

**OTAGO REGIONAL COUNCIL**

**Agenda for a meeting of the Regional Transport Committee to be held  
in the Gore District Council Chamber, 29 Civic Avenue, Gore on  
Thursday 3 April 2014 commencing at 10.30 am**

**Membership**

Cr Trevor Kempton (ORC, Chair)  
 Cr Graeme Bell (ORC, Deputy Chair)  
 Cr Hamish Anderson (CDC)  
 Cr Barrie Wills (CODC)  
 Cr Stuart Duncan (CODC alternate)  
 Cr Kate Wilson (DCC)  
 Cr Mike Lord (DCC alternate)  
 Cr Lyal Cocks (QLDC)  
 Cr Alexa Forbes (QLDC alternate)  
 Cr Bill Kingan (WDC)  
 Mr Jim Harland (NZTA)

**Apologies** Cr Bill Kingan (WDC)

**In attendance**

**Confirmation of agenda**

**Minutes**

**Page Nos.**

The minutes of the meeting held on 13 February 2014, having been circulated, for adoption.

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**Matters arising from minutes**

**Items for discussion**

Item 1 **Mechanisms and benefits of collaboration amongst transport authorities**

Presentation by Matthew Lugg. Matthew is Director of Public Services for Mouchel Consulting; and is also of the UK Department of Transport's Highway Maintenance Efficiency Programme where he leads their nationally acclaimed programme of development of products on standardisation, procurement, business improvement and asset management. NZ Transport Agency has invited Matthew to New Zealand to assist in discussions about potential collaborations in the transport field.

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Item 2	13 - 15
2014/0743 <b>Preparing an Otago-Southland Regional Land Transport Plan</b> The report recommends that the Committee consider this paper in their discussions on the Otago-Southland collaboration and formulates a recommendation to the regional council on preparing a joint regional land transport plan.	
 <i>Lunch</i>	
Item 3	
<b>Statistical analyses of Otago and Southland road safety data</b> Elle Flinn and Jane Turnbull, ORC. [Note, we are allowing 1.5 hours for this.]	
Item 4	
<b>Update from NZTA</b> The update includes <ul style="list-style-type: none"> <li>▪ FAR review</li> <li>▪ NLTP mid-term report (attached)</li> </ul>	16 - 17
Item 5	18 - 33
2014/0744 <b>Addition to Otago Regional Land Transport Programme 2012-15</b> A request has been received from NZTA's Highway and Network Operations to add a project to the Otago Regional Land Transport Programme 2012-2015, being the Dunedin one-way system cycle lanes.	
 <b>Items for information</b>	
Item 6	
<b>ORC submission on FAR review</b>	34 - 36
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<b>ORC feedback on GPS development</b>	37 - 41

**OTAGO REGIONAL COUNCIL**

**Minutes of a meeting of the Regional Transport Committee held  
in the Otago Regional Council Chamber, 70 Stafford Street, Dunedin on  
Thursday 13 February 2014 commencing at 1.30 pm**

**Present**

**Cr Trevor Kempton** (ORC, Chair)  
**Cr Graeme Bell** (ORC, Deputy Chair)  
**Cr Hamish Anderson** (CDC)  
**Cr Stuart Duncan** (CODC alternate)  
**Cr Kate Wilson** (DCC)  
**Cr Alexa Forbes** (QLDC alternate)  
**Cr Bill Kingan** (WDC)  
**Mr Jim Harland** (NZTA)

**Apologies**

**Cr Barrie Wills** (CODC)  
**Cr Lyal Cocks** (QLDC)  
 The apologies were accepted on the motion of Crs Wilson and Anderson.

**In attendance**

**Fraser McRae, Jane Turnbull, Anja McElevy, Janet Favel** - ORC  
**Chris Bopp** - CDC  
**Julie Muir** - CODC  
**Michael Harrison, Sarah Connolly** - DCC  
**Bruce Richards, Ian Duncan, Ian McCabe** - NZTA  
**Erik Barnes** - QLDC  
**Neil Jorgensen** - WDC

**Confirmation of agenda**

The agenda was approved on the motion of Crs Bell and Kingan.

**Item 1**

2014/0644 **Input into a new Government Policy Statement.** DPPRM, 7/2/14

The report advised that input into the development of a new Government Policy Statement on Land Transport had been requested by the Ministry of Transport, and outlined an initial Otago/Southland staff response to the Ministry's questions, to assist the Committee in responding to the Ministry.

Dr Turnbull advised that feedback received after the end of January would be accepted by the Ministry of Transport. She noted that she had worked with Russell Hawkes of Environment Southland to put together this report on the Ministry's questions, and the report had also been discussed at the Otago/Southland Technical Advisory Group (TAG) meeting on 11 February, notes of which were circulated.

**Section 4 (Question 1) – Considering how national and regional transport priorities are shaped by the GPS, what is the most important thing the Ministry should consider in developing the next GPS?**

In the report, staff had suggested the following points:

- local road networks and state highways were key to economic growth;
- acknowledge the contribution to development of export receipts;
- acknowledge that linking processor and port is crucial;
- increase emphasis on maintaining local roads;
- fund bridge repairs.

Mr Harland commented that the points were well made but there needed to be recognition that both the GPS and implementation tools would help in achieving this.

Mr Harland moved, Cr Forbes seconded

*That the line preceding the bullet points be amended to read “To address this priority the GPS and its implementation should: ....”*

**Motion carried**

Cr Duncan moved, Cr Forbes seconded

*That the response to Question 1, as set out in Section 4 of the staff report, with the amendment, be endorsed.*

**Motion carried**

**Section 5 (Question 2) - Thinking about New Zealand’s transport network, what should key national objectives set down in the GPS be? How do these reflect priorities for your region?**

- *A whole-of-transport system approach*

Dr Turnbull explained the report’s consideration that the GPS should send out signals about how government saw the whole-of-transport approach occurring, and noted the focus on journeys rather than infrastructure.

- *A resilient transport network*

New sources of revenue needed to be accessed to enable resilience to be built. In order to become resilient, there needed to be more focus on walking/cycling and public transport. The NZTA principle was that beneficiaries from the National Land Transport Fund (NLTF) should be motor vehicle users, who contributed to the fund through road user charges, fuel excise, and motor vehicle registration fees. The reference to urban areas should be expanded to include Oamaru and Invercargill as well as Dunedin, as recommended by TAG.

The need for new sources of revenue was noted. Mr Harland commented that new vehicles were more fuel efficient, which resulted in less revenue for the NLTF from fuel excise. It was noted that power providers, not NLTF, received revenue from the charging of electricity-powered vehicles, that only a small proportion of motor vehicle

registration fees was allocated to the NLTF, and cyclists did not contribute to road costs. A suggestion was made that central government should fund the shortfall.

- *One network*

Mr Harland explained that the 'one network' concept linked back to the journey/customer concept, and it was important that journeys were of reasonable standard and fit for purpose. Roads should be classified using the same classification system – tourist, heavy traffic, etc, with the highest level being a national strategic route, and the lowest an access road; he noted that a state highway could be an access road. The One Network concept was ready to be signed off by the NZTA and LGNZ boards.

Cr Anderson asked whether consideration had been given to the amount, and cost, of extra work for TLAs. Ms Muir advised that the system had been tested on a number of local authorities and a measurement tool set up. Mr Harland advised that a Centre of Excellence was proposed, which would develop support for TLAs. Ms Muir noted that most organisations already operated a classification hierarchy so there should not be a lot of extra work involved, and some measurement data, for example number of heavy vehicles per day, was already available.

Cr Wilson noted a possible effect on consents, with the effect of a new activity on a road, and the cost of investment needed to be borne equally. Mr Jorgensen noted that the One Network strategy was a tool, and it was up to Districts to determine road classification based on known development. Ms Muir advised the timeframe for the establishment of the One Network: March/April engagement on first round of performance measures through LGNZ and IPWEA workshops; May/June second round of workshops; 2015-18 expert classifications will have been applied to TLAs' networks.

The Committee supported adding a reference to the One Network classification to this point in the submission. An amendment was **agreed** "Tools will be needed to enable network planners and managers to work together to achieve this. One example of such a tool is the current work on the One Network Road Classification with input from local authorities."

