Public and Active Transport Committee 7 August 2024

Meeting will be held in the Council Chamber at Level 2, Philip Laing House
144 Rattray Street, Dunedin
ORC Official YouTube Livestream

Members:
Cr Alexa Forbes (Co-Chair)
Cr Andrew Noone (Co-Chair)
Cr Gary Kelliher
Cr Michael Laws
Cr Lloyd McCall
Cr Kevin Malcolm
Cr Tim Mepham
Cr Gretchen Robertson
Cr Bryan Scott
Cr Alan Somerville
Cr Elliot Weir
Cr Kate Wilson

Senior Officer: Richard Saunders, Chief Executive

Meeting Support: Kylie Darragh, Governance Support Officer

07 August 2024 10:00 AM

Agenda Topic Page

1. WELCOME

2. APOLOGIES

No apologies were received at the time of agenda publication.

3. PUBLIC FORUM

No requests to speak at Public Forum were received at the time of Agenda publication.

4. CONFIRMATION OF AGENDA

Note: Any additions must be approved by resolution with an explanation as to why they cannot be delayed until a future meeting.

5. DECLARATION OF INTERESTS

Members are reminded of the need to stand aside from decision-making when a conflict arises between their role as an elected representative and any private or other external interest they might have. Councillor interests are published on the ORC website.

6. PRESENTATIONS

Otago Regional Council

Public and Active Transport Committee
MINUTES

Minutes of an ordinary meeting of the Public Transport Committee held in the Council Chamber, Level 2 Philip Laing House, 144 Rattray Street, Dunedin on Thursday 9 May 2024, commencing at 1:00 PM.

PRESENT

Cr Alexa Forbes *(Chairperson)*
Cr Andrew Noone
Cr Michael Laws (online)
Cr Lloyd McCall (online)
Cr Tim Mepham
Cr Gretchen Robertson (online)
Cr Bryan Scott
Cr Alan Somerville
Cr Elliot Weir
Cr Kate Wilson (online)

1. WELCOME

Chairperson Forbes welcomed Councillors, members of the public and staff to the meeting at 1:01 pm. Staff present included Richard Saunders (Chief Executive) (online), Nick Donnelly (GM Corporate Services), Anita Dawe (GM Policy and Science), Amanda Vercoe (GM Governance, Culture and Customer), Lorraine Cheyne (Manager Transport), Julian Phillips (Implementation Lead - Transport), Gemma Wilson (Senior Operations Analyst - Public Transport), Sumit Saini (Implementation Advisor - Transport), Jack Cowie (Transport Planner - Total Mobility) and Trudi McLaren (Governance Support)

Chair Forbes advised that she and Co-Chair Noone wished to acknowledge and thank the ORC Transport team. The operating environment has been difficult, but patronage and revenue is well up and this is in a large amount thanks to the Transport team.

2. APOLOGIES

Resolution: Cr Noone Moved, Cr Weir Seconded:

That the apologies for Kevin Malcolm, Gary Kelliher and Lloyd McCall (lateness) be accepted.

MOTION CARRIED

3. PUBLIC FORUM

No requests to address the Committee under Public Forum were received.

4. CONFIRMATION OF AGENDA

Resolution: Cr Weir Moved/Cr Noone Seconded

That the agenda be confirmed as published.

MOTION CARRIED

5. DECLARATIONS OF INTERESTS

No changes to Councillor Declarations of Interests were noted.

6. PRESENTATIONS

No presentations were held.

7. CONFIRMATION OF MINUTES

Resolution PAT24-107: Cr Noone Moved, Cr Wilson Seconded

That the minutes of the (public portion of the) Council meeting held on 2 February 2024 be received and confirmed as a true and accurate record.

MOTION CARRIED

8. ACTIONS FROM RESOLUTIONS OF THE COMMITTEE

There were no open actions from resolutions of the Committee to note.

9. MATTERS FOR CONSIDERATION

9.1. Transport Operating Environment [YouTube 17:51]

The purpose of this report was to highlight and/or summarises recent developments including legislative and policy changes impacting on Council's transport operating environment. This report also updated the Committee on recent and upcoming public and active transport work streams.

Lorraine Cheyne (Transport Manager) was present to speak to the report and respond to questions.

Cr Robertson left the meeting at 1.13pm.
Cr Laws joined the meeting online at 1.14pm.

Resolution PAT24-107: Cr Weir Moved, Cr Wilson Seconded

That the Committee
*1) **Notes** this report.*

MOTION CARRIED

9.2. Public Transport Network Performance Report Q1-Q3 2023-24 [YouTube 38:01]

The purpose of this report was to update the Committee on the performance of its Public Transport (bus and ferry) and Total Mobility services for Quarters 1, 2 and 3, of the 2023/24 financial year, being 1 July 2023 to 30 March 2024.

Lorraine Cheyne (Transport Manager), Julian Phillips (Implementation Lead - Transport) and Gemma Wilson (Senior Operations Analyst - Public Transport (Data)) were present to speak to the report and respond to questions.

There was a correction to report which was noted: bullet point [3]: the figure 2,206,816 should have been 2,506,816 as per Figure 1. Bullet point [33]/Figure 6: the figure shows 'December 2022' in the top left, this should have been March 2023.

Cr Robertson (online) returned at 1.32pm
Cr McCall (online) joined the meeting at 1.32pm
Cr Robertson (online) left the meeting at 1.42pm and returned at 1.45pm

Resolution PAT24-108: Cr Noone Moved, Cr Mepham Seconded

That the Council:

*1) **Notes** the report summarising public transport activity in Otago for the first three quarters of the 2023/2024 year.*

MOTION CARRIED

9.3. Cruise ship season 2023/24: Public transport response [YouTube 59:16]

The purpose of this report was to present information on the performance of 2023/24 Cruise Ship Public Transport services to the Committee.

Lorraine Cheyne (Manager Transport) Sumit Saini (Implementation Advisor Transport) and Julian Phillips (Implementation Lead - Transport) were present to speak to the report and respond to questions.

Cr Robertson (online) returned to the meeting at 1.51pm
Cr Robertson (online) left the meeting at 1.54pm

Cr Robertson (online) returned to the meeting at 1.56pm

Resolution PAT24-109: Cr Weir Moved, Cr Noone Seconded

That the Committee:

*1) **Notes** the report summarising the public transport response to the 2023/24 cruise ship season.*

MOTION CARRIED

9.4. Transport Procurement Strategy new approval [YouTube 1:20:25]

The purpose of this paper was to recommend endorsement of changes to the draft Transport Procurement Strategy 2024-2027.

Lorraine Cheyne (Manager Transport) and Jack Cowie (Transport Planner) were present to speak to the report and respond to questions.

Resolution PAT24-110: Cr Wilson Moved, Cr Noone Seconded

That the Committee:

***1) Recommends** that Council endorses changes to the draft Transport Procurement Strategy 2024-2027 and adopts the final Strategy.*

MOTION CARRIED

10. CLOSURE

There was no further business and Chairperson Forbes closed the meeting with a karakia at 2:16 pm.

_____ _____

Chairperson Date

9.1. Transport Operating Environment

Prepared for:	Public and Active Transport Committee
Report No.	PPT2407
Activity:	Transport: Transport Planning
Author:	Nick Sargent, Transport Planning Lead
Endorsed by:	Anita Dawe, General Manager Regional Planning and Transport
Date:	7 August 2024

PURPOSE

[1] This report outlines recent activities including legislative and policy changes impacting on Council's transport operating environment.

[2] The report also updates the Committee on recent and upcoming public and active transport workstreams.

EXECUTIVE SUMMARY

[3] Recent national level changes in the transport operating environment include:

- Publication of Final Government Policy Statement on Land Transport 2024
- Land Transport Rule: Setting of Speed Limits 2024
- Implementing new parking infringement fees and towage fees
- Waka Kotahi NZ Transport Agency indicative allocations for the 2024/27 National Land Transport Fund (NLTF).

[4] Activities in the operating environment of particular interest to the public or specialist transport interest groups across the Otago regional community include:

- Adoption of the Otago-Southland Regional Land Transport Plan 2021/2031 (RLTP) following a mid-term review
- E-signage Installation
- Completion and commissioning of Union Street premium bus stops
- The withdrawal of Ministry of Education school services in Queenstown.

RECOMMENDATION

That the Committee:

a) ***Notes** this report.*

DISCUSSION

Government Policy Statement on Land Transport 2024

[5] The updated and final document was issued on the 27th June 2024. It can be found online at Government-Policy-Statement-on-land-transport-2024-FINAL.pdf and is **attached** to this report.

Key points to note are –

- the direction for public transport investment has not changed – funding envelopes for public transport services and infrastructure remain the same;
- it includes extra funding for coastal shipping from rail (outside of NLTF);
- the funding for rail has been clarified; there is more protection of walking and cycling investment;
- the Roads of Regional Significance have been itemised and clarified; and
- the requirements for road safety promotion for Councils has been clarified.

Land Transport Rule: Setting of Speed Limits 2024

[6] In June the Transport Minister released the draft Land Transport Rule for public consultation. The consultation document is **attached** to this report. The consultation opened on the 13th June 2024 and closed on the 11th July 2024.

[7] The new rule seeks to wind back some of the changes made recently under the 2022 rule in relation to reduced speed limits. There are however some areas where it seeks to go further. The draft Land Transport Rule may conflict with the safety objective of the joint Otago Southland Regional Land Transport Plans. If approved as drafted, there is a risk that the RLTP objective will be compromised over time.[1]

[8] The rule contains proposals in 7 specific areas and there appears to be some inconsistency between the consultation document and the rule as drafted. The 7 areas proposed for change include:

- The requirement for cost benefit analysis for speed changes
- Strengthening consultation requirements
- Requiring variable speed limits outside school gates
- Introduction of a Ministerial Speed Objective
- Changes to speed limit classifications
- Updates to the Director's criteria for assessing speed management plans for certification
- Reversal of recent speed limit reductions (made since 1st January 2020).

[9] The new rule was discussed briefly by the Regional Transport Committee on the 24th June 2024 and it was agreed that the RTC Joint Chairs be given authority to approve a submission on behalf of the RTC. The approved submission is **attached** to this report.

[1] The 30 year RLTP objective for road safety seeks to prioritise high risk areas to create a safe transport system free of death or serious injury. The 10 year headline target for road fatalities is reduced seriousness and impact of road trauma.

[10] The submission recognises the role of speed management in providing for safety outcomes in the land transport system and responds to 6 of the 7 specific areas identified. The 2024 rule suggests new approaches to cost benefit analysis and consultation which are not consistent with other current NZTA or Local Government processes. The submission prefers that more discretion be left with Road Controlling Authorities in relation to applying variable speed limits around schools and that the Ministerial speed direction be relocated to other documents. The road classifications proposed appear ad-hoc and not aligned completely with other road classifications in the land transport system and that fixed date of 1st January 2020 deadline for speed limit reversal pre-dates the 2022 rule and will incur significant cost when community support has been previously demonstrated.

Implementing new parking infringement and towage fees

[11] On the 1st July2024 the Ministry of Transport completed targeted consultation with Road Controlling Authorities about new parking infringement and towage fees, and to understand if they could be implemented by 1st October 2024.

[12] Parking infringement fees have not been updated in at least two decades, with their value reducing over time. This has limited their ability to act as an effective deterrent and has created contradictions where it may be cheaper to pay a fine than the parking fee. According to the Reserve Bank of New Zealand's inflation calculator, over the corresponding time period, CPI has increased by 68% [2].

[13] Regional Passenger Transport Authorities were not directly consulted although it is worth noting that the proposal contained increased infringement fees for "Park vehicle of unauthorized class on reserved area," for example a bus stop. Such increases would be supported as a deterrent against vehicles parking on bus stops. Parking in bus stops can cause operational difficulties for the bus network and higher fees can be one tool to support a more efficient land transport system, provided there is appropriate enforcement support available.

Waka Kotahi NZ Transport Agency indicative allocations for the 2024/27 NLTF

[14] Otago Regional Council were advised of the indicative allocations for our continuous programmes on the 10th June 2024. The continuous programmes include funding for existing public transport services and infrastructure in Dunedin and Queenstown.

[15] For the Public Transport services activity class, an allocation of $94.765m was advised, which is 68% more than the allocation in 2021/24 National Land Transport Plan (NLTP) [which was $56.329m].

[16] For the Public Transport infrastructure activity class, an allocation of $1.959m was advised which is 23% more than the 2021/24 allocation of $1.594m.

Otago-Southland Regional Land Transport Plan (mid-term review)

[17] The mid-term review of the combined Regional Land Transport Plan was completed by the Regional Transport Committee on the 24th June 2024, following hearings in Dunedin

[2] The Consumer Price Index increase is over the last 20 years, being approximately the equivalent time period since infringement fees were increased.

and Invercargill. A separate paper to adopt the RLTP went to Council on 24 July 2024 and contains significantly more detail.

[18] The document was adopted by Environment Southland on 17th July 2024 and by Otago Regional Council on 24th July 2024, and the RLTP and the Land Transport investment tables were provided to NZTA by the 1 August 2024 deadline.

E-signage installation

[19] The installation of an e-stop at Queenstown Airport is now working well following its relocation to increase solar gain.

[20] The 10 e-stops to be installed by QLDC at the previously advised sites have been delayed whilst the required construction details are reviewed. However, two new 42" colour display screens are now in place at Frankton Hub to display real time information for routes which pass through this location.

[21] In Dunedin, two further e-stops have been installed and gone live at the Union Street East premium bus stop pair. A full list for roll out in Dunedin will be developed within the bus stop audit workstream reported elsewhere on this agenda.

[22] Staff monitor the daily battery capacity of the e-stops, to ensure their functionality especially in periods of low light. This process led to the e-stop at Queenstown airport being relocated and solar panels in Dunedin being rotated to deliver optimised charging.

[23] Work to install a wall mounted real-time screen at Te Kaika is progressing. The screen will display the live departure and arrival times of the nearest four bus stops, whilst also serving to promote connectivity between public transport and Te Kaika's shuttle services.

Union Street East Premium Pair Bus Stop

[24] Using Transport Choices funding, the Union Street East bus stops were completed in May 2024 and services started using the stops from 3rd June 2024. Due to the new stops, some nearby stops were decommissioned.

Photo 1: Union Street East premium bus stop pair (looking west from south side)

Photo 2: Union Street East Premium bus stop pair (looking west from north side)

Photo 3 : Premium bus stop pair (looking east from north side)

Queenstown – Ministry of Education school service withdrawal

[25] The Ministry of Education intends to withdraw some school services within the Wakatipu Basin in locations where a suitable public transport service is available.

[26] Exploratory conversations with the Ministry indicate that a phased withdrawal might be most appropriate. This withdrawal would coincide with ORC investment in Queenstown public transport as outlined in the Queenstown Public Transport business case which seeks to increase frequency and therefore capacity on most Queenstown routes.

[27] A phased process could consist of minor changes in the next 12 months, further changes subject to funding constraints in 2025/26 and 2026/27, and the completion of the process in the next National Land Transport Fund process and under new bus contracts for Queenstown.

South Island Regional Transport Committee Chairs Group (SI RTC)

[28] The SI RTC Chairs met on-line on Monday 8 July 2024, with updates provided by James Caygill on behalf of NZTA, and Gary Ikon on behalf of KiwiRail.

[29] Other presentations came from James Thompson on South Island priority routes following a significant earthquake; Richard Ball on the Canterbury road status reporting project and Tom Chretien on Understanding the South Island transport network vulnerabilities.

[30] Regional staff from across the South Island Regional and Unitary Authorities provided updates on work being undertaken to progress inter-regional transport options across

the South Island and "*The South Island Story*" which is work that will bring together a compelling case for investment in the South Island network as a whole.

[31] The draft minutes of the SI RTC Chairs meeting held on 8 July 2024 are attached.

CONSIDERATIONS

Strategic Framework and Policy Considerations

[32] This report does not raise strategic framework or policy considerations but the finalisation of the GPS and the resolution of the RLTP process have set revised parameters for ORC's transport activities. These will be referenced and adhered to in on-going and future activities such as the development of the Regional Public Transport Plan (RPTP).

[33] The Setting of Speed Limit Rule 2024 is likely to make Regional Speed Management Plans voluntary, all work relating to the process set out in the 2022 rule had been stopped.

[34] This paper provides oversight of a number of transport matters, which all contribute toward achieving the Strategic Direction of *Sustainable, safe and inclusive transport.*

Financial Considerations

[36] There are no direct financial considerations as this report is for information only. Now that the indicative funding allocations for the continuous programmes have been set by NZTA and the Council has completed the LTP process, budgets for the 2024/25 financial year have been able to be confirmed. The allocations for improvement projects will be known when the NLTP is published on the 1st September 2024.

Significance and Engagement

[37] The report does not raise issues of significance or engagement as it only for noting.

Legislative and Risk Considerations

[38] The report does not raise legislative and risk considerations.

Climate Change Considerations

[39] Public Transport supports the reduction of GHG emissions from transport across the region.

Communications Considerations

[40] Now that the process for mid-term review of the RLTP has been completed we will respond to each submitter. All RLTP information will be available on ORC's web page.

[41] A communication plan will be developed with the Ministry of Education in relation to the partial school service withdrawal in the Wakatipu Basin.

NEXT STEPS

[42] Further reporting to Council and the Committees on:

Update from the South Island Regional Transport Committee Chairs

- Minutes from any Regional Transport Committee meetings
- Updates about the Speed Setting Rule 2024
- Updates on Regional Passenger Transport Plan (RPTP) a separate report about this is elsewhere on the agenda and;
- Continued procurement and installation of e-signage.

ATTACHMENTS

1. Government Policy Statement on Land Transport 2024
2. Land Transport Rule: Setting of Speed Limits 2024
3. Submission from RTC on the Setting of Speed Limits Rule 2024
4. Draft Minutes of the South Island Regional Council Chairs meeting 8 July 2024

Government Policy Statement on land transport 2024-34

June 2024

Te Kāwanatanga o Aotearoa
New Zealand Government

Contents

Minister's Foreword

New Zealand's economic prosperity is underpinned by a transport network that enables people and freight to move around efficiently, quickly, and safely. This Government Policy Statement on land transport 2024 (GPS 2024), sets out the Government's ambitious land transport investment agenda, designed to boost economic growth and productivity, resilience, reliability, and safety.

The GPS 2024 outlines the Government's land transport investment priorities, and guides expenditure of over $7 billion from the National Land Transport Fund (NLTF), and around $1.5 billion from local government, each year.

This GPS sets the balance between investing in new projects and ensuring we maintain and repair our existing infrastructure. It focusses on achieving four key strategic priorities:

- Economic Growth and Productivity
- Increased Maintenance and Resilience
- Safety
- Value for Money.

As part of GPS 2024, we are embarking on a significant programme of new and improved land transport infrastructure. Core to this is the re-introduction of the successful Roads of National Significance programme, which was started under the previous National Government in 2009. A programme of Roads of Regional Significance is also included in GPS 2024 to direct investment towards vital transport links across the regions.

These investments will ensure that key connections are provided so that Kiwis can get to where they need to go, quickly and safely. These investments will also reduce congestion on our roads, provide low-emission transport options in our main cities, and create a more productive and resilient transport network, driving economic growth, and unlocking land for thousands of new houses.

This GPS reintroduces a focus on increasing economic growth and productivity as a priority for land transport expenditure. Including economic growth and productivity as the overarching strategic priority in this GPS will help to ensure we meet our full potential as a nation. Moving people and freight as efficiently, quickly, and safely as possible is critical to achieving these priorities. GPS 2024 brings about a significant change in focus, realigning transport expenditure to better support economic growth, and to ensure all New Zealanders are provided with a well maintained and reliable transport network.

We also recognise the importance of local and rural roads in connecting our communities and businesses to key routes, and the importance of ensuring the whole network is maintained to a reliable standard.

Maintaining the road network is a priority in GPS 2024. To fix the increasing number of potholes on our roads that has occurred in recent years, and to prevent further deterioration in roading quality, GPS 2024 increases road maintenance funding by $640 million, compared to the draft GPS released by the previous Government in

August 2023[1]. This additional funding is reflected in the newly established State Highway Pothole Prevention and Local Road Pothole Prevention activity classes, to ensure that funding is focussed on fixing this growing problem.

The targeted investments in Auckland and Wellington public transport will reduce congestion and help to unlock the potential of our main cities. This GPS will invest in public transport with up to $2.3 billion available for public transport services, and up to $3.1 billion available for public transport infrastructure over the next three years. Funding of $1 billion is tagged to accelerate Roads of National Significance and major public transport projects and $200 million is tagged for the Rail Network Investment Programme (RNIP).

Road safety is a responsibility we all share, and improving road safety in an efficient manner is a priority for this Government. Road deaths and serious injuries (DSIs) place a substantial burden on families, society, the economy, and the health sector each year.

GPS 2024 acknowledges these impacts and directs investment toward road policing and enforcement, fixing potholes and increasing the level of road maintenance completed on the road network to make our roads safer, and cost-effective infrastructure investments that will help to improve the safety of road users through safe infrastructure. Road safety investment is also directed to educating road users through road safety promotion.

GPS 2024 also includes investment to reverse recent speed-limit reductions, enabling people to get to where they need to go quickly and safely. This includes making it easier for the NZTA to increase speed limits to 110 km/h on roads that are engineered to that safety standard.

Ensuring that investment in transport is resulting in better outcomes is a key focus of GPS 2024. A significant amount of taxpayers' money will be invested in transport over the period of this GPS. This investment must deliver better outcomes for New Zealanders and for future generations of New Zealanders.

We also recognise the increase in pressures on the National Land Transport Fund (NLTF) and the need to increase revenue, with the GPS 2024 proposing to increase revenue by more than 30 percent over the coming three years. To help Kiwis through the cost-of-living crisis, we have also committed to not increasing Fuel Excise Duty (FED) or Road User Charges (RUC) rates during this term of government, instead supplementing the NLTF with significant Crown funding.

Delivering the Roads of National Significance and major public transport projects will require the use of alternative delivery models, and a broader range of funding options and financing models. The Government expects Public Private Partnerships (PPPs), and other opportunities to use private expertise and finance, will be considered for all major projects.

The Government is also signalling a number of system reforms we will implement in parallel with the delivery of this GPS. These reforms will provide more sustainable revenue, help contain costs and make it easier for delivery agencies to do their jobs. Key among the changes is a move to a 10-year National Land Transport Programme (NLTP), which will provide more certainty to local authorities and their commercial partners, and to the travelling public.

I expect that GPS 2024 will help build and maintain a transport system that is productive, resilient, and provides for economic growth.

Hon Simeon Brown
Minister of Transport

[1] This difference has been calculated at the midpoint of the funding ranges.

Section 1: Introduction to GPS 2024

The Government Policy Statement on land transport (GPS) sets out the Government's land transport strategy. This includes, among other things:

- what the Government expects to be achieved from its investment in land transport through the NLTF
- what the Government expects to be achieved from its direct investment in land transport
- how much funding will be provided and how the funding will be raised
- how it will achieve its outcomes and priorities through investment in certain areas, known as "activity classes" (e.g., the maintenance of state highways or road policing)
- a statement of the Minister's expectations of how the New Zealand Transport Agency (NZTA) gives effect to this GPS.

In this way the GPS influences decisions on how funding from the NLTF is invested (see Figure 1). It also provides direction to local government, KiwiRail and the NZTA on the type of activities that should be included in Regional Land Transport Plans (RLTPs), the RNIP and the NLTP respectively.

Local government, the NZTA, the New Zealand Police, KiwiRail, and other approved organisations under the Land Transport Management Act 2003 (the Act) can receive funding from the NLTF for the land transport activities they deliver, such as the construction and maintenance of state highways, local and rural roads, road policing, and public transport.

In turn, RLTPs must be consistent with the GPS. This means the direction and aims of the GPS have a direct influence on the funding that goes to regions and activities. The NZTA determines the specific activities funded from the NLTF based on the direction provided by the GPS.

A GPS is issued by the Minister of Transport (the Minister) under terms specified in the Act. This GPS (the Government Policy Statement on land transport 2024 (GPS 2024)), covers the financial period 2024/25 to 2033/34, and will take effect from 1 July 2024.

The Government recognises that one of the action items in the current Emissions Reduction Plan (ERP1), prepared under the previous Government, refers to *ensuring the next Government Policy Statement on Land Transport guides investment that is consistent with the emissions reduction plan*. Following the general election and a change of government in late 2023, the intended emissions reduction policies foreshadowed by the previous Government are being reassessed. For this reason, GPS 2024 has not undertaken the alignment exercise as anticipated in ERP1.

The Emissions Trading Scheme (ETS) is the Government's key tool to reduce emissions.

The Government acknowledges the emissions impact from the transport sector and that, in response to the ETS, steps need to be taken to reduce transport emissions in line with achieving emissions reduction budgets and the target of net zero emissions by 2050.

Public consultation is currently planned for mid-2024 on the second Emissions Reduction Plan (ERP2), with the Government proposing to complement the overarching ETS with several key transport policies – including supercharging electric vehicle (EV) charging infrastructure; continuing to apply the Clean Car Importer Standard; and its major public transport projects. The specific mix of policies and initiatives aimed at achieving the second emissions reduction budget, and net zero target by 2050, will be confirmed in ERP2 by the end of 2024.

Alongside GPS 2024, the Government is committed to doubling renewable energy through its Electrify NZ policy by removing red tape and regulatory constraints. The Government is also committed to delivering 10,000 public electric vehicle (EV) chargers by 2030, subject to cost benefit analysis. Doubling renewable energy and delivering a comprehensive, nationwide network of public EV chargers will reduce New Zealand's emissions by enabling the electrification of New Zealand's vehicle fleet.

GPS 2024 covers NLTF spending of over $22 billion across the next three years. Revenue to cover this expenditure comes from user charges such as Fuel Excise Duty (FED), Road User Charges (RUC), vehicle registration and tolls, and income from the sale and lease of state highway property. In addition, the NLTF is topped-up by direct funding from the Crown in the form of grants and loans.

Over the next decade, a significant portion of the NLTF is committed to maintaining and operating the system. This includes maintaining state highways, local and rural roads, continuing to deliver better public transport and maintaining public transport infrastructure, maintaining the rail network, promoting road safety, and road policing. The NLTF also needs to meet its debt repayment obligations – including payments for existing roads built through PPPs.

Figure 1. The role of the GPS in the land transport planning and funding system

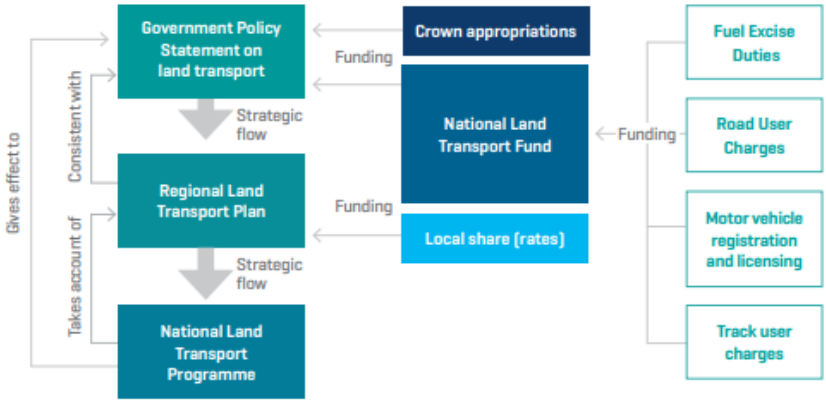


Figure 1. The GPS provides the strategic direction and sets the government funding contribution for Regional Land Transport Plans and the National Land Transport Programme.

The remainder of this document consists of:

Section 2: System Reform

Section 3: Strategic Priorities

Section 4: Investment in Land Transport

Section 5: Statement of Ministerial Expectations

Appendix A: Debt Repayment Schedule

Appendix B: Crown Investment Programme

Appendix C: Glossary/Definitions

Section 2: System Reform

Transport is a critical economic enabler, ensuring that people and goods can move efficiently and safely, and connecting people with both economic and social opportunities.

The Government's overarching priority for transport investment will be to support economic growth and productivity in the New Zealand economy.

The Government's goal for transport is an effective, efficient, safe, secure, accessible, and resilient transport system that supports the growth of our country's economy in order to deliver greater prosperity, security and opportunities for all New Zealanders.

This GPS will reshape the direction of transport investment in New Zealand, with a significant focus on building and maintaining our state highway network to help achieve these objectives.

New Zealand is facing an infrastructure deficit which has grown over time, due, in part, to the following factors:

1. The transport sector is facing significant cost increases resulting in the affordability of maintenance and new infrastructure projects becoming more challenging through the traditional funding models.
2. The usefulness of fuel usage as a proxy for road usage is rapidly diminishing, due to growing fuel efficiency of vehicles and the shift to EVs (Figure 2).
3. The current system is based on a pay-as-you-go model, where revenue is spent as it is raised, with limited access to long-term funding and financing tools. Long-term funding and financing tools are used overseas to build transport infrastructure.
4. Consenting and property acquisition for major infrastructure projects has become more challenging, adding significant costs and delays to projects.

For example, the Mount Messenger project in Taranaki has been the subject of repeated litigation relating to consenting and property acquisition. The result has been cost increases, uncertainty for affected residents and a postponing of the benefits that will arise once the much-needed project is complete.

Figure 2. Vehicle Kilometres Travelled (VKT) vs. fuel consumption

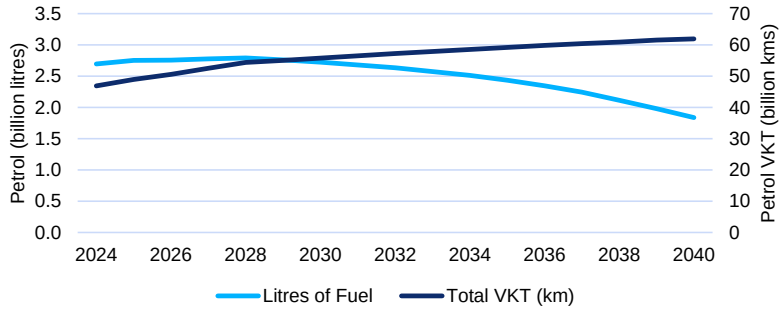


Figure 2. Total petrol consumption is forecast to decrease, despite a continuing increase in road travel distances, due to an increase in the fuel efficiency of vehicles and the shift to electric vehicles.

Source: *Ministry of Transport NLTF revenue model*.

The Government will be undertaking major reforms to address these challenges with the Ministers of Transport, Infrastructure, and Regional Development working closely together to establish a new framework for investment in New Zealand's infrastructure, delivering on the Government's objectives.

These reforms include:

1. Once established, the National Infrastructure Agency (NIA) will work closely with the NZTA and KiwiRail to develop a 30-year plan for transport infrastructure in New Zealand and connect local and offshore investors with transport projects. These projects will include the Roads of National Significance, major public transport projects, and other transport infrastructure which are identified as part of the Government's long-term infrastructure plan. This GPS requires the NZTA to consider alternative funding and financing arrangements for all new infrastructure projects to ensure that New Zealand delivers more infrastructure sooner.
2. Fast tracking of consents for major infrastructure projects. Legislation is already underway to provide fast-track consenting approvals. The changes are expected to support the major transport projects within this GPS, including the Roads of National Significance and rapid transit projects. This is a significant step change which means confidence is provided to the construction sector to invest in the capability and equipment needed to deliver these projects.
3. Making it easier to sell land that is no longer required for transport purposes.
4. Rapidly advancing reforms to the NLTF's revenue system. The first step of this is already underway, with light electric vehicles required to pay RUCs from April 2024. The next steps include requiring all road vehicles to move from FED to RUC, which is a fairer way of charging for road use based on weight and distance. As part of these reforms, we will reform tolling legislation and allow for time-of-use charging on the most congested parts of New Zealand's road network, helping to reduce congestion and maximise use of existing assets. Technology will be a critical enabler of these reforms. We expect to advance these reforms over the course of this GPS. Legislative changes will be required to achieve these reforms. The Minister of Transport expects to announce next steps on the future of the revenue system by the end of 2024.
5. Amending the Land Transport Management Act to require future Government Policy Statements on land transport to adopt a 10-year investment plan, bringing it into alignment with local government Long Term Plans (LTPs), and providing the NZTA Board with greater confidence and certainty to invest in long-term projects and deliver on a long-term transport infrastructure pipeline.
6. Restoring the credibility of the ETS. The ETS is the Government's key tool to reduce emissions. The Government is committed to reestablishing a strong and stable ETS after the failed auctions in 2023, which were caused by policy uncertainty and changes to the ETS auction settings. Other matters relating to climate change/emissions reduction issues are being worked through and will be addressed during development of the ERP2. The specific mix of policies and initiatives aimed at achieving the second emissions reduction budget, and net zero target by 2050, will be confirmed in ERP2 by the end of 2024.

Section 3: Strategic Priorities

The Government has four strategic priorities which this GPS will deliver against:

- Economic Growth and Productivity
- Increased Maintenance and Resilience
- Safety
- Value for Money.

