

TO MINISTRY OF TRANSPORT

COMMENTS ON GPS 2015 – ENGAGEMENT DRAFT

11 AUGUST 2014

1. GENERAL

Thank you for the opportunity to comment on the draft GPS 2015.

TRAFINZ (The New Zealand Traffic Institute Inc) represents a wide grouping of NZ local authorities, covering the majority of the New Zealand population. Its membership includes regional councils, the major metropolitan cities and smaller provincial authorities as well as private sector and non-local government members.

TRAFINZ's Executive is comprised of elected councillors and officers, drawn from a cross section of the membership, together with senior personnel representing its key government partners and supported by a number of senior technical staff from transport consultancies that volunteer their services pro bono.

The Institute's primary focus is on sustainable transportation planning, traffic management and road safety. It provides specialist advice to member authorities on traffic and safety issues by drawing from the depth of expertise available through its members. It also acts as a conduit for local authorities to respond to the NZ Government on new transport policies and legislation.

Our comments on the Engagement Draft are set out below, structured to follow the format of the document.

2. SECTIONS 1 and 2: GPS 2015 (DRAFT) FRAMEWORK and CONTEXT

As stated in the draft *"The GPS presents the Government's land transport strategy in a framework that will guide investment over the next ten years, and provides guidance to decision-makers about where Government will focus resources"*,

The document then, in later sections, states the strategic directions, objectives and long term results desired from government funding allocations.

General Comment. TRAFINZ notes that the Framework does not include discussion about the weight to be given to each of the objectives when deciding on the proposed level of funding of the various modes of transport into the future. It may be that the intention is that such a discussion will arise through comments received on this Engagement Draft.

A basis for such a discussion exists for freight movement (National Freight Demand Study 2014) but more work needs to be done with this information and similar work carried out for person movements to complete the picture.

Additionally TRAFINZ would welcome an evidence- based approach to the consideration of future levels of funding in response to likely changes in transport technology, revenue systems and community aspirations over the next decade. The Draft does begin the conversation on such matters in paras 22 and 23 (copied below) but regrettably concludes that such matters should not be considered further in this GPS.

22. We expect that over the coming decade, technology will play an increasing part in managing network access and capacity. We have seen that relatively small initiatives, such as improved traffic light phasing; have led to measurable improvements in traffic flows in the Auckland network. Promising developments in the fields of collision avoidance technology, autonomous vehicles, and in-vehicle telematics will continue to shape our understanding of how to manage vehicles and networks more efficiently. For example, lane control technology and automatic braking systems increasingly common in new cars could potentially evolve into systems that enable significantly reduced separation distances between vehicles and improved traffic flows. This could enable a dramatic increase in peak period motorways throughput using existing infrastructure.

23. Mechanisms with longer-term potential to improve the performance of the land transport system, such as more sophisticated road pricing than is delivered by the current Road User Charges system, could be included in a future GPS. Decisions to further investigate these issues lie outside of GPS 2015 (draft).

Demand management is a further topic which is not considered (see para 23). The Draft appears to be based on a view that future demand for movement should be met by road construction and improved efficiency of operation, rather than by a strategy that also includes managing demand. Demand management includes reducing the need to travel by integrated land use planning that supports urban densification rather than urban sprawl, by providing alternative transport choices such as public transport and cycling networks and by encouraging travellers to time and mode shift through road pricing. Road pricing systems exist now and will become more sophisticated in future years as is recognised in the Draft. As road building becomes more difficult and expensive in major urban areas TRAFINZ sees a need to anticipate the adoption of such methods now as they will enable system owners to get better value from their existing assets into the future and could avoid the need for future expensive and disruptive new construction.

TRAFINZ believes that the policy development work needed should result in a NZ Transport Strategy. We are aware that such a document is no longer required by statute, but continue to support the need for it. The Draft GPS is specified in statute and is not intended to be such a document. It is a statement of government funding intentions, with a focus on the roading area. We welcome the inclusion of greater detail on strategic direction, objectives and desired results in the 2015 draft. However, outside of the GPS there are additional funds being allocated by government to various land transport projects, most recently from the Future Investment Fund to a package of 14 regional roading projects. We do not criticise these initiatives but see value for there being an overriding strategic context- such as a National Transport Strategy. Such a Strategy, developed after a robust consultation with communities and the transport industry, would provide a very strong and politically robust basis for future funding allocations.

3. STRATEGIC DIRECTION (SECTION 3)

The Draft states, in para 52:

“The proposed overall national strategic direction for land transport is to:

To drive improved performance from the land transport system by focusing on:

- *economic growth and productivity*
- *road safety*
- *value for money “*

TRAFINZ welcomes the continuing focus on road safety (a safe system) alongside value for money and economic growth and productivity. We welcome the inclusion of monitoring and reporting requirements supporting the safety focus area in the draft and look forward to working with Councils and the NZTA on developing these requirements over the next few years.