- *The network does not limit growth*

The Committee **supported** this concept. Ms Muir advised that a road classification could change immediately, but funding could take a while to catch up.

- *Road users are safe*

Cr Duncan noted difficulties in achieving this concept, because of terrain, climate, nature of roads, and number of tourists. It was also suggested that the licensing of drivers took too long. The Committee **agreed** that travel by all modes should be safe.

Cr Anderson moved, Cr Bell seconded

*That the response to Question 2, as set out in Section 5 of the report, with the amendments noted, be endorsed.*

**Motion carried**

**Section 6 (Question 3) - What aspects of the current GPS do you believe are working well, and why?**

Mr Harland suggested that examples of aspects working well be added to the response, and that the words “see below” be added to the submission point.

Cr Wilson moved, Cr Anderson seconded

*That the response to Point 6, with the amendment noted, be endorsed.*

**Motion carried**

**Section 7 (Question 4) - What aspects of the current GPS do you believe are not working, and why?**

- *Short term focus*

The Committee **agreed** with the inclusion of this point, as set out in the report, in the submission.

- *Unclear strategic priorities*

The report considered that the strategic priorities were not articulated clearly and the hierarchy of what the GPS was trying to achieve was not clear. There should not be an artificial distinction between travel for commuting and for recreation.

Mr Harland commented that the discretion of NZTA was constrained in the GPS. He supported the request for further clarification, for example amalgamation of activity classes. Mr Harland stated that he would not vote on this question because of a conflict of interest.

Clarification of the term ‘value for money’ was requested. Mr McCabe explained that it meant doing the right thing in the right place at the right time. Mr Harland noted that the term was used in the Land Transport Management Act, and involved consideration of how effective a solution was, how efficient, and whether it would meet the government priorities of economic growth and safety. Mr Harland explained that there were nine categories against which projects were tested. Mr McRae commented that the concern was the difference between those values which could be quantified easily in dollar terms and those which could not. Mr Harland requested that the reference in the first paragraph of the section to NZTA decision-makers be amended or deleted as it was not a fair reflection of how NZTA worked. It was **agreed** that the sentence be deleted as deleting it did not affect the view of the Committee.

The last paragraph of the item noted the separation of travel for commuting and recreational purposes. Mr Harland commented that NZTA was adding cycleways to roads where possible, and Mr Richards noted that NZTA did not fund cycleways for recreation (eg Taieri Gorge Rail Trail) but did fund safety provisions for cycleways. It was **agreed** that the proposed response not be changed.

- *Activity class limits*

It was **agreed** that the GPS should include a level of flexibility around funding that was at a higher level than provided by rigid funding limits on activity classes.

- *Maintenance and renewals*

Mr Richards noted that Environment Southland wanted to spend more on maintenance than on capital operations, and the meeting **agreed** that it would be simpler if the funding for both maintenance and renewals was combined into a single bucket.

The TAG meeting had discussed funding for bridges. It was noted that a lot of Otago bridges might fail in 10-15 years and TAG proposed that these should be funded as renewals, not as major/minor improvements. Dr Turnbull explained that the assessment methodology was the problem. Mr Ian Duncan commented that the response needed to state that this referred to small bridges only. Mr Richards considered that this should come under the NZTA investment strategy rather than the GPS. It was **agreed** to add a new point based on the comment from TAG, reworded as "small bridges should be able to be funded from either minor improvement or renewals budget, as appropriate."

- *Walking and cycling*

Cr Wilson supported cycleways being included in the One Network. The Committee **agreed** with the report's comments on this section.

- *Safety*

The report suggested that the GPS should allow priorities to be based on analysis of local trends. Mr Harland commented that Safer Journeys was a national system, incorporating safe users, safer vehicles, safer roads and roadsides, and safer speeds, and was delivered both regionally and nationally. Dr Turnbull further explained that authorities could work on the different provisions of Safer Journeys, but might want to concentrate locally on a smaller subset. Mr McCabe pointed out that safety encompassed a variety of activity classes and authorities did not have to focus on all four pillars. Mr Harland pointed out that authorities should ensure that there was sufficient funding in the relevant activity classes to make a difference.

The Committee

- **supported** the concept of Safer Journeys operating at national level;
- **encouraged** MoT to ensure there was sufficient funding in the relevant activity classes for regions to implement safety interventions; and
- **supported** better integration of road policing authorities with regional safety programmes.

Dr Turnbull noted the suggestion from the TAG that footpath maintenance be included in the GPS activity classes. Mr Harland explained the NZTA point of view that in a user pays system the primary beneficiary of footpath maintenance was the adjacent resident, and that most NLTF funding revenue came from vehicle users and was put back into road usage for/by vehicles. Cr Wilson considered that in urban areas, footpaths and roads could not be separated, and she noted the importance of safe footpaths. Cr Anderson considered that footpaths should be maintained by the community, not nationally. Mr Ian Duncan noted that NZTA did not fund maintenance of footpaths, but would fund installation of footpaths as a safety issue.

The meeting voted on whether footpath maintenance should be included in the GPS activity classes and subsidised by NZTA:

Against: Crs Kingan, Duncan, Bell, and Anderson

For: Crs Wilson, Forbes

It was **agreed** that the Committee would **not** request that a subsidy for footpath maintenance be included in the GPS activity classes.

It was **agreed** that a new point be added to Point 7 to refer to the importance of public transport in smaller cities such as Dunedin and Queenstown and potentially others, as well as the three main cities.

New point under Point 7 proposed by TAG – Ms Muir explained that if a community decided they wanted something different from what NZTA was prepared to fund, the community would fund the difference. The difficulty was in deciding how much that difference in cost would be. Mr Harland considered this was an implementation not a GPS question.

The second point under Activity Class was noted. Mr Ian Duncan suggested the Committee pursue a single funding source for maintenance and renewals, and a separate activity class for major infrastructure projects. It was **agreed** that the point be amended to read “The use of a single funding source for ~~both~~ funding of both maintenance and renewal projects, ~~and for funding of major new infrastructure projects.”~~

Cr Wilson moved, Cr Anderson seconded

*That Point 7, with the changes identified above, be accepted.*

**Motion carried**

**Section 8 (Question 5) - What difficulties does your council face in getting projects off the ground?**

TAG had suggested the GPS should contain a more flexible R-funding scheme with clearer rules. **Agreed.**

Maintenance and replacement of bridges was discussed. Mr Ian Duncan noted that NZTA had a replacement program in place, and was replacing bridges around the country as needed. The Committee considered that timely bridge replacement was seen as a local problem, but replacement of individual bridges in Otago did not always rank as a national priority. It was **agreed** that the submission point, as recommended by TAG, be included.

Commitment to projects as a whole was noted, with the example of the SH88 shared path not being completed because NZTA funding was made available for portions of the project, not the whole project. It was **agreed** that the Ministry be made aware that this problem was a real frustration to Otago but that no change be requested to the GPS on this point.



Cr Bell moved, Cr Wilson seconded

*That with the agreed changes, Point 8 of the proposed submission be accepted.*

**Motion carried**

Cr Anderson moved, Cr Duncan seconded

1. *That the report be received.*
2. *That the points of submission as amended be forwarded to the Ministry of Transport for consideration.*

**Motion carried**

Dr Turnbull noted the suggestion that the Otago and Southland Regional Transport Committees invite MoT to speak to a combined meeting of the two Committees.

Cr Bell moved, Cr Forbes seconded

*That MoT be invited to speak to a combined meeting of the Otago and Southland Regional Transport Committees.*

**Motion carried**

The meeting adjourned at 3.39 pm and reconvened at 3.50 pm.

**Item 2**

**NZTA presentation on NZTA early investment signals document, November 2013**

This item was held over to a future meeting.

**Item 3**

**2014/0646 NZ Transport Agency review of financial (funding) assistance rates.**

DPPRM, 7/2/13

The report explained that NZ Transport Agency (NZTA) was reviewing its approach to setting funding assistance rates (FARs), and the review was likely to have significant financial implications for several Otago local authorities. Submissions on an options discussion document had been invited, and the report recommended points of submission, for the Committee's consideration.

Dr Turnbull referred to item 5 of the report.