The Economic Growth and Productivity strategic priority is the overarching strategic priority for the direction of this GPS. Increased maintenance and resilience, safety and value for money are all equally weighted and important priorities that collectively support the delivery of a transport system that drives economic growth and productivity.

Strategic Priority: Economic Growth and Productivity

The Government's overarching priority for investment through this GPS is to support economic growth and productivity. Efficient investment in our land transport system connects people and freight quickly and safely, supporting economic growth and creating social and economic opportunities including access to land for housing growth.

Core to this priority will be the re-introduction of the Roads of National Significance programme, which was started under the previous National Government in 2009, as well as investment in Roads of Regional Significance. The Government will also invest in major public transport projects alongside local government to deliver more travel choices and reduced congestion in our major cities.

The NZTA Board is responsible for approving and declining funding for particular projects or combinations of projects. The Roads of National Significance and Roads of Regional Significance listed in GPS 2024 are priorities for the Government and may be considered for funding by the NZTA Board. These priority projects are not an exhaustive list of projects that may be considered for funding by the NZTA Board.

Strategic investments in land transport, including the Roads of National Significance, combined with better use of existing infrastructure, will boost New Zealand's long-term growth prospects, and improve housing affordability – making a material difference to our nation's standard of living.

New Zealand has among the least affordable houses in the world, the result of a persistent undersupply of houses. New Roads of National Significance, Roads of Regional Significance, and major public transport projects will unlock access to greenfield land for housing development and support greater intensification to ultimately improve housing supply, choice and affordability.

These investments will also bring benefits for national economic growth and productivity, particularly given that state highways carry most of New Zealand's inter-regional freight and link major ports, airports and urban areas. The expectation is that land transport funding will be directed into projects and activities that will support improved productivity and economic growth. The transport sector supports economic growth and productivity by providing quality transport connections, which enable goods and people to reach their destinations efficiently.

Optimising the use of existing networks and services to deliver an appropriate level of service for users will be critical. In addition, improving the productivity of the transport system, to help manage flows and congestion, will be important to allow users to make decisions in real time.

It is expected that part of this optimisation will lead to greater use of digital infrastructure and information systems to improve productivity in the transport system, particularly in the management of New Zealand's supply chain.

Road pricing, such as tolling and time of use charging, will play a key role in the delivery of the Roads of National Significance programme, as part of a wider package of transport revenue and investment tools.

Tolling provides an opportunity for an additional source of revenue and will support infrastructure which provides reduced travel times compared to alternative routes. Time of use charging will improve travel times and network performance, reducing overall costs for freight businesses and their customers.

Investments in rail should be focused on the busiest and most productive parts of the existing rail network, to support efficient movement of freight. This will complement investment in our state highway network to deliver a productive and efficient supply chain. Investment in metro passenger rail networks will also support the efficient movement of people in Auckland and Wellington.

Roads of National Significance

The Government will reintroduce the successful Roads of National Significance programme to achieve its strategic priorities. The Roads of National Significance are some of New Zealand's most essential state highway corridors that require significant development and investment that, when complete, will reduce congestion, improve safety, support housing development to address New Zealand's ongoing housing crisis, boost economic growth, and provide a more resilient roading network. To maximise the benefit of the Roads of National Significance programme, projects will be well integrated with wider transport networks and land use plans.

The New Zealand Institute of Economic Research (NZIER) carried out a report that was focussed on two proposed Roads of National Significance, Warkworth to Wellsford and Cambridge to Piarere, finding significant economic benefits with these projects. The report found that, once operational, each of these projects would contribute up to $500 million a year to New Zealand's GDP[2].

All Roads of National Significance will be four-laned, grade-separated highways, and all funding, financing and delivery options should be considered to deliver them in stages and as quickly as possible. The Government further expects that the NLTF can be used to fund the development of future Roads of National Significance.

The Government expects that the NZTA will prioritise these strategic corridors in the development of the NLTP given their importance, alignment and impact on the Government's wider programme and the Government's focus on returning the NZTA to its core statutory activities and particularly, for this GPS period, maintaining and developing the state highway network.

The Roads of National Significance include:

Whangarei to Auckland, with the following stages prioritised**:**

- alternative to Brynderwyns
- Whangārei to Port Marsden
- Warkworth to Wellsford.

Tauranga to Auckland, with the following stages prioritised**:**

- Cambridge to Piaere
- Tauriko West State Highway 29.

Auckland roads:

- Mill Road
- the East West Link.

Roads to unlock housing growth:

- Hamilton Southern Links
- Petone to Grenada Link Road and the Cross Valley Link
- North West Alternative State Highway (SH 16).

Other major routes:

- Takitimu Northern Link Stage 1*
- Takitimu Northern Link Stage 2
- Hawke's Bay Expressway
- Otaki to North of Levin*
- Second Mt Victoria Tunnel and Basin Reserve upgrade
- the Hope Bypass
- the Belfast to Pegasus Motorway and Woodend Bypass.

**These projects are Crown funded and should not be considered for additional funding.*

More detail on the Roads of National Significance can be found in Appendix B.

Further Roads of National Significance may be added over time.

[2] NZIER. *State highway network investments, Assessing the wider economic benefits – NZIER report to Northern Infrastructure Forum.* August 2023.

Roads of Regional Significance

The Government is committed to investment in a number of Roads of Regional Significance, which represent a region's most essential corridors that will reduce congestion, improve safety, support housing development, boost economic growth, and provide a more resilient roading network within a region.

The Roads of Regional Significance include:

- O Mahurangi – Penlink*
- Waihoehoe Road*
- State Highway 1 Papakura to Drury Improvements*
- State Highway 1 / 29 Intersection*
- State Highway 58 Improvements Stage 2*
- State Highway 2 Melling Transport Improvements*
- Canterbury Package – Rural Intersections*
- Canterbury Package – Rolleston Upgrade*
- Canterbury Package – Halswell*
- Second Ashburton Bridge
- Queenstown Package*

**These projects are Crown funded and should not be considered for additional funding.*

The Government is also completing pre-implementation of the Canterbury Package – Brougham Street and SH22 Drury projects. Further Crown funding for these projects is subject to funding availability once the Roads of Regional Significance project costs are confirmed. These two projects may be considered for inclusion in the NLTP if they deliver on the objectives of this GPS.

More detail on the Roads of Regional Significance can be found in Appendix B.

Further Roads of Regional Significance may be added over time.

Commitments to other projects

The Government has identified a number of other projects it wants to progress in this GPS period. These include:

- projects that improve resilience and support the cyclone and flood recovery for the East Coast and Central North Island
- investment in resilience for a number of critically important bridges in the South Island.

The Government will continue with identified projects that will be delivered outside of the NLTP through direct Crown and other funding approaches. Those priority projects previously funded through the Regional Fuel Tax, will be considered eligible for funding from the NLTF. The remaining Regional Fuel Tax revenue will be used to fund the Eastern Busway, local road improvements (e.g. Glenvar Road and Lake Road) and Electric Trains and Stabling.

A list and map of the major transport projects the Government will deliver is contained in Appendix B.

Additional Waitematā Harbour Connections

The Government is committed to delivering an additional crossing that, at a minimum, provides for additional road connections between Auckland's North Shore and the central business district (CBD). It will seek to reduce the upfront cost of this project to taxpayers by tasking the NZTA with identifying options for private funding, including through equity financing and value capture mechanisms.

Projects for further investigation

The Government expects the NZTA will continue to plan and develop the state highway network to reduce congestion, drive economic growth, and increase safety and resilience. The NZTA should work with the wider transport sector to make progress on projects that deliver on these objectives.

Public Transport

Effective public transport provides commuters with more choice and helps to reduce travel times, congestion, and emissions. Under GPS 2024, existing public transport services will continue to be funded where they are cost effective, achieve value for money, and achieve the expected outcomes of less congestion and increased patronage.

This GPS also includes investment in a number of major public transport projects that will deliver better public transport options for commuters, particularly in the main centres of Auckland and Wellington.

A key focus of this strategic priority will be the completion of the City Rail Link and Eastern Busway in the next three years. Alongside this work, planning will also be undertaken in the next three years for the delivery of the Northwest Rapid Transit Corridor and the Airport to Botany Busway.

The major public transport projects include:

- completion of the City Rail Link
- completion of the Eastern Busway
- Northwest Rapid Transit corridor
- Airport to Botany Busway
- Lower North Island Rail Integrated Mobility[3]

The Government expects the NZTA to consider:

- alternative funding sources to deliver major public transport investments, including 'Build, Own, Operate, Transfer' schemes and value capture
- new ways of thinking and different delivery models to increase delivery speed.

These major public transport projects will support urban development and housing growth, which allows for increased public transport choice, building on the investment already made in the City Rail Link in Auckland and the additional trains to be introduced in Wellington later this decade, and the acceleration of Wellington's North-South, East-West, and Harbour Quays' bus corridors. The Government is funding KiwiRail to deliver network repairs and upgrades to ready the network for these major improvements. Completing Auckland's Rail Network Rebuild and upgrading Wellington's rail network substations are priorities for the Government.

[3] The Lower North Island Rail Integrated Mobility project is forecast to be funded from a combination of Crown grants, NLTF and Local Share contributions.

There has been a 71 percent increase in Crown/NLTF funding for public transport over the past 5 years (Figure 3). However, between 2018/19 and 2022/23, patronage has decreased by 23 percent. This has partly been caused by COVID-19 restrictions, but numbers had not increased back to pre-COVID restriction levels.

There has also been a significant decrease in the private funding for public transport (fare revenue and third-party funding). Private funding was able to fund 40 percent of public transport in 2016/17, in 2022/23 it funded less than 10 percent of the total cost.

Increased public transport fare-box recovery and third-party revenue will be expected from local government.

Figure 3. Local, private and NLTF/Crown shares of public transport services and infrastructure funding

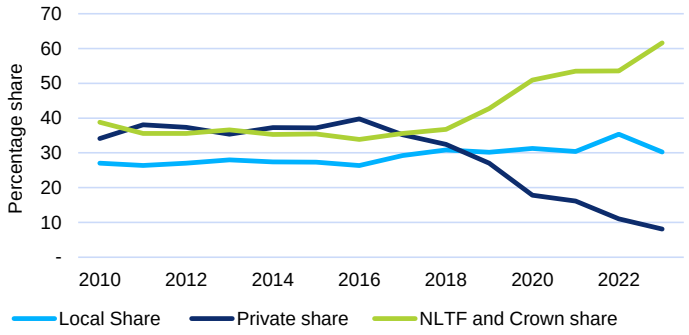


Figure 3. The private share of public transport costs has been falling since 2016/17. In 2022/23, the private share of public transport costs was less than 10 percent.

Source: *NZTA*

Rail

Rail plays a role in moving large volumes of goods between major cities and regions, particularly within the Auckland, Hamilton and Tauranga triangle which carries high freight volumes between these centres. This Government will continue to invest in the national rail freight network to support the overall objective of economic growth and productivity while also ensuring that this investment delivers value for money to taxpayers.

KiwiRail has received over $6 billion in Crown funding over the past 10 years, the split between capital and operating expenditure is shown in Figure 4 below.

Most of this funding has been used to progress large capital projects, including new rolling stock, Crown funded projects, and the South Island Mainline reinstatement.

In recent years, KiwiRail has also received a significant amount of operating funding from the Crown for its RNIP.

The Crown funding for rail over 2024-27 is outlined in detail in Table 6.

Figure 4. Crown funding of rail capital expenditure (Capex) and operating expenditure (Opex) between 2014 and 2023

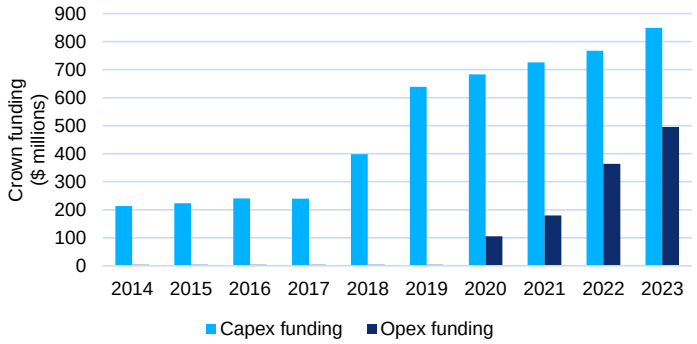


Figure 4: Recent years have seen large increases in the amount of Capex and Opex invested by the Crown into rail.

Source: *The Treasury.*

In recent years, despite a significant increase in investment in the national rail freight network, which included cross-subsidisation of the network by road users, the amount of freight being moved via rail has continued to decline (Figure 5).

Over the past six years there has been almost $2.5 billion in Crown funding invested but rail freight (net tonne kilometres) is lower now than it was in 2012. This Government's focus will be to invest in maintaining the network between the busiest and most productive parts of the existing rail network – between Auckland, Hamilton, and Tauranga. While rail freight network investments will remain within the GPS, investment in the rail freight network will no longer be cross-subsidised from revenue generated from road users. It is unfair to ask people using the roads to fund rail infrastructure. Rail investments will continue to be supported and funded through the RNIP, as agreed by Cabinet. Track User Charges paid by rail users will be used to support these investments.

Figure 5. Total Crown investment in rail freight and freight tonnage

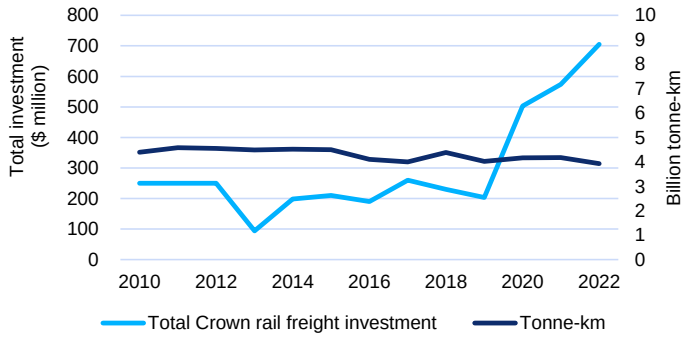


Figure 5: The amount of rail freight has been in steady decline despite significant Crown investment. Crown investment in rail compared with tonnage carried (2012/13-2022/23).

Source: *Ministry of Transport/ KiwiRail.*

Walking and cycling

Investment in walking and cycling should only take place where there is either clear benefit for increasing economic growth or clear benefit for improving safety and where there is an existing or reliably forecast demand for walking or cycling.

Investment in walking and cycling is expected to make a contribution to economic growth and productivity. To achieve this, project specifications should take a "no frills" approach and funding should be directed to reducing congestion and/or improving pedestrian safety.

Consideration should be given to concentrating investment in fewer more targeted areas, rather than investing in broader areas with a lower overall level of return.

The Government expects that walking and cycling investment will undergo robust consultation with community members and business owners that could be affected by the investment, prior to any investment decisions being made.

Investment in walking and cycling is expected to primarily come from the Walking and Cycling activity class, including investment in maintaining the existing walking and cycling network.

Strategic Priority: Increased Maintenance and Resilience

New Zealand needs a transport system that is resilient to the impacts of weather events and other natural disasters. Increasing maintenance and resilience enables us to effectively manage and reduce current and future risk, and adapt to these challenges.

Increasing maintenance levels and improving resilience on our state highways, local and rural roads is critically important in achieving the Government's overall objective of supporting economic growth and productivity.

Access to markets is essential and this means having a resilient network that is well maintained.

New Zealand has faced significant challenges in recent years with weather events and the Christchurch and Kaikōura Earthquake rebuilds, which have highlighted the need for a focus on resilience of the roading network. Increasing maintenance outcomes is critically important, as well as adopting a more proactive approach to maintenance, to achieve a more reliable network for individuals and businesses to be able to rely upon.

Potholes have become increasingly apparent on our roading network in the past five years.

While road maintenance funding has increased significantly, the amount of rehabilitation and resealing has not (Figures 6 & 7).

Figure 6. Maintenance funding trends – State Highways

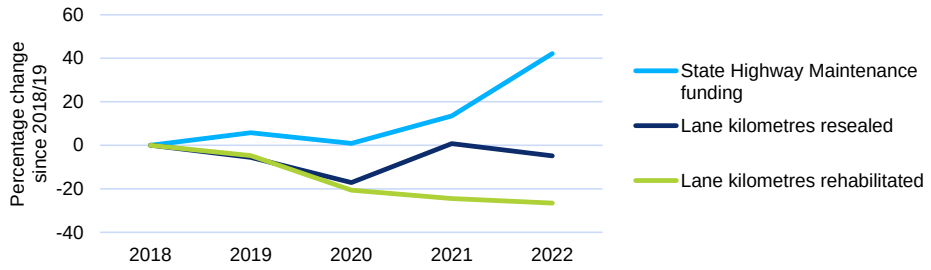


Figure 6. The amount of state highway rehabilitation and resealing has not increased, despite an increase in funding. State highway maintenance funding, excluding emergency works 2018/19 – 2022/23.

Source: *Ministry of Transport/NZTA.*

Figure 7. Maintenance funding trends – Local Roads

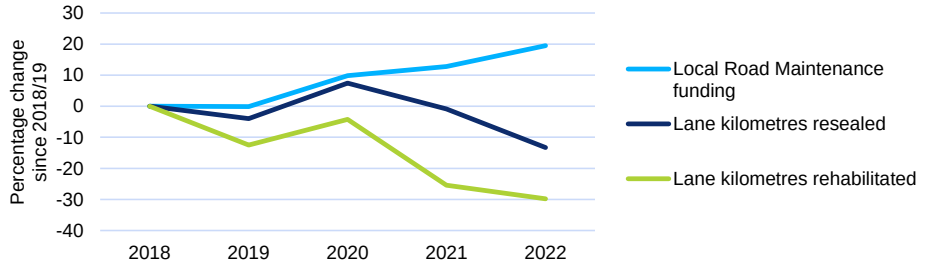


Figure 7. The amount of local road rehabilitation and resealing has not increased despite a significant increase in funding. Local Road maintenance funding excluding emergency works 2018/19-2022/23.

Source: *Ministry of Transport/NZTA.*

This GPS takes a new approach. GPS 2024 increases road maintenance funding by $640 million, compared to the draft GPS released by the previous Government in August 2023[4], and this Government will be requiring road maintenance to be undertaken with a proactive rather than reactive approach.

GPS 2024 establishes new activity classes to ensure that maintenance funds are prioritised and ringfenced to fix potholes, and to prevent potholes by ensuring that state highways, local and rural roads are maintained to a higher standard. The State Highway Pothole Prevention and Local Road Pothole Prevention activity classes will ensure that maintenance funds are prioritised and ringfenced, with clear outcomes that must be achieved by both central and local government. Funding from these activity classes will only be available for the following activities: road resealing, road rehabilitation and drainage maintenance.

GPS 2024 introduces a new expectation for the NZTA to consider tolling to support the construction and maintenance of all new roads, including the Roads of National Significance. Increased tolling on new roads will protect existing funding in the NLTF for maintaining existing roads.

Due to the deterioration of the road network, the Government will appoint independent members to the Road Efficiency Group (REG), started by the previous National Government, and refocus it on ensuring that all investment in maintaining and improving resilience on the state highway, local and rural road network is spent in the most efficient manner. It is not acceptable that while funding for road maintenance activities has increased, the real outcomes on our road network continue to worsen.

The REG will have a number of key focus areas:

- finding efficiency in road maintenance spend to deliver more for road users and taxpayers' investment.
- standardising maintenance protocols and processes to find efficiency where efficiencies can be found.
- supporting the NZTA in reducing expenditure on temporary traffic management, which is adding significant cost to road maintenance and reducing efficiency of the spend.
- supporting the NZTA in reviewing Network Outcome Contracts in line with the NZTA's focus on achieving long-term maintenance outcomes of 2 percent rehabilitation and 9 percent resurfacing per year, ensuring a proactive approach to road maintenance.

Contract review will also include increased requirements to fix potholes on our state highway network within 24 hours to increase safety on our roads.

The exact scope and role of the refocused REG will be developed and approved as part of the new Performance and Efficiency Plan. This will ensure activities and functions are aligned to drive better accountability, delivery and value for money from our transport investments.

Recovering from the North Island Weather Events of 2023

Budget 2024 has provided an additional $940 million to fully fund the state highway recovery works in areas affected by the North Island Weather Events (NIWE), and top-up funding to continue local road response and recovery works. This is on top of the $1.991 billion[5] of Crown funding that has already been provided for state highway, local road, and rail network response and recovery activity.

[4] This difference has been calculated at the midpoint of the funding ranges.
[5]This is made up of, $1,263 million of Crown funding provided to the NLTF and $495 million of direct Crown funding for state highway and local road recovery and response, and $233 million of Crown funding for the Rail response.

Strategic Priority: Safety

A safe transport system is critically important. The steady decline in deaths and serious injuries we observed between the 1980s and early 2010s has slowed over the past decade.

Road deaths and serious injuries place a substantial burden on families, society, the economy, and the health sector each year, with significant direct costs incurred by the Accident Compensation Corporation (ACC) and other parties.

The Government expects that the NZTA will make efforts to reduce barriers for third-party investment into road safety, including enabling third-party and market-based funding and delivery of safety initiatives and research. As part of this, the Government expects that the NZTA will make efforts to facilitate contributions from ACC to investments which improve road safety and to support ACC's injury prevention functions.

There are examples of investments made by ACC, including investment in the Transmission Gully motorway and in motorcycle safety. The Government expects to see this approach extended further in all areas where investment by ACC will result in safety improvements that meet ACC's statutory criteria for investment.

Poor road user choices affect everyone on the road. Alcohol and drugs are the leading contributors to fatal crashes in New Zealand (Figure 8), but only 26 percent of drivers think they are likely to be caught drug driving, and only 60 percent of people think they are likely to be caught drink driving. 27 percent of drink-drive offenders are repeat offenders. Similarly, wearing a seatbelt during a crash doubles the chances of surviving a serious crash, yet each year over 80 people die in crashes not wearing a seatbelt. Every year, around 67,000 people are disqualified from driving, and about 8,700 a year are prosecuted for driving while disqualified. Between 2008 and 2017, 113 people were killed in crashes involving disqualified drivers.

Investment towards road policing and enforcement is a priority in GPS 2024 as it is one of the most important tools for improving safety on New Zealand's roads. It is expected that investment will be directed towards road policing and enforcement, alongside investment in other safety interventions such as building safer infrastructure, investing in safer drivers, and requiring safer vehicles.

Figure 8. Deaths in crashes involving alcohol or drugs

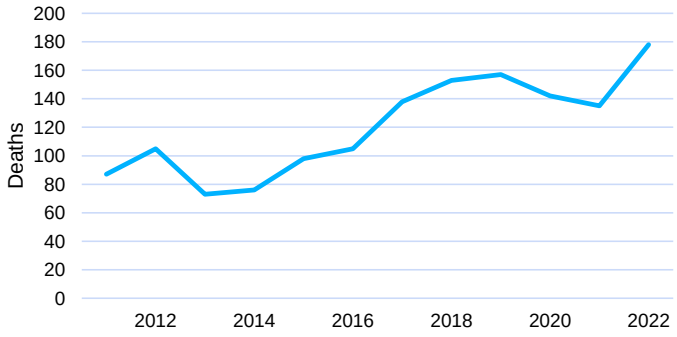


Figure 8. The number of crash deaths involving alcohol or drugs continues to increase. Deaths in crashes involving alcohol or drugs 2011-2022.

Source: *Ministry of Transport*

Police play a significant part in helping to make New Zealand roads safer through rigorous enforcement of the traffic laws including alcohol/drug and speed regulations, promoting good driving practices, and road safety education. The Government expects Police to provide sufficient enforcement levels of traffic laws to achieve specific, as well as general, deterrence aims. The Government also expects Police to identify high-risk drivers and proactively intervene to reduce opportunities for offending. Vehicle technology can also play a role, such as mandatory alcohol interlocks for the most severe offenders and improved automated enforcement.

Most of the financial penalties and demerit point levels for offences have not been reviewed since the Land Transport (Offences and Penalties) Regulations were set in 1999. As a result, a number of these penalties are too low to deter unsafe behaviour. The infringement fees, in particular, are significantly lower than the equivalent fees in overseas jurisdictions.

For example, almost all jurisdictions in Australia, the United Kingdom and Canada have higher penalties for not wearing a seatbelt compared to New Zealand. Bringing our penalties in line with Australia would require nearly tripling the infringement fee, while also adding demerit points.

Delivering safe roading infrastructure is also critically important for improving road safety. GPS 2024 supports investment in safe roading infrastructure by fixing potholes and increasing the level of road maintenance completed on the road network, while also investing in new and safe Roads of National Significance and Roads of Regional Significance.

Delivering improvements to level crossings, like installing safety barriers on rural roads and separating roads from rail in busy metropolitan networks, are a key safety priority for road and rail infrastructure to be funded by the NZTA, KiwiRail's RNIP, and local councils.

Building and upgrading road infrastructure to higher safety standards has a significant impact on improving road safety. Independent analysis has found the construction of eight new bypasses, between January 2009 and December 2016, resulted in up to a 37 percent reduction in deaths and serious injuries across those roads.

Safety interventions should be retrofitted on high crash areas of the network, where they provide value for money and would materially improve road safety. The Government expects that there will be greater focus on cost effective treatments that achieve efficiency, and the views of affected road users and local communities. For example, it is expected that there will be greater use of rumble strips across the state highway, local and rural road networks.

The Government will be introducing a new set of objectives and intended actions for road safety that will focus on safer roads, safer drivers and safer vehicles. These will maintain as their foundation the internationally recognised Safe System approach that encourages improvements in the roading system to recognise that people make mistakes, and that the system should be forgiving and reduce the likelihood of death and serious injury when crashes occur. The Safe System approach is best practice and has been the basis of New Zealand's road safety strategy since 2010.

However, the Government will rebalance the Safe System approach, particularly around resetting the approach to speed, to ensure that:

- road safety is delivered in an efficient and cost-effective manner
- public sentiment and acceptability are considered more directly.

The Government will make a number of reforms to improve road safety during the timeframe of this GPS. These reforms will be targeted towards the highest contributing factors in fatal road crashes. We will:

- enact legislation to rollout roadside oral fluid drug testing and set targets for Police to undertake 50,000 roadside oral fluid tests per year once the new regime is in place
- increase central government's focus on drink driving and set targets for Police to undertake at least 3.3 million roadside alcohol breath tests per year, towards a target of 3.5 million tests per year
- review penalties for traffic offences including consideration of indexing the value of infringements to inflation
- review the vehicle regulatory system to (among other objectives) enable better management of the safety performance of the vehicle fleet, reduce regulatory burdens, and ensure our domestic rules are fit for purpose
- invest in road policing and road safety promotion to ensure an appropriate level of enforcement while promoting safer driving.

While speed is a contributing factor to safety outcomes on our roads, the Government will not be continuing with a blanket approach to reducing speed limits. Instead, we will be focused on improving road safety by building safer infrastructure, investing in safer drivers, and requiring safer vehicles.

We will replace the Land Transport Rule: Setting of Speed Limits 2022 with a new rule that requires Road Controlling Authorities to reverse blanket speed limit reductions by 1 July 2025. Funding for reversing speed limit changes will be a priority for GPS 2024. As part of this NZTA will consider the efficient delivery of changes, such as possible centralised procurement for new signs.

The new speed rule will enable speed limit reductions to focus on areas with high safety concerns. Where subsequent safety investments are made, speed limits should be restored to prior speed limits. We will also continue to prioritise the safety of young New Zealanders outside schools. Variable speed limits will be required outside of school gates at pick up and drop off times.

Strategic Priority: Value for Money

There has been a significant increase in investment in transport in recent years, however, this is not translating to better outcomes.

GPS 2024 will invest $22 billion into the transport network, which is a significant amount of road user and taxpayer money. This investment must deliver better outcomes for present and future generations of New Zealanders. The Government wants to realise greater value from the financial investment made into our land transport system, and this is why value for money is a strategic priority guiding all transport investments under this GPS.

As set out in the Ministry of Transport's Value for Money assessment model, to get the most from limited resources it is necessary to demonstrate both efficiency and effectiveness while delivering the intended outcomes. Value for money is not just about seeking the lowest initial cost for a project – it must take the whole of life costs and benefits of a project into consideration.

The NZTA, as the Government's delivery agent, will continue to take a leading role in securing improved effectiveness and efficiency within the priorities for investment established by the Government. This means a key focus on value for money in all parts of the transport sector.

The following are key elements of this Government's focus on improving value for money from transport investment:

- the NZTA will be expected to reduce its head office expenditure by 7.5 percent, with those savings reinvested into delivering against the GPS objectives
- increased public transport fare box recovery and third-party revenue will be expected from local government
- reduced expenditure on temporary traffic management, while maintaining the safety of workers and road users
- a focus on outcomes in road maintenance investment to deliver smoother and more reliable journeys for New Zealanders
- a review of road safety investment to be undertaken to ensure investment is focussed on efficient changes, which make improvements to the roading network at the lowest cost
- making better use of existing assets by allowing time of use charging or the use of dynamic lanes in main cities to manage demand
- a focus on whole-of-life costs to maximise long-run value
- making better use of new or existing digital infrastructure and information systems where they support the strategic priorities of this GPS by reducing the cost of physical infrastructure delivery and operations and resolve or replace existing solutions at better value for money
- investigating opportunities for NZTA to run collaborative and/or centralised procurement functions with local government, including centralising the procurement of speed signs.

All entities involved in providing for the land transport system need to work together to improve the system's performance.

Outcomes the Government expects will be achieved by this GPS

The 2024-27 NLTP and corresponding RLTPs are expected to prioritise projects and activities that progress the GPS 2024 priorities. In doing this, the focus should be on achieving the following impacts in the short to medium-term:

Economic Growth and Productivity

- reduced journey times and increased travel time reliability
- less congestion and increased patronage on public transport
- improved access to markets, employment and areas that contribute to economic growth
- more efficient supply chains for freight
- unlocked access to greenfield land for housing development and supporting greater intensification.

Increased Maintenance and Resilience

- more kilometres of the road network resealed and rehabilitated each year
- fewer potholes
- a more resilient road and rail network.

Improved safety

- reduction in deaths and serious injuries
- increased enforcement.

Value for Money

- better use of existing capacity
- less expenditure on temporary traffic management.

Section 4: Investment in Land Transport

This section describes how different funding and financing sources will contribute to land transport investments and it sets expenditure limits, including NLTF activity class funding ranges.

Revenue

Central and local government are partners in planning, building, maintaining, improving, and funding land transport infrastructure and activities. Some activities, like state highway activities, road policing and training and research, are fully funded by central government. However, if the activity aligns with the GPS priorities and is included in the NLTP, it will receive co-funding from central government according to the relevant funding assistance rate. Sources of the local government funding share for land transport activities include rates, development contributions, borrowing and investments. The local funding share is not included in the GPS.

National Land Transport Fund

Funding for the NLTF for 2024/25-2026/27 will come primarily from:

- FED, RUC and motor vehicle registration and licensing fees
- direct Crown funding in the form of grants and loans.

There will also be some contributions from other sources such as tolling, track user charges and the rental or sale of land.

The annual licensing fee component of Motor Vehicle Registration (MVR) hasn't been increased since 1994. Inflation since that time has reduced the real value of this NLTF contribution by a half. The Government is now proposing to increase MVR by $25 in January 2025, and a further $25 in January 2026 to return MVR to the 1994 level, in real terms. This will increase the annual cost of MVR in 2026 by $50 for most vehicles, $28 for motorcycles, trailers and ATVs and $16.50 for mopeds. The increase in MVR will add approximately $590 million to the NLTF over the years 2024/25-2026/27.

Table 1. NLTF funding sources 2024/25-2026/27

NLTF Funding Source	Amount ($ billion)
FED/RUC/MVR	13.8
Crown grant – capital expenditure	3.1
Crown loan	3.1
Crown funding for rail	0.8
Crown grant held in tagged contingency for the NLTP	1.0
Crown grant held in tagged contingency for the RNIP	0.2
Total revenue	**22.0**

The MVR increase and Crown grant reflect our commitment to replace the revenue from fuel tax increases with an equivalent commitment, which provides the revenue stream required for repayment of the loan facilities. On an annual basis the expected revenue from all sources is as shown in Table 2.

The Government plans to return to the previous practice of regular FED and RUC increases from January 2027. The funding profile in Table 2 assumes increases of 12 cents per litre in January 2027, a further 6 cents per litre in January 2028, followed by a 4 cent per litre annual increase starting in January 2029.

As is shown in Table 2, these increases are not in themselves sufficient to fully replace the fixed term funding top-ups that will be provided by the Government over the first three years.

The Government is very aware of the need to address this potential reduction in funding. We are initiating policy work to determine the tools required to meet our future revenue needs and provide a predictable and sustainable revenue outlook. This is likely to include road pricing alternatives, time of use charging and the transition of all vehicles to RUC.

