strategic priority however, we seek further acknowledgement in the GPS of the interaction between rail freight and road freight and we seek stronger links to KiwiRail strategic planning documents to ensure investment in the freight network is approached holistically.

Provided that MoT has the capacity to address maritime, rail and aviation policy, LGNZ recommends that an update be made to the Connecting New Zealand document referencing the final GPS and a vision for future multi-modal planning.

The breadth of transport planning cannot be overlooked. The GPS should reference and recognise the resources and policy that are to be dedicated to interfacing with local land use planning. The impact of existing state highways on local land use plans provides a template for the planning and development of extensions and new state highways. This, in turn, may also provide direction for several objectives, including current and future demand for access to economic and social opportunities, resilience and a safe transport system.

We strongly support the new focus on high growth urban areas along with the intention to provide investment via the NLTF for critical transport infrastructure that enables housing development.

**Strategic priority: road safety**

LGNZ supports road safety as a priority strategy. Provided that it is one of only three priorities, it is inferred that it hold the same weight as economic growth and productivity and value for money. Yet, when reviewing investment for road safety promotion, the upper end of the funding spectrum is less than that invested in walking and cycleway improvement. Indeed, the bulk of policy implementation funding appears to be buried in the general activity of road improvement planning and design. We therefore strongly support increased funding for road safety promotion activities.

LGNZ appreciates interest in publicising safe driving activities, but as noted above in our comments on the importance of research, resourcing should be based on empirical evidence; it is not aware of research justifying funding for billboards to advertise safe driving practices.

It is recommended that if safety holds the same weight as the other noted imperatives then additional funding should be allocated for road improvements and construction when undertaken for that purpose.

We seek that the GPS includes further consideration of speed management planning and implementation at a regional level now that the New Zealand Speed Management Guide has been released.

**Strategic priority: value for money**

LGNZ generally supports the strategic priority addressing value for money. It is important to recognise that central government investment often creates residual need for investment at the local level, which may impact the quantity and quality of the roading infrastructure provided. For state highway roading improvements, a “systems” or “whole of network” approach is imperative to ensure local communities are prepared for the planned improvements. It is recommended that coordination on planning for ancillary roads and adjacent land uses be overt in this policy statement. Such an approach will require the need to ensure informed decision-making with uniform data available to all participants and flexibility to work with local communities on related opportunities, such as multi-modal hubs.

For this particular strategic priority, direction and objectives must be clearly defined. Vague terms, such as “new ways of dealing with uncertainty will support better decision making,” leave the reader unclear about what the government is referencing.

**Objectives Summary**

Our overall observations on these objectives are that they should include SMART principles; namely significant, measurable, agreed upon, realistic and time-based. If adopted, and the term “results” is to be used in a policy statement, then “general” measurement and timing should be outlined for each result.

In addition, objectives which overlap should be highlighted. For example, the roles of technology, and stakeholder / public engagement should be addressed in each.

In addition, in paragraph 68, there is reference to objectives important to economic growth and productivity, with a bullet point referencing “the effects of land transport on the environment”. We are uncertain of the nexus here, and the bullet may be better placed in another location.

**B. National land transport objectives and results****Objective: A land transport system that addresses current and future demand for access to economic and social opportunities**

LGNZ supports this objective. We also support the results. It should be clearer that results may vary due to contextual circumstances. For example, where local zoning governs where and how many homes are built in an urban area. Central government must work closely with local governments for clarity of vision in planning and support of infrastructure provision as required.

Please refer to our recommendations under Strategic Priority One above to ensure master plans are in place for clear alignment in modal planning. We note that NZTA is developing a long-term strategic view of inter-regional routes and recommend that this should be a plan or objective rather than an approach.

LGNZ recognises there is a priority under the 2018 GPS to support high growth urban development areas to foster economic growth and this is supported. However, this appears to leave regional New Zealand in the place of supporting transport connections for vital production and distribution points, tourism and resilience preparedness. In doing so, it’s important not to underestimate agriculture’s impact on GDP. Close to 30 per cent of the country’s GDP comes from agriculture and forestry production in the regional, rural and provincial sectors. Urban area growth is not increasing the nation’s GDP per capita (currently at .4 per cent, essentially keeping pace with population growth). Growth in GDP per capita may very well arise from the regions with increased efficiencies supported by fit-for-purpose roading infrastructure.

The GPS should also provide clearer guidance on funding for community transport in rural areas to address current and future demand for access to economic and social opportunities.