(a) Support:

(iv) Cr Wilson considered that all five options should be equally weighted, and FARs should be clear and easy to use. Cr Forbes considered that export and tourism should have a higher weighting, and noted the difficulty for QLDC in losing the subsidy for the

Crown Range and Glenorchy roads, which were major tourism roads. Cr Duncan considered that no one area was more important than another. Cr Anderson understood that FAR funding was for day to day maintenance, and considered that a case should be made based on the number of people financially supporting the roading network. Mr Bopp noted the need to deal with high cost works such as major slips and bridge renewals.

The meeting **agreed** with the items suggested in this section of the report, with the **addition** of a reference to clarity, simplicity and certainty.

(b) Do not support

(i) TAG did not support option 1 as it was considered it would create instability and not reflect sudden changes. Cr Forbes noted that QLDC had a ratepayer base of 20,000, and a peak demand of 40,000. There was discussion about special purpose roads, for example Glenorchy, Crown Range, and Southern Scenic Route, which benefited the whole of New Zealand. Mr Barnes suggested that special purpose roads could be adjusted to state highway level, and taken into the account in the One Network. Mr Harland commented that the 'special purpose roads' classification could be removed, but he queried if this was done, who would be the right entity to look after such roads.

(c) Seek clarity on

(i) How NZTA intends to use NLTF revenue to achieve fit for purpose standards. Mr Harland agreed that clarification was needed on how much money was needed for different levels of service, and commented that the proposed provision affected revenue but did not affect local authorities' share. He understood that work was being done by NZTA to reach a clear understanding of the meaning of 'fit for purpose standards'. Mr Harland advised that this would be discussed at the transport summit forum to be held on 13 March. Cr Wilson commented that the group needed to know the relationship between revenue and fit for purpose standards, and the process of transition to the new FARs. Mr Harland noted that NZTA was seeking councils' advice on transitional arrangements. Cr Forbes pointed out that levels of service were demanded not just by local ratepayers.

Dr Turnbull suggested that the submission point be reworded to read "seek ongoing discussion with NZTA on what fit for purpose standard means." **Agreed**

The TAG meeting had noted the importance of a well planned, affordable transition, and queried the transition time if the review was not implemented in time for the 2015-18 NLTP. It was noted that the implementation should be later than 2015-18 in terms of councils' LTPs. There was general agreement that the increase in FARs should be no more than 1%. Mr Harrison noted that the two parts of the FAR change would allow staggering of its introduction.

Suggestions:

- If the FAR has to drop 1% a year, it would be manageable.
- Splitting capital works and maintenance and running over different periods.
- An across the board transition rate.

Dr Turnbull suggested that from the above discussion, the following be added to the submission:

- in transition, improvements are split from the base rate;
- the maximum decline that any council should have to face in any one year is 1%.

Mr Harland advised that NZTA would make a decision on the FAR review based on feedback received.

Special purpose roads were discussed.

1. Special purpose roads were a special case and some should have their own rates.
2. There needed to be provision to fund at a higher rate than the normal rate for new improved infrastructure, preventative maintenance, and emergency reinstatement.
4. If changes were made to a special purpose road, a review of the purpose of the road should be carried out by local authorities and NZTA on the appropriate control of the road
5. Consideration needed to be given to the transition time for implementing any change to the FAR rate for special purpose roads.
6. Timeframes – the transition period needs to extend at least over one LTP period so the 10 year outlook could be considered.

**Agreed**

Cr Kingan left the meeting at 4.41 pm

Cr Bell left the meeting at 4.44 pm

Cr Wilson moved, Cr Forbes seconded

*That, with the changes agreed as above, the points of submission as set out in the report be endorsed.*

**Motion carried**

**Item 4**

2014/0647 **Proposed collaboration with Southland on regional land transport planning.**

DPPRM, 7/2/14

The report proposed the concept of preparing a joint Otago-Southland Regional Land Transport Plan (RLTP), and outlined a process by which this committee and its Southland counterpart could investigate and reach a view on this proposal.

Cr Kempton noted the suggested process for the proposed collaboration, and commented that a final decision would be made after the proposed joint meeting in Gore on 3 April.

Cr Wilson was concerned that the proposed collaboration could be negative, noting the travelling that would be required. She pointed out that the delegations of Otago RTC members were to the Otago Region. Mr McRae advised that chief executives of district councils within the two regions had discussed and supported the proposal, and could see economies, and noted that commitment from the two regional councils was also needed. Mr Harland suggested that the ideas of the respective councils be brought to the 3 April meeting, and advised that NZTA would be prepared to work with the

combined group. He suggested that a question for consideration was whether one combined document or two separate documents were prepared.

Cr Wilson moved, Cr Forbes seconded

*That the steps outlined in section 4 of report 2014/0647 be endorsed.*

**Motion carried**

The meeting closed at 5.00 pm

**Chairperson**

## REPORT

Document Id: A615192

Report No: 2014/0743

Prepared For: Otago and Southland Regional Transport Committee

Prepared By: Transport planning staff, ORC and ES

Date: 21/03/2014

**Subject: Preparing an Otago-Southland Regional Land Transport Plan**

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### 1. Précis

Environment Southland and Otago Regional Council Chairs and chief executives have discussed the benefits of taking a pan-regional approach in transport planning. Recent reports to each Regional Transport Committee have proposed the concept of preparing a joint Otago-Southland Regional Land Transport Plan (RLTP) and outlined the opportunities this creates as well as the risk management needed. This report outlines how a joint plan can be prepared, to facilitate each committee formulating a recommendation to its parent regional council on this matter.

### 2. Background: content required for a RLTP

The main items required in a regional land transport plan (by statute) are:

1. Objectives and policies
  - including an assessment of alternative objectives, their feasibility and affordability
2. A statement of transport priorities
  - including a prioritisation of the significant activities included in the plan
3. Transport activities (akin to the previous 'programme')
  - including those recommended for NLTP funding, and
  - regionally-significant ones to be funded by sources other than the NLTP
4. A financial forecast of anticipated revenue and expenditure on transport activities
5. Measures to be used to monitor the performance of activities included in the plan.

All five items require preparation of an entirely new plan (with aspects drawn from current documents). Content of the current Otago and Southland regional land transport strategies can help inform the first two items listed (which collectively will form the front-end of the new plan). Nevertheless, the two current strategies will need to be amalgamated and condensed to meet new statutory requirements and NZTA expectations.

The committees should take an active role in formulating the strategic content of the new plan, but could leave the mechanics of compiling the programme component of the plan to an advisory group consisting of combined regional council staff and staff from the approved organisations (AOs) submitting proposed activities. Once staff have compiled a draft plan, the committees are then free to review and amend this as desired, to ensure it has the best chance of delivering the desired outcomes and objectives.

This is the model around which the process of preparing a joint plan, outlined below in this report, has been designed. It is the model used previously in both Otago and Southland.

### **3. Key dates and their effect on how a joint plan is prepared**

The key dates, as specified by NZTA, are:

Proposed activities loaded to Transport Investment Online (NZTA online database) by AOs:	30 September 2014
Draft RLTP made available to NZTA for NLTP preparation:	Nov.- Dec 2014
Regional councils submit RLTP to NZTA:	30 April 2015
NZTA releases the NLTP:	late June 2015
Regional councils publish final RLTP:	by 31 July 2015

Staff of the contributing organisations are already formulating projects in preparation for submittal. It is probably too late, therefore, for the Committees to develop a joint Otago-Southland transport strategy to influence how AOs shape their bids to the NLTP.

The Committees do have opportunity, however, to collectively develop strategy to inform their assessment and prioritisation of proposed transport activities, scheduled for October. Over the next six months, the staff of the two regional councils can work with the two committees on this, assisted by transport staff from territorial local authorities and NZTA.

A key part of this will be developing the objectives and policies for the new plan. There is also sufficient time to develop a schema that links these policies and objectives with measures to monitor as AOs proceed to implement activities.

### **4. Suggested method of preparing a joint plan**

During compilation of the past two regional land transport programmes, each regional transport committee has used the assistance of a technical advisory group, variously called a TAG or RAG group, and comprising transport staff from the regional council, territorial local authorities and NZTA.

These staff recently decided they preferred to work as an informal pan-regional Otago-Southland TAG, rather than to continue as separate regional groups. Consequently the basis for collaborating on a joint RLTP already exists at staff level.