Table 2. NLTF annual funding 2024/25-2029/30

	2024/25 $m	2025/26 $m	2026/27 $m	2027/28 $m	2028/29 $m	2029/30 $m
NLTF revenue	6,850	7,350	7,800	6,600	6,950	7,250

Expenditure

Table 3 shows the expenditure target (the expected level of expenditure) along with the maximum and minimum range for NLTP expenditure for the first three years of this GPS.[6]

The total level of funding represents a balance between achieving the Government's expected impacts set out above, and the level of revenue that can be raised.

Table 3. Expenditure targets and ranges 2024/25-2029/30

	2024/25 $m	2025/26 $m	2026/27 $m	2027/28 $m	2028/29 $m	2029/30 $m
Expenditure target	6,400	6,850	6,850	5,950	6,500	6,750
Maximum expenditure	6,700	7,150	7,150	6,250	6,800	7,050
Minimum expenditure	4,850	5,200	5,150	5,750	6,300	6,550

[NB. Current funding profiles show the inclusion of $1 billion p.a. of potential grant or debt funding from 2027/28 onwards. Treasury, the Ministry of Transport and NZTA are working on options around this additional $1 billion.]

[6] The differences between NLTF revenue and the expenditure targets reflect debt repayments, which are not part of the expenditure target. Debt repayments are outlined in Appendix A.

Linking planned expenditure with revenue

A principle underlying land transport expenditure is that the NZTA will manage expenditure so that it links with the amount of revenue that is raised.

The authority to approve police funding, RNIP, and NLTF funding for an RNIP, sits with the Minister of Transport. For other investments, decision rights for funding from the NLTF rests solely with the NZTA Board.

The NZTA is expected to plan funding allocations for each activity class and approve funding for activities so that total planned expenditure in any year matches the expenditure target set out in Table 3 for that year. It is accepted that the NZTA may not achieve the expenditure target in any one year, if expenditure is within the range specified in Table 3.

The need to manage planned expenditure against revenue arises because expenditure and revenue are subject to uncertainty and fluctuation. Expenditure can vary due to factors such as unforeseen cost increases in key inputs and/or unexpected changes in project timing.

As revenue is dependent on the level of economic and transport activity it will fluctuate according to economic conditions. As a result, there may be unplanned imbalances between expenditure incurred under the NLTP, and the revenue received into the NLTF. The NZTA has a specific short-term loan facility to help it manage this situation.

Policy on borrowing for the purposes of managing the delivery of the NLTP

At times borrowing will be required to manage the delivery of the NLTP. Borrowing increases available funding in the short-term, which can be used to manage cash flow, cope with unexpected shocks, or deliver additional activities. However, in the future there will be a corresponding decrease in available funding as the borrowing is repaid.

At the time of publishing this GPS, formal arrangements are in place for the NZTA to use several borrowing facilities. Table 4 provides details of these arrangements. A forecast of the expected debt repayments over the next six years is presented in Appendix A. If additional borrowing facilities are required, the NZTA must seek approval from the Ministers of Finance and Transport. Two of the facilities relate to revolving credit. These provide access to committed funding to manage fluctuations in cash flow – either due to seasonal variations or shocks.

A change in how borrowing is reported is being implemented in GPS 2024. The activities funded though borrowing (and any new PPPs) will be reported at the time of the investment as expenditure in the appropriate activity class. Repayment of borrowing will be reported as expenditure from the NLTF, separate from activity class spend. Put simply, the interest and debt repayments will be reflected separately from the activity class ranges in GPS 2024.

The Ministry of Transport will work with the NZTA to develop reporting practices to ensure both the spend on activities funded from borrowing and the repayments of borrowing are clearly reported.

Allowable variation between expenditure and revenue

The NZTA is expected to match its expenditure to the target expenditure set out in Table 3. However, it is also legally required to limit its spending to the levels of available revenue in the NLTF. Because both the timing and levels of revenue and expenditure are subject to uncertainty, the Act provides that an 'allowable variation' be set in a GPS as a way of managing any imbalances that arise.

In practice this 'allowable variation' is determined by the loan facilities provided to the NZTA as these set the limit on the extent to which expenditure from the NLTF can exceed revenue inflows.

For the avoidance of doubt, in GPS 2024 the allowable variation is, at any time, the sum of all borrowing available to the NZTA as agreed by the Minister of Transport and Minister of Finance.

Table 4. NZTA borrowing facilities

Borrowing Facility	Purpose of borrowing	Size of facility	Amount drawn down	Repayment Period
Management of cash flow (revolving credit facility)	To manage seasonal cash flow variations in the NLTF	$250m	$0	Annually
Revenue and expenditure shocks (revolving credit facility)	To manage any unexpected fluctuation in revenue or expenditure	$250m	$250m	Within four years of draw down
Auckland Transport Package	To progress the Auckland Transport package	$375m	$354m	Before 30 June 2027
Tauranga Eastern Link	To bring forward construction of the Tauranga Eastern Link	$107m	$107m	To be repaid through future tolls revenue by June 2050
Housing Infrastructure Fund	To accelerate transport projects that support housing development	$388.45m	$105.5m	Before June 2031
COVID-19	To manage the shortfall in revenue resulting from COVID-19 restrictions	$425m	$325m	Before 30 June 2027
2021-24 NLTP facility	To address the gap between planned investments in the NLTP and level of investment required to deliver GPS 2021 priorities	$2.0b	$2.0b	10 years from drawdown
2024-27 NLTP facility	To address the gap between planned investments in the NLTP and level of investment required to deliver GPS 2024 priorities	$3.1b	$0	10 years from drawdown

Note: This list does not include lending facilities related to the NZTA's regulatory functions.

Funding ranges for activity classes

Funding in the NLTP is allocated to activity classes. The allocation of funding to these activity classes reflects the strategic direction the Government has set. For each activity class, a funding range determines how much can be spent.

GPS 2024 takes a new approach to activity classes and expects that new multi-modal projects will draw funding from multiple activity classes in line with different aspects of the projects. For example, if a project along a state highway corridor includes improvements to the existing road corridor, and a new shared path, then the improvements to the existing road corridor will be funded from the State Highway Improvements activity class and the shared path will be funded from the Walking and Cycling activity class. Funding for multi-modal improvements along a local road corridor should primarily be funded through the Walking and Cycling activity class.

Under GPS 2024, the Rail Network activity class is funded primarily from the Crown top ups to the NLTF. To provide greater clarity on this, the Rail Network activity class is outlined in its own section below.

The following activity classes will be used for the 2024-27 NLTP:

State Highway Improvements

This activity class is for the purpose of investment in new state highways, improving existing state highways, and end of life bridge and structures renewals.

Investment in this activity class prioritises the strategic priorities of supporting economic growth and productivity, and a safe and resilient transport system.

This activity class has a significant increase in funding, which will be used to deliver state highway infrastructure under the Roads of National Significance programme and priority resilience projects.

The Government expects that funding in this activity class will not be used to invest in new multi-modal improvements, i.e., cycleways and busways, or fund traffic calming measures, such as speed bumps, raised crossings and in-lane bus stops. Where multi-modal elements are required as a condition of an already in place consent, these elements can be funded from this activity class, but the NZTA is still expected to minimise costs needed to deliver these multi-modal elements.

Funding may be used to remove speed bumps and raised crossings that exist on high volume corridors. It is expected that the NZTA will prioritise reliable travel times in all investment decisions in this activity class.

State Highway Pothole Prevention

This activity class is for the purpose of investment in resealing, rehabilitating, and drainage maintenance on the state highway network.

The State Highway Pothole Prevention activity class is intended to address the significant rise in the number of potholes and deterioration of the state highway network.

Previous Government Policy Statements have funded resealing, rehabilitating, and drainage maintenance activities through the State Highway Maintenance activity class. The State Highway Pothole Prevention activity class differs from this approach as it is ring-fenced to fund resealing, rehabilitating, and drainage maintenance activities on state highways and will not fund other maintenance activities.

This activity class is paired with a focus on achieving long-term maintenance outcomes of 2 percent of the state highway network rehabilitated each year and 9 percent of the state highway network resurfaced each year, and increasing requirements for potholes to be fixed within 24 hours. Achievement of these long-term maintenance outcomes will be tracked and monitored by the NZTA as part of the Performance and Efficiency Plan.

The Government expects that funding in this activity class will not be used to make multi-modal improvements. Funding should only be used to reseal, rehabilitate, and maintain drainage on the state highway network.

State Highway Operations

This activity class is for the purpose of investment in the operation of the state highway network.

Operational activities include managing demand and operating services to optimise utilisation across the network. This activity class will fund all operational activities on the state highway network, and includes funding for emergency reinstatement after loss of service.

Local Road Improvements

This activity class is for the purpose of investment in new local roads and improving existing local roads, and end of life bridge and structures renewals.

Investment in this activity class prioritises the strategic priorities of supporting economic growth and productivity, and a safe and resilient transport system. Funding in this activity class will be focused on improving efficiency and reducing congestion and travel times.

The Government expects that funding in this activity class will not be used to invest in other new multi-modal improvements, i.e., cycleways and busways, or fund traffic calming measures, such as speed bumps, raised crossings and in-lane bus stops, which inconvenience motorists. However, funding in this activity class can be used to:

- deliver multi-modal elements required as a condition of an already in place consent (these elements can be funded from this activity class, but the NZTA is still expected to minimise costs needed to deliver these multi-modal elements)
- fund footpath improvements, noting there will be limited funding for footpath improvements in this activity class. Any investment in footpath improvements is expected to take a “no frills” approach and investment should only be made where the investment would improve efficiency of the road network and reduce travel times.

Funding may be used to remove speed bumps, raised crossings and in-lane bus stops that exist on high volume urban connectors and arterial routes.

It is expected that the NZTA will prioritise reliable travel times in all investment decisions in this activity class.

Local Road Pothole Prevention

This activity class is for the purpose of investment in resealing, rehabilitating, and drainage maintenance on the local road network.

The Local Road Pothole Prevention activity class is intended to address the significant rise in the number of potholes and deterioration in our local road network.

Previous Government Policy Statements have funded resealing, rehabilitating, and drainage maintenance activities through the Local Road Maintenance activity class. The Local Road Pothole Prevention activity class differs from this approach as it is ring-fenced to fund resealing, rehabilitating, and drainage maintenance activities on local roads and will not fund other maintenance activities.

Maintenance outcomes achieved through this activity class, including the percentage of the local road network resealed and rehabilitated each year, are expected to be measured and published on an annual basis.

The Government expects that funding in this activity class will not be used to make multi-modal improvements. Funding should be used to reseal, rehabilitate, and maintain drainage on the local road network.

Local Road Operations

This activity class is for the purpose of investment in the operation of the local road network.

Operational activities include managing demand and operating services to optimise utilisation across the network. This activity class will fund all operational activities on the local road network and includes funding for emergency reinstatement to loss of service.

Public Transport Services

This activity class is for the purpose of investment in the management and operation of contracted public transport services and total mobility transport services. This GPS expects that existing public transport services will continue to be funded, if they are cost effective, achieve value for money, and achieve the expected outcomes of less congestion and increased patronage.

This GPS will expect greater farebox recovery and third-party revenue by Public Transport Authorities (PTAs) in order to help support the increased costs that are occurring through the public transport sector and to reduce pressure on ratepayers and taxpayers.

Public Transport Infrastructure

This activity class is for the purpose of investment in new infrastructure and the management, renewal and improvement of existing infrastructure, that supports public transport services. It is expected that funding in this activity class will be used to invest in projects that reflect the priorities of this GPS, including a rapid transit network in Auckland and upgrades to rail in the lower North Island. It is also expected funding will be used to deliver the National Ticketing Solution to improve the efficiency of public transport. Funding for upgrading, maintaining, or operating Public Transport Authorities' ticketing systems should only be approved if they are actively working towards delivering, transitioning, or operating the National Ticketing Solution in partnership with the NZTA.

The Government expects to realise the benefits of its investments in major public transport infrastructure, like the City Rail Link and Wellington's new trains. Completing major network renewals (Rail Network Rebuild, Rail Network Growth Impact Management, Backlog Renewals) and upgrades (Wellington's rail substations) is a key priority for the Government.

Safety

This activity class is for the purpose of investment in road policing and nationally consistent and coordinated road safety promotion and will be focused on improving

road safety through enforcement and encouraging behavioral change, not blanket speed limit reductions.

Police must achieve road policing targets set by the Government through funding in this activity class. There will be a strong focus on performance in the next Road Policing Investment Programme (formerly the Road Safety Partnership Programme). A small amount of the NLTF that is available to Police will be used to incentivise performance against enforcement targets relating to speed, alcohol breath testing, and oral fluid testing for drugs once the new regime is in place. Specific details of the Police activities, performance metrics and funding will be developed by the NZTA and approved by the Minister in accordance with the Act. These performance metrics will be evidence-based and address the leading contributors to serious and fatal crashes.

As part of the Safe System approach, the Government expects that investment in road safety will be achieved across activity classes in GPS 2024. This includes the delivery of new Roads of National Significance through the State Highway Improvements activity class, investment in other new or improved roading infrastructure, and investment in a well-maintained road network through pothole prevention activity classes.

Funding toward road safety will be focused on safer roads, safer drivers, and safer vehicles. This includes on initiatives necessary for reducing barriers for private sector investment into road safety, and on activities necessary to support the Government's approach to the setting of speed limits.

The Government expects that investment from this activity class will not be made in traffic calming measures such as raised pedestrian crossings, raised platforms, speed bumps, and in-lane bus stops on state highways and local roads.

Council road safety advertising (including billboards, radio, television, digital and other print media advertising) will no longer be eligible for NLTF funding. Councils can continue to use NLTF funding for road safety education programmes, such as walking school buses.

Investment Management

This activity class is for the purpose of investment in the transport planning system, investment in strategic and operational research to support system planning and investment, and investment in the funding allocation system.

This activity class will provide investment for funding allocation management, including the development of and administration of the NLTP, associated funding and procurement procedures, policies and guidelines, funding agreements with approved organisations, assistance and advice to approved organisations, and Regional Land Transport Committees.

Walking and Cycling

This activity class is for the purposes of maintaining the existing walking and cycling network and investment in walking and cycling where there is either clear benefit for increasing economic growth or clear benefit for improving safety and where there is an existing or reliably forecast demand for walking or cycling.

Investment in walking and cycling is expected to make a contribution to economic growth and productivity. To achieve this, funding should be directed to reducing congestion and/or improving cyclist safety.

To recognise the importance of walking and how it interacts with other modes, 25 percent of funding on new improvements should be directed towards footpaths and other walking projects.

A provision has been made in the Walking and Cycling activity class to fund the maintenance of walking and cycling infrastructure (including footpaths, shared use paths and cycle paths).

Prior to GPS 2018, no funding from the NLTF was provided to local government to fund the maintenance of walking and cycling infrastructure (including footpaths, shared use paths and cycle paths). A provision has been made in the Walking and Cycling activity class to fund this infrastructure and it is expected that the NZTA Board will consider options to deliver value for money. This could include amending the funding assistance rate (FAR) for these maintenance activities.

Any investment in walking and cycling must primarily be funded through this activity class (unless it is an already consented requirement for a roading project in the State Highway Improvements or Local Road Improvements activity classes, as noted above).

The Government expects that any activities funded under this activity class will undergo robust consultation with community members and business owners that could be affected by the investment, prior to any investment decisions being made.

Funding ranges

The NZTA is required to allocate funding to activity classes within the funding ranges set out in Table 5 on the following page, and within the overall expenditure targets set out in Table 3.

The expenditure targets do not envisage funding being allocated at the top end of every activity class range. Specifying the funding allocations as a range provides the NZTA with some flexibility to respond to the actual funding applications received and to manage issues such as weather delays affecting its own state highway investment programme.

The funding ranges for the Rail Network activity class is outlined in Table 7.

Table 5. Activity class funding ranges

Activity class		GPS 2024 funding ranges ($m)						Forecast funding ranges ($m)			
		2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
State Highway Maintenance											
State Highway Pothole Prevention	Upper	700	790	790	820	920	980	1,050	1,070	1,080	1,100
	Lower	420	460	490	540	630	690	750	760	780	790
State Highway Operations	Upper	760	850	960	1,050	1,130	1,150	1,170	1,200	1,220	1,240
	Lower	560	640	690	730	780	800	820	830	850	870
Local Road Maintenance											
Local Road Pothole Prevention	Upper	780	850	900	1,170	1,230	1,260	1,280	1,300	1,320	1,340
	Lower	570	610	640	840	890	900	920	930	950	970
Local Road Operations	Upper	450	480	590	420	450	460	470	480	490	500
	Lower	240	260	280	290	320	320	330	340	340	350
Other continuing programmes											
Public Transport Services	Upper	750	770	790	810	830	850	870	890	910	930
	Lower	400	420	440	460	480	500	520	540	560	580
Investment Management	Upper	85	90	90	90	95	95	100	100	105	110
	Lower	65	70	70	70	75	75	80	80	85	90
Safety	Upper	600	610	620	630	630	630	640	640	640	650
	Lower	500	510	520	530	530	530	540	540	540	550
Improvements											
Public Transport Infrastructure	Upper	680	1,030	1,480	830	880	930	950	970	990	1,010
	Lower	240	290	340	390	430	480	500	520	540	560
State Highway Improvements	Upper	1,950	2,350	2,950	2,300	2,350	2,400	2,400	2,400	2,400	2,400
	Lower	1,200	1,350	1,450	1,400	1,450	1,500	1,500	1,500	1,500	1,500
Local Road Improvements	Upper	400	400	410	410	420	420	420	430	430	430
	Lower	150	150	160	160	170	170	170	180	180	180
Walking and Cycling Improvements	Upper	230	110	110	110	110	110	110	110	110	110
	Lower	135	70	70	70	70	70	70	70	70	70

Rail Network

This activity class is for the purpose of investment in operation and maintenance, renewals and improvements to the national rail network. This includes both operational and capital expenditure as outlined in the RNIP.

The Government expects that activities funded through this activity class will be targeted to parts of the rail network where the most significant economic benefits and opportunities for boosting the productivity of freight movement exist, i.e., the triangle of Auckland, Hamilton, and Tauranga.

KiwiRail is currently working to produce the 2024-27 RNIP. The 2024-27 RNIP will be provided to the Minister of Transport by 30 June 2024 and will be consistent with the priorities and expectations outlined in the GPS 2024. In line with the GPS, KiwiRail should take a cautious and prudent approach to its investments and work scheduling, this includes prioritising investments and identifying potential savings within the RNIP.

The level of funding available for the Rail Network activity class will be capped at the level of revenue from Track User Charges (TUCs) and any additional Crown funding for rail investments. This is outlined in Table 6 below.

The work to develop the 2024-27 RNIP will inform any future funding requests over 2024-27. The GPS expects that the RNIP will be equal to or less than the available funding outlined in Table 6 and within the funding ranges set out in Table 7.

Wider rail investments

The Crown has made a large contribution to rail over the past six years and will continue to provide direct Crown funding for rail in addition to the RNIP. The Crown is committed to funding:

- the City Rail Link
- upgrades to the Auckland Metro Network, ready for day-one City Rail Link operations
- the new Drury Rail Stations
- the electrification of the rail network from Papakura to Pukekohe
- upgrades to the Wellington Metro Network, including a contribution for new trains on the Wairarapa and Manawatū Lines
- new freight rolling stock
- the Marsden Rail Spur investigation.

In total, the Crown has committed over $3 billion of direct Crown funding over 2024/25-2027/28. Committed funding for rail programmes are outlined in detail in Table 6.

Coastal Shipping Resilience Fund

A new Coastal Shipping Resilience Fund of $30 million over three years (2024/25 to 2026/27) has been established for activities that enhance the resilience of coastal shipping freight connections. This fund will be managed outside of the NLTP and will only be funded by reallocating Crown grant funding for rail.

Table 6. Rail Network funding sources over 2018/19 – 2027/28*

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	$m	$m	$m	$m	$m	$m	$m	$m	$m	$m
Funding available for the Rail Network activity class										
Crown funding for the RNIP	-	-	-	161	285	318	454	443	25	-
Crown funding for NIWE	-	-	-	-	27	93	114	-	-	-
TUC	-	-	-	7	15	20	20	20	20	20
FED/RUC/MVR	-	-	-	114	107	103	-	-	-	-
Total funding available for the Rail Network activity class	**-**	**-**	**-**	**282**	**434**	**534**	**588**	**463**	**45**	**20**
Direct Crown funding										
City Rail Link	77	291	425	467	503	337	373	191	76	76
Wiri to Quay Park (Third Main Line)	-	5	55	103	73	47	35	-	-	-
Papakura to Pukekohe Electrification	-	2	49	117	107	87	16	32	9	-
Drury Railway Stations	-	-	6	22	33	63	131	314	-	-
Wairarapa Rail Upgrades	-	-	-	1	5	27	39	56	-	-
Northern Package	-	46	103	49	39	22	63	44	-	1
Rolling Stock	-	90	64	187	130	199	240	391	217	79
Mechanical Facilities	-	10	28	25	60	51	28	5	-	-
EF Fleet Refurbishment	-	3	7	13	10	2	-	-	-	-
Hillside Workshop	-	-	-	10	11	53	12	8	11	-
Freight Hub	-	2	17	16	6	1	-	-	-	-
Rail Tourism Investments	-	4	4	3	6	6	1	-	-	-
Metropolitan Rail Maintenance and Renewals in Auckland and Wellington	-	-	-	-	-	-	108	-	-	-
Auckland Metro Rail Upgrades	-	3	60	61	88	108	158	76	14	-
Wellington Metro Rail Upgrades	45	63	102	101	95	106	137	37	25	-
Total Direct Crown funding	**122**	**517**	**919**	**1,174**	**1,168**	**1,110**	**1,342**	**1,155**	**353**	**156**
Total funding for rail	**122**	**517**	**919**	**1,456**	**1,602**	**1,644**	**1,930**	**1,618**	**398**	**176**

**Additional Crown funding for rail will be subject to the consideration of any future funding requests.*

Table 7. Rail Network activity class funding ranges

	GPS 2024 funding ranges ($m)						Forecast funding ranges ($m)			
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Upper	630	560	560	570	570	570	580	580	580	580
Lower	360	360	20	20	20	20	20	20	20	20

Section 5: Statement of Ministerial Expectations

The Act provides for the Minister, as part of the GPS, to make a statement of their expectations of how the NZTA gives effect to the GPS on land transport.

Although these are expectations of the NZTA under the Act, most of the expectations also apply to other players in the sector including the Ministry of Transport, local government and other delivery agencies. Active cooperation of all players in the sector will be necessary to deliver the results that New Zealanders want and deserve.

The Minister expects a focus on delivery

The NZTA has a significant role to play in improving the performance and quality of our infrastructure. To deliver on this it will need to have a tight focus on its core statutory roles. All NLTP-related activities need to be judged against the benchmark of whether the activity promotes delivery of this GPS.

The Government is looking to the NZTA to deliver on its priorities at pace. The elimination of our infrastructure deficit will require new ways of thinking, maximising the use of new funding and financing tools, implementing new delivery models, and focusing on cost and value over the lifetime of any project.

The Government expects the NZTA to build a much more efficient business case process by the end of 2024. Business cases have become increasingly costly and time consuming for the sector without necessarily leading to better investment choices and more efficient and timely infrastructure delivery. I expect the NZTA to make business case decisions focussed on the core objectives of the project and in a timely fashion to ensure decisions on progressing projects can occur prior to projects increasing significantly in costs.

The NZTA needs to maintain a tight control on project scope and cost. Project specifications should take a “no frills” approach, focusing on delivery of the primary transport objectives that most cost-effectively deliver on the strategic priorities in this GPS.

The NZTA is expected to identify and report to the Minister every six months on any regulatory or other government-controlled barriers to timely delivery, including what changes are needed to reduce project costs and speed up delivery.

The Minister expects a focus on core business

The Ministry of Transport is to lead the oversight and development of policy for New Zealand’s transport system. The NZTA and other RCAs are to act primarily as delivery agencies.

The Minister expects the NZTA to focus on its core roles as defined in the Land Transport Management Act 2003. While the NZTA supports other agencies to deliver other parts of the transport network, it should ensure that its focus is on building and maintaining our state highway roading network and it is not doubling up on delivery where other agencies have specific obligations. Work on programs which are not aligned with the NZTA’s core purposes or with the GPS should be discontinued.

The Minister expects a focus on value for money

The NZTA is responsible for around $7 billion of road user/taxpayer funds each year and manages one of New Zealand's largest economic assets – the state highway network. Businesses rely on that network to generate the wealth that sustains us all and individuals rely on it for access to jobs, families, and friends. The NZTA must exercise the highest level of stewardship of its assets and investment funding to enable the people of New Zealand to prosper.

Obtaining value for money will require:

- keeping costs under control and identifying savings that can be reinvested back into maintaining or improving the network
- selecting and funding activities and projects that will make the greatest contribution to the Government's long-term goals and strategic priorities outlined in this GPS
- choosing the most advantageous combination of whole of life cost and infrastructure quality to meet a "no frills" specification that delivers the primary transport objective of the project in the most cost-effective manner
- monitoring operational expenditure and reporting to the Minister regularly on this expenditure
- reporting expenditure on temporary traffic management on a quarterly basis and reducing this expenditure, while maintaining the safety of workers and road users. The NZTA was unable to provide a breakdown of its expenditure on temporary traffic management in preparation of this GPS. It is expected that the NZTA will calculate its expenditure on temporary traffic management for each of the three previous financial years to form a baseline for future savings
- reducing expenditure on general advertising and identifying the most cost-effective and beneficial method for necessary advertising, such as road safety promotion
- focusing on providing services that meet the needs and expectations of users
- standardising the delivery of building and maintaining roading infrastructure, while remaining open to new models of delivery that are likely to result in better and smarter services and/or lower costs
- identifying more efficient ways to manage road tolling. Currently 32 percent of total toll revenue is spent on administering tolls. This level of expenditure on toll administration is expected to reduce
- identifying opportunities for collaborative and/or centralised procurement with local government, including centralising the procurement of speed signs.

The Minister expects consideration of other revenue sources and other funding and delivery models

There are several funding and procurement mechanisms already available to support investment in land transport and the Government expects to implement more of these during the term of GPS 2024.

The NZTA is expected to maximise its own revenue and consider opportunities to supplement that revenue with contributions from beneficiaries/users whenever possible. "Maximising" its own revenue means ensuring that the amount spent on RUC investigations and enforcement is consistent with obtaining the most revenue, net of the investigation and enforcement costs.

However, just maximising revenue does not go far enough, and alternative funding tools are required for investment in land transport. The Government expects the Ministry of Transport and the NZTA to work together on the future of land transport revenue.

The Minister of Transport expects to announce next steps on the future of the revenue system by the end of 2024. This work programme should include how each of the following funding tools will be incorporated into the provision of investment in land transport:

- tolling
- time of use charging
- equity finance
- value capture.

The NZTA will be required to find efficiencies in the delivery of its services. This includes developing digital and electronic systems and processes and allowing third parties to bid to operate these services. One example of where this can be used is with New Zealand's road tolling arrangements, which currently require 32 percent of total toll revenue to be spent on administering the tolls. Finding efficiencies in the tolling system can reduce administration costs, enabling greater focus on maintaining the road network. New or existing digital infrastructure and information systems should be used where appropriate, in line with the Value for Money strategic priority.

The NZTA should consider tolling to construct and maintain all new roads, including the Roads of National Significance. The Government will support all recommendations by the NZTA to toll roads. Opportunities for toll roads should be explored where:

- they are likely to meet the requirements set out in the Act, and
- toll revenues, net of the costs of the tolling scheme itself, will make a positive contribution to the costs of the project.

Increased tolling on new roads will protect existing funding in the NLTF for maintaining existing roads.

PPPs, concessions, and other alternative delivery options are to be considered for all projects. The NZTA Board should ensure that it has undertaken a more specific set of tests including assuring itself that:

- all relevant options have been examined in relation to any particular project
- all relevant sources of funding and financing have been examined in relation to any particular project and those deemed suitable have been actively pursued and included in the projects funding mix
- all relevant delivery models have been examined in relation to any particular project, including delivery models where the NZTA may not be the delivery entity, but rather delivery may be done by an expert third party. For the avoidance of doubt, any delivery model selected must represent value for money and balance appropriate levels of risk and timely delivery.

The Government is considering how regional deals between central and local government can provide an opportunity to integrate long-term strategy and planning, across the transport system. The Government will also work with Auckland Council on an integrated transport plan setting out an aligned strategic approach to planning and funding transport in Auckland. I expect that the Ministry of Transport and the NZTA will engage with relevant entities to support this work and, once established, deliver on these deals.

As described above, the Government is also intending to amend the Act to require future GPSs to adopt a 10-year investment plan, bringing them into line with local government Long Term Plans (LTPs). The NZTA should consider how to adjust its own systems and processes so that it is ready to deliver a 10-year plan as part of GPS 2027.

The NZTA shall develop a strategic approach to the acquisition of land and other property interests, including reviewing existing land holdings, and route protection and land acquisition strategies, to determine alignment with the approach described above.

The Minister expects increased focus on performance and efficiency

Over the past five years investment has increased significantly in a number of activity classes but this has not resulted in improved outcomes.

- state highway maintenance funding has increased by 42 percent, but lane kilometres resealed have reduced by 5 percent and lane kilometres rehabilitated have reduced by 27 percent
- local road maintenance funding has increased by 19 percent, but lane kilometres resealed have decreased by 13 percent and lane kilometres rehabilitated have decreased by 30 percent
- investment in public transport has increased by 71 percent since 2018 but there has been a 23 percent decrease in patronage.

Road maintenance has become less efficient, and productivity across the sector is not increasing. The Ministry of Transport has advised that it is difficult to ascertain whether the amount spent on road maintenance is delivering value for money.

The NZTA will be expected to develop a Performance and Efficiency Plan that will drive performance and efficiency across all transport investments. The Performance and Efficiency Plan will identify how the NZTA and all road delivery agencies will:

- improve the management of benefits, costs, risk and uncertainty at the programme and activity class level
- increase the capability and capacity of the transport sector
- improve asset management practices across the sector
- provide analysis to inform price/quality trade-offs for maintenance and operations expenditure
- ensure business case and cost estimation reflect best practice
- manage overheads and back-office costs
- respond to the wider Ministerial Expectations in Section 5 of the GPS 2024
- meet the outcomes the government expects will be achieved in GPS 2024, including:
    - achieving long-term maintenance outcomes of 2 percent rehabilitation of the state highway network each year
    - achieving long-term maintenance outcomes of 9 percent resurfacing of the state highway network each year
    - increasing requirements for potholes to be fixed within 24 hours, and
    - reducing expenditure on temporary traffic management.

The Performance and Efficiency Plan will also need to integrate with the refocussed REG to ensure activities and functions are aligned to drive better accountability, delivery and value for money from our transport investments. The exact scope, functions and reporting lines of the refocussed REG will be developed and approved as part of the Performance and Efficiency Plan.

This plan should be developed in conjunction with the Ministry of Transport and submitted to the Minister by the end of June 2024. The Minister will hold the NZTA Board accountable for delivery and performance against the Performance and Efficiency Plan.

The Minister expects NZTA to ensure that RCAs and PTAs are following the Ministerial Expectations in GPS 2024

It is expected that the NZTA will ensure that these expectations are, to the extent applicable, incorporated into the requirements placed on other road controlling authorities as a condition of the inclusion of their projects in the NLTP. The same is expected for PTAs looking to have projects in the NLTP. In particular, the Government expects that all PTAs deliver the National Ticketing Solution (NTS) in partnership with the NZTA to make public transport more efficient. The NZTA should not co-fund maintenance, operations or improvements to PTAs' ticketing systems through the NLTF unless they are supporting the delivery of the NTS.

Reporting on the expectations

The NZTA is expected to demonstrate how it is giving effect to these expectations, and specifically how it is progressing with the Performance and Efficiency Plan.

Existing NZTA reporting mechanisms are likely to be used wherever possible in this reporting. Possible mechanisms include:

- Statement of Intent and Statement of Performance Expectations
- assessment of how the NLTP gives effect to GPS 2024
- Annual Report on the NLTF and NZTA Annual Report
- annual reporting on matters relating to the RNIP.

Section 6: Appendices

Appendix A: Debt Repayment Schedule

The expected NZTA debt repayment schedule is tabulated below. These repayments are a 'top-slice' from the NLTF and sit outside of the activity classes.

The debt repayment schedule aggregates the repayments associated with the formal debt arrangements that are currently in place for the NZTA and are outlined in Table 4 - NZTA borrowing facilities.

In addition to repayments on the NZTA's borrowing facilities, the expected debt repayments include repayments on the PPPs that have been used to deliver Transmission Gully and Puhoi to Warkworth projects included in the previous Roads of National Significance programme.

As already indicated in Section 4, GPS 2024 represents a change in how borrowing is reported. The activities funded though borrowing (and any new PPPs) will be reported at the time of the investment as expenditure in the appropriate activity class. In practice this means that the repayments indicated in the below table will be 'top-sliced' from NLTF revenue outlined in Table 2 – NLTF annual funding 2024/25-2029/30, before it is spent on activities included in the NLTP, reducing the NLTP expenditure targets in Table 3 – Expenditure targets and ranges 2024/25-2029/30.

