

Regional Transport Committee Submission on Draft GPS – Land Transport 2024

March 2024

By email

Email to: GPS@transport.govt.nz

Tēnā koutou katoa,

Submission Draft Government Policy Statement on Land Transport 2024

1. The Wellington Regional Transport Committee¹ (the RTC) thanks Te Manatū Waka—Ministry of Transport for the opportunity to make this submission on the Draft Government Policy Statement on Land Transport 2024/2025 – 2033/34 (Draft GPS 2024).
2. We note that the GPS 2024 strategic priorities represent a significant shift from the previous GPS 2021 investment signals that will likely require some adjustments in our region’s funding bid from the NLTF via the RLTP and NLTP. We welcome the opportunity to work with NZTA – Waka Kotahi and the government, so the implications of this direction change are well understood ahead of GPS 2024 being finalised.
3. We recognise mana whenua aspirations are inherently connected to the natural environment and support opportunities for modes of transport that contribute to Te Taiao outcomes, including reducing transport emissions. The impacts of climate change feature as priorities for iwi, and a number of the RTC member agencies are looking to work together with mana whenua on sustainable solutions for restoring the Taiao.
4. The key points we make in this submission are as follows:
5. **The Wellington Region is committed to action on climate change and emissions reduction. We call on government to support this through a much clearer transport emissions reduction pathway.**
6. **Investment in multi-modal transport system improvements is necessary to deliver better economic and health outcomes through improved journey times and reduced congestion. It also delivers better efficiency and greater network resilience.**
7. **We highlight the potentially significant affordability implications of changes to public transport funding, including:**
 - a. lower public transport funding allocation in real terms
 - b. the risk of rising track access charges and insurance costs for rail,

¹The interests of NZTA – Waka Kotahi are not represented in this submission as they will submit separately.

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- c. the associated risk to the overall rail network investment programme of lower funding in the rail network activity class,
 - d. expectation that regional councils cover a greater share of running costs through farebox revenue.
 - e. the potential of these decisions to limit public transport growth, will most likely result in increased congestion and roading maintenance costs.
8. **We support central government investment in a number of major transport improvement projects in our region, where they are aligned with our regional strategic objectives in our regional strategic planning documents including the Regional Land Transport Plan, Regional Policy Statement, Future Development Strategy.**
9. **We strongly support areas of system reform signaled in the GPS, in particular:**
- a. the move to a 10-year investment plan in the GPS/NLTP to align with council long term planning, and the 10-year outlook in the Rail Network Investment Programme,
 - b. looking at future revenue approaches for transport investment – including new tools such as congestion pricing; and,
 - c. ways to make the business case process for transport projects as efficient and streamlined as possible.
10. **We see merit in the strategic priorities of economic growth and prosperity, increased maintenance and resilience, safety, and value for money, providing they are operationalised in a way that incorporates local needs and other considerations of our region’s diverse communities. However, we believe that issues like climate change, liveability and a multi modal approach to transport need to be priorities. We would particularly like to see:**
- a. a broader multi-modal investment approach to resilience (including recognising the role of rail freight and passenger services) and seek increased focus on adaptation,
 - b. a wider scope of safety investment and signals that a broader range of initiatives will be funded,
 - c. support for urban intensification over greenfield development to support less costly and more efficient transport infrastructure investment.
 - d. a continued focus on reducing transport related emissions.

Key recommendations for Government to consider:

11. Address the lack of priority given to climate change and emissions reduction.
12. Reconsider the siloed approach to multimodal funding to enable delivery agencies to make best use of funding for the transport network. This includes conditions placed on funding for rail (both passenger and freight), public transport and active transport infrastructure.

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13. Include Wellington Regional Transport Committee as a strategic stakeholder in developing reform of the transport planning and funding systems.