**Objective: A land transport system that is resilient**

LGNZ supports the proposed result of improved network resilience at the most critical points. Further, as noted in **Section A**, we support the introduction of a true “whole of system” approach to transport planning and encourage central government to provide a position on how to approach impacts of potential climate change, including sea level rise. This needs to be done at a network level, not just on an individual project basis. We are supportive of the GPS provision for developing regional plans to improve resilience and provide investment for the most critical transport routes.

We wish to note that the phrase “GPS 2018 gives priority to investment that improves resilience on routes to which disruptions pose the highest economic and social cost” is unclear, given that it is subject to interpretation and implementation by NZTA. NZTA has not received comment by the sector and stakeholders at this time.

We also recommend the inclusion of a specific activity class for resilience activities.

**Objective: A land transport system that is a Safe System, increasingly free of death and serious injury.**

LGNZ supports this objective and generally supports the proposed result. As noted in Priority 2, how the GPS 2018 supports investment in improvements on roads through Local Road Improvement Activity Classes isn't fully clear. Establishing recommended design standards and special funding for improvements that meet an outlined threshold may be two methods of support, but it is anticipated that the GPS 2018 will provide a vision that goes beyond construction standards and community outreach.

In particular, demand management is critical to influencing driving behaviour and travel times. There are no recommendations about cyclists or pedestrians, both of which are growing in number as the median age of the population increases. Focussing on such alternatives would assist with reaching the desired objective of a transport system that mitigates the effects of land transport on the environment.

Presently, New Zealand's urban areas, and particularly Auckland, have an increasing number of roads deaths and injuries. It has been noted by Auckland that there are trade-offs in travel time and safety. There should be greater emphasis in the GPS 2018 that, in our urban locations, safety is a higher priority than travel time.

**Objective: A land transport system that delivers the right infrastructure and services to the right level at the best cost**

LGNZ concurs with this objective and the proposed results. Specifically, it also recognises the importance of data collection and sharing as well as the continued focus on returns from road maintenance. Innovation and technology does not appear well integrated with planning in this section. Given the importance of the disruptive technology developing from automation, passenger service provision and electric vehicles, technology could be a stand-alone “objective” within the GPS.

LGNZ would also like to note that LGNZ, MoT and NZTA have allocated considerable effort and manpower in support of the introduction of the One Network Classification System, and associated activities. Ensuring the local government sector is conversant and well trained to implement strategies to improve return on investment is critical. Education, assessments and support should be mechanisms to accomplish full use of the available resources.

**Objective: A land transport system that provides appropriate transport choices**

LGNZ agrees that depth in transport choices will encourage alternative uses of transport and encourage greater recognition of the importance of total mobility. In supporting results, a suggested recommendation is to note that timing is critical. Specifically, a statement that recognition and monitoring is on going, understanding that early initiatives and support may lead to over investment or preferential treatment, and late involvement sends a signal to the local government sector about priority and support for enabling infrastructure.

We submit that the role and benefits of public transport need to be more clearly outlined in the GPS to recognise the important role that public transport has in addressing traffic congestion, supporting an efficient transport system and contributing to economic growth and productivity. The focus of public transport in the main metropolitan areas needs to be expanded to other large urban centres to stimulate public transport growth in these centres.

The multimodal approach (one transport system) also needs to recognise the important role that walking and cycling plays as part of an effective and optimised transport network.

**Objective: A land transport system that increasingly mitigates the effects of land transport on the environment**

This is a surprisingly short section considering that New Zealand has ratified the Paris Agreement on 4 October 2016, submitting a target to reduce greenhouse gas emissions by 30 per cent below 2005 levels by 2030. This target is equivalent to 11 per cent below 1990 levels by 2030.

The New Zealand Emissions Trading Scheme (ETS) put a price on greenhouse gas emissions to incentivise people to reduce emissions and plant forests to absorb carbon dioxide. New Zealand's greenhouse gas emissions continue to rise however. By 2014 they rose 6 per cent from 2000 levels and 23 per cent from 1990 levels.

Contributions to New Zealand's greenhouse gas emissions profile between 1990 and 2014 show energy (including road transport and electricity production) at 40 per cent of the total contribution (with transport accounting for around 17 per cent).

The GPS must link its targets and transport investment with the obligations outlined in the Paris Agreement over the next decade. Further, it must use existing tools (eg demand management) to more effectively assist implementation of mitigation measures.