We suggest therefore that:

1. ORC and ES regional transport planning staff work together to design a process and methodology to enable the two committees to jointly develop the strategic 'front end' of the new plan, and the monitoring measures.
2. Members of both committees work together to develop strategy (i.e. joint workshops/ meetings)
3. The committees appoint a combined Otago-Southland TAG comprising all AOs and led by ORC and ES, to collaboratively:

- advise the committees on preparing a single RLTP, including during development of the strategic ‘front end’ of the new plan and of the monitoring measures.
  - assist ORC and ES staff to compile the programme component of the RLTP, the lists of activities, and to assess those activities and recommend their prioritisation to the committees.
4. The committees meet together to collectively debate, review, and amend as needed, the Otago-Southland RLTP drafted by the Otago-Southland TAG, and to recommend the plan to each regional council for approval.
  5. The joint TAG oversees the monitoring of progress towards desired outcomes, using a single framework and agreed methodology based on the measures in the RLTP.

Under this approach, there would be no need for separate Otago and Southland programmes. Adding a column in the programme pages for a region identifier will allow analysis or programme by region, when and if desired. This would also allow the committee to undertake a single public consultation, albeit with targeted letters and meetings, and with hearings in both Otago and Southland.

The hearing committee could be composed of an equal number of representatives from both committees (each Regional Transport Committee appointing their own representatives). The chair of the hearing committee could be rotated according to the region in which the committee was sitting.

### **5. Logistics and next steps**

The venue for TAG and RTC meetings could be rotated around suitable localities such as Gore, Balclutha, Alexandra and Queenstown.

If both Otago and Southland regional transport committees support preparing a joint RLTP, then each should formally recommend this to its regional council. Each regional council would need to endorse this approach.

The first joint meeting to begin preparing a joint RLTP would need to be scheduled after both regional councils have met. In Otago’s case this would be after 7 May. It is important to progress development of the strategy for the front-end of a new RLTP as soon as possible.

### **6. Recommendation**

That the Committee considers this paper in their discussions on the Otago-Southland collaboration and formulates a recommendation to the regional council on preparing a joint regional land transport plan.

Fraser McRae  
**Director Policy, Planning and Resource Management**

The Transport Agency and partners are half way through delivering the 2012-15 National Land Transport Programme (NLTP). This report notes progress at the half-way point and describes priorities for the remainder of this, and into the next, NLTP period.

## WHAT WE SET OUT TO ACHIEVE

The NLTP 2012-15 aimed to focus on maintaining the efficiency, overall resilience and safety of the Otago region's extensive network for both individual road users and freight movers.

We said we'd invest in:

- maintaining, operating and renewing local roads and state highways
- targeting efficiency gains on Otago's transport network
- opening high productivity motor vehicle routes in the Otago region
- Caversham Valley Safety Improvements project.



The Glen Bridge, Caversham Valley

## HIGHLIGHTS SO FAR

Below are some of the ways in which the NLTP has contributed to the efficiency, safety and resilience of the Otago transport network:

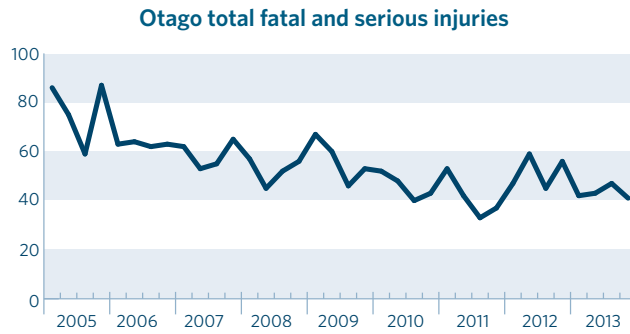
- Good progress is being made on the Caversham Valley Safety Improvements project. So far, \$33 million has been invested in the project with Stage I completed in 2012/13 and Stage II due for completion in the 2014/15 year.
- Funding has been approved for the second stage to strengthen the Clydevale Bridge to accommodate high productivity motor vehicles, overdimension traffic, and to improve route resilience. The original tender was split into above and below water projects to achieve a better tender price.
- Southern commuter cycling routes are being constructed in Dunedin to improve cycling safety and provide a choice of modes. The package contains six distinct routes and the first stage is on target to be completed at the end of this financial year.



## TRENDS IN SAFETY

Safety investments will help create a transport system where human error doesn't cost a life through strengthening the four parts of a Safe System: safe roads and roadsides, safe speeds, safe vehicles, and safe road use.

In the Otago region, the trend of decreasing numbers of fatal and serious injuries seems to have flattened out with the provisional number of fatal and serious injuries in 2013 being similar to the three previous years. There is progress being made in young drivers, safe speed and alcohol related crashes. Intersection and rural road crashes have trended up.



Please note Q4 2013 figures are provisional only at this time

## R FUNDS

Otago has approximately \$5.6 million of uncommitted R funds assigned to projects. We're confident the majority of expenditure planned for projects that have yet to be approved is likely to be used before the end of this NLTP period. The key project is the Frankton Road 2/EAR project in Queenstown Lakes, which is a combined Transport Agency and Queenstown Lakes District Council project. We anticipate the detailed design phase will begin soon.

The deadline for spending all remaining R funds is 30 June 2018.

## PRIORITIES FOR THE REMAINDER OF THIS NLTP PERIOD AND BEYOND

Getting the most out of the existing network and keeping it well maintained so it provides a good level of service for road users will be a priority for the Transport Agency and its partners for the remainder of this, and into the next, NLTP period.

Improving the efficiency of moving goods, network resilience and safety are important for the Otago region and, to this end, we plan to:

- complete the Caversham Safety Improvements project
- complete the Eastern Access Road/Glenda Drive which is a combined Transport Agency and Queenstown Lakes District Council improvements project
- progress the Dunedin City Council's Southern Commuter Route walking and cycling project
- progress Dunedin's public transport network review.

For the next NLTP, the Transport Agency will ask councils to develop activity management plans that outline how networks will be maintained and operated at fit-for-purpose customer levels of service as defined by the One Network Road Classification.

## WHAT CHANGED AND WHY

We teamed up with the Queenstown Lakes District Council to review and amend its network rehabilitation programme. It's estimated the amendments will save the Council up to \$3.2 million this season. We'll continue to work with the council to identify further opportunities for savings for the rest of this NLTP period.



### MORE ONLINE

For more information on the NLTP in this region and nationally, go to [www.nzta.govt.nz/nltp](http://www.nzta.govt.nz/nltp)

## REPORT

Document Id: A615194

Report No: 2014/0744

Prepared For: Regional Transport Committee

Prepared By: Manager Transport Policy & Planning; Transport Policy Analyst

Date: 28/03/2014

**Subject: Request to vary the Regional Land Transport Programme 2012 – 2015: Dunedin one-way system cycleways**

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### 1. Précis

NZ Transport Agency's Highway and Network Operations (HNO) has requested a further project be added to the Otago Regional Land Transport Programme 2012 – 2015 (the RLTP). This relates to the preparation of the business case for the Dunedin one-way system cycle lanes: see letter in Attachment Three. The committee needs to decide whether to make this variation to the RLTP. This report sets out information on this project and the RLTP variation process, in order to enable the Regional Transport Committee (RTC) to consider this request.

### 2. RLTP variation process

Transport activities must be included in the RLTP to qualify for national funding from the National Land Transport Fund. The current RLTP was adopted in October 2012. To include a new activity such as the Dunedin one-way system cycle lanes in the RLTP, a variation to the RLTP is required. The process for varying a RLTP is as follows (see s18D Land Transport Management Act 2003 (the Act)):

- a. A variation request is received by the RTC, including sufficient background and information for the RTC to make a decision, and vary the RLTP

The RTC considers the variation request promptly:

- Does the matter require a variation?
  - Should the activity be included in the RLTP, i.e. does good reason exist for making the variation requested?
  - Is the variation significant?
- b. Consultation is undertaken if the variation is significant.
  - c. Generally, the same process applies as for preparing a new Regional Land Transport Plan.
  - d. ORC approval
    - The RTC lodges the variation with the ORC, who approves it, and forwards it to NZTA for consideration.
  - e. Reasons are given if the variation is not accepted
    - If the Committee does not wish to accept the request to vary the RLTP, it should give written advice of that decision to the organisation requesting the variation and the reasons for the decision.

