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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

2 May 2018

#### **SUBMISSION**



## Contents

| Contents   | 2 |
|--|---|
| We are. LGNZ.  | 3 |
| ntroduction  | 3 |
| Strategic direction  | 3 |
| Key issues for local government (not specifically referenced in the GPS) | 4 |
| Key strategic priorities   | 5 |
| Supporting strategic priorities  | 5 |
| Themes   | 6 |
| Conclusion   | 7 |

## We are. LGNZ.

Local Government New Zealand (LGNZ) is the national organisation of local authorities in New Zealand. 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 submission was endorsed under delegated authority by Mayor Dave Cull, President, Local Government New Zealand.

### Introduction

Thank you for the opportunity to submit on the draft Government Policy Statement (GPS) on Land Transport 2018/19-2027/28 dated 14 March 2018.

LGNZ recognises that the proposed draft GPS adopts a substantially new strategic direction from that of the 2015 GPS and that, as such, there are some untested approaches to strategy, themes and planned outcomes. In general, LGNZ is supportive of the overall GPS, but we outline several issues that we believe require greater clarification.

## **Strategic direction**

LGNZ supports the Government's approach to a more broad based policy approach in the development than that in the GPS 2015, and even that of the previous draft GPS 2018. LGNZ strongly believes that effective transport and road planning must include a "whole of system" approach, incorporating land use, human health, economic development and environmental impact, amongst other critical issues, in the development of priority outcomes.

LGNZ is generally supportive of the strategic direction of the draft GPS, and understands the emphasis on road safety and access as key strategic priorities due to the existing and planned growth of several metropolitan (growth) councils. LGNZ is also supportive of the focus toward supporting strategic priorities of value for money and environment.

However, 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. Serious consideration by the Government must be given to how regional, rural and provincial councils can target appropriate projects and how engagement with those councils can be leveraged to maximise outcomes for the strategic priorities.

# Key issues for local government (not specifically referenced in the GPS)

#### Capital investment in state highways

Many local councils have anchored community development and associated roading investment in significant state highway capital investment. For local communities this is no small issue, as on average, transport planning comprises 30 per cent of a council's budget. In review of the GPS' Section, "Investment in land transport", new state high investment in 2018/19 is planned at \$1.2 billion and by 2027/28 is reduced to \$350 million. Absorbing change for long-term outcomes - with advanced notice is acceptable. But, many near term projects in the state highway planning portfolio, referenced in the draft Transport Agency Investment Proposal 2018-27, shows choices for continued investment as being "under consideration."

As councils have gone to public consultation for their long-term plans, this is problematic. For example, improvements to SH1 Otaki to Levin affect those communities, all of those in-between and the greater circulation of the region. Further, without clarity, critical planning for multi-modal uses, such as MetroLink, are also impacted. This highway corridor is anything but unique, and delayed determination of business cases impacts many regional and council long-term plans around the country.

LGNZ recommends completion of the planning and financing of capital improvements that the government has previously committed to and greater transparency toward outcomes for those projects that were under review. Not only for the reason that significant de-investment in anchor transport corridors undermines the larger framework of planned connectivity supporting growth in economic and social well-being, but also that local councils have committed significant human and financial resources to plan for what has been considered imminent capital investment.

#### KiwiRail

The draft GPS includes a new Transitional Rail activity class which enables funding of about \$700 million over 10 years for maintenance and improvement of heavy rail infrastructure (owned by KiwiRail) to support key passenger rail services in the major metros, with a particular focus on assisting passengers to access major employment and housing areas. Indicatively, the GPS signals that this activity class will be 100 per cent NLTF funded.

If KiwiRail is added to the list of Approved Public Organisations under the Land Transport Management Act 2003 with access to the National Land Transport Fund, LGNZ insists that approval be conditional on KiwiRail ceasing to charge local authorities for grants or licenses for any utilities or road crossings across or along rail corridors.

As the GPS places considerable emphasis on mode neutral transport, it is unreasonable for the costs of projects to be increased by other authorities having to pay KiwiRail fees for maintenance or access to the rail corridor for pedestrian crossings, bridges, culverts and similar.

#### Enhanced FAR Funding

LGNZ recognises that the Government is placing considerable investment for specific outputs in the GPS 2018, but is uncertain if outcomes will match objectives. More specifically, it may be unlikely that moving funding from one activity class to another will yield planned results and encourages close monitoring with councils. In the short-term and where appropriate, utilising enhanced funding assistance rates to reach targets may be appropriate. In the long-term, working with local government to enhance and improve funding tools is strongly encouraged.

## **Key strategic priorities**

#### Safety

LGNZ supports the objective of creating a land transport system that is a safe system, free of death and serious injury.