Omission of Climate Change and Reducing Carbon Emissions

14. **The Wellington Region is committed to action on climate change and emissions reduction. We call on the Government to support this through a much clearer transport emissions reduction pathway.**
15. We note the lack of any specific, significant climate change initiatives within the GPS, as well as the lack of funding support for transport initiatives within the current Emissions Reduction Plan, that can contribute to achieving our climate change goals. For example, a reduction in the walking and cycling and public transport activity classes will be detrimental to achieving emissions reduction targets. While we recognise the Government's continued commitment to meeting the 2050 net zero targets, we urge the government to be more proactive in supporting emissions reduction through its investment in transport infrastructure and services.
16. Regionally, we have ambitious regional emissions reductions targets in regional documents such as our Regional Land Transport Plan and our Regional Policy Statement which reflect our community's desire for increased action on climate change.
17. These views are also reflected by our broader regional community. A survey conducted on Greater Wellington's behalf in January 2023 found 70% of the 2,084 survey respondents either 'agreed' or 'strongly agreed' that the government (central and local government) needs to do more to reduce transport emissions, and 72% 'agreed' or 'strongly agreed' with the statement that 'reduced transport emissions will benefit everyone'.
18. From a commercial perspective, how transport efficiency, investment, emissions and overall effectiveness in New Zealand is perceived internationally impacts on how well we can participate in an international market where supply chain emissions (and costs) influence the ability to trade. This is particularly the case in the commercial shipping industry.
19. We note that use of the Emissions Trading Scheme and the commitment to delivering 10,000 public EV chargers by 2030 (subject to cost benefit analysis) are two examples of emissions reducing projects specifically referenced in the GPS.
20. We are concerned that a reliance on the ETS might have on transport inequity, impacting those on lowest incomes the most. Reliance on the ETS to reduce transport emissions will require significant, and likely unacceptable, fuel price increases and inflationary impacts.
21. We request that the GPS clearly outline how transport will contribute towards the Government's emissions reduction pathway.

Roads of National Significance and other major projects

22. **We support the clear commitment in the GPS for regionally significant infrastructure projects that are also identified through regional planning documents. However we would urge the government to look at how its transport objectives could support better urban environments through the creation of more housing, enhanced amenity and more transport choices for all residents. The projects that we consider to be regionally significant include:**
- a. Second Mt Victoria Tunnel and Basin Reserve upgrade
 - b. Lower North Island Rail Integrated Mobility
 - c. SH2 Melling Transport Improvements (as part of Te Awa Kairangi Riverlink project)
 - d. SH58 Safety Improvements
 - e. upgrading Wellington’s rail network substations
23. We urge the Government to utilise existing evidence when developing these projects and to carefully consider the ‘whole of life’ costs and benefits. Projects such as SH2 Melling Transport Improvements (as part of Te Awa Kairangi Riverlink project) and the second Mt Victoria Tunnel have had significant pre-work undertaken already to date on how to best utilise the asset to ensure benefits are realised. We look forward to working closely with our government colleagues to progress these projects.
24. We welcome the opportunity to better understand the objectives and outcomes sought for other major projects signaled in the GPS such as Petone to Grenada Link Road and the Cross Valley Link.
25. We request a clearer signal around government’s commitment to the region regarding the acceleration of Wellington’s North-South, East-West, and Harbour Quays’ bus corridors by including this project in the list of strategic priorities on page 13 of the GPS 2024 (and associated table of major transport projects identified on pages 39 and 40).

Economic Growth & Productivity

Public Transport

26. **We highlight the potentially significant affordability implications of changes to public transport funding, including:**
- a. lower public transport funding allocation in real terms
 - b. the risk of rising track charges and insurance costs for rail,
 - c. expectation that regional councils cover a greater share of running costs through farebox revenue.

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- d. the potential of these decisions to limit public transport growth, will most likely result in increased congestion, and roading maintenance costs.
27. We strongly support the identification of ‘less congestion and increased patronage on public transport’ as a key outcome sought under this strategic priority. We agree public transport is critical to support reliable journey times and reduced congestion.
28. However, we are very concerned about the reduction in public transport funding in real terms and other investment signals in this GPS that could significantly impact on our region’s ability to maintain and improve public transport services.
29. We seek further clarity in relation to the draft GPS signals with respect to the rationale for substantial differences in upper and lower range bounds - particularly from the 26/27 year.
30. We seek further clarification as to the changes to revenue and funding expectations for public transport services through farebox recovery and third-party sources and to rail track user charges so that we can be clear with our regional community on future affordability challenges we face.
31. We also urge the government to consider an alternative approach to rail network insurance to help our region manage steeply increasing costs. Currently a significant percentage of the region’s track user charges are being used to cover insurance costs. This is unsustainable in the long run and has the potential to risk the continuity of rail services in the longer term.
32. Public transport is essential to our region’s economic growth and prosperity. Wellington Region has the highest per capita public transport use in the country, with the bus, ferry and passenger train networks playing a key role in the way people access jobs in our sub-regional centres and access facilities like our CBD, regional hospital, international airport, regional stadium and events centre. In doing this it reduces congestion on the road network for freight and other high value trips.
33. Public transport is also a key component of an accessible transport network, allowing all members of our varied communities to access transport and participate in society.
34. Continuing to maintain and improve our rail network to provide a modern, reliable transport experience is critical for our region; around 35,000 people arrive into the Wellington CBD by rail each day. During the busy morning peak period rail carries 40% of people travelling to Wellington CBD from the north of the region. We also support the note that ‘upgrading Wellington’s rail network substations are priorities for the Government.
35. Improving bus efficiency and reliability in Wellington City is also critical as the bus network moves large numbers of people to and around Wellington City. 76% of bus passengers in Wellington are carried on services using the core north-south and east-west spines, including where these merge to travel through Wellington’s central city.
36. A reduction in service would lead to reduced patronage, increased congestion, slower journey times, people unable to access jobs and services, increased

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household transport costs (including for those who can afford it the least) – together with impacts on health, safety, emissions, and lost productivity.