NZTA must consider any request to vary an RLTP, so the NLTP can be updated if necessary.

### 3. The application including background to the cycleway project

HNO have supplied the following information. Simon Underwood of NZTA will explain this application to the committee at the meeting on 3 April.

Activity Class:	Walking and Cycling
Title:	Dunedin one-way system separated cycle lanes
Organisation:	NZ Transport Agency – Highway & Network Operations (HNO)
Description:	To replace the existing un-protected cycle lanes, with cycle lanes which are separated from the traffic flow through spatial means mid-block, and in-time at the traffic signal controlled intersections.
Locality:	Generally, State Highway 1, Dunedin, Pine Hill to the Oval; and more specific to the section of the one-way system presently under consideration; this is from Pine Hill Rd to Rattray St.
Objective:	To improve road safety for cyclists; to provide a safe route choice for cyclists, to facilitate the adoption of cycling as a safe and practical choice for inner city transport; and to integrate with the wider city cycling network.
Related projects:	This project integrally contributes to a wider inner & city network. Concurrently, the Dunedin City Council is proposing to set up a project covering the central city area (which would be the wider ‘programme’ for which this cycleways project is one initiative).
Background:	<p>This activity was initiated as an extra-ordinary request from the Dunedin City Council, to identify a means to provide for safe cycle travel within the central city, following a cycle fatality in 2013, where a cyclist swerved to avoid passenger attempting to alight from a parked vehicle. The circumstance of this fatality was very similar to that which occurred in 1998 – which preceded the installation of the existing cycle lanes. In between times, there had also been two other cycle fatalities on the one-way system.</p> <p>Dunedin City Council’s Group Manager Transportation (Gene Ollerenshaw), has identified this project as a priority for the city</p>
Status:	HNO are in the process of developing a business case for this project, to enable the Planning and Investment arm of the Agency to determine whether to fund the project. The final design details will not be known until the detailed business case is completed and approved by NZTA.
Consultation:	The Agency and DCC undertook public consultation in November/December 2013, and received around 2000 written submissions. A further 3000 inputs were received through a combination of the Transport Agency on-line survey, the Otago Daily Times poll, and the Automobile Association members survey. Across the submissions and each poll undertaken, there was more support for this activity to be progressed than not. There were, however, differences of view as to which option is

preferred, and concern as to the extent and differential consequence of each option. HNO will work through these matters as it further develops the business case.

Attachment 1 contains details of the proposed variation for inclusion in Table 17, band 1 or 2 of the existing RLTP.

Attachment 2 contains an assessment of the project compiled HNO, and Attachment 3 contains the variation request for consideration from HNO.

#### **4. Reasons for the variation**

The RLTP states (p 92) that NZTA advice on whether this matter requires a variation should be sought. NZTA's advice is that a variation is required in this case, with which staff concur.

A RTC may prepare a variation to its RLTP if good reason exists for making the variation. The reasons for making this variation are to: (1) provide HNO with access to funding needed to progress the business case through to the start of the detailed stage; and (2) to provide funding for constructing cycle facilities that will improve road safety for cyclists; provide a safe route choice for cyclists, and facilitate the adoption of cycling as a safe and practical choice for inner city transport; and integrate with the wider city cycling network. The process of completing the business case will determine the final configuration of the cycleway(s) and thus the degree of effect on such matters as parking.

#### **5. Is the variation significant?**

Section 106 (2) of the Land Transport Management Act 2003 requires the RTC to adopt a policy that determines significance in respect of variations made to the RLTP. Attachment 3 contains the policy that sets out how to determine the significance of variations (pp 92 – 93 of the RLTP).

If the activity is not significant, it can be included in the RLTP without the need for public consultation.

Staff have assessed the significance of the proposed variation, for the purpose of consultation, against the RLTP significance policy (shown in Attachment 3). Staff consider that the proposed variation to the RLTP is not significant, and does not trigger the requirement to carry out consultation.

Firstly in the determination of significance, consideration must be given to four listed matters:

#### **Considerations**

The addition of this project to the RLTP would not, in our view:

- a) materially affect the balance of strategic investment in the RLTP or in any one project, since funding remains unspent in the NLTP walking and cycling activity class; or
- b) have a significant impact on the GPS objectives or targets (since it is only one walking and cycling or safety project amongst many); or
- c) detrimentally affect the integrity of the RLTP, including its overall affordability, since funding remains unspent in the NLTP walking and cycling activity class, and because the cost of the project is less than \$10m.

It is, however, apparent from the public consultation that there is a high degree of public interest in the project (as indicated by the 5000 submissions). It could be assumed that the project may

impact a large number of residents, which indicates that adding the project to the RLTP would be significant.

### **Variations generally not significant**

The significance policy states, however, that the following type of variation will generally be considered not significant:

The addition of a project that has been:

- previously been consulted on, in accordance with sections 18 and 18A of the Land Transport Act 2003 (the Act); and
- which complies with the provisions for funding approval in accordance with section 20 of the Act.

The DCC has verified that the consultation it has undertaken accords with section 18. This section requires that any consultation must be undertaken in accordance with the consultation principles in the Local Government Act 2002.

Note, section 18A (1) has been repealed and the rest of this section is not relevant.

Provided each stage of the business case is approved by NZTA, the project will comply with the conditions of funding approval in accordance with section 20.

The significance policy also states that the addition of a new cycling activity, budgeted to cost less than \$3M in any one year will generally be considered not significant. The current project meets this requirement.

For these reasons, staff consider that the proposed variation to the RLTP is not significant, and does not trigger the requirement to carry out consultation.

## **7. Recommendations**

That the Committee:

- a. Determine whether the requested variation is significant in terms of its RLTP significance policy in Attachment 4
- b. If it considers the requested variation to be non-significant, agree to vary the Regional Land Transport Programme 2012-15 by adding to Table 17 the proposed activities, as set out in Attachment 1; and recommend this variation to the Regional Council for its consideration.
- c. Alternatively, if the requested variation is considered significant, undertake public consultation on the variation before making a decision to vary the RLTP.

Fraser McRae

**Director Policy, Planning and Resource Management**

ATTACHMENT ONE

**Details of the proposed variation for inclusion in Table 17 of the existing RLTP**

Organisation	Project name	Description	Phase scope	Objective	Investment Outcomes
NZTA - Highways	Dunedin One-Way System Cycle Lanes	In Dunedin, to establish separated cycle lanes on the State Highway 1, one-way routes, through the central city.	Indicative Business Case	<p>The phase objective is to develop a business case to test the assumptions in the development of this activity to date, and to identify a preferred - to build option, should this be supported through the business case.</p> <p>The over-arching objectives are to:</p> <ul style="list-style-type: none"> <li>• Improve road safety for cyclists;</li> <li>• to provide a safe route choice for cyclists,</li> <li>• to facilitate the adoption of cycling as a safe and practical choice for inner city transport;</li> <li>• and to integrate with the wider city cycling network.</li> </ul>	<p>Improved road safety, in particular in regard to cyclists and pedestrians. This can be measured directly through before and after crash monitoring over time; a baseline is established.</p> <p>Increase in transport capacity of one-way system through a more attractive cycle lane option. This can be measured directly on an annual basis through before and after cycle count data; a baseline is established.</p> <p>Intangible, but which is commonly recognised with active transport modes:</p> <ul style="list-style-type: none"> <li>• Improved community health</li> <li>• Reduced fossil fuel usage and corresponding emissions</li> <li>• Improved people choice for transport</li> <li>• Reduced cost for people of transport</li> <li>• Reduced cost to Dunedin economy for transport (less expenditure on outsourcing of petrol, which is sourced remotely from the Dunedin economy)</li> </ul>

FAR (%)			Cost (\$)			Total cost for 3 years (\$)	Cost to NZTA for 3 years (\$)	Organisation funding (\$)	Expected duration (months)	Indicative cost to complete full package (\$)
2012 - 13	2013 - 14	2014 - 15	2012 - 13	2013 - 14	2014 - 15					
-	-	100%	-	-	125,000	125,000	125,000	NZTA	6	\$3,500,000 - \$4,500,000  (in future RLTP, and likely to span be cash-flowed across two financial years)