We note however that progress in achieving the goals of Safer Journeys is not just about making the roads safer through more appropriate construction and management. It also includes *“looking across the entire transport system to aim for safer roads and roadsides, safer speeds, safer vehicles and safer road users”* see para 56. Part of such a view is facilitating both national and community efforts to change drivers’ attitudes and to support improved regulation and enforcement. TRAFINZ comments further on this in the following section.

4. OBJECTIVES AND RESULTS (SECTION 4)

TABLE 1 Results sought from land transport investment

TRAFINZ notes the inclusion in the long term results sought in the road safety priority area (Table 1) of *“increased safe cycling through extension of the cycle network”* as well as the more generalised result for all modes of *“reduction in deaths and serious injuries at reasonable cost”*. We support these objectives and results. We do however question the need to condition the desired reduction in deaths and serious injuries with *“at reasonable cost”*. We note that this term is not used for other results except for on-road enforcement of the road user charges regime. It begs the question: what cost is reasonable? TRAFINZ suggests that either the qualifier be deleted or the achievement of all desired long-term results should be so qualified.

We note that the results all indicate a long term expectation for an improvement in the result to be measured. While this is welcomed, it is a concern that there is no indication of the amount of improvement being aimed for over the 10 years in Table 1 or in the more detailed Table 3. Specification of a desired result at year 10 and perhaps also a stretch target for each of the *“long term results”* would help focus all of the relevant local and central government organisations on the

tasks ahead. Identification of desired results at intermediate years, perhaps years 3 and 7, would provide checkpoints for consideration of future funding levels.

We comment further on these matters against each of the Objectives below.

Objective : A land transport system that addresses current and future demand.

One of the stated long term results is stated as:

“Result: Support economic growth of regional New Zealand through providing better access to markets

73. Local roads and state highways have a critical role, linking areas of production and processing to the national network. However, there are some regional routes with an especially significant role in the movement of freight and tourists that warrant a particular investment focus.

74. GPS 2015 (draft) will support this result through: a Creation of a regional improvements activity class: Regional routes have a critical role in regional and provincial New Zealand. They link points of production with key distribution points. They also provide tourists with access to local attractions.

GPS 2015 (draft) will enable: progressive replacement of regionally allocated funding with new regional funding in non-urban areas, that targets investment in regional route improvements that provide links to key freight or tourist routes. “

TRAFINZ agrees that regional roads have a vital part to play and is concerned that local regional roads are currently underfunded. There is some evidence that surface quality is deteriorating, that there is a backlog of necessary bridge replacements and that there are continuing safety issues on routes used by tourists as well as local drivers. There is also concern about the future impact of High Productivity Motor Vehicles (50MAX) on the network, which may increase pavement damage by 20%. We recognise that the Draft states that “the Minister expects NZTA to monitor and report on an assessment on New Zealand roading assets “ (page 34). These are concerns across whole networks of regional roads, not just “key freight and tourist routes”.

While welcoming the intention to provide targeted funding for key freight and tourist routes the Draft is not clear about how the purpose of this funding differs from that for the network- wide State Highways and Local Roads activity classes. The designation of State Highways already takes into account the need for good road links to ports and major tourist areas and funding is available for their maintenance and improvement in the SH activity areas.

Councils are concerned about their ability to secure matching funding for necessary work on their arterial roads which also serve tourism and port traffic, especially for routes for which there is little local traffic demand. A strong case could be made for the fund to provide for a higher level of support to some Council projects from the Land Transport Fund in recognition of the benefits accruing to tourism/ port traffic movements that are regional or national in nature.

Clarity is also needed on whether regional improvements for tourism such as a regional cycle touring route would be able to be funded from this new activity class.

Objective: A land transport system that provides appropriate transport choices

One of the stated long term results is stated as:

“Result: Increased safe cycling through improvement of the cycle lane network”.

We agree that *“there are real opportunities for cycling to take a greater role in providing transport system capability in our main centres”* (para 78) and that *“additional investment is needed in safe cycle networks in main urban area”*(para 80).

Many Councils have recognised this need by increasing their funding for such projects over the next several years.

The development of projects to achieve the results sought in the Draft GPS requires close examination of the traffic flows in an area, seeking ways that can accommodate them most efficiently and involves detailed consultation with users and affected communities. An analysis tool, SmartRoads and the Network Operating Framework (NOF), have been promoted by NZTA for this purpose. Councils and NZTA are using these tools.