Table 8. Debt repayment schedule

	2024/25 $m	2025/26 $m	2026/27 $m	2027/28 $m	2028/29 $m	2029/30 $m
Expected debt repayments	450	500	950	650	450	500

Appendix B: Crown Investment Programme

Major Transport Projects

In addition to the forecast $74 billion investment in land transport through the NLTF over the next 10 years, the Crown also intends to contribute additional funding into transport infrastructure and operations.

The following tables highlight the different projects and programmes that are currently identified for Crown funding, some of these projects are included in the Roads of National Significance and Roads of Regional Significance programmes.

Roads Of National Significance	Region
Takitimu North Link – Stage 1 *	Bay of Plenty
Ōtaki To North Of Levin *	Wellington

Roads Of Regional Significance	Region
O Mahurangi – Penlink *	Auckland
Waihoehoe Road *	Auckland
SH1 Papakura To Drury Improvements *	Auckland
SH1/29 Intersection Improvement *	Waikato
SH58 Improvements Stage 2 *	Wellington
SH2 Melling Transport Improvements *	Wellington
Canterbury Package – Rural Intersections *	Canterbury
Canterbury Package – Rolleston Upgrade *	Canterbury
Canterbury Package – Halswell *	Canterbury
Queenstown Package *	Otago

*These projects are Crown funded and should not be considered for additional funding.

The Government is also completing pre-implementation of the Canterbury Package – Brougham Street and SH22 Drury projects. Further Crown funding for these projects is subject to funding availability once the Roads of Regional Significance project costs are confirmed. These two projects may be considered for inclusion in the NLTP if they deliver on the objectives of this GPS.

Other Projects	Region
Recovery and rebuild	Nationwide
Regional resilience	Nationwide

Rail projects	Region
City Rail Link	Auckland
Wiri To Quay Park - Third Main	Auckland
Papakura To Pukekohe	Auckland
Drury Rail Stations	Auckland
Whangārei To Otiria	Northland
Ashburton Freight Hub	Canterbury
Lower north island rail improvements (includes new passenger rolling stock for the Wairarapa and Manawatu lines and related network infrastructure)	Wellington / Manawatū
Rail network investment programme – freight	Nationwide
Non-commercial rail investment	Nationwide
Rolling stock	Nationwide

Public Transport	Region
Public Transport Concessions	Nationwide
Eastern Busway	Auckland

Other	Region
Electric Vehicle Charging Infrastructure	Nationwide

Appendix C: Glossary/Definitions

Activity	Defined in the LTMA as a land transport output or capital project, or both
Activity class	Refers to a grouping of similar activities
Approved organisations	Organisations eligible to receive funding from NZTA for land transport activities. Approved organisations are defined in the LTMA 2003
Benefits realisation	A process that demonstrates whether or not (and how well) the anticipated results have been achieved
Capacity of network	The amount of movement of people and/or goods that the network can support at a given time
Demand management	Demand management refers to interventions which change the demand for transport. These interventions may seek to influence how, when and where people travel, and freight is transported. The purpose of demand management is to ensure the transport system is utilised efficiently and effectively, and to reduce the negative impacts of travel and freight movement
Emissions Trading Scheme (ETS)	The New Zealand Emissions Trading Scheme. The ETS requires businesses to surrender one 'emissions unit' (known as an NZU) to the Government for each tonne of emissions they emit. NZUs are tradeable. The ETS limits emissions by limiting the number of NZUs available to emitters (i.e., that are supplied into the scheme)
Fuel Excise Duty (FED)	Fuel Excise Duty is a tax imposed by the government to fund land transport activities. FED includes excise duty paid on liquid petroleum gas and compressed natural gas (in addition to Petrol Excise Duty), but these account for a very small proportion of overall fuel excise
Hypothecation	The direct allocation of all income from a tax or charge (e.g., Fuel/Petrol Excise Duty or Road User Charges) to a particular type of activity (e.g., the National Land Transport Fund)
Lead investment	Investment which acts as a catalyst for future development
Land Transport Management Act 2003 (LTMA)	The main Act governing the land transport planning and funding system
Land transport revenue	Revenue paid into the Fund under the LTMA 2003
Local road	Defined in the LTMA 2003 as a road (other than a state highway) in a district that is under the control of a territorial authority
Local share	The contribution that communities make (through local government) towards transport projects that have shared national and local benefits
Maintenance	Care and upkeep of infrastructure so that it can deliver a defined level of service, while leaving the fundamental structure of the existing infrastructure intact
Ministry of Transport (the Ministry, MoT)	The government's principal transport policy adviser that leads and generates policy, and helps to set the vision and strategic direction for the future of transport in New Zealand

Motor vehicle registration and licensing fees	Motor vehicles pay a registration fee when first registered to enter the fleet, and an annual licence fee to legally operate on the road network. Motor vehicle registration and licensing fees are defined as land transport revenue. The fees are intended to contribute to the maintenance of the Motor Vehicle Register where the details of motor vehicles are recorded
National Land Transport Fund (NLTF, the Fund)	The set of resources, including land transport revenue, that are available for land transport activities under the National Land Transport Programme
National Land Transport Programme (NLTP)	A programme, prepared by NZTA, that sets out the land transport activities which are likely to receive funding from the National Land Transport Fund. The NLTP is a three-yearly programme of investment in land transport infrastructure and services from the Fund
Public transport	Passenger transport infrastructure and services contracted by local and central government which may include shared on-demand services identified in Regional Public Transport Plans as integral to the public transport network.
Rail Network Investment Programme (RNIP)	A ten-year plan of projects, guided by the New Zealand Rail Plan, to achieve a reliable, resilient, and safe rail network. The programme is written by KiwiRail and approved by the Minister of Transport with guidance from NZTA
Regional Land Transport Plans (RLTPs)	Plans prepared by Regional Transport Committees, that set out each region's transport objectives and policies for a period of at least 10 years. This includes bids for funding from the NLTP
Regional Transport Committees (RTCs)	A transport committee, which must be established by every regional council or unitary authority for its region. The main function of a regional transport committee is to prepare an RLTP
Results	The outcomes that the Crown wishes to achieve from the allocation of funding from the National Land Transport Fund. They are expressed by a measure change, and are impacted by the level of investments, activities and deliverables required to realise the change
Road Controlling Authorities (RCAs)	Authorities and agencies that have control of the roads, including NZTA, territorial authorities, Auckland Transport, the Waitangi Trust, and the Department of Conservation
Road User Charges (RUC)	Charges on diesel and heavy vehicles paid to the Government and used to fund land transport activity
State highways	A road designated as such by NZTA, as defined by the LTMA 2003
Track user charges (TUC)	Charges paid by rail freight operators for access to/use of the rail tracks
Total Mobility Scheme	The Total Mobility Scheme provides subsidised licensed taxi services to people who have an impairment that prevents them from making a journey unaccompanied, on a bus, train or ferry in a safe and dignified manner
New Zealand Transport Agency (NZTA)	The government agency with statutory functions to manage the funding of the land transport system and manage the state highway system

INTRODUCTION

This document explains the purpose and intent of the draft *Land Transport Rule: Setting of Speed Limits 2024* (the draft Rule) that, once finalised, will replace the *Land Transport Rule: Setting of Speed Limits 2022* (the 2022 Rule).

Consultation gives the people and organisations affected by the changes an opportunity to present their views and will help ensure the new Rule is sound, robust and implementable.

We welcome your comments on the proposed changes set out in these documents. Please use the consultation questions to guide your feedback. In particular, we welcome your thoughts on:

- implementation or compliance issues that should be considered;
- costs associated with implementing the proposals;
- any unintended impacts that could arise.

Sending your submission

You can fill out the online survey included in this page or you can email your submission to speedrule@transport.govt.nz.

Your submission may be shared with the New Zealand Transport Agency

The Ministry of Transport may share your submission and identifying information with the New Zealand Transport Agency (NZTA) for submissions analysis purposes.

We may use an artificial intelligence tool to help us analyse submissions

We may use an AI tool to help us analyse submissions. We will take steps to avoid inputting personal information into any AI tool that is outside our network.

Your submission is public information

Please note your submission may become publicly available. The Ministry of Transport may publish any information you submit and may identify you as the submitter should it publish your submission. Therefore, **please clearly indicate if your comments are commercially sensitive or should not be disclosed for another reason, or the reason why you should not be identified as the submitter.** Any request for non-disclosure will be considered under the Official Information Act 1982.

PROCESS FOR MAKING RULE CHANGES

Land Transport rules are secondary legislation made under the *Land Transport Act 1998* (the Act).

The Act provides the Minister of Transport the power to make ordinary rules covering a range of land transport issues. The Minister may make rules to achieve a range of outcomes, including, but not limited to:

- Assisting economic development
- Safeguarding and improving land transport safety and security
- Improving access and mobility
- Protecting and promoting public health.

The Act also enables land transport rules to set, or provide for the setting of, speed limits for roads. Rules can empower or require road controlling authorities (RCAs) to set speed limits, and set out the criteria, requirements and procedures to be complied with by an RCA when doing so.

Compliance with rules is required because they form part of New Zealand transport law.

The Ministry is undertaking this consultation on behalf of the Minister and will analyse submissions received before making recommendations to the Minister on the final version of the Rule. The Ministry may involve NZTA in analysing submissions and making final recommendations to the Minister. The Minister will then sign the new Rule.

Matters the Minister must have regard to when making rules

The Act sets out the matters the Minister must have regard to when making a rule (in section 164(2)). In summary, these are:

- Nature of the proposed activity or service for which the rule is being established
- The level of risk existing to land transport safety in general in New Zealand
- The need to maintain and improve land transport safety and security
- Appropriate management of infrastructure, including (but not limited to):
    - the impact of vehicles on infrastructure
    - whether the costs of the use of the infrastructure are greater than the economic value of the infrastructure
- Whether a proposed rule:
    - assists economic development
    - improves access and mobility
    - protects and promotes public health
    - ensures environmental sustainability
- Costs of implementing the proposed changes
- New Zealand’s international obligations concerning land transport safety

Having regard to those matters for the proposed Land Transport Rule.

Proposed activity or service

The draft Rule sets out criteria, requirements and procedures to be followed by RCAs when reviewing and setting speed limits for roads within their respective jurisdictions.

Risks to land transport safety

Under the draft Rule, speed limit reductions introduced since 1 January 2020 on local streets will be reversed. These will be replaced with variable 30 km/h speed limits outside school gates during drop-off and pick-up times to slow down traffic as children enter or leave school. Speed limit reductions made since that date on arterial roads will be reversed. Speed limit reductions on rural State highways since that date will also be reversed, unless there is demonstrated public support to keep the lower speed.

Reversing certain types of reduced speed limits may result in higher average operating speeds. The level of impact on land transport safety that could result from increased operating speeds is difficult to quantify due to uncertainty about which roads will have speed limits increased and what impact those speed limit increases will have on operating speeds. Operating speeds are dictated by a range of factors, including the posted speed limit, congestion and engineering of the road.

The proposal to require variable speed limits outside school gates is intended to improve safety outcomes for young New Zealanders by reducing operating speeds when children are arriving at or leaving school. The impact on land transport safety outside schools is difficult to quantify.

Appropriate management of infrastructure

The draft Rule will impact on the management of infrastructure. At a minimum, speed limit changes will require changes to signage. The draft Rule and subsequent speed limit changes may also result in wider engineering changes to accommodate new speed limits (either higher or lower) depending on decisions taken by RCAs.

Assists economic development

The draft Rule may lead to some economic benefits in reducing travel times.[1]

The draft Rule may result in decreased vehicle operating costs on some stretches of road.

Improves access and mobility

Increasing speed limits may impact people’s transport choice and access.

Increasing speed limits may improve access where it results in increased operating speeds and reduced travel times. As noted above, whether operating speeds increase is dependent on a number of factors. The exact impacts are difficult to quantify.

Protects and promotes public health

Where speed limits are increased, operating speeds may increase (depending on congestion and other factors). Increased operating speed may increase noise pollution. The exact impacts are difficult to quantify.

The proposal to require variable speed limits outside school gates is intended to improve safety outcomes for young New Zealanders by reducing operating speeds when children are arriving at or leaving school. The impact on public health from this proposal is difficult to quantify.

---

[1] See, for example, Rowland and McLeod (2017), Time and fuel effects of different travel speeds, available at https://www.nzta.govt.nz/assets/resources/research/reports/582/RR-582-Time-and-fuel-effects-of-different-travel-speeds.pdf

Ensures environmental sustainability

The New Zealand Emissions Trading Scheme (ETS) is the Government's key tool to reduce emissions. All emissions from the transport sector must be offset through the purchase of emissions units in the ETS.

Costs of implementing the proposed changes

There will be implementation costs to RCAs, for example, in undertaking cost benefit analysis and implementing speed limit changes. Funding decisions to cover the costs of implementation or part of the costs will be taken by NZTA as part of the National Land Transport Programme processes. Any remaining costs will fall on local RCAs.

International considerations

The new Rule will have no direct impact on our international circumstances or obligations in respect of land transport safety.

OVERVIEW OF THE DRAFT RULE

The draft Rule gives effect to the Government's objectives

The draft Rule implements the next step in delivering on the Government's commitment to stop and reverse the previous government's blanket speed limit reductions by replacing the *Land Transport Rule: Setting of Speed Limits 2022* (the 2022 Rule).

The Minister of Transport has signalled the Government's vision for a land transport system that boosts productivity and economic growth and allows New Zealanders to get to where they want to go, quickly and safely. The draft Rule proposes a more balanced approach to setting speed limits to ensure economic impacts and the views of local communities and road users are considered alongside safety. It enables a targeted approach to reducing speed limits that focuses on high crash areas and public acceptability. The draft Rule also proposes to require reduced variable speed limits outside all school gates during drop-off and pick-up times, and will enable speed limits on expressways to be set at 110km/h more easily.

The draft Rule retains aspects of the existing framework

Speed management plans are retained but with some amendments.

RCAs may develop speed management plans for speed limit changes in line with the requirements of the draft Rule. Plans can also include information about safety infrastructure treatments and speed cameras.

Speed management plans provide a mechanism for identifying and consulting on proposed speed limit changes as a package rather than making ad hoc proposals on an ongoing basis. This improves efficiency and provides more predictability for planning and funding purposes. However, the draft Rule does not require RCAs to include a 10-year vision or take a whole-of-network approach as required under the 2022 Rule. Rather, it proposes that analysis of speed limit changes will need to be undertaken road by road. It also moves away from mandating the production of speed management plans on a regular cycle, and makes plans voluntary for RCAs.

The draft Rule retains the alternative method for setting speed limits outside the speed management plan process with the Director of Land Transport's (the Director) approval. RCAs can use the alternative method to set speed limits on new roads or to respond to changes on the network (such as the installation of a roundabout) that cannot wait until the next speed management plan, or if the RCA does not have a speed management plan. RCAs using the alternative method will need to meet some new requirements. In particular, RCAs must undertake a cost-benefit analysis of the proposed new speed limit, and set the speed limit using the new speed limit classifications. The process for setting temporary speed limits is retained.

The draft Rule retains the process for non territorial authority RCAs (for example, an airport authority or the Department of Conservation) to set speed limits. These RCAs will follow the same process as set out in Section 6 of the 2022 Rule.

The process for entering speed limits into the Register of Land Transport Records is proposed to stay the same. The Register will continue to give effect to all permanent, variable, emergency and seasonal speed limits.

The process for certifying speed management plans remains largely unchanged.

Speed management plans will continue to be certified by the Director. If an RCA chooses to develop a speed management plan, when submitting it for certification, it will be required to confirm that the relevant requirements of the Rule have been met. If the Director is satisfied the plan meets the requirements set out in the Rule, they must certify the plan. If the Director is not satisfied, they

must refer it back to the RCA with reasons for the plan not meeting the requirements. There are proposed updates to the information RCAs must provide to the Director when submitting plans for certification (see proposal 6).

The draft Rule retains the definitions and process for determining school categories 1 and 2

Most schools will be category 1 and be required to implement variable 30km/h zones outside their gates (see proposal 3). RCAs can designate a school as category 2 in their speed management plans or through the alternative method. Category 2 schools can have a variable speed limit of between 40km/h and 60km/h.

DRAFT SETTING OF SPEED LIMITS RULE

Proposal 1 – require cost benefit analysis for speed limit changes

The draft Rule requires RCAs to undertake cost benefit analysis (CBA) when consulting on proposed speed limit changes.

The proposed changes will ensure economic impacts are considered alongside safety and road user and local community views when changing speed limits.

CBA helps ensure that decision-makers are well informed about how decisions impact on people and supports good evidence-based decision-making. A CBA is primarily about organising available information in a logical and methodical way to evaluate the economic impacts. Under the draft Rule, the CBA forms part of the evidence base RCAs use to make decisions on proposed speed limit changes.

The draft Rule proposes that RCAs must undertake CBA for each road and consider the following impacts:

- Safety (including changes in the number and severity of crashes); and
- Travel time (including changes in mean operating speed); and
- Implementation costs (including planning, road signs and markings, installation costs, overheads, consultation and administration costs).

Benefits include any positive impacts attributable to the proposed speed limit changes (for example, reduced travel times and reduced number and severity of crashes). Costs include any negative impacts attributable to the change (for example, increased travel times and increased number and severity of crashes) and implementation costs. To calculate the benefit cost ratio, benefits are divided by the costs. The approach *would not* enable negative impacts like increased travel times to be treated as a disbenefit for the purposes of calculating any benefit cost ratio.

To simplify the approach for RCAs, the CBA requirements focus on the more limited range of impacts outlined above.

NZTA guidance will provide more information on how to undertake CBA.

CBA will be required when proposing future speed limit changes (see proposal 4). It will not be required when setting variable speed limits outside school gates (see proposal 3).

The Ministry and NZTA are continuing to test the way CBA requirements are applied through sensitivity analysis. This will be considered alongside submission feedback to provide final recommendations on the Rule.

Questions

Do you have any comments on the above proposals?

Proposal 2 – strengthen consultation requirements

The draft Rule ensures RCAs undertake genuine consultation and increases transparency of decisions in response to feedback received.

The 2022 Rule requires RCAs that are territorial authorities (city and district councils) to follow the consultation principles set out in the *Local Government Act 2002*. NZTA (RCA for the State highways) is required to publish the draft State highway speed management plan on its website and give at least four weeks for interested parties to make written submissions.

The intent of *Local Government Act 2002* consultation requirements is retained in the draft Rule, with some additions. To ensure NZTA follows the same process for proposed changes on State highways, the draft Rule extends the requirements to NZTA.

The draft Rule proposes that all RCAs follow the same consultation requirements, that is, they must:

- Use reasonable efforts to consult with persons that use the road for which a speed limit change is proposed, freight users, local communities, businesses and schools surrounding the impacted area, and local government (for example, neighbouring RCAs).
- Publish the draft speed management plan and cost benefit analysis on a website and give at least four weeks for any interested party to make a submission.
- Following consultation, publish a summary of submissions and include an explanation of how feedback was taken into account in the final speed limit changes.

Proposed speed limit changes on each road must be presented separately in consultation to allow for consultation feedback on each road that is changing.

Strengthening the current consultation requirements will increase transparency by requiring RCAs to explain how they considered feedback.

Questions

Do you have any comments on the above proposals?

Proposal 3 – require variable speed limits outside school gates

The draft Rule requires variable speed limits outside school gates during school travel periods.

The draft Rule defines *outside a school gate* as a stretch of road immediately adjacent to a gate or other access used by students to enter or leave the school, measuring:

- 300 metres for category 1 schools
- 600 metres for category 2 schools.

RCAs will work with schools to identify eligible school gates. Schools will have many different examples of gates or access points, and not all will need to be treated. However, if the gate is adjacent to a road and is used by children entering and leaving school, it should be included.

The proposed lengths are based on the minimum road length for speed limits outlined in the schedule and are total length (not 300 metres either side of a gate). These lengths will not work for every road outside a school gate and the Rule allows for variation to meet specific circumstances.

The draft Rule defines school travel periods as 8-9.30am and 2.30-4pm on school days.

During these times, the speed limit will be 30km/h for category 1 schools and between 40km/h and 60km/h for category 2 schools. At all other times the speed limit will be the posted limit.

Variable speed limits already implemented around schools, even if they do not meet the new definition of *outside the school gate,* can remain. However, permanent speed limit reductions already implemented around schools will need to meet the new requirements. This is discussed further in proposal 7.

The proposed deadline for all roads to meet the new variable speed limits outside school gates requirement is 31 December 2027.

The *Land Transport Rule: Traffic Control Devices 2004* (TCD Rule) describes the requirements for road signage and markings. When implementing variable speed limits, the TCD Rule requires electronic variable speed limit signs to be installed on the main road. The current static variable speed limit signs can only be used on give way- or stop sign-controlled side roads adjacent to the main road. This is due to the size of the font on the static sign and legibility requirements.

Electronic variable signs cost more than static signs and incur ongoing maintenance costs. To enable a more cost-effective solution, we are seeking feedback on amending the TCD Rule and the *Land Transport (Road User) Rule 2004* to allow static variable speed limit signs on main roads during default school travel times.

The proposed amendment to the TCD Rule would allow static variable speed limit signs on main roads. We propose the existing sign could be used in urban areas and larger static signs would be required in rural areas with higher speeds. Electronic signs would continue to be an option in all environments.

We are also proposing to amend the Road User Rule to introduce default variable speed limit times. The default school travel periods would be reflected in the Road Code and drivers would be expected to be familiar with them and know to slow down around schools during travel periods.

Once finalised, the new Rule will be widely communicated by NZTA to increase public awareness and understanding of the requirements, including the default variable speed limit times.

The requirement in clause 5.3(3) of the 2022 Rule to review speed limits for category 2 schools in the next speed management plan is proposed to be revoked – if a road outside a category 2 school has a variable speed limit this can remain.

Questions

Do you have any comments on the above proposals?

Proposal 4 – introduce a Ministerial Speed Objective

The Objective will set out the Government's expectations for speed management.

The draft Rule proposes to introduce a Ministerial Speed Objective as a tool which allows the Minister of Transport to set out the Government's expectations for speed management. Through the Objective, the Minister can signal the pace, scale and focus of change they expect RCAs to work to. The Objective could include types of roads, percentage of the roading network, or other criteria RCAs should focus on.

RCAs must have regard to the Objective when proposing any speed limit changes and include an explanation in their speed management plan as to how the RCA has had regard to the Objective in developing the speed management plan.

Questions

Do you have any comments on the above proposals?

Proposal 5 – changes to speed limits classifications

The draft Rule proposes a schedule of speed limits classifications for each road type.

The draft Rule proposes to introduce a binding schedule of speed limit classifications that specify speed limits available for each road type. When making speed limit changes, RCAs will need to align the proposed speed limit with the schedule of classifications. There will be limited exceptions to this. NZTA guidance will include information on exceptions and criteria for choosing a speed limit from within any range in the classification.

The schedule moves back to more standardised speed limits in urban areas (50 km/h) and interregional connectors (100 km/h). The exceptions enable variation in certain instances to improve road safety outcomes.

The intent of the draft Rule is to make it easier to set 110km/h speed limits by removing the Director's approval process on roads that are built and maintained to support that speed limit.

Table of speed limit classifications

	Class of road	Description	Current guidance	Proposed speed limit
Urban streets	Urban streets	Residential and neighbourhood streets, and streets that provide access to and support businesses, shops, on-street activity and services.	30 – 40 km/h	50 km/h
	Civic spaces	Streets mainly intended for localised on-street activity with little or no through movement.	10 – 20 km/h	10 – 20 km/h
	Urban connectors	Streets that provide for the movement of people and goods between different parts of urban areas, with low levels of interaction	40 – 60km/h	50 – 80 km/h

		between the adjacent land use and the street.		
	Urban transit corridors	Urban motorways and corridors that provide for movement of people and goods within an urban environment.	80 – 100 km/h	80 – 100 km/h
Rural roads	Peri-urban roads	Roads that primarily provide access from residential property on the urban fringe, where the predominant adjacent land use is residential, but usually at a lower density than in urban residential areas.	50 – 80 km/h	50 – 80 km/h
	Stopping places	Rural destinations that increase activity on the roadside and directly uses the road for access	40 – 80 km/h	50 – 80 km/h
	Rural roads	Roads that primarily provide access to rural land for people who live there and support the land-use activity being undertaken.	60 – 80 km/h	80 – 100 km/h
	Rural connectors	Roads providing a link between rural roads and interregional connectors.	60 – 100 km/h	80 – 100 km/h
	Interregional connectors	Roads that provide for movement of people and goods between regions and strategic centres in a rural context.	60 – 110 km/h	100 km/h
	Expressways	State highways that are median divided, with two or more traffic lanes in each direction, grade separated intersections, access controlled, with a straight or curved alignment	N/A	100-110 km/h

Exceptions to the table of classifications

Class of road	Description	Proposed speed limit
Beaches	Beaches to which the public have access	10 – 60 km/h
Unconventional, low-volume or low speed road types	Parking areas, beach access points, riverbeds, cultural and recreational reserve or similar.	10 – 30 km/h
Unsealed roads	Roads that are unsealed	60 – 80 km/h
Urban streets with significant levels of pedestrian and/or cycling activity	Main streets, residential and neighbourhood streets with significant levels of pedestrian and/or cycling activity	40 km/h
Urban intersection speed zone	Can be variable or permanent speed limit to address high risk crash types at an intersection	30 – 40 km/h
Rural intersection speed zone	Can be variable or permanent speed limit to address high risk crash types at an intersection	60 – 70 km/h
Mountainous or hill corridors	Roads where the alignment is tortuous	60 – 80 km/h

Questions

Do you have any comments on the above proposals?

Proposal 6 - update the Director's criteria for assessing speed management plans for certification

The draft Rule proposes to update the criteria RCAs must meet when submitting speed management plans for certification.

Under the draft Rule, RCAs submit their plans to the Director and must confirm they have met the following:

- consultation requirements (including publishing a summary of submissions and how that feedback was taken into account)
- cost benefit analysis requirements
- speed limits have been set in accordance with the speed limit classifications
- speed limit requirements outside schools in accordance with the new Rule
- has regard to any Ministerial Speed Objective.

If the Director is satisfied the RCA has met the requirements, they must certify the plan. If they are not satisfied, they must refer the plan to the RCA with recommendations for how to meet the requirements. The RCA must have regard to those recommendations before resubmitting the plan.

The Director will check the RCA has confirmed it has completed all steps required by the Rule, but will not have a role to re-evaluate decisions of the RCA.

Questions

Do you have any comments on the above proposals?

Proposal 7 – reverse recent speed limit reductions

The draft Rule proposes that certain speed limits reduced since 1 January 2020 will be reversed by 1 July 2025

The draft Rule proposes to require speed limits reduced since 1 January 2020 to be reversed on the following roads:

- local streets with widespread 30km/h speed limits surrounding a school
- arterial roads (urban connectors)
- Rural State highways (interregional connectors)

30km/h zones surrounding schools

The 2022 Rule allows permanent 30km/h speed limits around schools. This has resulted in some cases of whole areas reduced to 30km/h because there is a school in the area. The draft Rule removes the ability for permanent speed limit reductions around schools and RCAs will need to meet the proposed requirements of variable speed limits outside school gates (see proposal 3).

The streets surrounding the school will need to reverse to their previous speed limit, and introduce variable speed limits on the stretch of road outside school gates, by 1 July 2025.

Arterial roads

Arterial roads or urban connectors are primarily designed for the efficient movement of people and goods between different parts of urban areas, with little interaction between the adjacent land use and the street.

The draft Rule proposes to reverse speed limits reduced on arterial roads since 1 January 2020.

Rural State highways

The draft rule proposes to reverse speed limits reduced on rural State highways since 1 January 2020 unless NZTA (as RCA) can demonstrate public support for the lower speed limit on all or part of the route. If NZTA can demonstrate public support for lower speed limits on part of the State highway (for example, windy, hilly sections), the lower speed limit can be retained for that section. NZTA must undertake new consultation in line with the requirements in proposal 2. As part of this process, NZTA can present economic and safety analysis to inform the public's feedback, but this is not mandatory.

By 1 July 2025, all relevant reduced speed limits must be either recertified or reversed to what they were on 31 December 2019, and updated in the National Speed Limit Register.

Timeline for reversing speed limits

Step	Who	Due by
Identify all roads in scope of reversal	All RCAs	As soon as practicable
Submit list of roads to be reversed to the Director	All local RCAs	3 March 2025
NZTA as RCA submits to the Director a list of State highways to retain lower speed limit, including confirmation of public support for the lower limit.	NZTA as RCA	3 March 2025
Director certifies the reversed (new) or retained speed limits for all roads in scope.	Director of Land Transport	1 May 2025
New speed limits uploaded into the National Speed Limit Register and new signs in the ground.	All RCAs	1 July 2025.

Questions

Do you have any comments on the above proposals?

WE SEEK YOUR FEEDBACK ON OTHER MATTERS

We are interested in your views on other potential changes outlined below. We have not proposed any specific changes in the draft Rule on these matters, but are seeking feedback on them.

Speed Management Committee

The Speed Management Committee (the Committee) was established under the 2022 Rule to provide independent oversight of NZTA and ensure a clear separation of its roles as regulator and RCA. The Committee's roles are to review the State highway speed management plan and provide

oversight to its guidance on speed management. To date, the Committee has provided feedback on the interim State highway speed management plan.

The Committee consists of up to nine members, with a mix of experience in road safety, local government, specific road users (eg freight), or other skills and knowledge that enable the Committee to fulfil its functions and duties. Members are paid a daily rate to take part in training to enable them to fulfil their role, and to prepare for and attend Committee meetings.

We welcome your thoughts on the value of the Committee. If it were to be disestablished, we would need to consider whether alternative oversight is needed and if so, through which mechanism.

Regional speed management plans

Regional speed management plans are intended to support a whole-of-network approach and ensure regional consistency of speed limits. Under the 2022 Rule, territorial authorities would provide information to the Regional Transport Committee which would develop, consult on, and finalise a regional speed management plan. Any territorial speed management plan that was in place would become redundant once a relevant regional speed management plan was published.

So far only one regional speed management plan has been submitted to the Director for certification. We understand some regions have attempted to coordinate plans but progress was slow due to resourcing and alignment issues.

Higher speed limits on certain roads

The draft Rule enables some roads to have a speed limit set at 110km/h. We are interested in your thoughts on enabling speed limits of up to 120km/h on roads that are built and maintained, and will be managed, to safely accommodate that speed.

Questions

Do you have any comments on the other matters outlined above?

Otago Regional Council

3 July 2024

Te Manatū Waka Ministry of Transport

PO Box 3175

Wellington 6011

By email to: speedrule@transport.govt.nz

Otago Southland Combined Regional Transport Committees submission on Land Transport Rule – Setting of Speed Limits Rule 2024.

1. The Otago Southland Regional Transport Committees (RTCs) thank the Ministry for the opportunity to make a submission on the Setting of Speed Limits Rule 2024.

Background and context

2. The RTCs comprise the authorised organisations who plan transport activities in the Otago and Southland regions. The members are representatives of the five territorial local authorities in Otago, three territorial authorities in Southland, the Otago Regional Council, Southland Regional Council (Environment Southland), and the New Zealand Transport Agency (NZTA). The purpose of the committee is to set the direction for transport investment in the regions in a combined Regional Land Transport Plan and monitor the implementation of the Plan to meet the needs of Otago and Southland communities.

3. All members actively participate in the committee: Queenstown Lakes, Central Otago, Clutha, Waitaki Southland, and Gore District Councils, Dunedin and Invercargill City Councils, Otago and Southland Regional Councils and NZTA.

4. We note that member organisations may also make individual submissions, but no attempt has been made to reflect individual member organisations responses.

General Comment

5. The use of speed management is a well acknowledged component of road safety responses around the world. When speed management is aligned with other safety interventions and acceptance by the surrounding communities the highest safety outcomes can be achieved. There are components of the draft rule as proposed that do not fit with the safe system approach that are likely to ensure these safety outcomes will not be delivered.

6. The major impediment to a successful outcome for this rule change is to ensure that the speed limits implemented are done with the agreement of the communities that the speed limits most directly effect. They must not be imposed or appear to be unreasonable to achieve community acceptance. The current proposal will require Road Controlling Authorities particularly in the local road sector to undo proposed or implemented speed limit changes that

orc.govt.nz 0800 474 082 Private Bag 1954, Dunedin 9054

Otago Regional Council

have been consulted on and have substantial community support. This undermines the credibility of both the RCA and the likely support for any proposed future changes.

7. The need for a uniform and easily understandable speed setting rule that will allow community desires and outcomes to be achieved and deliver significant safety benefits is acknowledged. However, the current proposal is too prescriptive in some areas.

8. The use of the term RCA and Council in the draft rule appears to be inconsistent. The term RCA should apply when referring to Road Controlling Authorities and the term Council where the term refers to a Regional Council. The rule should also acknowledge the dual roles of NZTA. The role of an RCA and an administrator and approver of plans. Within this submission the term RCA includes the Road Controlling Authority of NZTA.