ATTACHMENT TWO  
 Assessment of project by HNO

<b>Project owner assessment</b>	
Project owner strategic fit profile rating	High
Project owner assessment of strategic fit	<p>Project is consistent and complementary with the South Dunedin Cycle Network Strategy (and projects), for which a priority of 'high' as been adopted.</p> <p>Major urban area &amp; key routes. Dunedin falls within the Statistics NZ definition of a Major Urban area. The one-way routes, form part of the 'national' state highway classified routes. It directly links the residential areas of North East Valley, and the South Dunedin Cycle Network, with the major employment zones associated with the hospital, university, and inner city business/retail areas.</p> <p>The catalyst for this project was succession of cycle fatalities on the one-way pair in 2011 and 2012, and the ensuing public feedback during the course of 2013. Thus it has not been through the nominal 'model walking/cycling community' promotion and Board adoption process. There are however direct synergies with the investment being made by the Transport Agency through the South Dunedin Cycle Network programme of initiatives (DCC), and the harbour-side shared cycle paths (DCC and Transport Agency). And although this project has singular output focus (on the one-way routes), this stems from an area wide view of the inner city cycle route options (Dunedin Central City Cycling Options report - October 2013).</p> <p>Actual Crash Risk. Between 2003 - 2012 (10 yrs) there were 3 fatal and 13 serious injury crashes; in the inner city area. All 3 fatalities, which follow an earlier fatality in 1998 occurred on the one-way routes</p>
Project owner effectiveness profile rating	Medium

Project owner assessment of effectiveness	<p>Contributes, and indeed is the integral component to the overall city cycle network (ie integrates with the South Dunedin Cycle Network), will be linked (is partly) with the harbourside shared paths, links directly to North East Valley; and overall provides the best 'north-south' linkage through the city. The only alternative being George St/Princes St, with other routes (eg Leith St providing an alternative in part only. See: Dunedin Central City Cycling Options report - October 2013; this can be found on the project website:</p> <p><a href="http://www.nzta.govt.nz/network/projects/project.html?ID=236">http:// www.nzta.govt.nz/network/projects/project.html?ID=236</a></p>
Project owner efficiency profile rating	Medium
Project owner assessment of efficiency	BCR above 2 - 2.2, depending on option. This is based on November 2013 consultation options; which are under development.

ATTACHMENT THREE  
**Request for variation from HNO**

27 March 2014

Otago Regional Council  
70 Stafford St  
Private Bag 1954  
Dunedin 9054

Attention: Jane Turnbull

Dear Jane

**Regional Land Transport Planning for inclusion of: Dunedin one-way system cycle lanes**

I would like to promote for consideration of the Regional Transport Committee, their endorsement of a new or supplementary activity to the Regional Land Transport Programme (RLTP). Particulars of that activity are:

- Title:** Dunedin one-way system separated cycle lanes
- Promoted by:** NZ Transport Agency – Highway & Network Operations
- Locality:** Generally, State Highway 1, Dunedin, Pine Hill to the Oval;  
and more specific to the section of the one-way system presently under consideration;  
this is from Pine Hill Rd to Rattray St.
- Activity Class:** Walking and Cycling
- Description:** To replace the existing un-protected cycle lanes, with cycle lanes which are separated from the traffic flow through spatial/physical means mid-block, and in-time at the traffic signal controlled intersections.
- Current Status:** This activity was initiated as an extra-ordinary request from the Dunedin City Council, to identify a means to provide for safe cycle travel within the central city, following a cycle fatality in 2013, where a cyclist swerved to avoid a car door being opened upon them, and in doing was forced to abruptly enter the adjacent traffic lane and into the path of passing truck. The circumstance of this fatality was very similar to that which occurred in 1998 – which preceded the installation of the existing cycle lanes; in between, there had also been two other cycle fatalities on the one-way system.
- Although the origins of this activity have not stemmed from Strategic or Programme Business Case processes, it has been sufficiently developed in terms of problem definition, wider network and specific corridor option development, through initial public consultation, plus an equivalent number through various electronic media). The next stage of development of this activity is an Indicative Business Case.
- Activity Value:** It is proposed that the activity value under the current RLTP is \$125,000. This is for proposed Indicative Business Case only.

Pending the outcome of the Indicative Business Case, subsequent phases to follow would be for Detailed Design and Construction. The value of this can only be broadly estimated at \$3.5 - \$4.5M.

**Programme:** The desired programme is for the Indicative Business Case to be funded and progressed within the 2014/15 year of the current RLTP). This is then likely to take six months to work through (ie completion December/January 2015).

Subject to the outcome of the Indicative Business Case, a request for Detailed Design may also latter be pursued within the current RLTP. But I have not here include this specifically, as the Indicative Business Case needs to be worked through to reliably establish timing and cost for any detailed design stage. The Detailed Design, estimated at between \$175,000 - \$200,000, and could potentially either commence in the closing months of the current RLTP, or upon commencement of the new RLTP (from July 2015).

In regard to construction, it is very unlikely that the activity could be sufficiently progressed to enable a start on construction within the current RLTP period. No similar request for construction under this current RLTP is likely. This is instead expected to be an activity promoted for the new 2015/16 - 18 RLTP.

#### Significance Policy

The 'significance' policy as set out in the RLTP – Appendix A, includes a list of "Variations generally not significant", this specifically includes:

- *"Addition of a new walking, cycling, public transport or demand management activity, budgeted to cost less than \$3M in any one year."*

In testing for compatibility against this provision:

- this is a new cycling activity
- across the whole of the balance of the current RLTP period the spend would be less than \$3M – regardless of any one year.
- the construction phase is likely to cost more than \$3M, but this will be within the new NLTP, and not there not in any case be a variation under this RLTP.
- Further, it is also likely that construction would need to span two financial years within any future RLTP, such that the spend value in any one year is also less than \$3M. This is because the work cannot be done on mass: it will need to follow a logically sequence in terms of work focus and physical progression along the individual blocks and routes of the one-way system.

Therefore we do not consider it triggers the 'significance policy' of the RLTP.

**Consultation:** This activity has already undergone one of the more intense consultation processes in recent years for a highway activity, especially one which is at an early development stage. Consultation was undertaken in November/December 2013, and from this received some 2000 written submissions, and through a combination of the Transport Agency on-line survey, the Otago Daily Times poll, and the Automobile Association members survey, a further 3000 inputs were received. Across the submissions and each poll undertaken, there was more support for this activity to be progressed than not.

A summary of the consultation process and submissions received, and the responses to those submissions have been compiled into separate reports – see supplementary information below.

Notwithstanding, a reference check against the Land Transport Management Act 2008 (LTMA) requirements for consultation was made. While there is a consultative requirement in terms of act, this relates to the RLTP itself, or variations to the RLTP that are regard to be of significance. As described above, it is not considered that inclusion of this activity within the current RLTP can be regard to be of significance under the RLTP policy. And therefore, inclusion of this activity within the current RLTP does not, in our view, 'trigger the consultation provisions of the LTMA.

#### Dunedin City Council:

Councils Group Manager Transportation (Gene Ollerenshaw), through his letter of 26 February 2014, identifies this project to be a priority for the city for the upcoming 2015/16-18 planning periods. Progression of the Indicative Business Case in this current year would facilitate achievement of this this priority of timing for construction. It would also reduce the risk of construction overlap with that of the SH88: harbour-side shared path – see below.

Further an update paper will be presented to Councils Infrastructure Services Committee meeting in April (April 1).

#### Parallel activities (SH 88: harbour-side shared path)

For Otago Highway & Network Operations, there is already an activity included in the current NLTP under the Walking and Cycling category: the SH 88 Cycling and Pedestrian Facilities. The addition of this new activity, does not necessarily compromise the progression of the SH 88 activity.

Presently the shared path has been constructed from Dunedin (Water of Leith) through to St Leonards. Remaining are the stages of shared path between St Leonards and Roseneath, and Roseneath to Port Chalmers. It is established that the development and construction of these stages will be more complex than that of previous stages as there is the need for land reclamation in harbour areas alongside the rail line, and through this, the need for reconciliation of resource consents, land agreements, and management of geotechnical conditions (ie pre-loading of new embankments).

