

## Strategic Direction

### 4 – Do you agree these should be the strategic priorities for investment in land transport

	Yes	No
Safety	X	
Better travel options	X	
Improving freight connections	X	
Climate change	x	

### 5 – Do you have any comments on the strategic direction of the GPS?

#### *Strategic Priorities*

- The strategic priorities and direction seem logical and continue the direction of GPS 2018
- We strongly support the ongoing commitment to road safety and implementation of the Road to Zero approach.
- We support the clearer definition of ‘access’ by splitting it into ‘improving freight connections’ and ‘better travel options’ for people.

#### *Better Travel Options*

We support the draft GPS introducing a strategic priority focussed on ‘Better Travel Options’. This is important to improving the wellbeing and liveability communities. We believe that this strategic priority needs to prioritise enabling access to good quality urban development including housing and economic opportunities.

Whilst we support the focus on implementing mode shift plans as one way of delivering on these outcomes, we note that delivering ATAP and delivering and developing LGWM are identified as processes to deliver the outcomes. However, significant similar processes like the Western Bay of Plenty Urban Form & Transport Initiative (UFTI) which is another joint partnership with Central (NZTA ; MHUD) and Local government and Iwi partnership similar to both ATAP and LGWM is not included. We request that reference to UFTI is added to GPS 2021 as another key process to deliver Better Travel Outcomes.

#### *Improving Freight Connections*

We strongly support the draft GPS introducing a strategic priority focussed on ‘Improving Freight Connections’. We agree that ‘efficient, reliable, safe, mode-neutral and resilient freight transport – within cities, between regions and ports – is vital for a thriving economy’. It provides clear direction to support a strong focus on improving freight connections to those developing business cases and making investment decisions affecting key freight destinations such as Tauranga.

The ‘How to deliver these outcomes’ focuses on maintaining existing networks and improving logistics planning and network optimisation. There is however, no reference to the need for network improvements where significant issues cannot be addressed through these approaches. We request that network improvements is added to the list of ways to deliver this strategic priority (albeit once other options are exhausted).

## *Climate Change*

We support the emphasis on climate change as this provides a greater focus and urgency on the need to reduce emissions in the transport sector. However, we note that the Environmental Sustainability outcome in the Transport Outcomes Framework includes reference to ‘maintaining or improving biodiversity, water quality, and air quality’ but this is not translated through to the shorter-term strategic priorities in the draft GPS. We also note that adapting to climate change through investment in resilience is also missing from the strategic priority.

### **Recommendations**

- Retain “better travel options” as a strategic priority, but prioritise enabling access to good quality urban development including housing and economic opportunities
- Include reference to the Western Bay of Plenty Urban Form and Transport Initiative as a key process to deliver Better Travel Outcomes (alongside ATAP and LGWM) in GPS2021.
- Retain “improving freight connections” as a strategic priority, but add network/system improvements to the list of ways to deliver the improving freight connections strategic priority.
- Retain “climate change” as a strategic priority, but also include reference to other environmental objectives, including maintaining or improving biodiversity, air and water quality, and adapting to climate change.

## **Principles for investing (Pages 29-30)**

**6 – Do you understand the value for money principles in the draft GPS** (this is a yes/no/don’t know choice)

Yes

**7 – Do you have any other comments to make on the Principles for investing?**

We are concerned that although the “efficiency” principle describes monetised and non-monetised benefits it only specifies a traditional Cost Benefit Analysis as a way of achieving an assessment of this. Traditional cost benefits analysis using NZTA procedures is a valuable tool but fails to value shorter term projects and consistently undervalues the benefits of the active and public transport projects that the GPS seeks to prioritise. CBA is also inconsistent with the principles of Vision Zero when used for safety projects. We also note that there is no assessment of affordability within the efficiency principle. This often leads to Business Cases promoting highly expensive projects and programmes that might have the highest BCR but are not affordable to any of the investment partners.