Specific Comment

Proposal 1 – require cost benefit analysis for speed limit changes.

9. The requirement for cost benefit analysis is acknowledged but not supported.

- The proposed methodology is inconsistent with the CBA using the Monetised Cost Benefit Manual used for all other transport funding projects. The methodology proposed appears to significantly disadvantage low-cost speed interventions at the expense of travel time savings that are very unlikely to be achieved or are negligible. It is important to understand that time savings are only significant over long distances, in urban areas savings from higher speed limits are hard to achieve due to stop start nature of the journey. Arterial roads within urban environments, reduced speed limits would have no appreciable effect during times of congestion, in this case, safer speeds for the environment are prioritised.

We recommend the CBA used in the rule be consistent with the current NZTA CBA process.

- The proposed CBA process and requirement for proposals to be on a road-by-road basis will result in significant costs to the local Roads sector where speed changes are proposed.

We recommend specific funding be made available to assist the sector in accessing or re-accessing their speed management plans to conform with the new rule particularly in the coming NLTP period where funding is already restricted and Long-Term Plans have been confirmed with this cost implication unknown to them.

Proposal 2 – Strengthen Consultation Requirements.

10. All RCAs should be required to follow the same consultation requirements and both state highway and local road speed change consultation should have the same requirements. The additional consultation requirements of the proposed rule and the requirements for each individual road to be consulted on presents particular challenges for the Territorial Authority sector and will make consultation on state highway local road interaction points more complex. The additional requirements will add significantly to the costs of any speed limit change

Otago Regional Council

proposal and may lead the RCA to just abandon what would be high safety outcome changes due to cost.

We recommend the consultation requirements be reviewed and the requirement for consultation on each individual road proposal be removed.

Proposal 3 – Require Variable Speed Limits Outside School Gates.

11. The proposal is supported in principle. We do question whether the views of the schools or the education sector have been taken into account in developing the rule. Whatever the final outcome the need for clear signals to road users on the speed limit applying and the reasoning as part of an education plan need to be in place for the speed limits to be effective.

    We believe that the rule including prescriptive implementation requirements around the type and extent of speed limit reductions may lead to unintended consequences. Schools are all located on differing road types with differing traffic patterns and densities with the roads serving different purposes so adopting a single prescriptive approach is sure to result in unintended consequences and lack of community support.

    We recommend the single prescriptive approach be changed to allow the RCA to assess the school environment, road type and use and implement an appropriate intervention for the site.

Proposal 4 – Introduce a Ministerial Speed Objective.

12. The need for a uniform and easily understandable speed setting rule that will allow community desires and outcomes to be achieved and deliver significant safety benefits is acknowledged. However, the current proposal is too prescriptive in some areas. Having a Ministerial Objective sets a precedent that at best could be seen as introducing the perception of political interference in the way an RCA interacts and responds to their community. If such an objective is required, then the Government Policy Statement on land transport or the expected Road Safety Strategy is where the Governments views should be reflected.

    We recommend removal of the ministerial speed objective and the inclusion of such a statement in either the Government Policy Statement on Land Transport or the Road Safety Strategy.

Proposal 5 – Changes to Speed Limits Classifications

13. We encourage where possible, corridors be considered in their entirety when addressing speed limits to reduce situations where there are fluctuations in speed due to fragmented decision making. This will ensure a consistent approach for road users across the region and limit inconsistencies within and between districts. Road definitions should all be referenced to the One Network Framework (ONF) that has been adopted across the country by both state highway and local road authorities.

Proposal 7 – Reverse Recent Speed Limit Reductions

Otago Regional Council

14. We do not support the requirement to reverse recent speed limit reductions and particularly the differentiation between state highway and local road requirements. Where speed limit reductions have been implemented or proposed with community support the RCA should be given the opportunity to retain the status quo. That is leave the speed limit as change or continue with the implementation of the new proposed limits that have been consulted on and have community support.

    The risks in requiring reversal of these speed limits include,

    - The significant costs associated with these reversals in new signage and remarking roads, this does not align with the value for money or efficiency values set out in the GPS 2024.
    - loss of community and public confidence as speed limits change after public acceptance has already been gained and community desires have been heard.

    The requirement for reductions to meet a specified time frame will be difficult for many RCAs to achieve. Some of these speed limit changes have been made under the old Bylaw process and the rule does not take this into account.

    We recommend the requirement to reverse speed limit reductions since 2020 be reviewed to take into account the risks and comments in this submission.

Conclusion

The combined Otago Southland Regional Transport Committees requests due consideration be given to the matters raised in this submission. We welcome any feedback the Ministry can provide and look forward to a substantially redrafted rule being implemented.

Thank you once again for the opportunity to make a submission on the draft rule. Should you require any further information please contact Russell Hawkes Lead Transport Planner Environment Southland on 021 970 997 or russell.hawkes@es.govt.nz.

Yours faithfully

Cr Jeremy McPhail,

Chair

Southland Regional Transport Committee

Cr Kate Wilson,

Chair

Otago Regional Transport Committee

DRAFT
Minutes - South Island Regional Transport Committee Chairs

Venue: Online via Microsoft Teams

Date: Monday 8 July 2024, 9.00am – 1.30pm

Members In Attendance:	*Canterbury Regional Council* Cr Grant Edge *Southland Regional Council* Cr Jeremy McPhail Cr Phil Morrison *Marlborough District Council* Cr Scott Adams *NZTA Waka Kotahi* James Caygill	*Otago Regional Council* Cr Kate Wilson *(Chair)* Cr Alexa Forbes *West Coast Regional Council* Cr Peter Ewen Cr Peter Haddock *Tasman District Council* Deputy Mayor Stuart Bryant
Member Apologies:	*Canterbury Regional Council* Chair Peter Scott *Nelson City Council* Mayor Nick Smith	*NZTA Waka Kotahi* Emma Speight
Officers In Attendance:	*Canterbury Regional Council* Jesse Burgess Sam Bellamy Tiara Thorby Tom Chretien (Item 9) *Southland Regional Council* Russell Hawkes *Marlborough District Council* Laura Skilton *Nelson City Council* Lyndon Hammond	*Otago Regional Council* Lorraine Cheyne *West Coast Regional Council* Max Dickens *Tasman District Council* Bill Rice (joined online 9.34am) *NZTA Waka Kotahi* Toshi Hodliffe
Officer Apologies:	*Nelson City Council* Rhys Palmer	

Guest Attendees:	Gary Ikin, South Island Infrastructure Manager, KiwiRail (Item 5) Martyn Wooster, Canterbury Lifelines Project Lead, Canterbury Lifeline Utilities Group (Item 7) Richard Ball, Group Recovery Manager, Canterbury CDEM Group (Item 8)	Clare Pattison, Canterbury Regional Council Jocelyne Allen, West Coast Regional Council

1. Welcome, Apologies and Introductions

The Chair, Cr Kate Wilson, welcomed members and meeting was opened at 9.04am with a karakia.

Apologies were noted from Peter Scott, Mayor Nick Smith, Emma Speight, and Rhys Palmer. Apology for lateness from Cr Grant Edge and Deputy Mayor Stuart Bryant.

2. Minutes from Previous Meeting – 15 April 2024

There were no corrections or amendments to the minutes of the previous meeting.

That the South Island Regional Transport Committee Chairs Group:

1. **Accept these minutes as a true and accurate record.**

Cr Kate Wilson/Cr Alexa Forbes
CARRIED

3. Regional Updates

<u>Otago</u>

- Long Term Plan (LTP) and Regional Land Transport Plan (RLTP) are being finalised, both include significant PT upgrades for Queenstown however unsure about the current NZTA business case process and its impacts on the projects. Some works have begun with a 4-year project timeline, this is significant as there are no alternative routes.
- Submissions received on the RLTP included; cycle trails and connecting networks, previsions of passenger connections between Christchurch and Invercargill, transport access to health especially for blind citizens, changes to the state highway investment program, changes requested by the road controlling authorities for specific projects to be brought forward and named for consideration for the future.

- Strong patronage growth in Queenstown PT, with an all-time record of daily trips in March. On track for a record annual patronage for 2023-2024.
- DCC is working with NZTA and ORC to reprogram transport investment for new Dunedin hospital.
- There has been a rise in antisocial criminal behaviour in and around the Dunedin PT hub which all partners are working to address.

Southland

- Similar to Otago, (joint RTC) RLTP received 59 submissions with 23 submitters wanting to be heard.
- Significant concerns of overall lack of funding, any claimed funding increases for the activity classes are only enough to cover any existing cost increases.
- Their LTP has settled on an appropriate and affordable rate increase. They have been able to reduce costs and push some projects out.

West Coast

- Received 10 submissions and 5 hearings for their RLTP. They have concerns about the NZTA Emergency Works Policy and made a submission. A submission was also made on the Speed Management Rule and consultation.
- The major concern is the Tawhai rail tunnel, south of Reefton, has a partial collapse. In the meantime, Coal is now being transported by truck through the Buller George, there is no timeline to these repair works. Urging KiwiRail to get the tunnel working as soon as possible to take the pressure off the road.

Marlborough

- RLTP was approved in July, work is ongoing at the Picton ferry terminal which includes supporting works to nearby roads. Malbrough Speed Management Plan was targeted to specific areas and will remain until the final new Setting of Speed Limits Rule comes into effect.
- Sounds Road works will use majority of the budget over the next three years. This was approved through the LTP, awaiting NZTA.

Canterbury

- RLTP and the LTP are being finalised, high priority projects include the second Ashburton bridge, Public Transport Futures in Greater Christchurch, and the State Highway 1 Belfast to Pegasus bypass.
- Canterbury will be the first region to have the National Ticketing Solution (NTS), launching in Timaru in December 2024. Staff continue to work on any risks forthcoming due to lack of central government funding through the GPS or NLTF.

Nelson / Tasman

- Have budgeted to change speed limit signs over a 10-year period. They will prioritise schools and those challenging areas with variable speeds and static signs.
- The Hope Bypass has been pushed out, but it is a Road of National Significance. Rocks Road project was pushed out. Some of the streets for people and transport choices work has been modified and/or unable to be started due to reduction in funding.
- RLTP was approved and they have adopted their RPTP. They are ready to submit to NZTA.

4. NZ Transport Agency Waka Kotahi update

- The final GPS didn't see a significant change from the draft however, there was a language change to be clear on what can be funded from the walking and cycling activity class. Safety now includes mention of the safe system approach, staff are still awaiting on the Road Safety Strategy/Objectives mentioned in this GPS.
- There is a significant focus on the primary delivery Roads of National Significance (RONS) for NZTA. The Woodend Bypass is confirmed for the 1st trance of delivered projects, subject to funding and investigation into tolling, regional fuel tax as alternative funding modes.
- Funding ranges changed slightly in the final GPS, there is a reduction in the funding range for the walking and cycling activity class. A reminder that even though the funding ranges have an upper range, it is very unlikely the NZTA Board will choose to fund an activity class to the max.
- There is one more week (11 July) to submit to the Ministry on the proposed Speed Management Rule. The rule doesn't change the method of changing speeds, it confines the speeds that you are able to set.
- There needs to be a conversation about how the South Island packages and talks about bridge renewals and infrastructure over the next 30 years- this could be an agenda item for November.
    - Action: James Caygill to send around the bridge age and renewal data for the South Island, would be beneficial to have the data broken down by region.
- Coastal shipping has been included in the final GPS with the same level of investment as the pervious 3-years.

5. KiwiRail update

- The Rail Network Investment Programme (RNIP) has largely been completed, it is focused on the most 'productive' areas of the network for the most investment and value for money (largely includes the Auckland, Tauranga, Hamilton 'Golden Triangle')
- The final RNIP is estimated for September 2024 release date, after the NZTA Board have finalised the NLTF.

- Rangitata bridge has been repaired. They have had shipping issues and tunnel 1 on the west coast has collapsed with no timelines on repairs and reopening.
- KiwiRail is currently going through a corporate restructure which will take some time to work through.
- As a reminder, no rail could mean an estimated 55,000 more trucks on the roads and the road damage associated with heavy trucks. KiwiRail manages 1500 rail bridges and 4500km of track.
    - Action: Gary Ikin to share the schedule of South Island track maintenance and renewals
- The West Coast reiterated how vital rail is to their economy and noted that they will support KiwiRail in any way they can. They noted that they will need responses back from KiwiRail on their river resilience works.

6. Transport Special Interest Group / Te Ringa Maimoa Transport Excellence Partnership updates

- The Transport Special Interest Group (TSIG) consists of transport officials from all regional councils and from Auckland transport. The group meets regularly to work on two areas of work: public transport and policy with several sub-groups.
- Te Ringa Maimoa is now being called REG (road efficiency group). REG has a new role of managing consistent data collection across the country, and several specific working groups.
- Over the last six months, TSIG and REG have been working together to form a partnership to use each group's strengths to support the transport decision makers.
    - Action: The Roading Efficiency Group transport insights hub can be found at the following link here, for further detail into the portal please contact your Council's transport team.

7. Guest presentation: South Island priority routes following a significant earthquake event

- This project of work was funded by NIWA with the purpose of agreeing default routes and reasonable order for recovery within the South Island for when a large natural disaster occurs.
- The presentation shown by Martyn is attached and the AF8 website will be managed by and updated by the regional lifelines contacts over the coming months. Website can be accessed at the following link: https://af8.org.nz/

8. Guest presentation: Canterbury road status reporting project

- The presentation from Richard is attached to the minutes.
- The objective of the project is to have a system that provides responders and the public with consistent, reliable, and timely information on the status of roads across Canterbury during and after CDEM emergency events.
- Work is ongoing for the team to determine the next steps for this project, how could the project be rolled out for national use and which transport agency would be responsible for it.
- There is an opportunity for this project to be taken to the Roading Efficiency Group (REG) leadership for visibility also.
    - Action: Russell Hawkes to liaise this project to the REG and report back any further conversation/update points.
- The Canterbury Road Status map can be accessed at the following link: https://www.arcgis.com/apps/instant/basic/index.htmlappid=fee6af54028f4e88bf9f13527f073f32
- The link will be public for a few weeks, so there is no need to log in to access this app.

9. Priority initiative: Understanding the South Island transport network vulnerabilities

- The purpose of this report is to seek approval to progress the agreed initiative focused on the South Island resilience priorities as well as providing the chairs group with information on the bridges across the South Island.
- The key deliverable is the preparation of a South Island transport network overview. The deliverable will outline key resilience risks, potential consequences to the network, and how respective asset management agencies are planning to address those. The work is expected to take six months with completion in early 2025.
- It is important to stay active in advocating for funding for the South Island bridges.
- There is sufficient budget in the SI RTC chairs group to accommodate this work.

That the South Island Regional Transport Committee Chairs Group:

(1) Approves the South Island Transport Network Vulnerabilities scope as included in the report.

Cr Jeremy McPhail/Deputy Mayor Stuart Bryant
CARRIED

10. Inter-regional transport options across the South Island

- The group agreed that this work is of importance and has significant but varying community support around the South Island.
- Staff should note that demand and mode are important to any potential work, a feasibility study should also consider resilience of routes and any business models.
- The 'who pays' aspect to any work of this nature is difficult and an economic case should be included. It is well known that subsidies alone for a project like this will not be sufficient. It would also be worth doing economic analysis into vehicle ownership versus inter regional public transport of some sort.
- Priority should be strong and agreed problem definition.

11. The South Island story: Setting out a compelling case for investment in our transport network

- The audience will be central government. The document is intended to be 5 – 10 pages long. Potential for Q1 next year to look at how to rank/group projects similar to a RLTP.
- This work should build on the SI RTC Chairs Group Joint statement which is included in RLTP's, in future this work should guide RLTPS.
- It was noted that there is significant mining activity invested on the West Coast and this document should have detailed info graphics and maps.

12. Rural school bus safety

- Decisions are still unclear about next steps, this item will remain on the agenda.
- Staff will monitor any work from the Ministry of Transport on the Fees and Fines review, there should be an increase in the fine amount for passing a school bus over 20km/h.
- Other suggestions to this issue included RCA's to update road signage notifying road users that a rural bus stop is approaching, giving more time to slow down appropriately.

13. Any Other Business

- Benefits on having the Minister of Transport or someone high up at the Ministry of Transport along to the November meeting- no action was decided.
- Update of the South Island Freight Study: we've progressed the project and have a contract in place with Stantec who will be leading phase 1 of the study.

14. Close and Farewell

- The meeting closed with a karakia at 1:23 pm.

9.2. Dunedin Bus Stop Audit Update

Prepared for:	Public and Active Transport Committee
Report No.	PPT2406
Activity:	Transport - Public Passenger Transport
Author:	Jack Cowie, Transport Planner
Endorsed by:	Anita Dawe, General Manager, Regional Planning and Transport
Date:	7th-8th August 2024

PURPOSE

[1] To inform the Committee of work undertaken for the Dunedin Bus Stop Audit project.

EXECUTIVE SUMMARY

[2] The Bus Stop Audit project was led and funded by ORC and completed by a project team that included DCC staff with consultant support. The purpose of the project was to assess the quality of bus stops in Dunedin to enable identification of public transport infrastructure investment priorities on a city-wide, whole of network basis.

[3] The aim of the project was to understand the existing state of bus stops in Dunedin and understand how they compare with standards based on national Public Transport Design Guidelines.

[4] The audit indicates that most stops fall within 50-70% compliance with these standards.

[5] Based on these deficiencies and the weighting of the importance of different stops, this project provides a basis upon which to make decisions on bus stops around the city. The data enables the development, with DCC, of an investment programme to direct infrastructure funding over the next 3 years.

RECOMMENDATION

That the Committee:

1) **Notes** this report.

BACKGROUND

[6] Dunedin's bus network has a long history, dating back to trolleybuses, trams, and cable cars. This is seen in a large number of historic bus shelters and road layouts; in places it is also visible in close stop spacings and one-way loops.

[7] During and post-Covid, due to driver shortages, operational concerns have driven a lot of day-to-day work in transport. ORC and DCC transport staff identified a lack of forward program for investing in infrastructure. Notwithstanding this, work is required to improve bus stop infrastructure, to ensure consistent safety, comfort, convenience, and "branding" of the city's public transport network.

[8] Responsibility for bus stop infrastructure in Dunedin is shared between Otago Regional Council (ORC) as the Public Transport Authority, and Dunedin City Council (DCC) as the Road Controlling Authority.

[9] For routine work, ORC provides the local share of funding, and DCC undertake technical work in the procurement and construction of bus stops. ORC receives National Land Transport Fund (NLTF) funding for bus stop maintenance and renewals through the public transport Continuous Program, and for new infrastructure through the Low-Cost Low-Risk infrastructure work category.

[10] While other territorial authorities, including QLDC, directly access the NLTF, the DCC does not – they work in partnership with ORC who access the fund on behalf of both organisations.

[11] In the previous 2021-2024 NLTF period, NLTF infrastructure funding was significantly underspent. This created a risk that this funding would be reduced on the basis that ORC did not have a forward plan for how it would be used. The audit and future infrastructure investment strategy will enable ORC to more fully utilise our funding allocation.

[12] ORC had previously undertaken an audit of bus stops in 2015 as a part of a network redesign, driven by the necessity of installing stops on streets which had new bus routes running along them. The new Bus Stop Audit updated the information that the councils hold on the condition of bus stops across the network. The new Bus Stop audit also made use of newly developed NZTA frameworks – namely, the One Network Framework (ONF) and Public Transport Design Guidelines (PTDG).

[13] The project undertook an in-person audit of stops, giving an up-to-date dataset, as well as analysing deficiencies between this dataset and the PTDG, and creating a framework to prioritise improvements.

DATA COLLECTION AND FRAMEWORK

[14] The consultant ViaStrada utilised students to conduct data collection using an agreed methodology.

[15] The audit assessed each bus stop against the key components of the New Zealand Transport Agency (NZTA) Public Transport Design Guidelines (PTDG) as set out in the table below.

Feature	Premium	Intermediate	Standard+	Standard	Basic
Kerb height	Essential	Essential	Recommended	Recommended	Optional
Hardstand	Essential	Essential	Essential	Essential	Recommended
Tacticle pavers	Essential	Recommended	Recommended	Optional	Optional
Connecting footpath	Essential	Essential	Recommended	Recommended	Optional
Crossing	Essential	Recommended	Recommended	Recommended	Optional
Bus stop sign	Essential	Essential	Essential	Essential	Essential
Bus box	Essential	Essential	Essential	Essential	Essential
Bus stop text	Essential	Recommended	Optional	Optional	Optional
No stopping marking	Essential	Recommended	Recommended	Optional	Optional
Street lighting	Essential	Essential	Recommended	Recommended	Optional
Shelter lighting	Essential	Essential	Recommended	Recommended	Optional
Seating	Essential	Recommended	Recommended	Recommended	Optional
Shelter	Essential	Essential	Recommended	Optional	Optional
Rubbish bin	Essential	Recommended	Optional	Optional	Optional
Recycling bin	Recommende	Optional	Optional	Optional	Optional
Stop-specific timetable	Essential	Essential	Recommended	Recommended	Optional
Public art	Recommende	Optional	Optional	Optional	Optional
Community noticeboard	Recommende	Optional	Optional	Optional	Optional

[16] The "Standard+" assessment is not in the PTDG, but due to a large number of stops falling within the PTDG "Standard" category, it was considered desirable to break this category up into a lower-service and a higher-service category.

[17] The cells with white borders represent adjustments from the PTDG baseline, based on considerations of reasonableness raised by ORC and DCC staff.

[18] The audit determined that 15 stops were classed as "Basic", 357 as "standard", 369 as "Standard+", and 112 as "Intermediate". No stops were classified as "Premium" or "Interchange" (noting that the Bus Hub and DCC projects in design were excluded from this project).

[19] Stops were compared with the above standards to give an indication of their level of deficiency. A **deficiency** could be an absence of an expected component, or a quality issue:

feature requirement	status	deficiency
essential	not present	high
essential	quality issue	medium
essential	present	none
recommended	not present	medium
recommended	quality issue	low
recommended	present	none
optional	not present	none
optional	quality issue	low
optional	present	none

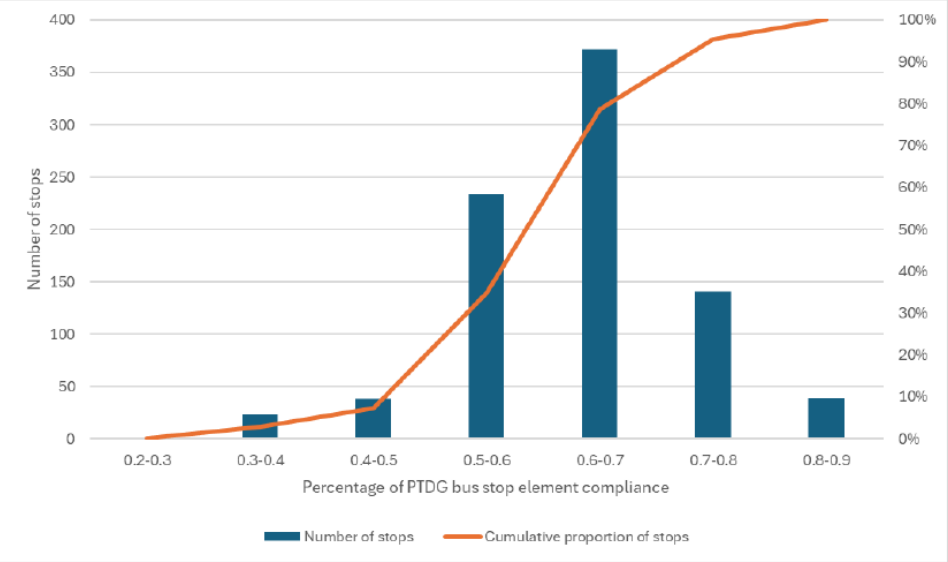
[20] Stops were also given a level of **prioritisation**. For example, a similar deficiency is of greater priority at a stop that sees more usage.

[21] In general, it can be expected that investment decisions will be guided by considering **customer impact** as equal to **(deficiency × prioritisation)**, then considering **value for money** in investment as **customer impact / investment cost**.

RESULTS

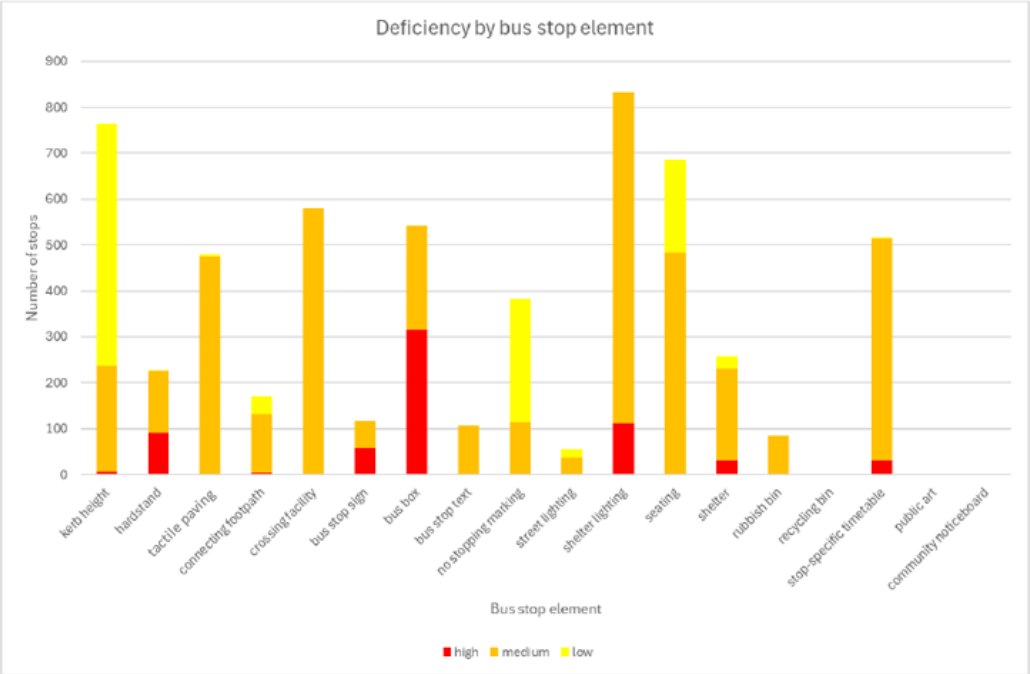
[22] Because the PTDG are relatively new guidelines, it was not anticipated that there would be a high level of compliance given the aging infrastructure in the Dunedin network and lack of forward planning.

[23] The best stops were assessed at 89% compliance, and the worst stops 28%, with most stops between 50% and 70%.



[24] A separate metric was the absolute level of deficiency, which was scored between a lowest-possible of 0 and highest-possible of 42 based on components. Scores ranged between 3 and 29: few stops performed very highly, but all have at least a few essential and recommended components.

[25] Deficiencies varied by element, as shown:



DISCUSSION

[26] The results are based on comparing data to standards – there is no stop-by-stop judgement of deficiencies. As such, an identified deficiency, even in some cases a medium or high-level deficiency, may upon closer investigation not be significant, or impossible to rectify due to local geography. This is particularly the case in hilly areas where terrain topography constrains bus stops.

[27] The purpose of a data-driven approach is to identify potential issues and opportunities, with final investment decisions involving a closer investigation of the context of a targeted location. None the less, the framework has seen use in use in setting priorities for the deployment of “E-stops” around the city.

[28] This project represents an innovative and original implementation of new bus stop design guidance. Although there is still work to do in interpreting the results and transforming them into investment decisions, the work was presented at a public transport industry conference and has attracted the interest of NZ Transport Agency staff as an example of a council making use of their new guidelines.

[29] This work also represents a change in approach to recent public transport infrastructure emphasis. In recent years the identified priorities in public transport investment have been in identifying locations for “Super Stops” – that is, singular opportunities to implement premium-level stops.

[30] However, this project takes on a network-wide approach that treats all stops within a single, value-based framework. This has potential to deliver greater value for money and a more equitable and consistent approach to public transport investment. It enables a starting point which has not “pre-prioritised” certain investments at the outset.

OPTIONS

[31] This paper is for noting, so no options are presented.

CONSIDERATIONS

Strategic Framework and Policy Considerations

[32] The draft Government Policy Statement on Land Transport (GPS) 2024/27 highlights the importance of good asset management and maintenance.

[33] Dunedin has a goal of becoming Carbon Zero by 2030 and DCC has recently adopted a Carbon Zero Plan with a medium to high investment scenario (to be confirmed through the 10 Year Plan 2023-31 consultation and adaptation). The plan includes an action to improve bus stop facilities across Dunedin.

[34] ORC is reviewing the current Regional Public Transport Plan (RPTP). The framework developed in the project, including bus stop standards developed from the PTDG, will be incorporated into the RPTP.

[35] The bus stop audit will contribute toward achieving the Strategic Direction of - *Sustainable, safe and inclusive transport.*

Financial Considerations

[36] The project cost fell within operational budgets.

[37] New infrastructure funding for Dunedin is not yet confirmed. As funding is confirmed, staff will continue to work with DCC using the Bus Stop Audit results to develop an agreed forward program of investment.

Significance and Engagement Considerations

[38] None

Legislative and Risk Considerations

[39] None

Climate Change Considerations

[40] As part of ORC's public transport program, improvement to bus infrastructure will make services more attractive, safe, and convenient. Higher Levels of Service attracting greater use of PT increases passenger kilometres travelled and supports mode-shift.

Communications Considerations

[41] There are no communications considerations regarding this paper.

NEXT STEPS

[42] Utilise the prioritisation and deficiencies data to make decisions on infrastructure investment, including the installation of e-signs.

[43] Utilise the audit data to assist with rectifying identified small scale problems, in partnership with DCC.

[44] Work with DCC to formulate an investment programme of minor and major improvements based on further development of the prioritisation framework.

[45] Implement an appropriate interpretation of Public Transport Design Guidelines for the Regional Public Transport Plan.

[46] Continue to partner with DCC on infrastructure delivery and funding.

ATTACHMENTS

1. Dunedin BusStop Deficiencies memo [**9.2.1** - 8 pages]
2. Deficiency examples [**9.2.2** - 18 pages]

Level 1, 284 Kilmore Street
Christchurch 8140, New Zealand
E: info@viastrada.nz

VIASTRADA
TRANSPORT PLANNING AND DESIGN

Dunedin Bus Stop Audit – Deficiencies Memo

To: Otago Regional Council

Attn: Jack Cowie

Date: 7 May 2024

Quality Assurance Statement		
This document has been prepared for the benefit of Otago Regional Council and Dunedin City Council. *No liability is accepted by ViaStrada Ltd, or any of its employees or sub-consultants with respect to its use by any other person.*	Prepared by:	Pim van den Top
	Reviewed by:	John Lieswyn
	Project Number:	1188-01
	Project Name:	Dunedin Bus Stop Audit
	Version:	2 – final, incorporating client feedback

1 Introduction

Dunedin is one of the largest cities in the South Island with a medium growth rate, diverse economy and large population of university students and health sector workers. Currently, a bus network of 24 routes with 875 stops serves the city. DCC owns and manages all infrastructure while ORC funds this and manages the network. Information about these stops is required to better manage the assets and improve accessibility.

In 2015 a survey of the infrastructure at around 800 existing bus stops was performed with a similar vision but the data is now old, incomplete, and lacks a future direction. This 2024 audit provides a future proofed, accurate, geo-spatial dataset that can be used in ArcGIS and RAMM for prioritisation of real time e-sign investment and future asset improvements such as bus shelters, seats, hardstands and bus bay markings.

Part B Task 2.3 of the scope of work provides for a memo that summarises deficient street infrastructure within a 50 m radius of each stop. This memo shows the proportion of the network affected, range of values and location of potential deficiencies including:

- Bus bays and no stopping lines – where tapers are likely to be insufficient
- Poor quality footpaths at bus stops
- Proportion and location of stops with no crossings nearby
- Hardstands that are missing
- Proportion of the network with/without shelters and seats

This memo should be read in conjunction with the corresponding web map showing high deficiencies, and the PowerPoint containing examples of deficiencies for each component.

2 Methodology

2.1 Classification of bus stops

Bus stops were classified based on an adapted version of New Zealand Transport Agency's (NZTA) Public Transport Design Guidance (PTDG) bus stop classification system. Stops were classified using a combination of One Network Framework categorisations for Place and Public Transport (PT), along with passenger boarding numbers from anonymised Bee Card data from October 2023.

To reflect the Dunedin context, the PTDG classification system was adapted, with the "Standard" classification being split into two: "Standard" for lower patronage stops along less frequent routes, and "Standard+" for stops with higher patronage and service frequency. The level of requirement for some bus stop components was decreased for the new "Standard" stops, along with smaller adjustments to the requirements for other stop classifications. This was to reflect the Dunedin context in terms of funding and strategy. Classification of the bus stops resulted in the following number of stops for each category:

- Public Transport Interchange – 0
- Premium – 0
- Intermediate – 112
- Standard+ – 369
- Standard – 357
- Basic – 15

Note that some of the stops that are out of scope[1] for this audit would likely be categorised as "Premium" stops, such as the Albany Street "superstops" and the Dunedin Bus Hub.