Thus although the development of this activity as whole is more advanced than that of the proposed activity for the Dunedin one-way system; it is expected that it will take longer (mid-way through the next 2015/16 – 18) NLTP to reach a point of full construction.

In the meantime, the highways team have presented a funding request (internal to the Transport Agency) to enable commencement of the next (design) phase of this SH 88 activity; and are presently awaiting the outcome of that request.

#### Supplementary information:

- Brochure: Dunedin Separated Cycle Lane Proposal
- Consultation Summary Report, December 2013
- Response to Submissions Report, March 2013
- TIO information template

- Letter from DCC Group Manager Transportation, which advises where they consider the relative priority amongst local cycling/walking projects to be.
- Draft RLTP table populated for this activity

Before consideration can be given to funding of this activity under the National Land Transport Programme, inclusion of the same within the Regional Land Transport Programme is required.

The Transport Agency - Highways & Network Operations team in Dunedin, therefore ask the Regional Transport Committee to endorse this activity, as a new activity within the Regional Land Transport Programme.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'S.U.', is positioned above the printed name and title.

**Simon Underwood**  
Project Team Leader

## ATTACHMENT FOUR

### Policy on the significance of variations to the RLTP

#### Purpose

This policy sets out how to determine the significance of variations to Otago's RLTP, in accordance with section 106(2) of the Land Transport Management Act 2003 (the Act).

#### Application

The RLTP can be varied at any time. Consultation will be required in accordance with section 18 of the Act, unless the variation is not significant.

When considering variations, it is necessary to ask whether:

- the matter requires variation
- the variation is significant.

In its Planning, Programming and Funding Manual, NZTA has listed those activities which it considers do not require a variation. When determining whether a matter requires a variation, the advice of the NZTA must be sought.

#### Determination of significance

When determining the significance of a variation, consideration must be given to the extent to which the variation:

- materially changes the balance of strategic investment in an RLTP or project
- impacts on the objectives of the targets in the GPS and/or any NZ Transport Strategy
- affects residents (variations with a moderate impact on a large number of residents, or variations with a major impact on a small



number of residents will have greater significance than those of a minor impact)

- affects the integrity of the RLTP, including its overall affordability.

Consideration should also be given to any likely impacts of time delays or cost on public safety and economic, social, cultural and environmental wellbeing because of running a consultative process.

### Variations generally not significant

Subject to the general determination of significance, the following variations to the RLTP will generally be considered not significant:

- the addition of an activity or activities that have previously been consulted on, in accordance with sections 18 (Consultation requirements) and 18A (Consultation principles) of the Act, and which comply with the provisions for funding approval in accordance with section 20 (Approval of activities and combination of activities) of the Act
- replacement of a project within a group of generic projects by another project of the same type
- a change to the duration and/or order of priority of the activity or activities that the Regional Transport Committee decides to include in the programme, which does not substantially alter the balance of the magnitude and timing of the activities included in the programme, provided that the change does not entail a delay of more than 18 months in the introduction of a walking, cycling, public transport or road safety promotion activity
- on its own, a change from Regional (R) funding to National (N) funding or Crown (C) funding
- on its own, a change of responsibility for implementing an approved activity from one agency to another
- deletion or delay of an improvement project for local roading that is less than \$3M in budget
- addition of a new walking, cycling, public transport or demand management activity, budgeted to cost less than \$3M in any one year
- activities that are in the urgent interests of public safety.

Our Reference: A611996

17 March 2014

Clare Sinnott  
Project leader (FAR review)  
NZ Transport Agency

Sent by email to farreview@nzta.govt.nz

Name of submitter: Otago Regional Council  
Contact: Fraser McRae  
Director Policy Planning and Resource Management

email [fraser.mcrae@orc.govt.nz](mailto:fraser.mcrae@orc.govt.nz)  
Phone 03 474 0827  
Postal address: Private Bag 1954, Dunedin 9054

Dear Clare

**Submission on NZ Transport Agency's Funding Assistance Rates (FAR) review – Options discussion document**

This is an Otago Regional Council (ORC) submission on the Funding Assistance Rates (FAR) review – Options discussion document. The Otago Regional Transport Committee has provided input to this submission, which focuses primarily on matters of principle.

**1. Overall co-investment rate**

- 1.1. ORC supports NZTA setting an overall NLTF co-investment rate that determines the proportion of overall costs met from the NLTF.
- 1.2. ORC also supports NZTA setting this base as high as possible (e.g. 53%), in order to send the message that the government is serious about funding transport for its citizens.
- 1.3. ORC does not support NZTA setting a lower co-investment rate simply to save money to use in enhanced rates for ad hoc activities. This risks introducing distortions and undesirable flow-on effects, and would be retaining undesirable elements of the current FAR system.

## **2. Minimising the number of FARs**

- 2.1. ORC supports NZTA setting one rate for each organisation eligible for NZTA funding, with some exceptions for special purpose roads.
- 2.2. Some special purpose roads are a special case and should have their own rates. The special purpose roads rates for new improved infrastructure, preventative maintenance, and emergency reinstatement should be higher than the standard rate. The three special purpose roads in Otago are the Southern Scenic Route in Clutha District, and the Crown Range Road and Queenstown-Glenorchy Road in Queenstown Lakes District.
- 2.3. If, as a result of this FAR review, NZTA intends to change the FAR rate for a special purpose road, this should trigger a review of the purpose of the road and of the appropriate organisation to control it. This review should be carried out by the local authority and NZTA.

## **3. Setting rates for individual organisations**

- 3.1. When setting FARs for individual organisations, we support NZTA taking all the following factors into account:
  - the relative wealth of residents/ratepayers;
  - the number of people who would be funding the local share; and
  - the size of the network needed to support ongoing production of export and tourism receipts.ORC notes that none of the proposed five options in the Options discussion document takes all these three matters into consideration. ORC asks that NZTA develop a method that does.
- 3.2. ORC does not support Option 1 in the Options discussion document, as there are issues around using the Index of Deprivation on its own. This may cause instability in the FAR rate and/or may not reflect any rapid changes in circumstance that occur.

## **4. Fit for purpose standards**

- 4.1. ORC seeks ongoing discussion with NZTA on what “fit for purpose standards” means, and the relationship between NZTA co-investment and fit-for-purpose standards.

## **5. FAR Methodology**

- 5.1. The methodology used to set FAR needs to be clear, certain and uncomplicated.

## 6. Transition

- 6.1. ORC requests that the NZTA analyses the effect of the FAR change on levels of local authority rates and debt. Local government works on long term planning cycles; any dramatic short-term change in funding assistance rate would impact on the ability of local authorities to efficiently manage their transport assets. The transition should be designed with this in mind, by making any reductions to funding assistance rates gradual. The maximum reduction in funding assistance rate that any council should have to face in any one year is 1%.
- 6.2. For transitioning, Improvements should be split from the base rate, and transitioned at a slower rate.
- 6.3. Consideration should be given to the transition time for implementing any change to the funding assistance rate for special purpose roads. The transition period needs to extend at least over one Long Term Plan period so the 10 year outlook can be considered.

## 7. Funding for resilience to oil price volatility

- 7.1. Additionally ORC requests that NZTA reviews its funding model in order to build resilience in the face of predicted volatility in oil prices and supply [see previous ORC submission]. We ask NZTA to advocate to the Government to provide extra funding for land transport activities for this purpose from general taxation (additional to that from the NLTF). Funding assistance rates should cover both NLTF revenue, and any revenue for transport obtained from general taxes.

Yours sincerely



Fraser McRae

**Director, Policy, Planning and Resource Management**

Our Reference: A602117

21 February 2014

Ministry of Transport  
Gareth Chaplin  
General Manager, Sector Performance  
PO Box 3175  
**Wellington 6140**

Dear Gareth Chaplin,

The Otago Regional Council (ORC) welcomes the opportunity to input into the development of the Government Policy Statement on Land Transport (the GPS).

Below we set out our written response to the Ministry's five questions. In preparing this response, ORC discussed these questions with Environment Southland. The two regional councils hold very similar views on these matters. Our Regional Transport Committee would also appreciate the opportunity to discuss this in person, and suggests a combined meeting with the Southland Regional Transport Committee.