The GPS should include specific commentary on the requirement to transition to a low carbon economy as well as outlining the next steps on climate change adaptation for transport.

**C. Mapping strategic priorities, objectives and results**

As a general comment, greater focus should be made to ensure the following results more closely align with the approach taken in the Priority areas described in "Strategic direction" at the beginning of the document. In respect to the weighting of the objectives, we are concerned that a lower priority has been given to two of the six national objectives, those relating to the provision of appropriate transport choices and mitigating the effects of transport on the environment. We support a more equal weighting basis between the objectives.



### **Economic growth and productivity**

In general LGNZ supports the initiatives noted in this section; however, there are several points of caution. The first is the reference to activities such as “trials for driverless technology” should be premised in a policy approach under innovative technology in one of the objectives. In addition, there should be consideration not to show preferential treatment towards one kind of development over another. Specifically, using transport policy to orient growth toward Greenfield areas in Auckland, without greater clarity, may be overstepping the purpose of this document. Local government and its processes for determining land use predicate where growth occurs, not the planned construction of roads or transport.

There is concern about the lack of funding for cycleways outside of the main urban centres and the impact this will have on cycle networks outside of the urban centres.

### **Road safety**

The first noted objective “A land transport system that increasingly mitigates the effects of land transport on the environment” – is not a road safety issue. Neither is it noted in the Strategic Priority section under Road Safety.

Further, the language should mirror that of the current Safer Journeys Action Plan. For example, the 2018 GPS states “reduction in deaths and serious injuries” whereas the plan states “increasingly free of deaths and serious injuries”.

### **Value for money**

LGNZ generally agrees with the outlined information.

## **Section 3**

### **Total funding for GPS 2018**

As a general observation, the GPS 2018 proposes an increase in funding from \$3.70 billion to \$4.25 billion over 10 years. The average increase of \$55 million equates to .015 per cent per annum. Though the amount is small, there is no logic other than for gradual increase. There may be years where demand outstrips allocation and years where resources are not required, but there is no available forecast associated with planned projects, particularly with Roads of National Significance.

Local government is required to provide a business case for improvements, outlining an investment logic map for improvements under the ONRC and for other projects where funding is sought from the NLTF. Further, a council’s 30-year infrastructure plan, highlighting years where investment (and possible debt) increase and years where less investment is required is required under the Local Government Act. It is recommended to more specifically outline a similar investment strategy for state roads, rather than a “general trend” for funding increases. If such an approach were adopted, the resource would then also assist in local council long-term land planning.

### **Activity class framework**

LGNZ generally understands and agrees with most of the funding ranges, with the caveat that investment will be more clearly substantiated and understood by local and central government as the ONRC matures. LGNZ strongly supports the proposed additional funding to support regional improvement activities to reduce local funding contributions. LGNZ also agrees that regional councils require a boost of additional funding to ensure tourism and transport support regional economic growth efforts.

We seek that the GPS signals an intention to further develop options for improving organisational framework and funding models to ensure support for multimodal transport outcomes ie a funding model that supports the most efficient solution to transport problems. In particular, there is a need to bring road and rail into a common funding model.

As a note, for our urban communities, it would be helpful for the GPS to clarify funding arrangements for strategic public transport projects. A suggestion is to create an activity class for strategic public transport network improvements or, perhaps, to clearly signal that the state highway activity class can be used for strategic public transport projects.

It should also be noted with recent changes in the Vehicle Dimension and Mass Rule changes that the local road maintenance and local road improvements activity classes may require increased funding due to heavier vehicles using roads.

We submit that the current banding of GPS activity classes are often artificial, inflexible and can restrict the ability of NZTA to take innovative approaches across activity classes. We therefore submit that the GPS should allow, during the term of the GPS, funding to be shifted across activity classes where there is a surplus in one activity class and a deficit in another.

We also seek that the GPS outlines all funding currently being directed into land transport including funding through the accelerated projects fund and directly from Crown funding sources.

LGNZ seeks that alignment is achieved for land transport funding allocation for projects and in particular we see a need for consistency between the applications of NZTA's Investment Assessment Framework (IAF) and the strategic direction and priorities in the GPS. We seek that NZTA and MOT work closely together to ensure alignment across these two important areas.

LGNZ generally agrees with the remaining text in the GPS.

Thank you again for the opportunity to comment on the draft Government Policy Statement on Land Transport 2018/19-2027/28.