We support all planned results. We support implementation of Vision Zero, and targeted investment in safety improvements for local roads, particularly those that reduce head-on and run-off road crashes, urban and rural intersection crashes and investment to ensure safe system approaches remain fit-for-purpose.

As noted in the Strategic Direction section, LGNZ cautions that - though targeting cycling and walking safety in urban areas is incredibly important – it is predominantly a metro focused activity. As safety is a key strategic priority, walking and cycling safety should be reviewed with regional, rural and provincial sectors to target where the greatest application and strongest business cases can be developed for successful programme outcomes.

#### Access

LGNZ supports the objectives of creating a land transport system that provides increased access for economic and social opportunities. Recognising this priority has considerable overlap in the supporting strategic priority of environment, LGNZ agrees with all noted results, and in particular that of improving connectedness and accessibility in metro and high growth areas (eg through land use planning and in improving transport connections in regional New Zealand).

LGNZ also supports the objectives of a land transport system that enables transport choice and access, but notes that results are focused solely on urban areas. Transport choice is not only a subject for those who live in urban areas, but with a growing elderly population nationally, focus on targeted areas where benefits for options would yield benefit in the rural and provincial areas of New Zealand.

LGNZ agrees with the objective of a transport system that is resilient. LGNZ supports the 4R approach (reduction, readiness, response and recovery), and encourages the Government to continue to take a whole of system approach in developing priorities and planning for large and small disruptive events (either climate sourced or man-made).

## **Supporting strategic priorities**

#### Environment

LGNZ welcomes the objective to create a land transport system that reduces the adverse effects on the climate, local environment and public health. We firmly believe action on climate change requires coherent and consistent governance across central and local government, and that it requires a comprehensive understanding of the opportunities and risks, innovation, and prioritised actions to achieve our vision for prosperous communities. LGNZ has a <u>position statement on climate change</u>, and 54 mayors and chairs have signed the <u>Local Government Leaders' Climate Change Declaration</u>. As such, we support all planned results, and encourage the Government to work closely with local government to outline reasonable steps and timelines to reduce emissions, including those for reducing traffic on suburban streets, increasing the uptake of electric vehicles and in investment measures to optimise system efficiency (eg road tolling).

#### Value for money

LGNZ has been closely involved with the development of the One Network Road Classification (ONRC) system and the Roading Efficiency Group (REG), and is a participating architect of the existing investment framework supporting this priority.

This GPS notes the objective of a land transport system that delivers the right infrastructure and services to the right level at the right cost. Though we are uncertain of what "the right level" means, LGNZ notes the objective does not include the phrase "at the right time". With a growing population, "just in time" planning for infrastructure does not work as government is continuously behind execution of roading and transport projects. An investment framework, particularly at the regional and national level, must view investment with a multi-generational view, and engage with citizens and local governments to ensure assets in roading and transport are appropriate to meet demands of tomorrow's users. LGNZ recognises the difficulty in convincing the public to capitalise multi-generational ventures, but believes there are more incentives than drawbacks, and offers to work closely with the Government to coordinate on those efforts.

LGNZ agrees with the outcome of working toward better-informed investment decision-making, which it believes will be a natural outcome of implementation of the ONRC as well as meeting LGA Section 17A requirements. We also note the planned focus on improved investment returns. We believe that assessment of returns should be more closely collaborated on with NZTA, and at the same time include a greater measure of flexibility in definition. For example, a reduction in road dust (an impact on human health and the environment) should be more heavily weighted for a return on investment.

## **Themes**

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

Generally, LGNZ agrees with an approach that considers all modal options when identifying the best transport solutions to deliver outcomes. LGNZ does emphasise that it is important to communicate with local government where and how weighting of priorities is made in the evaluation of options.

# Incorporating technology and innovation into the design and delivery of the land transport investment

LGNZ supports recognition of the role of technology and innovation in land transport. Though technology and innovation have been a constant for many decades in roading and investment, we feel that the world is on the cusp of significant change. For example, automated vehicles are well on their way to mass production and flying taxis have moved beyond conceptual design. LGNZ believes the government should be more explicit in recognising this significant revolution, and in policy approaches to harness it for the public benefit.

#### Integrating land use and transport planning and delivery

LGNZ supports an approach of integrated land use planning and transport delivery but there needs to be greater clarity in overlap with other activities and associated objectives, such as the potential use of urban development authorities or public private partnerships to maximise the use of land and return on investment.

## Conclusion

LGNZ generally supports the strategic priorities and themes of the GPS, but does have some reservation over its emphasis on metropolitan areas over those regional, rural and provincial New Zealand.

However, LGNZ strongly advises that previous capital commitments to state highways should be fulfilled as they have provided foundational direction for community planning and development over recent years. Further, we assert that KiwiRail, as an approved authority under the LTMA, works more closely with local councils and is prevented from charging for maintenance or access to the rail corridor for pedestrian crossings, bridges, culverts and similar.

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