New housing and infrastructure

37. We encourage the government to be strategic in its approach to increasing housing supply overall. We welcome Government support for ‘greater intensification’ and urge caution on focusing too heavily on unlocking access to greenfield land for housing development; providing more, affordable higher-density housing will provide significantly better value for money than ‘unlocking greenfield land’ when infrastructure cost and efficiency are considered. For example, providing good, frequent public transport services is much more efficient and cost effective along corridors with higher and less dispersed population densities. Research from Infrastructure Victoria concluded that people living in dispersed cities would spend up to 70% more time in congested traffic in order to get to jobs and services.
38. The Future Development Strategy is already required to take a long-term view of land use and its integration with transport networks, housing, energy, communications infrastructure, nationally significant waste and water infrastructure, ports, airports, tertiary hospitals and education facilities, and nationally significant conservation sites for conservation. The 30-year national infrastructure investment plans must consider these points, as well as addressing critical matters such as both adaptation and mitigation for climate change and other natural hazards.

Freight efficiency

39. We welcome the outcome ‘more efficient supply chains for freight’ but urge the government to reconsider the de-prioritisation of rail freight in the lower north island.
40. This de-prioritisation has a number of potentially negative impacts including increased congestion, particularly around CentrePort. An increase in heavy freight vehicles mixing with light vehicle fleet and active transport users has the potential to impact safety in this area. SH2 in particular will be greatly impacted by an increase in logging trucks to the port should rail freight become unavailable.
41. We also encourage the Government to continue focus on improving the Cook Strait link. This essential link connects (and in essence forms part of) state highway one and must be both resilience and reliable. It provides an essential link for freight travelling from Auckland to Christchurch as well as between other parts of the north and south islands.
42. We encourage the Government to be ‘mode agnostic’ when considering freight and supply chain and include all viable options as a network. This includes road, but also rail, ferry, and coastal shipping.
43. We note that the Wellington, Horizons, Taranaki and Hawke’s Bay regions are planning to establish a joint governance group to look at strategic opportunities for improving freight efficiency in across the Lower North Island.

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Increased maintenance and resilience

44. **We support the priority and increased focus on maintenance and resilience, but we urge government to consider a broader multi-modal investment approach to resilience and seek increased focus on adaptation.**
45. Network resilience is an area of increasing concern for our region. Like other regions, we have experienced the impact of damaging storm events in recent years and parts of our region are still in the process of rebuilding from these events. The geography of our region means we need to consider multi modal options if we are to deliver a transport system that supports Government and regional economic growth aspirations.
46. We welcome the increased funding for maintenance and resilience identified through the new State Highway and Local Road ‘Pothole Prevention’ activity classes.
47. However, we would like to see a stronger focus on adaptation and remediation to reduce the ongoing vulnerability of our transport network. ‘Potholes’ are a symptom – not a cause. Being able to forward plan in a way that allows RCAs and NZTA – Waka Kotahi to ‘build it once and build it right’ could prevent the transport network being inundated in future adverse weather events.
48. This in turn would mean that communities and their economies are able to ‘get back up and running’, and life return to normal much quicker. By considering adaptation and not just repair when we are rebuilding after major events, the region can invest in the future.
49. We also ask that government continues to invest in multi-modal transport network resilience by recognising the role that rail freight can play in reducing the impact of heavy trucks on our roads. This should also be reflected in the contribution that alternative travel choices makes to a resilient transport network (providing value for money through co-benefits).
50. For example, investment in passenger and freight rail from Wairarapa to Wellington contributes to resilience by reducing the number and impact of heavy trucks on the vulnerable SH2 over the Remutaka Hill, and by maintaining an alternate access route for both people and goods should the road be closed.

Improved Safety

51. **We strongly support the priority to ‘Improve Safety’, including the key outcome of ‘reduction in deaths and serious injuries’ but urge government to widen the scope and definition of safety investment and allow a broader range of initiatives to be funded from the safety activity class, and via other activity classes where appropriate.**
52. We support the focus on road safety interventions that target the biggest risks in fatal road crashes. However, police enforcement will need to be adequately resourced and supplemented by a range of initiatives to reflect a safe system approach.