**Considering how national and regional transport priorities are shaped by the GPS, what is the most important thing the Ministry should consider in developing the next GPS?**

The most important thing the Ministry should consider is what level and type of government investment in transport is needed to support the primary production and tourism sectors. These sectors generate considerable wealth for New Zealand from the world market. Local road networks are a key component of our ability to maintain and grow these sectors.

To address this priority the GPS and its implementation should:

- Ensure transport investment decisions acknowledge the contribution that various parts of the network make to New Zealand's export receipts and tourism income.
- Acknowledge that linking producer, processor and port is crucial in regions that generate much export wealth from primary production (such as Otago and Southland).
- Increase the emphasis on maintaining local roads. They need to be kept to a standard that both ensures the safe and efficient transport of product and people related to processing and export; and that enables visitors to safely access tourist attractions - including the backcountry and conservation estate.



- Recognise the importance of safe, well-maintained bridge crossings of rivers and streams on major routes for tourism and product transport. Funding should be provided to replace those bridges no longer functioning adequately.
- Acknowledge the pressure on current funding sources to provide for maintenance, renewals and RONS, and thus signal a new funding stream.

**Thinking about New Zealand's transport network, what should key national objectives set down in the GPS be? How do these reflect priorities for your region?**

- *A whole-of-transport system approach*  
The GPS should set out how the Government intends to work with local government to achieve a whole-of-transport system approach, and to integrate the various transport interventions (the NLTP, local authority transport programmes, land use planning and regional transport planning, land transport rule changes, network management, and road policing and initiatives such as speed management). A whole-of-transport system approach requires planning to focus on journeys in the first instance, rather than on infrastructure.
- *A resilient transport network*  
The transport network should be resilient in the face of shortages of oil-based fuel, fluctuations in fuel prices, and natural hazards including increased effects resulting from climate change. Currently there is inadequate preparation for resilience against these future shocks.

New sources of revenue should be accessed to enable resilience to be built, such as general taxation or speed camera fines. It is appropriate to look at long-term options for new funding sources.

At present, the government's contribution to land transport depends on road user charges, fuel excise and motor vehicle registrations. This discourages NZTA investment in activities that reduce vehicle usage and congestion, and improve network and energy efficiency (outcomes sought in the current GPS). This is an issue mainly for urban areas, Dunedin, Oamaru and Invercargill included. The situation is exacerbated by NZTA's planning and investment principle that the primary beneficiaries of investment from the NLTF should be [local] vehicle based road users, since these are the primary contributors to the fund. This principle is causing under-investment in walking and cycling facilities, and public transport.

- *One network*  
The GPS should enshrine the concept of one effective and resilient transport network for users, which seamlessly crosses TLA and regional boundaries. Tools will be needed to enable network planners and managers to work together to achieve this. One example of such a tool is the current work on the One Network Road Classification, with input from Local Government.

- *The network does not limit growth*  
Growth should not be limited by ineffective, or inadequately maintained transport infrastructure. In Otago/Southland growth is being experienced – for example tourism in the Queenstown area, and dairying throughout all rural areas. Transport planning and investment should ensure this type of growth is supported.
- *Road users are safe*  
Road crashes and accidents should reduce in severity, resulting in substantially reduced social cost.

Travel by all modes should be safe, wherever those modes of travel occur. For example, people walk and cycle in many places outside major urban areas. Investment should be aimed at ensuring this occurs safely.

#### **What aspects of the current GPS do you believe are working well, and why?**

- The use of activity class funding ranges. The concept is sound, however the application so far has been problematic (see the point below on activity class limits) and NZTA need to be able to direct funding to the area of highest need.
- Setting the short term direction for National Land Transport Fund spending.

#### **What aspects of the current GPS do you believe are not working, and why?**

- *Lack of long term focus*  
The GPS does not provide local government with the necessary longer term strategic direction. Local government is under considerable government pressure to forecast its future rating requirements. The short term focus (three years) of the GPS does not assist this.

Ideally the strategic direction and funding in the GPS would be set for at least six years, with an Activity Class funding review taking place at three years. A longer-term strategic direction would provide additional stability to local government for the preparation of their asset management and long term plans and forecasts.

- *Unclear strategic priorities*  
The strategic priorities in the current GPS are not articulated clearly enough. Goals, outcomes and impacts are mixed, and it is hard to discern any hierarchy of priorities.

Consequently, the emphasis on value for money in the current GPS lacks some clarity. The values that investment seeks need to be clear, or we simply save money for the sake of it, not to achieve something worthwhile for NZ and our people.

NZTA has interpreted the current GPS as placing a priority on travel for commuting, but not for recreational purposes. This is an unhelpful distinction in both major urban areas and in areas with high levels of visitor activity. In both situations, much travel is multi-purpose. As a result, funding for multi-purpose walkway cycleway facilities is unnecessarily difficult to obtain (eg walking and cycling crossing of Kawarau River at Kawarau Falls; completion of SH88 shared path).

- *Activity Class limits*  
The setting of limits for each activity class may not result in the most effective allocation of funding. The rigidity of Activity Class funding limits may drive NZTA to invest in, and use all funding for, a particular activity class. Investment driven by need is likely to result in better outcomes.
- Separate funding buckets for maintenance and renewals have caused problems for Environment Southland where need for maintenance exceeds allocated funds, and need for renewals is less than allocated funds. It would be better to combine maintenance and renewals into a single funding bucket.

#### *Walking and cycling*

The emphasis on walking and cycling in model communities is unhelpful. It serves to preclude investment in these modes in other communities, where energy efficiency, community resilience and safety could be improved significantly.

More emphasis needs to be placed on supporting cycleways that are part of the national cycleway initiative, and on providing safe travel between these. The Ministry of Tourism is promoting cycle tourism in the south, but this is only beginning to be integrated into NZTA priorities for investment.

- *Safety*  
We support the concept of Safer Journeys, a national approach operating at a national level. The Ministry of Transport should ensure that there is sufficient funding in the relevant activity classes for regions to implement safety interventions which are based on careful analysis of local trends, and the likely success of interventions.  
  
In practice, road policing priorities need to be better integrated with regional safety programmes.
- *Public Transport*  
Public transport is important in small cities and towns such as Dunedin, Queenstown and potentially others, as well as in the three large cities.

#### **What difficulties does your council face in getting projects off the ground?**

- State Highway projects with a high priority in Otago/Southland may not proceed because they rank too low in the national prioritisation of all State Highway projects. These projects often do not proceed even when available regional 'R' funds are recommended for this use.



Regions need a more flexible R funding scheme. The rules of any new R funding scheme must be clear; those for the present scheme are not.

- Well maintained, safe crossings of rivers and streams are very important. But current funding arrangements and assessment methodology for bridge replacements are delayed far too long in both Otago and Southland.

There are many small bridges in rural areas on HPMV routes, about which road controlling authorities hold limited information. When a problem becomes apparent, the usual approach is to slow traffic to extend the life of the bridge. But this is merely pushing the funding problem out into the future; in ten to fifteen years we are likely to be facing a significant issue with failing bridges in Otago/Southland. The Ministry could investigate creating a separate activity class for bridges. Replacement of small bridges should be able to be funded from either a minor improvements or renewals budget, as appropriate in each circumstance.

- Another real frustration in getting projects off the ground is continuity of funding. For example, the SH88 shared path between Dunedin and Port Chalmers has only been partially completed. The final part has not been completed and was ranked on the reserve list for the NLTP. It would be more helpful if NZTA could commit to funding a project at the start and that commitment could last until the project is completed, rather than having to 'get the project off the ground' again at the end of every stage.
- Note also that the Southland Region has not recommended any major local road projects during the last three years. This is due to the territorial local authorities' difficulties in raising the local share, as well as the processes required by NZTA to have funding approved. Meeting the local share for basic maintenance and renewal programmes is also an issue for the Southland territorial local authorities.

Please contact Anja McAlevey on [anja.mcalevey@orc.govt.nz](mailto:anja.mcalevey@orc.govt.nz) or 03 470 7430 for any clarification, and to arrange a meeting to discuss our comments.

Yours sincerely



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