Some assumptions had to be made due to the indicative nature of the classification system in the PTDG. For example, the table contained in the PTDG does not provide for a combination of a place value of 5, and a PT descriptor of PT4, however this combination exists in the Dunedin network. A full table of assumed combinations, and a table of the adapted component requirements can be found in **Error! Reference source not found.**.

2.2 Deficiency categorisation

For each component of a bus stop, the PTDG contains a level of necessity based on the bus stop classification: essential, recommended, and optional. All components of a bus stop are "optional" at minimum, regardless of stop classification. Note that not all bus stop components were covered by this audit.

For each bus stop component included in the audit, the bus stop audit captured both presence and quality. A quality issue will differ in scope depending on the bus stop component – for example, a bus box has a "quality issue" if it is shorter than 15m, but a bus stop sign has a "quality issue" if it is damaged, faded, or obscured by vegetation.

To capture this in the deficiency analysis, a combination of level of necessity and level of provision was used to calculate the level of potential deficiency for a given bus stop component and a given stop. For example, if a bus stop component is essential, and the component is not present at a stop, this is given a "high" potential deficiency rating, however where a component is "optional" and not present, it is given a "low" potential deficiency rating. All rating combinations are summarised in **Error! Reference source not found.**.

Table 1: matrix of component necessity, status derived from the audit findings, and corresponding deficiency level

Feature necessity (PTDG)	Status (audit)	Potential Deficiency level
essential	not present	high
essential	quality issue	medium
essential	present	none

[1] Some stops were excluded from the scope of the audit. These stops were excluded either because they had ongoing construction works, or because they were newer stops built to a higher standard.

Feature necessity (PTDG)	Status (audit)	Potential Deficiency level
recommended	not present	medium
recommended	quality issue	low
recommended	present	none
optional	not present	none
optional	quality issue	low
optional	present	none

It should be noted that these are all "potential" deficiencies: for many components audited, context can influence whether a component should be added to a stop. For example, a crossing may be recommended for a stop of a given classification, but there may be no shops or houses to cross to.

Each stop is given an overall deficiency rating for all components. High, medium, low, and no deficiencies are given scores of 3, 2, 1, and 0 respectively, and are totalled across all components to give a total score, with a higher score indicating a higher level of deficiency (i.e. a worse level of provision).

3 Bus stop audit results and deficiencies

3.1 Network-level results

All bus stops audited have some room for improvement, with no stop having all essential and recommended components. The best stop in the network has a 89% compliance rate (i.e. 89% of the components surveyed have no deficiency), and the worst stops have a 28% compliance rate. Most stops have a compliance rate between 50% and 70%. **Error! Reference source not found.** shows the frequency distribution of stop compliance.

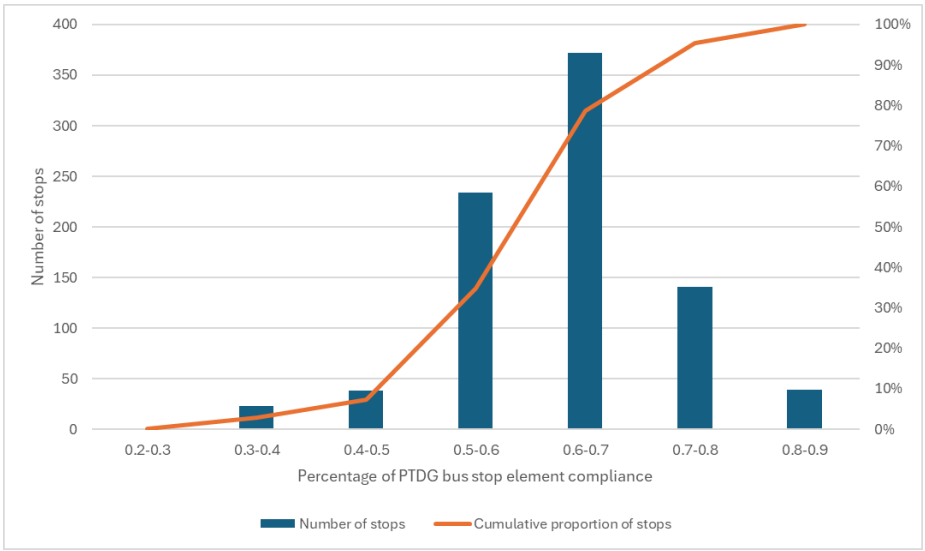


Figure 1: most stops have between 50% and 70% compliance

Stops of varying quality are spread throughout Dunedin. All stops, coloured based on the percentage of surveyed components that are deficient, are shown in **Error! Reference source not found.**.

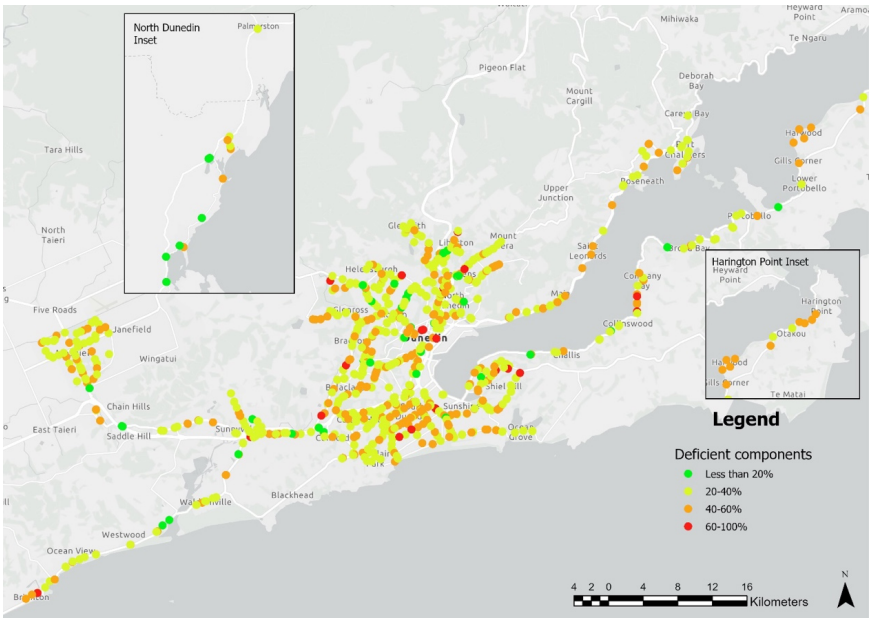


Figure 2: map of stops by PTDG compliance where red indicates over 60% of components are not compliant

The deficiency scores for each stop, where each component's deficiency is scored based on its severity, indicates how severe the deficiencies are (**Error! Reference source not found.**). From a possible score range of 0 (best possible) to 42 (worst possible for an "intermediate" stop), the scores across the network range from 3 to 29. Few stops perform very highly, but all stops have some of the essential and recommended bus stop components.

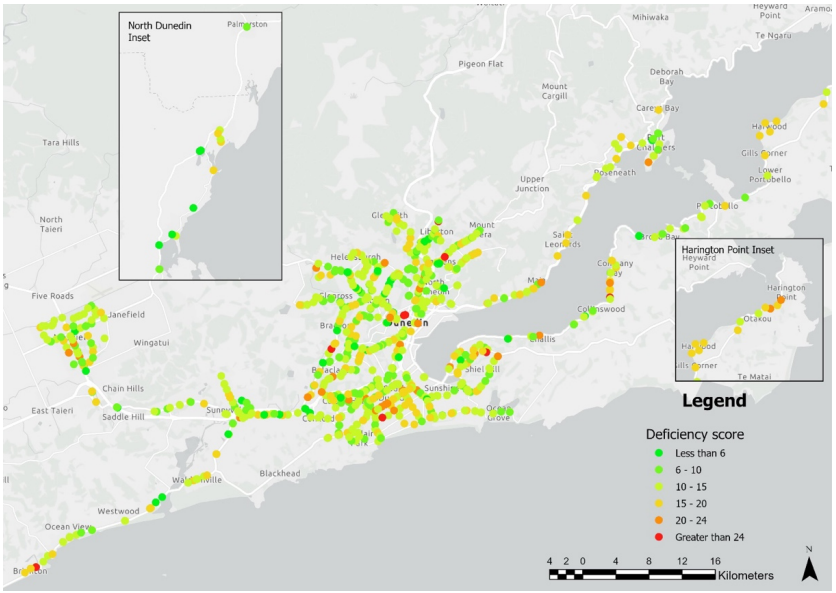


Figure 3: map showing severity of deficiencies, where red indicates a score of 24 or more

As noted in section **Error! Reference source not found.**, some stops were excluded from the scope of the audit; many of these were excluded as they are newer stops built to a higher standard, resulting in lower levels of deficiency.

3.2 Component results

The level of provision varies between bus stop components. Some components are present at very few stops, such as tactile ground surface indicators (TGSI), and some components are almost universally present, such as a bus stop sign. **Error! Reference source not found.** shows the network-wide results by component and deficiency level as defined in **Error! Reference source not found.**. The taller the bar in the chart, the more stops that have some form of deficiency for that component.

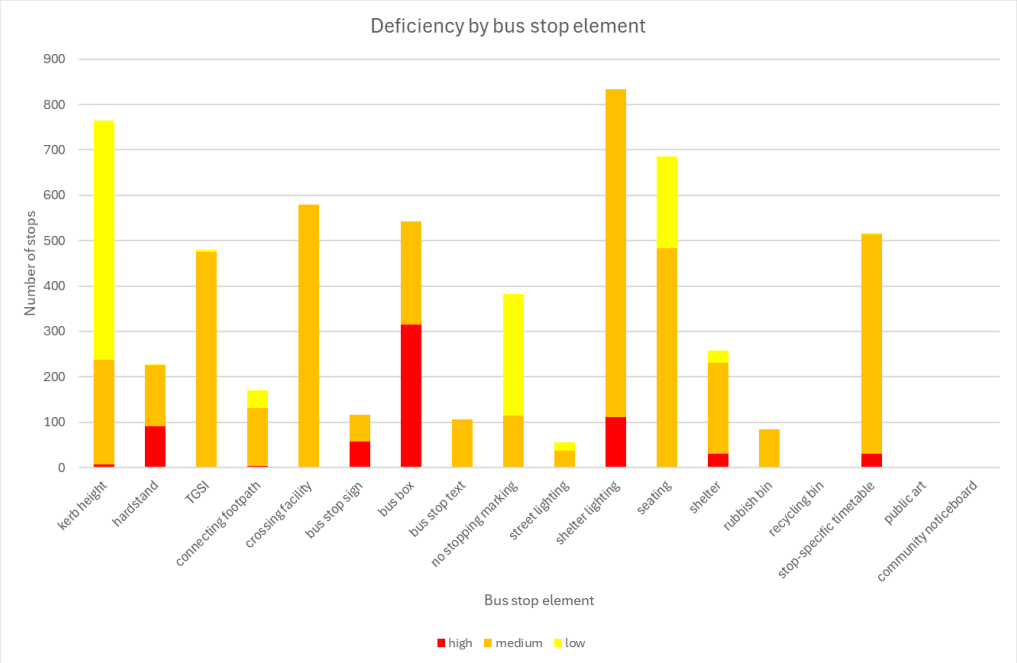


Figure 4: chart showing deficiency by bus stop component where bar height indicates the number of stops with deficiencies in each component

Some bus stop components are more critical than others, with bus stop signs and bus boxes being regarded as "essential" for every stop classification. As shown in **Error! Reference source not found.** and **Error! Reference source not found.**, most stops have adequate bus stop signs, however most stops have sub-par bus boxes.

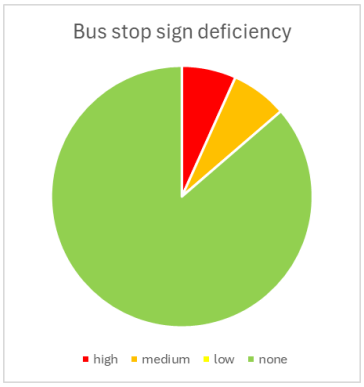


Figure 5: bus stop sign network-wide deficiency

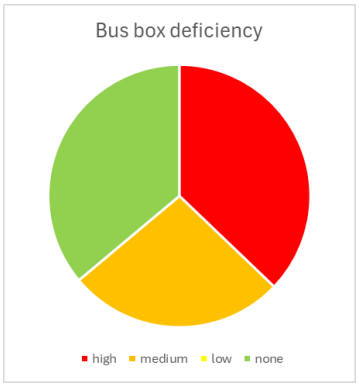


Figure 6: bus box network-wide deficiency

Appendix A Combination tables and assumptions

A.1 Bus stop classification table

ONF Place	ONF PT	Passenger Volume Score*	Classification
P1	PT2	2	Premium
P1	PT2	3	Intermediate
P2	PT2	2	Premium
P2	PT2	3	Intermediate
P2	PT3	2	Premium
P2	PT3	3	Intermediate
P2	PT3	4	Intermediate
P2	PT3	5	Intermediate
P2	PT4	3	Intermediate
P2	PT4	4	Intermediate
P2	PT4	5	Intermediate
P2	PT5	5	Standard+
P3	PT2	2	Intermediate
P3	PT2	3	Intermediate
P3	PT2	4	Standard+
P3	PT2	5	Standard+
P3	PT3	2	Intermediate
P3	PT3	3	Intermediate
P3	PT3	4	Standard+
P3	PT3	5	Standard+
P3	PT4	2	Intermediate
P3	PT4	3	Intermediate
P3	PT4	4	Standard+
P3	PT4	5	Standard+
P3	PT5	2	Intermediate
P3	PT5	3	Intermediate
P3	PT5	4	Standard+
P3	PT5	5	Standard+
P4	PT3	2	Intermediate
P4	PT3	3	Intermediate
P4	PT3	4	Standard+
P4	PT3	5	Standard+
P4	PT4	2	Intermediate
P4	PT4	3	Intermediate
P4	PT4	4	Standard+
P4	PT4	5	Standard
P4	PT5	2	Intermediate
P4	PT5	3	Intermediate
P4	PT5	4	Standard+
P4	PT5	5	Standard

ONF Place	ONF PT	Passenger Volume Score*	Classification
P5	PT4	4	Basic
P5	PT4	5	Basic
P5	PT5	5	Basic

*see following daily boardings and patronage class assignment table.

No. Daily boardings	Patronage Class
0-5	5
5-20	4
20-200	3
200-1000	2
1000+	1

A.2 Adapted PTDG component necessity table

Feature	Premium	Intermediate	Standard+	Standard	Basic
Kerb height	Essential	Essential	Recommended	Recommended	Optional
Hardstand	Essential	Essential	Essential	Essential	Recommended
TGSI	Essential	Recommended	Recommended	Optional	Optional
Connecting footpath	Essential	Essential	Recommended	Recommended	Optional
Crossing	Essential	Recommended	Recommended	Recommended	Optional
Bus stop sign	Essential	Essential	Essential	Essential	Essential
Bus box	Essential	Essential	Essential	Essential	Essential
Bus stop text	Essential	Recommended	Optional	Optional	Optional
No stopping marking	Essential	Recommended	Recommended	Optional	Optional
Street lighting	Essential	Essential	Recommended	Recommended	Optional
Shelter lighting	Essential	Essential	Recommended	Recommended	Optional
Seating	Essential	Recommended	Recommended	Recommended	Optional
Shelter	Essential	Essential	Recommended	Optional	Optional
Rubbish bin	Essential	Recommended	Optional	Optional	Optional
Recycling bin	Recommended	Optional	Optional	Optional	Optional
Stop-specific timetable	Essential	Essential	Recommended	Recommended	Optional
Public art	Recommended	Optional	Optional	Optional	Optional
Community noticeboard	Recommended	Optional	Optional	Optional	Optional

White bordered cells indicate departures from PTDG table.

Otago Regional Council

Dunedin Bus Stop Potential Deficiency Examples

This slide deck has been prepared to augment the reporting on a network audit of bus stops conducted in March 2024. Additional images can be accessed via the separately provided web map.

VIASTRADA
TRANSPORT PLANNING AND DESIGN

What are the bus stop classifications?

Each bus stop in Dunedin is classified into 6 stop types, reflecting their importance and level of usage. This is then used to determine the ideal level of provision at each stop.

Factors influencing classification:

- "Place" function (land use context)
- Frequency of buses
- Number of boardings

Stop types (no. of stops):

- Public transport interchange (0)
- Premium (0)
- Intermediate (112)
- Standard+ (369)
- Standard (357)
- Basic (15)

What is a potential deficiency?

For each component of a bus stop, a level of “potential* deficiency” is calculated based on how important a component is for a stop of a certain classification, and the provision of that component. The table below shows how this is calculated for each component.

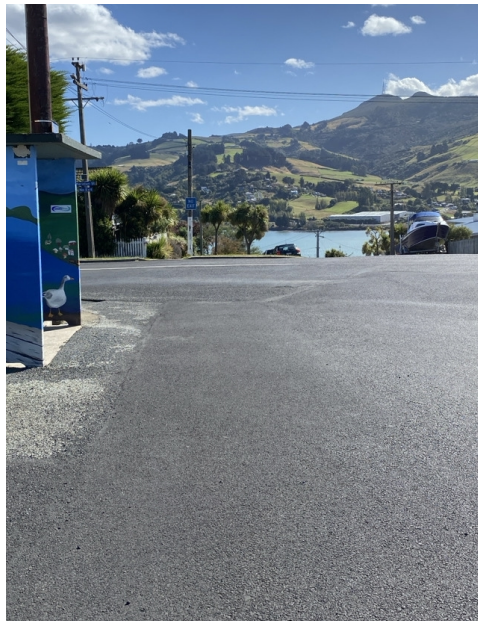
Feature necessity (PTDG)	Status (audit)	Potential Deficiency level
essential	not present	high
essential	quality issue	medium
essential	present	none
recommended	not present	medium
recommended	quality issue	low
recommended	present	none
optional	not present	none
optional	quality issue	low
optional	present	none

*All deficiencies are regarded as “**potential deficiencies”**, as site context may mean a component is not useful, viable, or affordable at a given stop, even though it may be regarded as “essential” or “recommended” for that stop.

Kerb height

Example 1 – Harrington St at Fox St

Stop ID: 59000372



Stop classification	Intermediate
Kerb height requirement*	Essential
Kerb height provision	Not present
Potential deficiency	**High**

Flat, no kerb increases step height

**Recommended kerb height ranges from 120 mm to 160 mm as per PTDG*

Example 2 – Prince Albert Rd, 50

Stop ID: 59000766

Stop classification	Intermediate
Kerb height requirement*	Essential
Kerb height provision	Not present^
Potential deficiency	**High**

^Road surface is above kerb height even though kerb is technically present

Pavement renewals have increased step height

Hardstand

Example 1 - Andersons Bay Rd, 482

Stop ID: 59000026

Stop classification	Standard+
Hardstand requirement	Essential
Hardstand provision	Not present
Potential deficiency	**High**

Example 2 – Chapman St, 65

Stop ID: 59000183

Stop classification	Standard
Hardstand requirement	Essential
Hardstand provision	Quality Issue
Potential deficiency	**Medium**

Defects in hardstand surfacing create hazard

TGSI

Example 1 – North Rd, 236

Stop ID: 59000631

Stop classification	Intermediate
TGSI requirement	Recommended
TGSI provision	Not present
Potential deficiency	Medium

Example 2 – Hawksbury, SH1 toward Palmerston

Stop ID: 59003082

Stop classification	Basic
TGSI requirement	Optional
TGSI provision	Not present
Potential deficiency	Low

Connecting footpath

Lateral and longitudinal footpath are combined for this deficiency

Example 1 – Larnach Rd, opposite 14

Stop ID: 59001118

Stop classification	Standard
Footpath requirement	Recommended
Footpath provision	Not present
Potential deficiency	Medium

Hardstand present, but no longitudinal footpath so users have no way of safely accessing the stop

Example 2 – Middleton Rd, 61

Stop ID: 59000583

Stop classification	Standard
Footpath requirement	Recommended
Footpath provision	Not present
Potential deficiency	Medium

driveway

No lateral footpath(or hardstand) joining stop with longitudinal footpath

Crossing facility

Example 1 – Kaikorai Valley Rd, 309

Stop ID: 59001079

Stop classification	Standard
Crossing requirement	Recommended
Crossing provision	Not present
Potential deficiency	Medium

Example 2 – Morris Rd, cnr Chain Hill Rd

Stop ID: 59000593

Stop classification	Basic
Crossing requirement	Optional
Crossing provision	Not present
Potential deficiency	None

Bus stop sign issues

Example 1 – Riselaw Rd, 84

Stop ID: 59001125

Stop classification	Standard
Bus stop sign requirement	Essential
Bus stop sign provision	Not present
Potential deficiency	**High**

NB: missing signs may be due to changes in bus routing that haven't been reflected in the GTFS database used to conduct the audit

Example 2 – George St, 788

Stop ID: 59000299

Stop classification	Intermediate
Bus stop sign requirement	Essential
Bus stop sign provision	Quality Issue
Potential deficiency	**Medium**

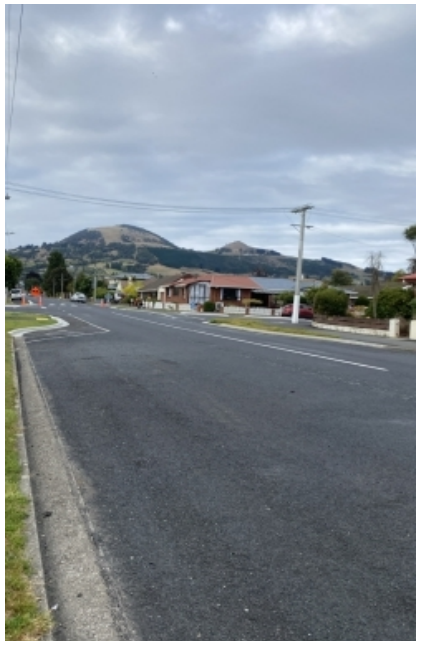
Bent sign

NB: the audit findings are a "point in time"; a list of maintenance issues has already been passed on to Dunedin City Council.

Bus box

Example 1 – Argyle St, 69

Stop ID: 59000039



Stop classification	Standard+
Bus box requirement	Essential
Bus box provision	Not present
Potential deficiency	**High**

Example 2 – Royal Cres, 33

Stop ID: 59000826

Stop classification	Standard+
Bus box requirement	Essential
Bus box provision	Quality Issue
Potential deficiency	**Medium**

Bus box is less than the recommended 15 m

NB: the ranking of deficiencies such as this requires interpretation – e.g. is parking demand high?

Bus stop text

Example 1 – King Edward St, 134

Stop ID: 59000484

Stop classification	Intermediate
Bus stop text requirement	Recommended
Bus stop text provision	Not present
Potential deficiency	Medium

NB: parking demand in a key activity area is likely to be high, so BUS STOP text may be needed to reinforce the sign and box.

Example 2 – Brighton Rd, opposite Cemetery

Stop ID: 59000129

Stop classification	Basic
Bus stop text requirement	Optional
Bus stop text provision	Not present
Potential deficiency	None

Taper*

NB: tapers allow a bus to pull into and out of a bus stop, and relies on the total length of no-stopping including no stopping markings, bus box and any immediately adjacent intersections or driveways

Example 1 – Main South Rd, 298 Sunnyvale

Stop ID: 59000524

Stop classification	Standard
Taper requirement	Optional
Taper provision	Not present
Potential deficiency	None

No bus box, resulting in a total length of 12m (6m either side of bus stop sign). However optional status means deficiency is “none”

Example 2 – Kaikorai Valley Rd, 200

Stop ID: 59000452

Stop classification	Standard+
Taper requirement	Recommended
Taper provision	Quality Issue
Potential deficiency	Low

Combined length of bus box and no stopping marking is too short

**Referred to as “No stopping marking” in the PTDG*

Seating

Example 1 – North Rd, 164

Stop ID: 59000646

Stop classification	Intermediate
Seating requirement	Recommended
Seating provision	Not present
Potential deficiency	Medium

Example 2 – South Rd, 172

Stop ID: 59000903

Stop classification	Standard+
Seating requirement	Recommended
Seating provision	Quality Issue
Potential deficiency	Low

Only a “lean bar” is provided

Shelter

Example 1 – Macandrew Rd, 282

Stop ID: 59000504

Stop classification	Intermediate
Shelter requirement	Essential
Shelter provision	Not present
Potential deficiency	**High**

Example 2 – Main Rd Fairfield, cnr Fairplay St

Stop ID: 59000519

Stop classification	Intermediate
Shelter requirement	Essential
Shelter provision	Quality Issue
Potential deficiency	**Medium**

Minor vandalism present

Rubbish bin

Example 1 – George St, 472

Stop ID: 59000308

Stop classification	Intermediate
Rubbish bin requirement	Recommended
Rubbish bin provision	Not present
Potential deficiency	Medium

Also near a commercial area

Example 2 – South Rd, 350

Stop ID: 59000919

Stop classification	Standard+
Rubbish bin requirement	Optional
Rubbish bin provision	Present
Potential deficiency	None

Timetable

Example 1 – North Rd, 80

Stop ID: 59000642

Stop classification	Intermediate
Timetable requirement	Essential
Timetable provision	Not present
Potential deficiency	**High**

Example 2 – Portobello Rd, Luss Rd (Company Bay)

Stop ID: 59000735

Stop classification	Standard
Timetable requirement	Recommended
Timetable provision	Quality Issue
Potential deficiency	**Low**

Timetable holder is present, but timetable sheet has been removed

Other bus stop components

Street lighting – completed through desktop analysis

Shelter lighting – no shelters currently have internal lighting

Recycle bin – small number of city centre stops have recycle bins

Bus stop art – small number of stops have art as part of stop design

Community noticeboard – 99% of stops do not have this component

Ngā mihi | Thank you

VIASTRADA

TRANSPORT PLANNING AND DESIGN

TE WHAKAMAHERE ME TE HOAHOA WAKA

9.3. Public Transport Network Performance Report 2023/24

Prepared for:	Public and Active Transport Committee
Report No.	POL2418
Activity:	Transport: Public Passenger Transport
Author:	Julian Phillips, Implementation Lead - Transport Gemma Wilson, Senior Operations Analyst - Public Transport Laura Faulkner, Transport Officer Grace Longson, Systems Support Transport Kacie Kasper, Systems Support Transport
Endorsed by:	Anita Dawe, General Manager Regional Planning and Transport
Date:	7th August 2024

PURPOSE

[1] To update the Committee on the performance of Public Transport (bus and ferry) and Total Mobility services for the 2023/24 financial year, being 1 July 2023 to 30 June 2024.

[2] This Report also presents a review of the new higher frequency Mosgiel services, the Mosgiel Express service, and the School Services patronage. The customer feedback monitoring results are incorporated.

EXECUTIVE SUMMARY

[3] Dunedin bus patronage for 2023/24 is 3,397,245 trips – representing an increase of 21% from 2022/23.

[4] Queenstown bus patronage for 2023/24 is 1,897,200 trips – representing an increase of 51% from 2022/23.

[5] Queenstown ferry patronage for 2023/24 is 74,062 trips – representing a decrease of 29% from 2022/23.

[6] Total Mobility patronage for 2023/24 is 123,436 trips – representing an increase of 13% from 2022/23.

[7] Combined patronage across all modes is nearly five and a half million trips at 5,491,943 which is a record for the network.

[8] Annually across the whole network, 99.4% of scheduled services were operated (452,266 trips). Missed trips, which is 0.6% of the total, is made up of driver availability, mechanical breakdowns, and accidents.

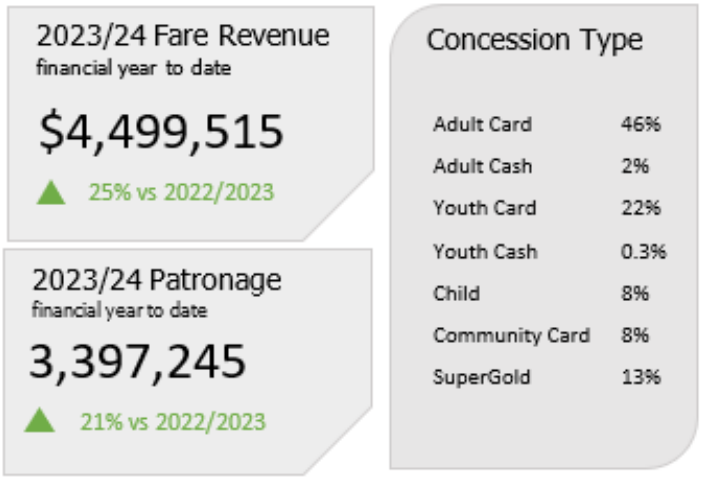
RECOMMENDATION

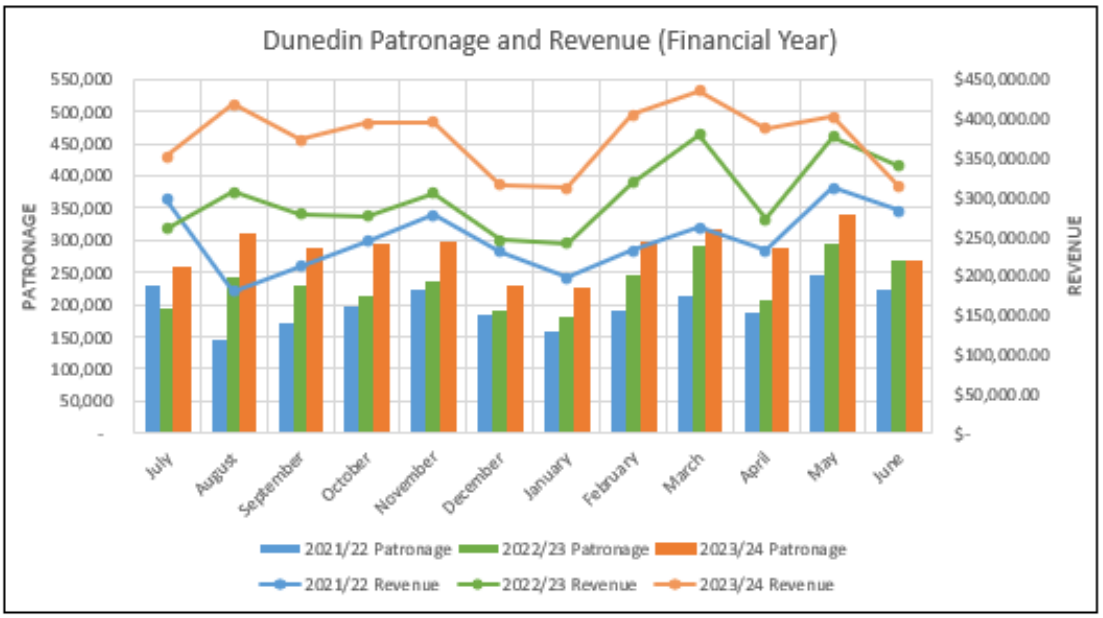
That the Committee:

a) ***Notes*** *this summary of public transport activity in Otago for the 2023/24 financial year.*

DISCUSSION - DUNEDIN

[9] Figure 1 details patronage and revenue for the 2023/24 Financial Year.





Dunedin	July	August	September	October	November	December	January	February	March	April	May	June	Totals
2018/19 Patronage	195,272	235,930	221,438	212,965	223,894	177,520	172,142	213,992	246,593	198,745	245,477	204,362	**2,548,330**
2019/20 Patronage	220,652	235,666	230,329	224,285	226,692	182,910	181,525	228,477	175,526	26,802	68,709	197,681	**2,199,254**
2020/21 Patronage	293,294	278,162	209,278	224,799	223,263	190,821	160,848	201,611	250,266	195,795	243,550	234,783	**2,706,470**
2021/22 Patronage	231,082	144,505	170,397	196,538	223,952	185,219	156,857	190,746	213,639	185,831	246,438	221,895	**2,367,099**
2022/23 Patronage	194,544	242,825	229,954	213,011	237,385	189,812	181,899	244,977	291,825	208,030	294,188	268,850	**2,797,300**
2023/24 Patronage	256,596	310,050	285,998	293,805	294,909	229,261	224,020	297,223	314,954	286,690	337,078	266,661	**3,397,245**

Figure 1: Dunedin 2023/24 Patronage and Revenue

[10] In summary, Dunedin patronage has significantly recovered from recent periods of disruption and for 2023/24, annual patronage across the network is exceeding that in each of the previous six years.

[11] Total Dunedin bus patronage for 2023/24 is 3,397,245. This is a 21% increase from 2022/23; noting that full timetables were re-introduced to Dunedin in February 2023.

[12] It also represents a 33% increase from the 2018/19 Financial Year, which is the last full year period where patronage was not disrupted by Covid restrictions and driver shortages. It sets a record for patronage in Dunedin. The highest ever monthly patronage figures of 337,078 trips occurred in May 2024.