## **Activity classes**

**8 – Do you agree that funding to support Road to Zero activities (such as safety infrastructure, road policing, and road safety promotion) should come from a single activity class?** (this is a yes/no/don’t know choice)

Yes

**9 – Do you agree that the GPS should fund maintenance and renewal of the rail freight network?** (this is a yes/no/don’t know choice)

No

**10 – Do you agree that the GPS should fund coastal shipping?** (this is a yes/no/don't know choice)

No

**11 – Would you support increasing or decreasing the funding levels for any activity classes. Please indicate any changes in the table below:**

(if we request increased allocation in one area we have to show which one we would decrease – the suggestion is to leave this blank and comment on funding more widely in the following section)

	Decrease GPS allocation	Retain GPS allocation	Increase GPS allocation
Road to zero			
Public transport services			
Public transport infrastructure			
Walking and cycling improvements			
Local road improvements			
State highway improvements			
State highway maintenance			
Local road maintenance			
Investment management			
Coastal shipping			
Rail network			

**12 – Increasing fuel excise duty (and equivalent road user charges) by 1c per litre generates around \$50M in revenue for each year of the NLTF. The draft GPS does not propose an increase to fuel excise duty or road user charges for the next three years. Would you support an increase to provide more funding to invest in any of the activity classes?** (this is a yes/no/don't know choice)

No

**13 – Do you have any other comments on the activity classes in the draft GPS 2021**

*Activity Class Framework*

We note that the draft GPS identifies the Activity Class framework as underpinning the principle of mode neutrality. There is however no explanation in the draft GPS as to how this is achieved through a framework that is based on individual mode activity classes. We request that the GPS provides discussion and explanation of how the activity frameworks supports mode neutrality. As an example, a mode neutral business case is funded and leads to a programme of activities that are across different activity classes. This then requires separate funding applications for each activity in the

programme even though they are linked. In turn this leads to disjointed investment where activities for public transport and safety might be funded but the active transport class is oversubscribed and so the investment in cycling is not progressed leading to poor outcomes. Often for projects it is impossible to split the spend across the different activities

#### *Road to Zero*

We support having an activity class specifically for road safety to ensure that we achieve the traction required to move New Zealand towards Vision Zero. However, we submit that the Road to Zero activity class should be only for engineering projects with a separate activity class for education and enforcement, or as a minimum that part of the activity class should be ringfenced for promotion, education and enforcement activities.

Whilst we see the benefit of a specific road safety activity class, we are concerned that by combining education, enforcement and engineering into one activity class we will see reduced investment in valuable but less glamorous tools like policing and promotion/education (where it is more difficult to assess benefits and achieve positive BCRs) to progress more expensive engineering interventions such as standard safety interventions on State Highways, where BCRs are automated. Bringing all safety categories together but splitting out PT into infrastructure and services categories is also inconsistent with the logic.

We also see that the best promotional and educational activities are rightly focussed on both promoting good transport choices and on road safety. We have found through our award winning "Travel Safe" programme that splitting safety and sustainability leads to poor outcomes and disjointed efforts across partners. This was also demonstrated through national research undertaken for the urban cycleways programme.

#### *Allocation of funding and Inclusion of Rail and Coastal Shipping Activity Classes*

We support the transformational change that Government is seeking through the GPS. However, the intent is to achieve this with a business as usual budget which was heavily oversubscribed in the 2018 cycle, will see reduced revenue due to the COVID-19 situation and is expected to fund more activities through the inclusion of rail and coastal shipping as activity classes. A significant proportion of the fund has been allocated to ATAP and LGWM leaving little to achieve the outcomes in other parts of New Zealand.

It is clear that more investment is required to support the transformational outcomes that government is seeking. However, increased fuel duty is the only suggested mechanism proposed for providing this additional investment. We suggest that, additional excise duty and its impact on the cost of living more generally will be unacceptable through the current COVID-19 situation (which will also reduce income to the NLTF). We suggest that direct crown funding into transport beyond the NLTF and identification of other funding sources to support the inclusion of rail and coastal shipping is necessary to drive the outcomes Government is seeking and to stimulate the economy.

#### **14 – Do you have any other feedback on anything else in the draft GPS?**

We are concerned that most of the NLTF has already been allocated to LGWM and ATAP without any prioritisation against regional projects and those for other high growth urban centres, like Tauranga where investment is required to deliver on the strategic priorities of the draft GPS and needs of local communities. As such we believe that investment outside of Auckland and Wellington will be lacking through the next GPS cycle to the detriment of the rest of New Zealand.

We note that the draft GPS was released prior to the effects of COVID-19. We also note that the Ministry of Transport is closely considering the social and economic effects of COVID-19 and how they could impact on the transport system over the medium and longer terms. As part of the response to COVID-19 we are anticipating the MoT will re-forecast revenue and for this to influence funding in the GPS. Once this information is available we would appreciate the opportunity to further consider the approach of the GPS to potential fuel excise duty increases or other funding sources to meet the demands for transport investment.

**15 – do any of your responses contain commercially sensitive information**

No.