We note that *“GPS 2015 (draft) will enable*

- *Extension of the dedicated cycle networks in the main urban areas where this can be achieved at reasonable cost, including impact on general traffic capacity*
- *Improved suburban routes for cyclists where this can be achieved at reasonable cost”* (para 80)

The qualifying statements in each of these bullet points fail to recognise the way road networks are optimised. SmartRoads software addresses flows of trucks, cars, cyclists and buses at different time periods and seeks optimal layouts of lanes and parking to meet agreed objectives. Capacity may be increased on one route and reduced on others. The process is much wider than just consideration of dedicated cycle networks and considers the changes in traffic flow priority and capacity needed for different purposes, at different locations and periods of a day. TRAFINZ suggests that for both bullet points the qualifiers be restated as:

“where this can be achieved following comprehensive network traffic analysis.”

Objective: A land transport system that is reliable and resilient.

The recent serious flooding and landslip events in Northland reinforce the need for action to be taken under this objective. While many Councils are well prepared to respond to such events, improving the resilience of their local roading networks needs substantial investment. We note that the Local Government Amendment Act 2002 Amendment Bill (No3) includes a provision requiring local authorities to outline how they will provide for the resilience of infrastructure assets in the event of natural disasters. While this provision is not yet in statute it is likely that any similar requirement will be a significant driver for improvement.

The Draft refers to *“ongoing investment in improving network resilience as part of road improvements”* (para 85). TRAFINZ suggests that a more active approach is needed. That could be the development of projects following a full risk assessment of the State Highway

network concentrating on strategic freight routes and national roads with no reasonable alternatives, as recommended recently by the National Infrastructural Unit of Treasury.

Objective: A land transport system that is a safe system, increasingly free of death and serious injury

TRAFINZ strongly supports the Governments Safer Journeys Strategy and the projects in the Action Plan 2013-2015. We are concerned that the good progress being made to reduce deaths and serious injury should be maintained and adequate resourcing is essential to do that.

The draft states:

“89. GPS 2015 (draft) will support this result though:

*a. **Maintaining investment and improving returns in road safety:** Road safety outcomes are tracking in the right direction, and there is a case to at least maintain existing resourcing for road safety policing, road safety promotion and safety-related roading infrastructure.*

*b. **Clear reporting on the investment in road safety infrastructure:** Clear reporting is needed on what is spent on road safety infrastructure. In order to make the most effective investment in road safety, it is important to continue to increase the understanding of the factors contributing to road safety, their effectiveness and their cost so that good choices can be made. GPS 2015 (draft) will enable: a focus on improved reporting of the effectiveness of safety related road investment with a view to improve future allocations”*

TRAFINZ supports clear reporting for all areas of expenditure and welcomes the directions given in the Draft in this regard. With regard to levels of investment ((a) above) it is concerned that over the past 3 years the resourcing of some safety initiatives has been reduced; in particular the investments in community based initiatives. TRAFINZ sees these as vital investments in changing drivers’ attitudes to the driving task and instilling a safety culture nationwide. We consider that community initiatives and national advertising complement each other and that both needed.

The Safer Journeys Action Plan 2013-2015 (p11) states *“As part of the development of the next Government Policy Statement on Land Transport Funding.... Investment in operations and maintenance will prioritise safety outcomes”*

While this statement was referenced to NZTAs internal strategies we would see it having general application to all Activity Classes. TRAFINZ would therefore argue for greater levels of national funding for road safety promotion, policing and infrastructure, rather than maintenance of existing levels as proposed. We comment further on this matter below.

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

TRAFINZ welcomes the inclusion of reducing the impacts on the environment as an objective, given that land transport makes a 20% contribution to NZ's greenhouse gas emissions

The discussion in the Draft concentrates on mitigation of impacts and while this is important there is no discussion on the potential to **avoid** impacts. This is a strong rationale for the encouragement of mode shifting to walking and cycling, where health benefits are also available. It is also relevant to the switch to mass transport options such as bus and train, where alternative fuels such as electric power are common, and to the encouragement of rail and coastal shipping for goods movement. TRAFINZ recommends that the draft be expanded to include the environmental benefits of mode switching for person movements, noting that rail and coastal shipping freight are not covered by the GPS.

5. INVESTMENT IN LAND TRANSPORT (Section 5)

This section of the Draft shows some previous Activity Classes combined to permit the more effective allocation of funds. TRAFINZ supports this as it removes existing artificial constraints between carrying out maintenance and renewals on the State Highway and Local Road networks.

Further helpful detail on the results to be expected from future investment in each Activity Class in the short, medium and long term is provided in Table 3. Details of the performance indicators to be measured and reported on are also given for each Activity Class. The comments we have made (above) regarding the additional need for targets applies here to all Activity Classes and Focus Areas.

Table 4 summarises the proposed funding for each of the next 10 years.

Over the 10 year period the total funding allocated from the Fund (lower band) is proposed to increase from \$3.4billion in 2015/16 to \$4.4billion in 2024/25- an increase of 29%.