Mosgiel services

[13] September 2023 saw the introduction of increased frequencies for route 77 Mosgiel services, moving from 30 minutes to 15 minutes at peak travel times (weekday mornings to 9am and afternoons from 3pm to 6:30pm). These services were introduced due to significant demand from commuters and school pupils at peak times, with buses regularly full and limited availability of sufficient additional fleet to be deployed at these times to deliver the required capacity.

[14] To provide additional support, a direct Express Service (Route 78) was also introduced. This service travels directly between Mosgiel and Dunedin at peak times.

[15] In 2022/23, Route 77 reported 300,745 passenger trips.

[16] In 2023/24, Route 77 reported 342,907 trips, whilst the 78 Express Service reported 17,531 trips, for a total of 360,438 – an increase of 20% compared to the previous year.

PATRONAGE		
	Route 77	
Jul-22	21,230	
Aug-22	27,232	
Sep-22	26,400	
Oct-22	23,883	
Nov-22	27,055	
Dec-22	20,750	
Jan-23	19,283	
Feb-23	25,212	
Mar-23	27,233	
Apr-23	22,592	
May-23	31,286	
Jun-23	28,589	
Total	**300,745**	
	Route 77	**Route 78 Express**
Jul-23	26,428	n/a
Aug-23	32,200	n/a
Sep-23	29,426	1,939
Oct-23	29,854	1,993
Nov-23	30,396	1,798
Dec-23	23,452	1,200
Jan-24	22,308	1,099
Feb-24	29,791	1,915
Mar-24	29,985	2,010
Apr-24	28,938	1,703
May-24	33,555	2,233
Jun-24	26,574	1,641
Total	**342,907**	**17,531**
Grand Total		**360,438**

Figure 2: Mosgiel patronage for route 77 and the 78 Express.

[17] Figure 3 tracks individual PTOM Unit information for the year.

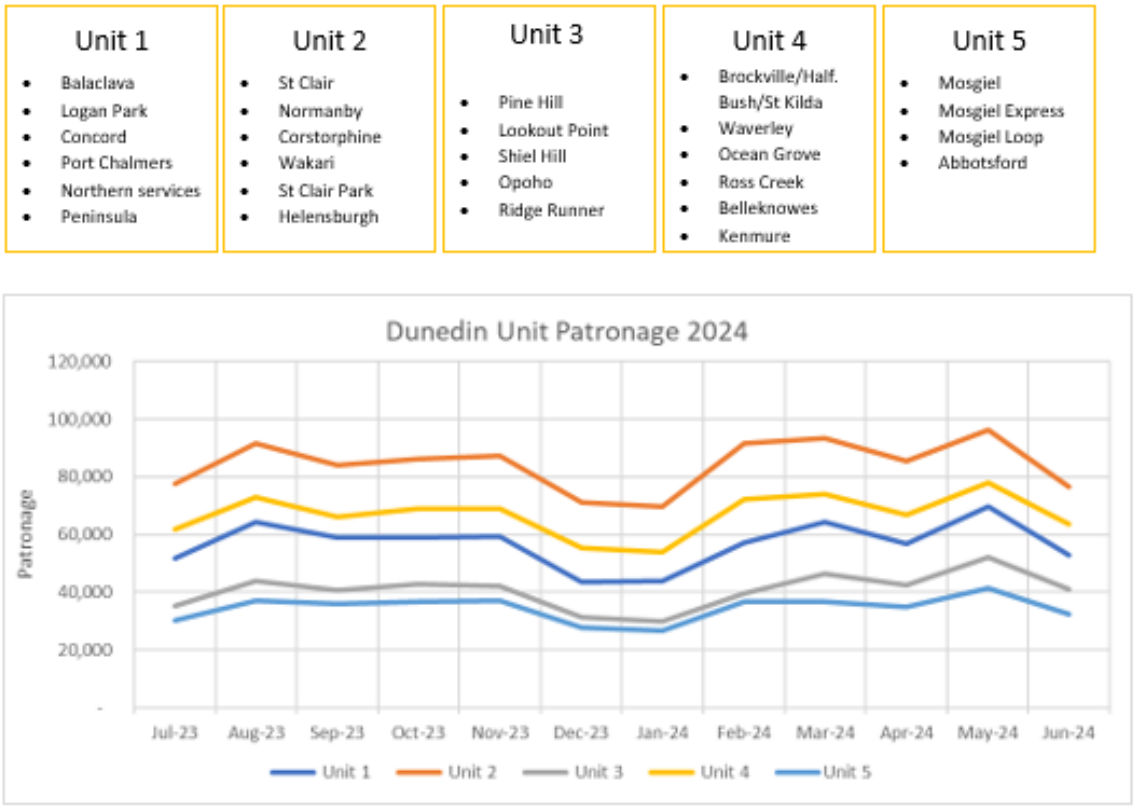
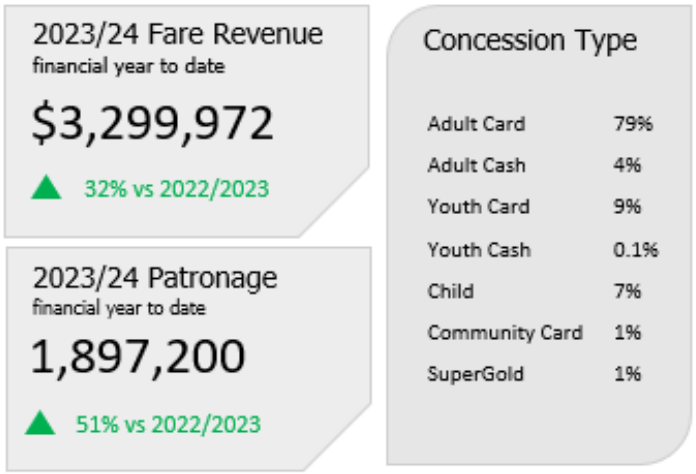
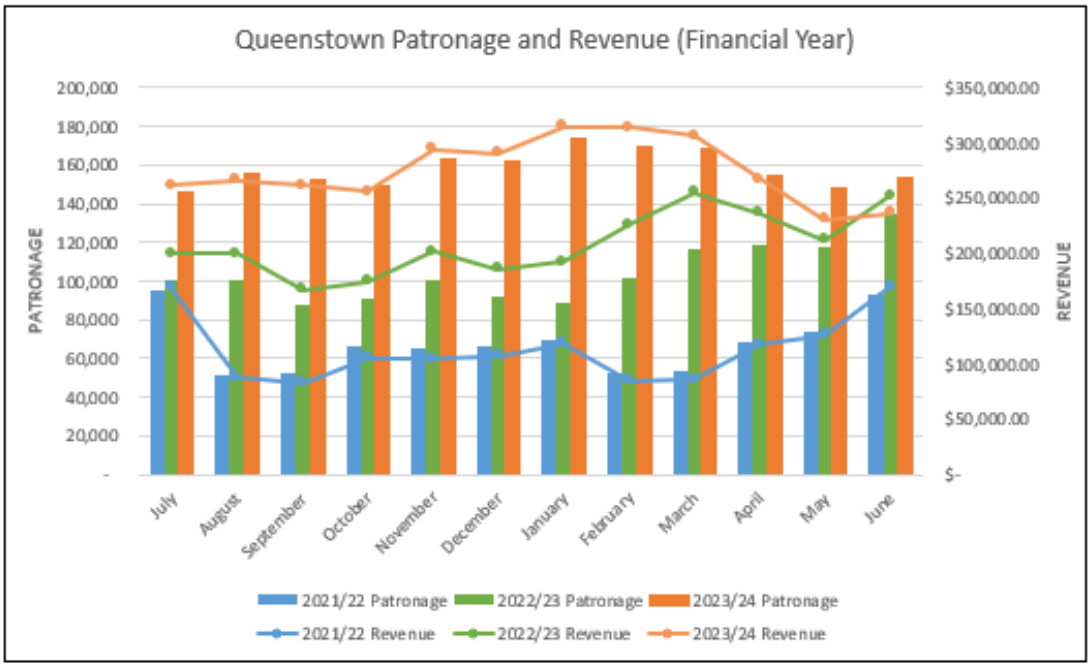


Figure 3: Dunedin 2023/24 PTOM Unit performance

DISCUSSION - QUEENSTOWN

[1] Figure 4 details patronage and revenue for the 2023/24 financial year.





Queenstown	July	August	September	October	November	December	January	February	March	April	May	June	Totals
2018/19 Patronage	122,752	117,442	103,974	111,657	125,600	118,997	136,055	129,439	134,084	125,244	118,077	124,736	**1,468,057**
2019/20 Patronage	136,766	129,011	121,416	120,662	128,440	128,282	136,985	131,102	90,746	9,919	42,577	73,597	**1,249,503**
2020/21 Patronage	100,951	98,102	72,143	73,385	71,464	69,096	68,550	60,717	62,613	65,928	66,863	79,251	**889,063**
2021/22 Patronage	95,248	51,010	51,987	66,690	64,895	66,507	69,147	52,471	53,524	68,158	73,786	93,367	**806,790**
2022/23 Patronage	100,966	100,668	88,268	91,277	100,579	91,940	89,306	102,118	116,667	118,955	117,645	134,593	**1,252,982**
2023/24 Patronage	145,759	155,936	152,621	148,964	163,182	161,886	173,398	170,018	168,881	154,766	148,606	153,183	**1,897,200**

Figure 4: Queenstown 2023/24 Patronage and Revenue

[18] In summary, Queenstown patronage has fully recovered from the past couple of years of disruption. For 2023/24, patronage across the network is comfortably exceeding all previous years.

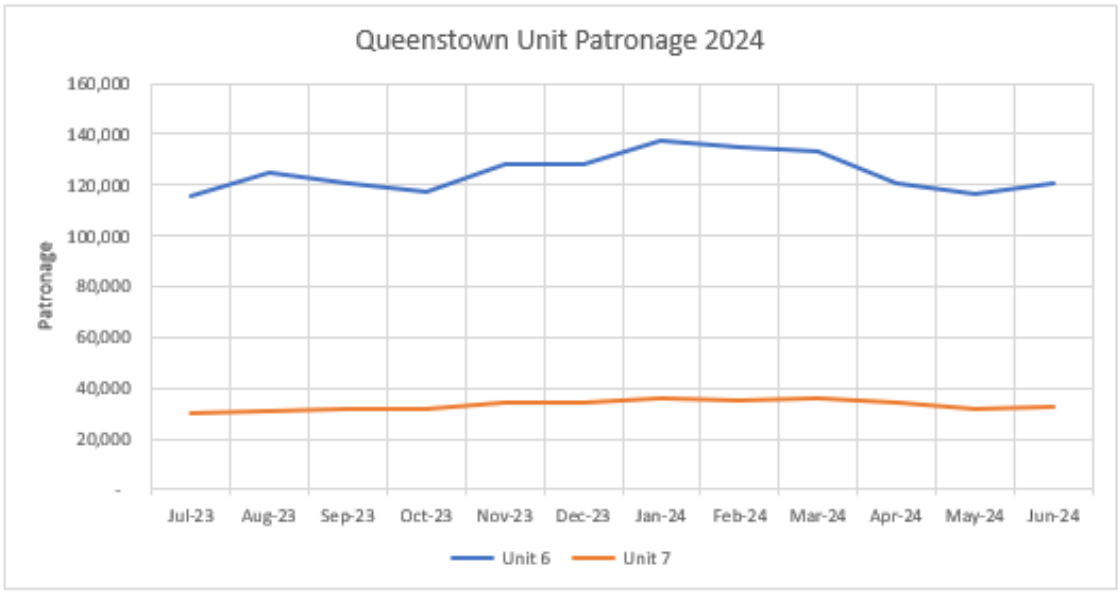
[19] Total Queenstown bus patronage for 2023/24 is 1,897,200 trips, which is a 51% increase from 2022/23. Full timetables were re-introduced to Queenstown in June 2023.

[20] Patronage is at its highest level since Council launched the Orbus service in Queenstown in late 2017. 2023/24 exceeds the previous patronage high of 2018/19 by 29%, despite a short-term driver shortage through March 2024 (since resolved) resulting in a higher number of missed trips than usual for that month.

[21] Patronage has continued to exceed pre-Covid levels since June 2023, demonstrating the immediate impact of the resumption of full timetables in that month.

[22] January 2024 saw the highest ever monthly patronage figure of 173,398 trips.

[23] Figure 5 provides individual PTOM Unit information.



Unit 6

- Fernhill – Remarkables Park
- Jacks Point – Frankton Hub
- Lake Hayes - Queenstown

Unit 7

- Arthurs Point – Arrowtown
- Kelvin Heights – Quail Rise

Figure 5: Queenstown 2023/24 PTOM Unit performance

DISCUSSION – QUEENSTOWN FERRY

[24] Figure 6 details Queenstown Ferry patronage and revenue for the 2023/24 Financial Year.

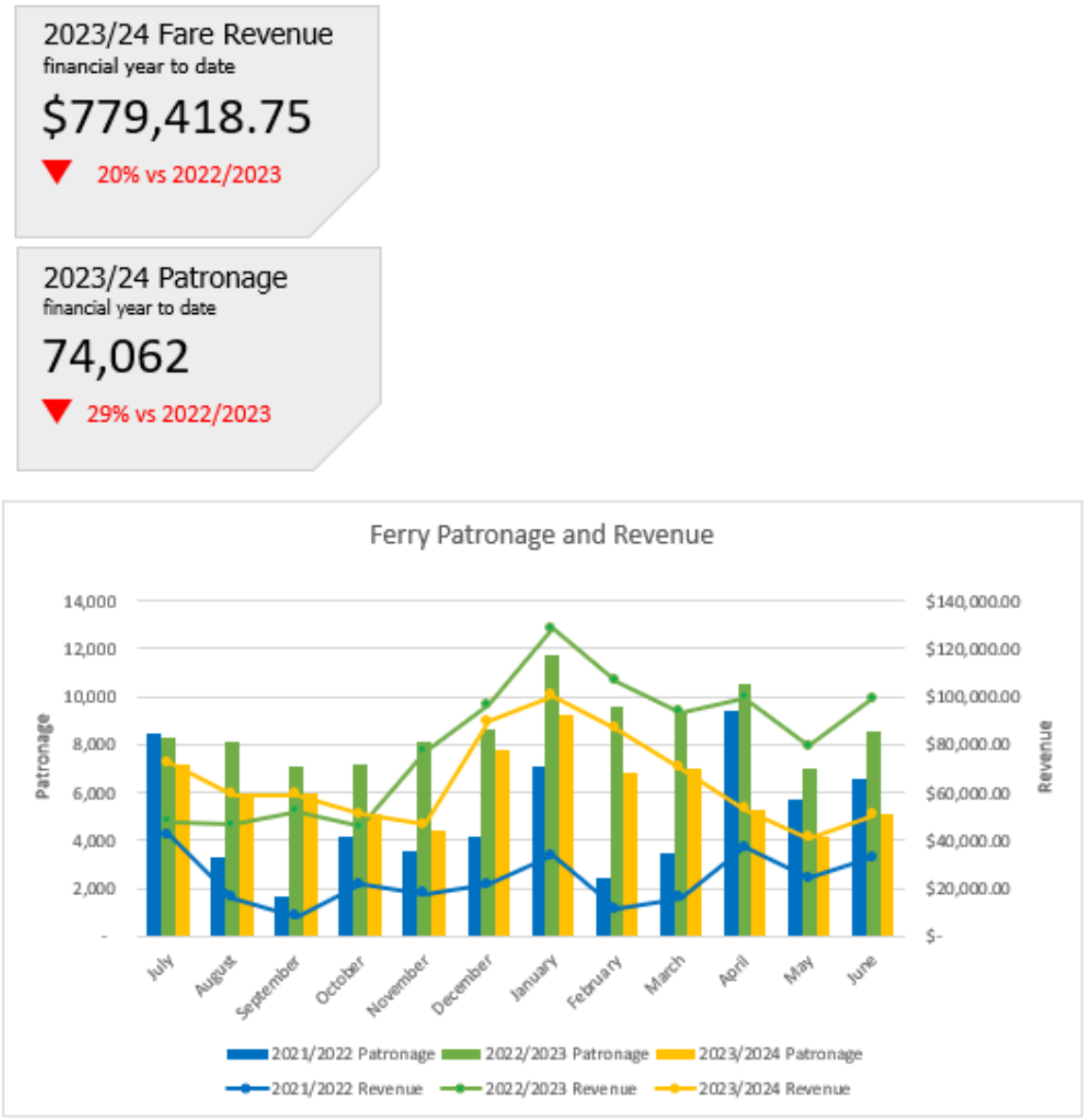


Figure 6: Queenstown Ferry 2023/24 Patronage and Revenue

[25] Total Queenstown Ferry patronage for 2023/24 is 74,062.

[26] This is a 29% decrease from the same period in 2022/23.

[27] The reasons for this result are likely the resumption of full priced fares in July 2023, together with Community Connect fare concessions not being applicable to Ferry services.

[28] Bee Card fares on the Ferry have been fixed at $10 since July 2023, following most of the previous Financial Year at the 50% reduced price of $5. Cash fares are $14, having previously been $7. Therefore, the impact of the return to full fares is more keenly felt in dollar terms on the ferry service than the bus service.

[29] However, the patronage trend has improved through 2024, with peaks in January, February, and June.

DISCUSSION – SCHOOL SERVICE PERFORMANCE

[30] School Services are regular services which have been planned to suit school start and finishing times and travel past or close by schools. These School Services can be used by any member of the public but are mostly used by school children, and fares paid are the same as they would be when travelling on the rest of the network.

[31] Figures 7 and 8 detail 2023/24 school bus patronage for Dunedin and Queenstown respectively.

[32] A new cohort of students starting in 2024 had increased patronage, and there is an overall upward patronage trend culminating in peaks across most routes in May and June 2024.

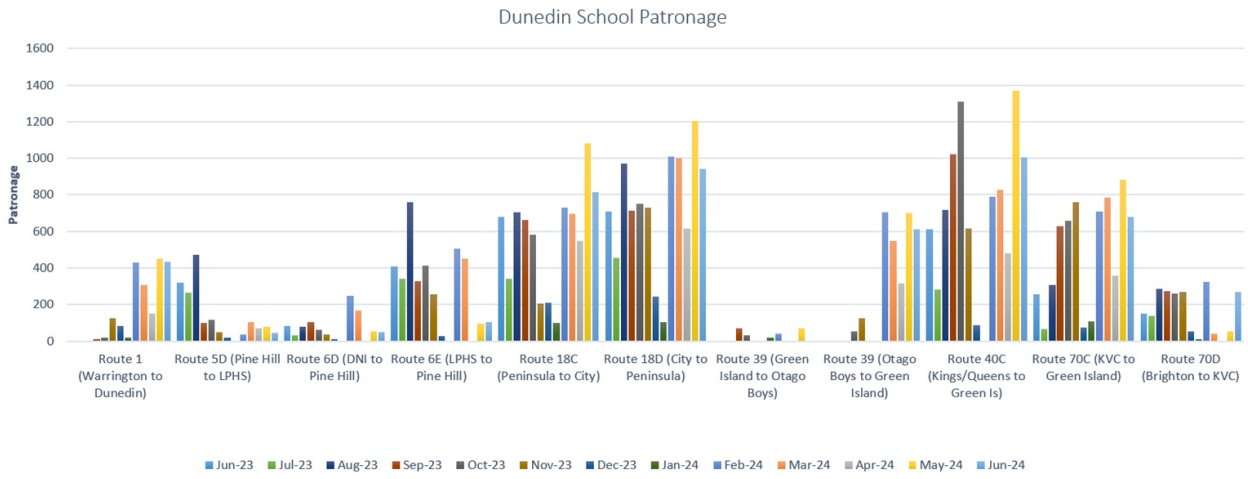


Figure 7: Dunedin School Service patronage, 2023/24.

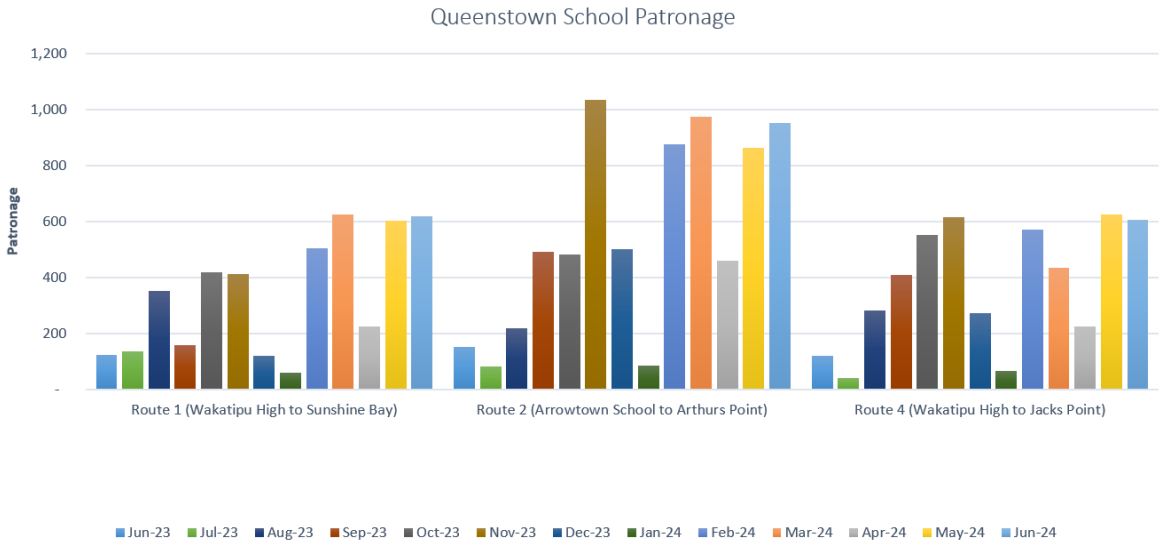


Figure 8: Queenstown School Service patronage, 2023/24.

DISCUSSION – TOTAL MOBILITY

[33] Patronage for the Total Mobility scheme continues to track ahead of previous years.

[34] The combined three charts in Figure 9 show quarterly data since the current dataset began in 2017.

[35] The first part of the chart shows usage, being boardings (hoist and non-hoist) and the average trip length. The second shows the total cost of Total Mobility trips, and how the cost is shared between the user, ratepayer, and government subsidy. The third shows the same figures on a per-trip basis.

[36] 'Hoist' refers to trips that require a wheelchair accessible vehicle to travel, for which suppliers receive a separate reimbursement.

[37] For the 12 months to June 2024, the total number of trips was 123,436 (10,268 per month, a 13% increase on the previous year), of which 20,727 required a hoist (1,727 per month, a 13% increase).

[38] The cost per trip and kilometres travelled is continuing an ongoing increasing trend, particularly from 2023 to date, likely driven by the popularity of the 75% fare subsidy.

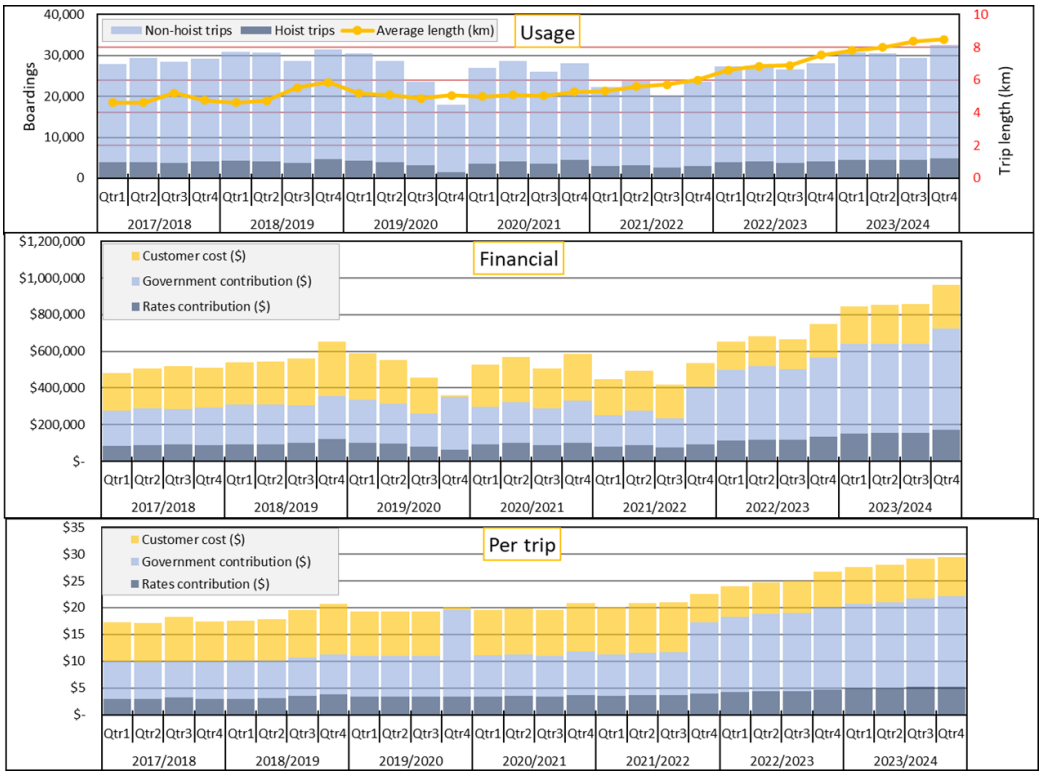


Figure 9: Total Mobility statistics.

DISCUSSION – CUSTOMER FEEDBACK

Overall network

[39] Figure 10 provides an overview of customer feedback received by the Transport team through 2023/24, for the combined Otago Public Transport network, split by month and feedback type (suggestion, praise, incident, etc).

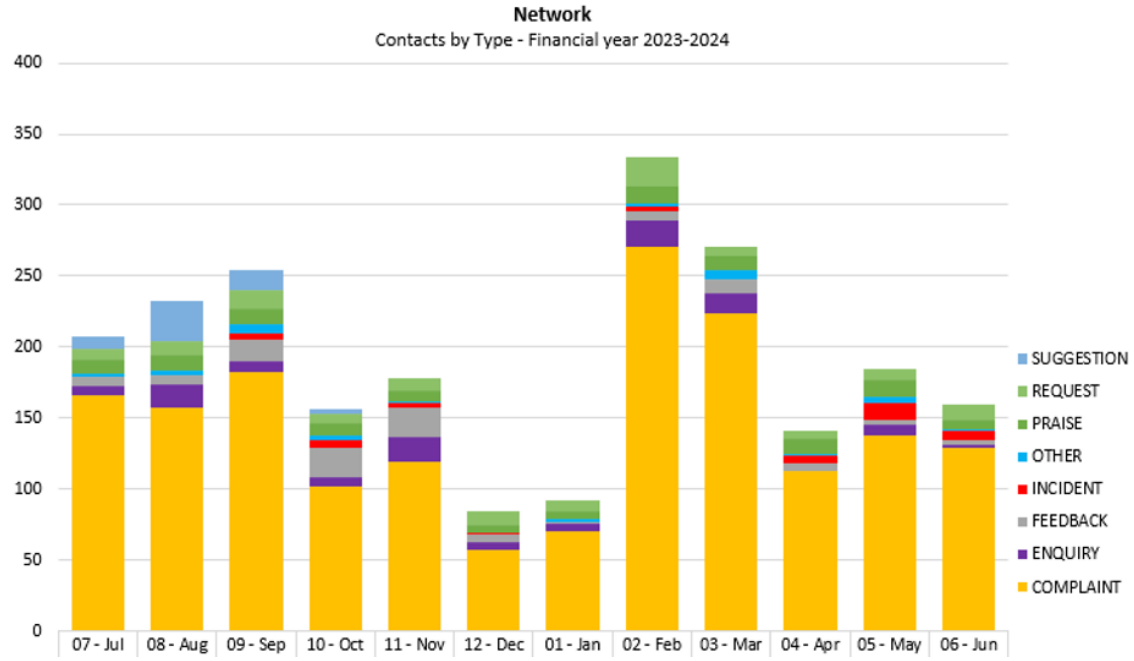
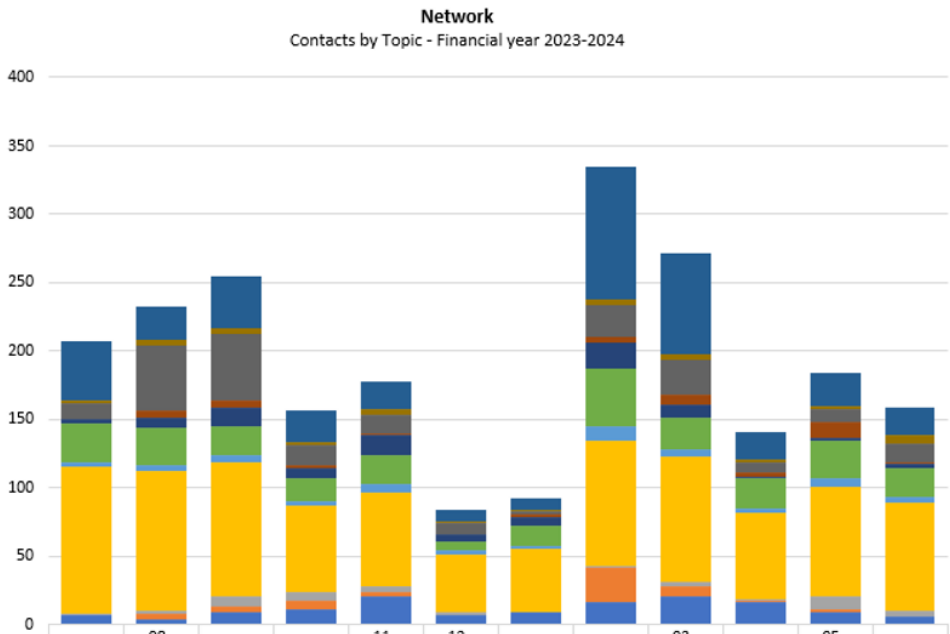


Figure 10: Combined network customer feedback by contact type, 2023/24

[40] Figure 11 presents feedback received split by topic (Timeliness, Infrastructure, Behaviour, etc.) for the same period.



	07 - Jul	08 - Aug	09 - Sep	10 - Oct	11 - Nov	12 - Dec	01 - Jan	02 - Feb	03 - Mar	04 - Apr	05 - May	06 - Jun
	01	02	03	04	05	06	07	08	09	10	11	12
Timeliness and Cancellations	43	24	37	23	21	9	8	96	73	20	24	20
RTI Tracking and App	2	4	5	2	4	1	1	5	5	2	3	7
Route and Timetable	12	48	48	15	13	8	2	23	25	8	9	14
Passenger Behaviour		5	5	2	1		2	4	7	3	12	1
Other	3	7	14	7	15	5	7	19	10	1	2	3
Infrastructure and Bus Hub	29	28	21	17	21	7	15	42	23	22	27	21
Fares and Bee Card	3	4	5	3	7	3	2	11	5	3	6	4
Driver Behaviour	107	102	98	63	68	42	46	91	92	64	81	79
Damage and Safety	1	2	8	7	4	2		1	3	1	9	4
Capacity		4	4	6	4			26	8	1	2	
Alerts Website and Comms	7	4	9	11	20	7	9	16	20	16	9	6

Figure 11: Combined network customer feedback by contact category, 2023/24

[41] Across the network overall and for each individual region, Driver Behaviour is the dominant category.

[42] The Driver Behaviour category comprises matters such as customer service (e.g., a driver's interaction with a passenger) and on-road conduct (e.g., manoeuvring intersections or, missing a bus stop), in addition to positive Driver feedback.

[43] The majority of complaints related to Driver Behaviour are reports of Dangerous Driving, ranging from reports of near misses to 'squeezing' orange lights, and the highest category are reports of Drivers failing to stop for passengers. The latter reports tend to peak in winter and/or poor weather conditions, where the Driver's visibility of passengers plays a large part.

[44] The peak for reports of Drivers failing to stop for passengers was in July 2023, which correlates to 19 active roadwork notifications across the network which can cause confusion for both Drivers and passengers.

[45] Significant congestion in Queenstown and a combination of congestion and multiple roadworks in Dunedin, continue to contribute towards complaints.

[46] Driver Behaviour additionally pulled in 71 compliments: 55 for Dunedin Drivers, 13 for Queenstown, and 3 for general compliments. These are primarily relating to Driver behaviour such as the provision of information, safe driving, and patience with enquiries or passengers.

[47] 452,266 trips were operated across this period, with a total of 2,292 pieces of feedback, representing 0.5% of total trips operated.

[48] Of this feedback, 75% (1727) of contacts were complaints in nature, representing 0.3% of the total trips operated.

Dunedin network

[49] Figures 12 and 13 provide feedback split by type and category for Dunedin.