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53. We note the proposed changes to setting of speed limits in the draft GPS. We welcome changes which provide greater clarity around the role of local and regional councils, and a clear, consistent process for managing speeds. We also ask that community consultation is genuine and the outcomes considered rather than a tick-box exercise to meet legislative requirements.
54. Speed management is a critical part of a safe system. Even where it is not the cause, speed affects the severity of all crashes. In the Wellington region there has been general community support for lower speed limits, particularly in locations such as near schools and where there is high numbers of vulnerable road users. Evidence shows that lower speed limits and traffic calming measures to reduce speeds in appropriate locations will be important to support the government's outcome of a reduction in deaths and serious injuries.
55. We note that the Government will be introducing a new set of objectives and actions for road safety that will cover safer roads, safer drivers, and safer vehicles and we look forward to working with government on this and to explore new approaches to achieve our safety outcomes and targets. We also note the importance of broadening 'safer drivers' to 'safer road users' or 'transport system users'. Everyone should feel safe and be safe when using the transport network.
56. Transport related injury causes vary through the diverse Wellington region; with speed and road related crashes most common in the more rural Wairarapa, compared to a higher percentage of pedestrian injuries in urban Wellington City. We urge the government to support RCA and NZTA – Waka Kotahi to be able to deliver road safety responses that can be tailored to the injury risk profiles of the region.

Value for Money

57. **We support a focus on value for money but draw government's attention to the potential implications of a ring-fenced approach to activity classes which we believe will lead to cost increases and inefficiencies.**
58. The very specific direction of no 'multi-modal' investment in the state highway, local road, and safety activity classes is out of step with how transport improvements are planned, packaged, and delivered in international best practice. This will lead to increased administrative complexity and cost.
59. This approach risks increasing the complexity and cost of funding approval processes, limiting the ability for RCAs, NZTA and Public Transport Authorities to deliver projects effectively and to combine projects to get better value for money through increasing secondary benefits.
60. We believe a 'user pays' approach for public transport misses the broader picture around the significant benefits which pass to drivers through congestion relief and travel times – and reiterate our concerns about the affordability implications.
61. We note the signal that 'Increased public transport fare box recovery and third-party revenue will be expected from local government' and refer to our concerns raised earlier in the submission regarding the potential implications of this approach on public transport services and patronage. This in turn could

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compromise the success of your strategic objective of “less congestion and increased patronage on public transport”.

62. Patronage in Wellington has recovered strongly since the disruptions of 2020 and 2021, with numbers now at or exceeding pre-COVID levels for bus patronage.
63. A ‘user pays’ approach for public transport misses the broader picture around benefits to other road users, health, access, safety, emissions. Regional rates being expected to cover an increased share of the cost of running public transport services could result in significant hardship for residents. Many of our region’s councils are already expecting ‘double figure’ rate rises and residents are feeling the pressure of these increased costs. A lack of local share could mean a very real risk of significant service cuts.
64. We would welcome the opportunity to work with Government to determine effective, affordable, and sustainable ways to fund and support public transport.

Temporary traffic management and the potential for savings

65. RTC welcomes the indicated review and reduction of expenditure for temporary traffic management costs. These high costs currently affect councils as Road Controlling Authorities, transport operators and delivery partners, as well as council and community led projects and events, and building and infrastructure costs. While it remains imperative that safety standards for workers and road users are maintained, there are ways to operationalise this process which allows for increased efficiencies.

System reform

66. **We support the key change to a 10-year outlook for future National Land Transport Plans, as well as the development of a 30-year plan for transport infrastructure.**
67. We note the reintroduction of 10-year National Land Transport Plans, which would better align with the region’s Long Term Plans. While we recognise the delayed timing of this GPS with local government long term planning processes was due to circumstance, it has still been challenging for our region both in Long Term Plan and Regional Land Transport Plan development. Ideally, future GPSs would be available at least 15 months before the due date for long term plans to be adopted in order to enable integration with development, consultation and finalisation of Long Term Plans and Regional Land Transport Plans.
68. As with all strategic planning documents, we urge the government to use an evidence based approach to building the strategic priorities to enable the outcomes to be enduring in the positive sense. Community support is also essential in order to create buy-in from community.
69. We recommend that the NZTA - Waka Kotahi be adequately supported to engage at pace with local and regional council partners to assist with strategic changes, revisions or rework that might be necessary for programme business cases, activity

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management plans and uncommitted work for upcoming Long Term Plans and Regional Land Transport Plans.