The table shows that annual funding available for every Activity Class for the next 10 years is proposed to increase every year. From a \$1,000 M base in 2015/16 State Highway improvements are shown with a \$50M increase most years and a 10 year increase of 35%. State Highway maintenance also increases annually but at a lower rate of increase with a 10 year increase of 9%, as existing highways are replaced by those constructed under the RONS programme. Local road improvements attract a funding allocation close to the 10 year average; 30% increase from a 2015/16 base of \$150M. The Local Roads 10 years maintenance allocation is lower; an increase of 15% from a base of \$405M.

Other proposed 10 year increases and 2015/16 allocations are:

Public Transport	31% over 10 years from \$275M 2015/16
Walking and Cycling Improvements	33% from \$15M (from \$14M in the 2012 GPS)

Regional Improvements (New Class ex Regional Funding) 50% from \$50M for 2015/16

Road Policing 14% from \$28M

Road Safety Promotion 17% from \$30M

Investment Management (Research, Admin etc) 17% from \$53M

TRAFINZ sees the proposed funding allocations in the Draft as essentially a status quo projection. However the base for this projection has been heavily skewed over the past 3 years, with an extraordinary proportion of the total funding placed into State Highway Improvements to fund the RONS programme. With a 10 year forecast of 35% for SH Improvements in the Draft this imbalance will increase through to 2025.

Some of the RONS projects have good business cases; some are at best marginal. The key issue is that the weighting on RONS means other potential transport investments miss out. We see the impact on local roading budgets particularly in rural and provincial New Zealand. Likewise there are pressures on rail, bus and active modes, which have the ability to be game changers in urban areas. These all attract continuing funding with increases at about the 10 year average, but not the increases needed to strengthen their role in satisfying future urban travel demand.

Two Activity Classes that have not been supported with annual increases at or close to the 29% average are Road Policing and Road Safety Promotion, with 10 year increases of 14% and 17% respectively. These proposed funding allocations would appear to be below likely rates of inflation. The activities are essential elements of the Safer Journeys strategies being put in place to significantly reduce NZs road toll. Despite the construction of more RONS with the expectation that these will be safer routes than the roads being replaced most NZ motorists will continue to use existing routes and be subject to the hazards of oncoming traffic and difficult road alignments. Such roads will continue to need targeted enforcement effort and promotion of safe driver behaviour along with the use of technology such as the new safety cameras. TRAFINZ has been advocating for such cameras to be installed in urban areas to address red light running, but is aware that Police funding is not available for a substantial roll out of this new technology. TRAFINZ can see no justification in the draft for, effectively, a cut in safety related expenditure.

6. SECTION 6: FUNDING SOURCES and MANAGEMENT OF EXPENDITURE

This section discusses the pay-as-you-go system traditionally used to fund land transport and possible use of alternative funding sources by NZTA. These include private financing, public-private partnerships and road pricing.

TRAFINZ supports the use of alternative funding, in particular the use of road pricing following robust investigation of options and public engagement at each stage of the development of policy.

7. SUMMARY

- TRAFINZ welcomes the increased clarity about strategic directions, objectives and long term results in GPS 2015 and supports taking this further with targets to help with focus on specific results and to drive monitoring and reporting.
- TRANSIT supports extending the supporting analysis in the GPS to cover future changes in transport technology, revenue systems and community aspirations. In particular it would welcome greater recognition of the role of demand management. It suggests that a NZ Transport Strategy covering all land transport modes is needed to form a robust basis for Central Government and Council funding of the entire land transport system.
- TRAFINZ welcomes the continued emphasis on the need for a safe system, but is concerned that the future levels of funding proposed need to be adequate to maintain the present trend of reducing numbers of deaths and serious injuries. It is concerned that the future resourcing of NZ Police and community based safety initiatives in particular is below the likely rate of inflation and argues for an increase.
- TRAFINZ supports the need to work to avoid effects on the environment by supporting activities and modes with a lower or no impact, rather than just mitigating the effects of current transport systems. A more systematic approach to network resilience is also suggested.
- TRAFINZ is concerned at the use of qualifying statements in the GPS2015, in particular the phrase “at reasonable cost” with regard to the road safety priority area and also the extension of cycle networks. It suggests the qualifier should be deleted as it should apply to the funding of all activities.
- TRAFINZ welcomes the recognition of regional needs for funding important links and the creation of a new activity class. Clarity is needed to avoid overlap with other classes.

TRAFINZ appreciates the opportunity to make these comments and is able to provide further clarification if required.

For more information please contact:

Cr Andy Foster

President

New Zealand Traffic Institute (TRAFINZ)

021 227 8537

andy.foster@wcc.govt.nz