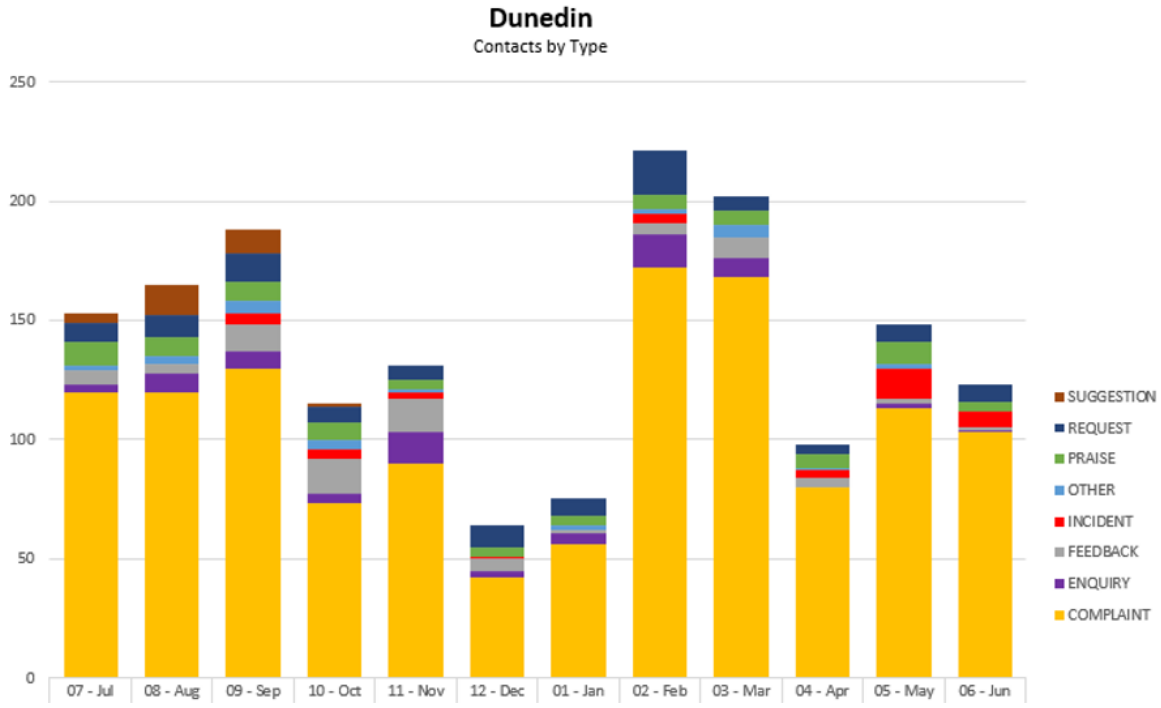


Figure 12: Dunedin network customer feedback by contact type, 2023/24

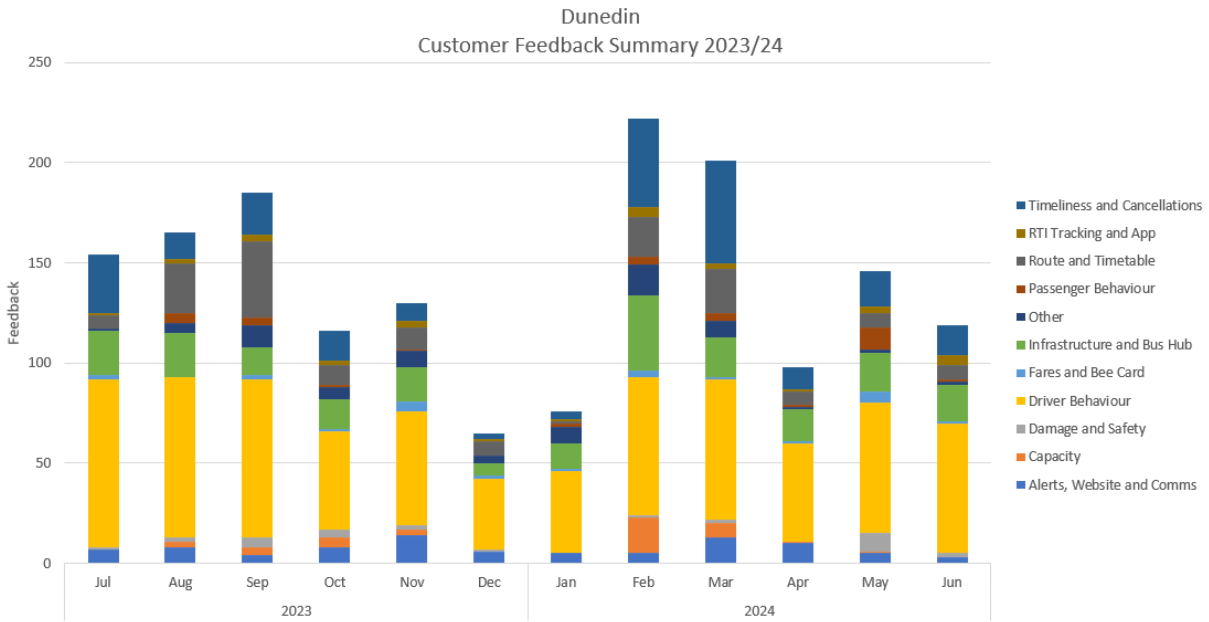


Figure 13: Dunedin network customer feedback by contact category, 2023/24

[50] Route 77, Mosgiel – City, experienced the most feedback in the 2023/24 Financial Year, receiving 135 complaints and 8 praises. The introduction of higher frequency peak services and the Express 78 Service should serve to reduce concerns about capacity on these services.

[51] February 2024 saw a peak in complaints for the Dunedin network, receiving 172 complaints, 48% over average, that were primarily regarding driver behaviour (31) and capacity concerns (11). This is likely due to driver shortages as our operators were impacted by illness, together with ongoing traffic issues on the state highway.

Queenstown network

[52] Figures 14 and 15 provide feedback split by type and category for Queenstown.

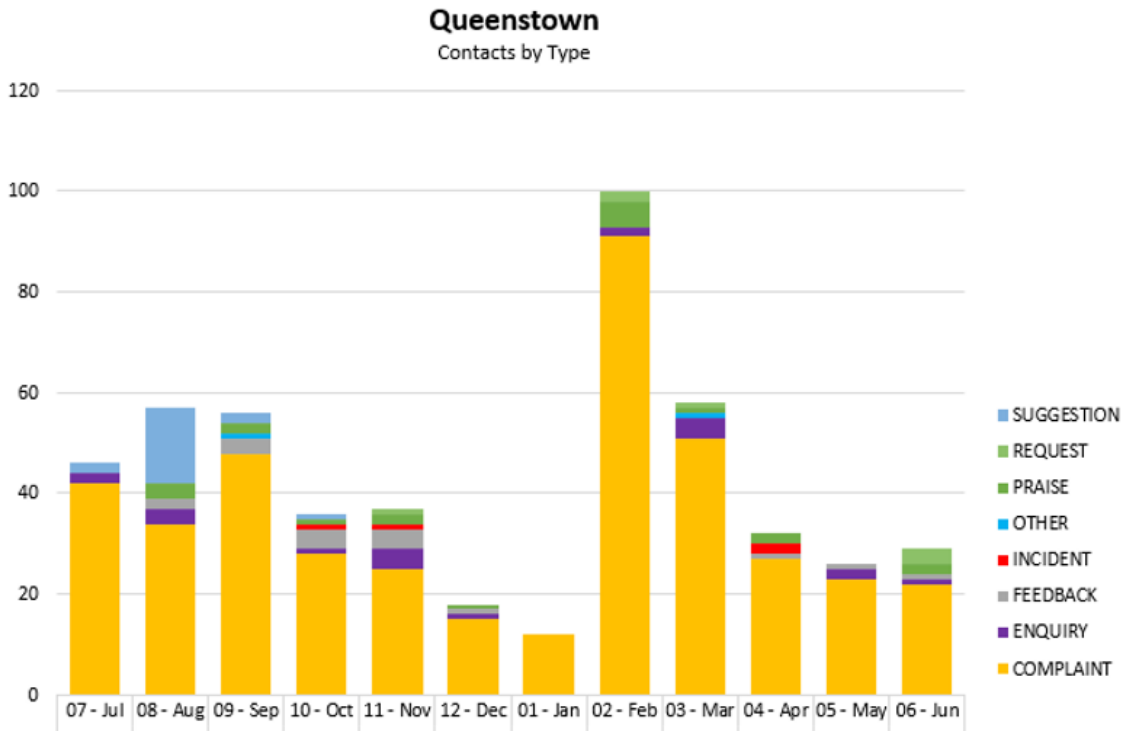


Figure 14: Queenstown network customer feedback by contact type, 2023/24

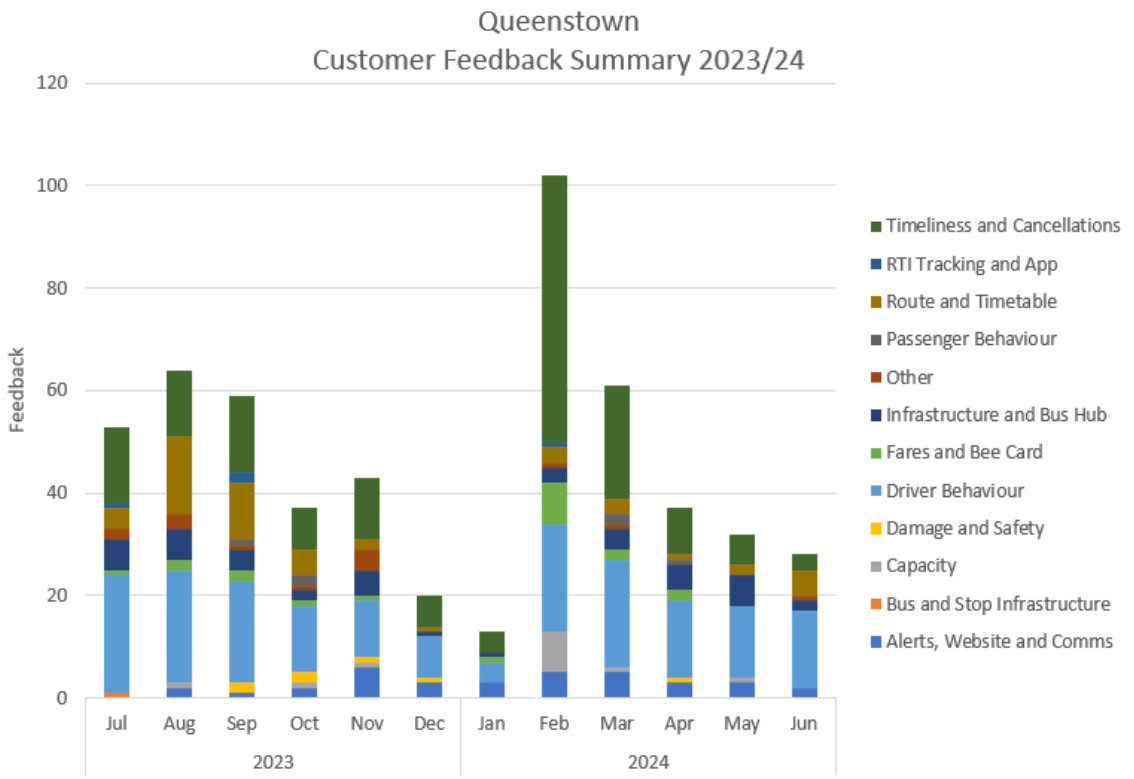


Figure 15: Queenstown network customer feedback by contact category, 2023/24

[53] In response to notable feedback of poor student behaviour from both customers and staff from Queenstown schools in Q3 and Q4, ORC Transport, the transport operator and school administrators have collaborated closely to review timetable and stop management improvements.

[54] Queenstown timetable improvements made in September 2023 are correlated with a decrease in route and timetable related feedback. Feedback concerning routes and timetables fell from an average of 10 pieces of feedback per month until September 2023 to roughly three pieces of feedback per month after September 2023.

[55] February 2024 saw an unusually high amount feedback in Queenstown (102), roughly 38 pieces of feedback above average. Most feedback concerned Route 1, Fernhill – Remarkables Shops (35), and Route 2, Arthurs Point to Arrowtown (27), Queenstown's most patronised routes. This coincided with the temporary driver shortage, which while carried through March 2024 was able to be mitigated by ORC Transport Team support provided to the operator.

CONSIDERATIONS

Strategic Framework and Policy Considerations

[56] The provision of public transport services in Otago is consistent with the vision to provide safe, sustainable, and inclusive transport.

Financial Considerations

[57] Detailed public transport financial performance information will be reported to the Finance Committee.

Significance and Engagement

[58] Not applicable.

Legislative and Risk Considerations

[59] Not applicable.

Climate Change Considerations

[60] Public Transport supports climate change aspirations within Otago.

Communications Considerations

[61] Not applicable.

NEXT STEPS

[62] A review of the first quarter of the 2024/25 year will be provided to the next Public and Active Transport Committee.

ATTACHMENTS

Nil

9.4. Regional Public Transport Plan (Scope)

Prepared for:	Public and Active Transport Comm
Report No.	POL2417
Activity:	Transport - Transport Planning
Author:	Jack Cowie, Transport Planner
Endorsed by:	Anita Dawe, General Manager Policy and Science Richard Saunders, Chief Executive
Date:	7th August 2024

PURPOSE

[1] To recommend that Council supports the scope of the review of the Regional Public Transport Plan 2021-2031 (RPTP).

[2] To inform councillors about upcoming work and topics of interest in the review of this plan

EXECUTIVE SUMMARY

[3] Otago's current RPTP was approved in 2021 and is operative until 2031. Under the Land Transport Management Act (LTMA), Council may review the RPTP at any time, but is obliged to conduct a review now, having recently approved the public transport service components of the Regional Land Transport Plan.

[4] Council's current RPTP reflects the constraints and impacts on public transport due to COVID. Having been developed throughout 2020/21 it also reflects values from the earlier 2018 Government Policy Statement (GPS). The RPTP predates the Queenstown Public Transport Business Case, and work undertaken on an analysis of fares and frequencies to support mode-shift on the Dunedin network. As such, aspects of the vision and policies contained in the current RPTP cannot underpin operational decisions for the current National Land Transport Programme period.

[5] Transport staff have considered the most recent GPS and current operating conditions and have a proposed scope for the review.

RECOMMENDATION

That the Committee:

a) ***Notes*** *this report.*

b) ***Notes*** *the scope of the review of the 2021 – 31 Regional Passenger Transport Plan.*

c) ***Recommends to Council*** *the development of a new Regional Public Transport Plan.*

BACKGROUND

[6] The Regional Public Transport Plan (RPTP) is the key strategic document that guides the planning and delivery of public transport services and associated infrastructure. The existing RPTP predates significant investigations and business cases to support improved public transport levels of service on both the Whakatipu and Dunedin/Mosgiel networks.

[7] The RPTP is required to meet statutory requirements under the Land Transport Management Act 2003 (LTMA). It is also a document of high public interest as it responds to and reflects the community's aspirations for the future of the public transport. As such, it defines the strategic work program ORC requires to deliver desired levels of service for public transport across Otago.

[8] Otago's current RPTP was approved in 2021 and is operative until 2031. Under the LTMA, Council may review the RPTP at any time, but are obliged to conduct a review "*at the same time as, or as soon as practicable after, the public transport service components of a regional land transport plan are approved or varied*".

[9] A review of the RPTP can result in no change, an updated or varied RPTP, or a new RPTP.

DISCUSSION

Expectations for the RPTP

[10] The RPTP is the key guiding document for Otago's public transport program. The RPTP states the services integral to the public transport network, along with policies and procedures that govern those services, and the information and infrastructure that support them.

[11] Beyond the contents of the final plan, the process of developing the RPTP is an opportunity for council to work with key stakeholders and to engage the public, on the design and operation of public transport services. A change to the LTMA in 2023 requires that the draft RPTP must be prepared in collaboration with territorial authorities in the region. The LTMA also specifies entities that ORC must consult with and outlines that the consultative principles of the Local Government Act apply. This enables a wide range of stakeholders to be involved in the development of the RPTP, including transport disadvantaged, disabled groups and iwi.

[12] 'New generation" recent RPTPs are documents which give strong expression to ambitions for transformative change to public transport service with increasingly ambitious goals for climate change, social inclusion, and mode-shift. As a result, and evidenced through work in other regions, RPTP processes around New Zealand are generating significant public interest.

[13] The RPTP is therefore an opportunity for Council to undertake an open, wide-ranging process to improve public transport services and operations, and to positively engage with partners, stakeholders, and the general public.

[14] Within the context of increased public awareness and desire for involvement, it is also important to ensure the RPTP addresses the expectations in the Government Policy

Statement on Land Transport 2024 (GPS). The GPS has given clear signals that public transport authorities need to focus on cost recovery and third-party funding for public transport. Arguably the GPS has reduced the strategic priority for the role of public transport outside of Auckland, Wellington and Christchurch.

[15] The RPTP will need to strike a balance between the high aspirations we might expect from the community for PT and presenting a deliverable program of work. This will mean setting the strategic direction will be critical for Council. This will be done through Councillor workshops on key topics to frame the strategic priorities and create a draft RPTP that can prompt the community conversations. The key topics for Councillor workshops are outlined below.

Key topic: Network design principles

[16] The first key topic that is being developed is "Network design principles". This will be a high-level topic framed around the competing outcomes of ridership and coverage. Engaging decision-makers with trade-offs between these outcomes is regarded, internationally and by NZTA, as a best practice in strategic network planning.

[17] Clear articulation of policy in this area will support the development of a number of other topics in the RPTP, such as land use policy, network design and service improvements, passenger and road infrastructure, Total Mobility, and Community Transport.

[18] Due to the nature of this topic and the fact that it is foundational to many other parts of the RPTP, it will be the subject of the first workshop.

Key topic: Land use and long-term network planning

[19] Land use policy and urban form are heavily interdependent with public transport.

[20] Land use policies that encourage development within the catchment area of high-quality public transport corridors supports high-ridership, frequent public transport services which are economically sustainable, and reduce reliance on private motor vehicles.

[21] Land use policies that enable development in areas not covered by the public transport network put pressure on Council to spread its resources into less efficient coverage services, undermining public transport performance.

[22] Conversely, long-term public transport design can support land use policy by committing to serve key corridors, hence supporting their development.

[23] ORC and DCC have recently approved a Future Development Strategy for Dunedin which sets out what urban growth looks like over the next 30 years. Work on completing a Future Development Strategy for Queenstown is underway, however there is a Spatial Plan for Queenstown that will provide direction for land use planning in the interim.

[24] The land use planning area provides good opportunities to work with internal teams at ORC, including the policy team, and natural hazards team, to increase opportunities to coordinate place-based land-use work with movement-based transport work.

Key topic: fares

[25] Public transport fares are a high-interest topics in any public transport process. This RPTP process will be an opportunity for Council to develop a long-term strategic direction on fares.

[26] Like ridership and coverage issues, there are significant trade-offs to be made in fare policy. For example:

- Lower fare levels deliver improved ridership but make the service more expensive to operate and less likely to attract NZTA co-funding; the revenue from greater fare revenue may be used to improve services or reduce ratepayer and NZTA costs.
- A flat fare structure may be simpler and more legible, however fares that increase with distance may be perceived as fairer.

[27] This topic will be presented in a workshop, with a goal of developing a set of policies and considerations for the development of fare levels and structures. Several elements of fare structure, such as distance structures and fare capping, will be presented.

Further topics

[28] The development of the key topics above are seen as the highest necessity and priority in terms of requiring early input for the RPTP, but they form only a part of a wider set of topics or workstreams that staff will be structuring RPTP work around. The remaining topics, building on key topics above are:

- Service design
- Service improvements and new services
- Integral services, unit design, procurement
- Total Mobility
- Community Transport
- Passenger and roading infrastructure
- Enabling infrastructure and decarbonisation
- General operational policies.

[29] The development of these topics may involve further workshops and will require engagement with partners and stakeholders.

[30] Due to the changed policy environment created by the GPS 2024 and the fact that the current RPTP was prepared through the disruptive Covid-19 pandemic and the constraints and policy concerns of that operating environment, staff are recommending the review of the RPTP is undertaken with a view to developing a new RPTP.

OPTIONS

The need for a new document

[31] The LTMA requires that the RPTP is reviewed at the same time as, or as soon as practicable after, the public transport service components of a regional land transport plan are approved or varied. Council approved the reviewed Regional Land Transport Plan at its meeting on 24 July 2024 which therefore requires the review of the RPTP.

[32] The options for the review of the RPTP are:

- To make no change to the RPTP (do-minimum)
- To vary the existing RPTP
- To develop a new document.

[33] Staff do not consider the do-minimum to be viable, due to the range of topics of strategic and community interest as outlined in this paper and the very different policy and operational context for public transport currently.

[34] The choice between a varied RPTP and a new RPTP is effectively one of a continuum. A varied document could be a small addendum, or a more extensive edit of the existing RPTP. A new document could make extensive use of the content of the existing RPTP or be produced entirely from scratch.

[35] Staff recommend the production of a new document.

[36] The primary reasons for this are:

- While the current document is a valuable resource, by its nature it is now out context and scope of current public transport direction. It was written and constructed in 2020 under Covid-19 and heavily reflects the operational concerns of the time

- The strategic and operating environment of public transport has changed significantly, with an amended LTMA containing a new (Sustainable) Public Transport Framework being implemented, and a change of government with clearly expressed changed land transport priorities as expressed in the GPS 2024

- Under this environment a new, strategically focused document will reduce the scope of *ad hoc* operational decision-making and better underpin an ongoing work program require to deliver on Council's significant PT investment programme in the LTP 2024.

RPTP Development Project scope

[37] The project's scope for the development of the RPTP is defined by a set of workstreams/topics.

[38] Three of these (network design principles, land use, and fares) are identified as top priorities: network design principles because these underpin much of the document; land use because this is a fundamental dependency, and fares because fare policy is anticipated to be of high interest to Councillors and the public.

[39] While the scope is open to change, it is important to note the strategic nature of the RPTP. While the RPTP is an opportunity for wide-ranging conversations on many topics, it is above all a strategic document, and it is important to recognise that it needs to contain strategic topics rather than operational details.

CONSIDERATIONS

Strategic Framework and Policy Considerations

[40] This RPTP is developed under the draft Otago-Southland Regional Land Transport Plan (RLTP), whose priorities are to:

- *Optimise and efficient and accessible transport network through enhanced mode choice provision across the regions*
- *Promote safety and wellbeing outcomes across the regional transport network*
- *Enhance network maintenance and resilience to ensure community access and connectivity.*

[41] The RLTP document highlights the challenge of providing public transport "to relatively small and dispersed communities".

[42] The RPTP is consistent with the Strategic Direction set by Council for *Sustainable, safe and inclusive transport.*

Financial Considerations

[43] Funding of up to $200,000 is included in Council 2024/25 budget for RPTP work through the LTP. It is expected that this will be 51% co-funded by NZTA. The funding includes staff time and consultant support, as required. It also includes funding for stakeholder engagement and communications.

Significance and Engagement Considerations

[44] In accordance with Council's, He Mahi Rau Rika; Significance, Engagement and Māori Participation policy the review of the RPTP is deemed to be significant due to its "*impact on community include costs* [directly or] *indirectly to the community or part of the community, whether though rates, fees or otherwise*" and due to:

- Potential impacts on the delivery of outcomes of Council's policies and strategies;
- The degree to which the policies set out in the RPTP will contribute to the promoting of achieving particular community outcomes through public transport;
- Any inconsistency of new public transport policy, plans or levels of service with those as specified in the existing RPTP; and
- The level of community interest in the proposals, issues or decisions in the RPTP.

[45] Engagement and consultation is required and to be undertaken in accordance with s125 LTMA (including s 82, 83 and 87 of the LGA 2002).

Legislative and Risk Considerations

[46] The RPTP is the core statutory instrument for public transport planning under the Land Transport Management Act 2003. While the current RPTP is operational until 2031, having recently approved the public transport service components of the mid-term review of the Regional Land Transport Plan, ORC is now required to review its RPTP.

Climate Change Considerations

[47] Public transport is a key element in reducing Otago's transport emissions. The RPTP will develop policies that will influence the effectiveness of Otago's public transport network

by providing an alternative to private car travel, as well as the decarbonisation of the public transport fleet.

Communications Considerations

[48] The consultation and engagement proposed to be undertaken as part of the review of the RPTP will be supported by a full communications plan.

NEXT STEPS

[49] Workshops with councillors to establish direction on key strategic topics within the RPTP.

[50] Progress report to the PATC meeting in November.

[51] A consultation-ready-draft, and consultation materials, to be submitted to the PATC meeting in February next year, with public consultation in February/March 2025.

[52] Consultation feedback to be implemented with the final RPTP for endorsement by June 2025.

ATTACHMENTS

Nil

9.5. Update on National Ticketing Solution

Prepared for:	Public and Active Transport Committee
Report No.	PPT2410
Activity:	Transport: Public Passenger Transport
Author:	Paul Everett, RITS Contract Manager
Endorsed by:	Anita Dawe, General Manager Planning & Transport
Date:	7 August 2024

PURPOSE

[1] The purpose of this report is to provide an update to Council on the roll-out of the National Ticketing Solution (NTS).

EXECUTIVE SUMMARY

[2] The National Ticketing Solution project aims to improve public transport for New Zealanders through a standardised approach to paying for public transport which will provide a common customer experience no matter where you are in the country.

[3] The NTS is a single, national, public transport ticketing and payment solution that will deliver an account-based ticketing and payment system with open loop functionality, support for all fare models, and provide ease of adaptation to new technologies.

RECOMMENDATION

That the Council:

1) ***Notes** this report.*

DISCUSSION

NATIONAL TICKETING SYSTEM UPDATE

[4] The National Ticketing Solution project aims to improve public transport for New Zealanders through a standardised approach to paying for public transport which will provide a common customer experience, for New Zealand residents and visitors to the country, no matter where you are in the country.

[5] There is currently no consistent approach to ticketing and payment systems for New Zealand public transport. While there are currently ten regions that use the Bee Card under the RITS consortium, more people use other card systems; Auckland has the ATHOP card and Wellington has the Snapper Card.

[6] The NTS is a single, national, public transport ticketing and payment solution that will transform the customer experience and create a flexible, modern, fit-for-purpose system. It will also provide improved digital capabilities to meet the needs of Regional Councils.

[7] The NTS will deliver an account-based ticketing and payment system with open loop functionality, support for all fare models and ease of adaptation to new technologies. Open loop functionality refers to a system that does not require a dedicated travel card but instead can be used with consumer mobile banking devices, i.e. PayWave, Apple Wallet etc. This is set out in Figure 1 below.

[8] Customers will be able to pay using their choice of fare media including:

a. Contactless bank card;
b. Digital payment account (such as Google Pay);
c. Pre-paid transit card (similar to Bee Card);
d. and possibly cash.

[9] Back-office software will aggregate and analyse each customer's journey over a travel day, to charge the card over night with the lowest possible / optimal fare.

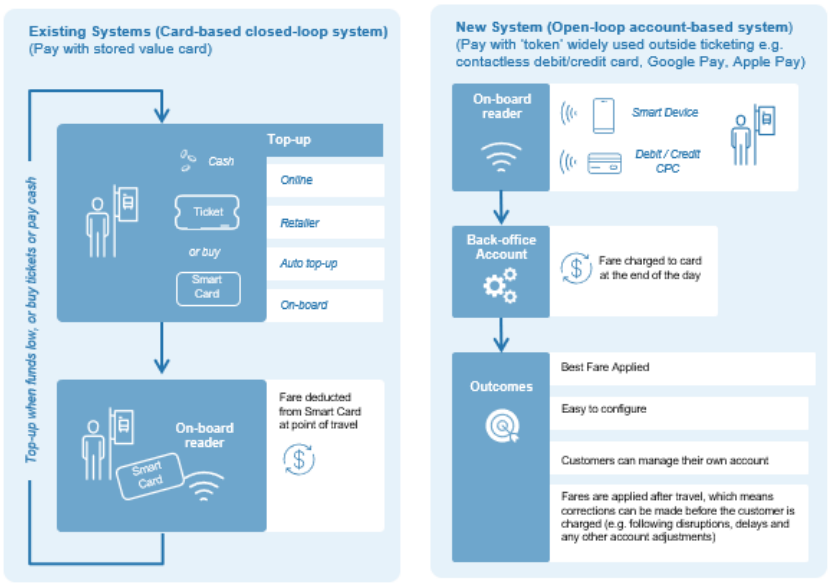


Figure 1: Existing ticketing system (Bee Card) and new NTS system

[10] The key changes between the current Bee Card system and the new NTS are set out below in Figure 2.

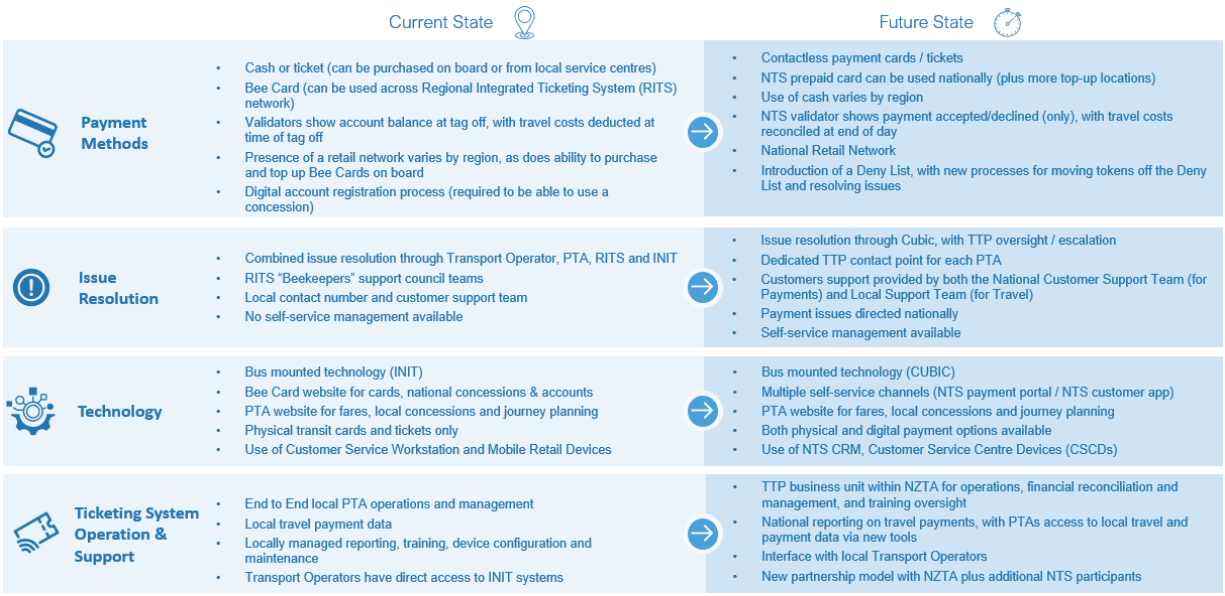


Figure 2: Current system and future changes

[11] A team (Transport Ticketing and Payments or TTP) has been established within the New Zealand Transport Agency (NZTA) to act as the Shared Service Organisation, and with dedicated roles to support the NTS. The Team will provide:

a. Ticketing and payment support
b. Technical Solution support – Regional Councils will interact with the TTP for any NTS queries, issues and escalations
c. Assurance via TTP's management processes
d. The liaison to the ticketing solution provider, Financial Service Providers and the network provider on behalf of the Councils
e. Management of the product roadmap for future enhancements; and
f. Financial management, including disbursements and reconciliation.

[12] The NTS is scheduled to be live in Timaru this year and will roll-out to the rest of the Environment Canterbury (ECan) region early next year.

[13] The first Bee Card region to transition to the new NTS will be Invercargill – which is currently planned for April 2025, followed by Bay of Plenty in June 2025.

[14] Regions will then be progressively rolled out across 2025. As ORC is the Bee Card 'Scheme Manager', it will need to transition last, and this is forecast to be completed in May 2026.

[15] The implementation costs and ongoing operational costs of NTS are fully funded by NZTA. There will be some 'local' costs associated with aspects such as. people, communications, and region-specific system integrations that will be funded from a RITS-wide transition budget. Bee Card regional contributions to the transition budget have been included in each region's LTP.

CONSIDERATIONS

Strategic Framework and Policy Considerations

[16] Not applicable.

Financial Considerations

[17] The cost of transitioning to the NTS will be budgeted and planned as part of the Transport Team work programme. Additional financial information will be reported to the Finance Committee.

Significance and Engagement

[18] Not applicable to this paper however the roll out of the NTS is likely to affect a large number of people at least moderately. The communications considerations will consider how to best ensure the requirements of *He Mahi Rau Rika* are adhered to.

Legislative and Risk Considerations

[19] Not applicable.

Climate Change Considerations

[20] Not applicable.

Communications Considerations

[21] A communications plan will need to accompany ORC's roll out of the NTS. This will be part of the work programme to implement NTS.

NEXT STEPS

[22] An update will be provided to the Public and Active Transport Committee in 2025 after the NTS has been rolled out in a few regions.

ATTACHMENTS

Nil