70. We support the development of the National Infrastructure Agency, which we understand will be tasked with developing a 30-year plan for transport infrastructure. We recommend that this plan be coupled with a 30 year infrastructure investment plan to provide confidence in a well-defined, committed and funded programme of work.
71. We also encourage this National Infrastructure Agency to take note of the regionally significant strategic documents in each region. For our Wellington region, this includes our Regional Land Transport Plan, Regional Policy Statement, and Future Development Strategy.
72. We welcome the proposal to advance reforms to the National Land Transport Fund's revenue system
73. The RTC considers the proposed future of revenue systems work-stream, including the Future of Land Transport Revenue Report to be fundamental to the success of current and future NLTP, along with long-term funding and financing tools. We note the pressure on the over-subscribed National Land Transport Fund, as well as the increasing pressure on councils to provide local share, and other crown funding expectations.
74. We note the significant investment required from local government each year (nationally \$1.5 billion) in this GPS and highlight that councils are experiencing significant cost pressure and limited ability to access new funding streams.
75. Rates form most of local government income. Wellington region is facing a near 20% rise in rates across the board, with huge investment required for essential infrastructure projects. Meeting the local share of transport investment has become increasingly difficult, resulting in affordability issues at both local and regional levels. Therefore, new tools, such as congestion charging to manage demand, value capture, third party investment and infrastructure bonds are both welcomed and necessary.
76. The information provided in the draft GPS reinforces the understanding that Fuel Excise Duty (FED) is no longer fit for purpose. Moving from FED to Road User Charges (RUC) is a step towards road pricing alternatives – particularly if time and location-based charging were included.
77. We do note this GPS does not intend to increase Fuel Excise Duty (FED) or Road User Charges (RUC) during this term of government. This does, however, create concern that when increases are implemented, they will increase transport costs significantly. When these costs are coupled with –
 - a. increases to Motor Vehicle Registrations in 2025 and 2026
 - b. changes to revenue and funding expectations for public transport services – farebox recovery
 - c. rail not competing on an equal footing with roads
 - d. reduced (halved) funding for walking and cycling

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- e. and introduction of time of use (congestion) charging;
78. There is genuine concern that the GPS will limit transport choices, decrease access to economic and social opportunities and further exacerbate current inequities in our region.
79. We support a review of the financial penalties and demerit point levels for offences. Many of these are out of date and make it difficult to encourage appropriate use of new transport infrastructure (i.e. bus lanes) if the infringement does not match the offence. It is crucial that local bodies have a greater say in setting traffic infringement fines such as parking tickets.
80. **We support the proposal for legislative change to allow congestion charging, but it is critical that people have good public transport, walking and cycling options available first.**
81. The RTC shares support for legislative change to allow congestion charging to enable the region to efficiently manage demand and congestion on our existing road network. However, we believe that any such scheme must have a demand management objective and any revenue generated by congestion charging scheme be directly invested into public transport and active mode improvements. This is critical to give people travel choice to ensure the scheme can successfully reduce congestion while still enabling our community to have alternative reliable and affordable alternative transport options. We also submit that viable alternatives must be in place prior to congestion charging and road use fee schemes coming into effect so that those suffering from transport inequity are not unduly penalised.
82. **We welcome the proposal to overhaul the business case process for transport projects to allows transport projects to be as efficient and streamlined as possible, reducing cost and improving timeliness of decision making.**
83. The RTC's council members are committed to improving their effectiveness and efficiency in delivering strategic priorities and responding appropriately to each community's varied needs. A close and productive working relationship between local and regional government and NZTA- Waka Kotahi is a highly valued aspect of the current system and essential to the achievement of wider council transport objectives under the Local Government Act 2002. Councils don't want to lose the opportunities – from capability building to place making – that this relationship provides. We are keen to continue to work closely with our NZTA -Waka Kotahi and government partners to work on processes that:
 - a. build more effective and timely business cases that progress expeditiously into implementation,
 - b. improves asset management and investment outcomes,
 - c. delivers an integrated transport network that meets the needs of New Zealanders

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Closing remarks

84. The Wellington RTC once again thanks Te Manatū Waka—the Ministry of Transport for the opportunity to provide feedback on the Draft GPS 2024. We found the format of the Draft GPS 2024 to be well structured, succinct, and easy to read, and we appreciate the efforts that the Ministry has taken to improve the accessibility of the GPS document.
85. We look forward to continuing to work closely with the Government and NZTA – Waka Kotahi the GPS is finalised, and as other relevant documents and process reforms are progressed.

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Wellington

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