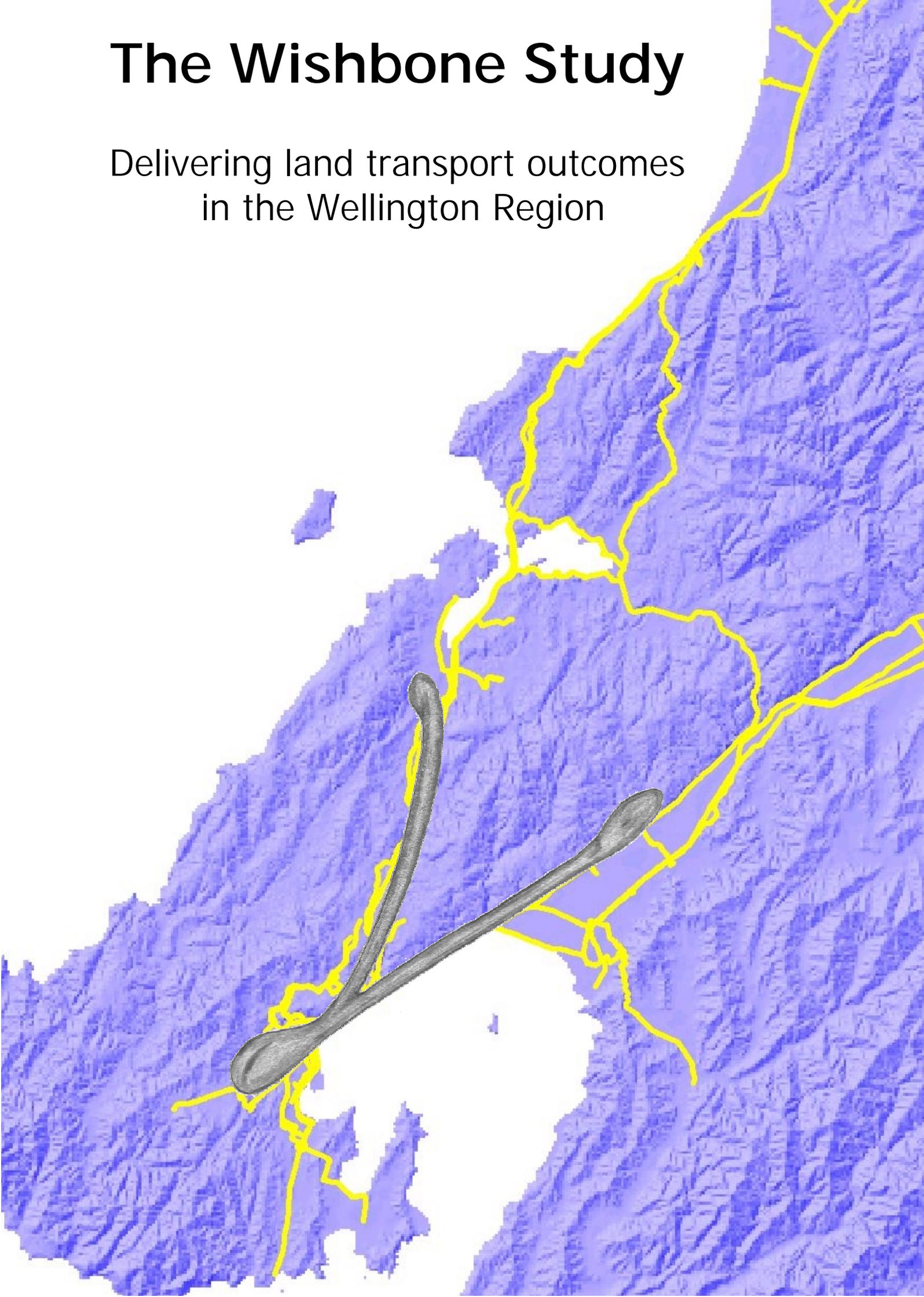


# The Wishbone Study

Delivering land transport outcomes  
in the Wellington Region



**Report prepared by**  
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October 2000

*The project was named The Wishbone Study on the basis that this piece of ornithological anatomy very closely represents the topography and challenges of the Wellington Region and its transport options. There are two main corridors into the city, which converge at the Wishbone joint and then disperse across and around the city as a means of economic and social intercourse. The concept of the integration of key transport corridors can be expanded across the Region. However, unlike a wishbone the arterial connections of the Region should not be pulled apart.*

For the reader with time constraints – we suggest you read **pages five to ten.**



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# Part A

## Introduction

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## Purpose of this Document

This document is written from the perspective of the Wellington Regional Council as a statutorily empowered agency engaged in providing for the long-term sustainability of the regional land transport network.

Its purpose is:

- To critically examine the institutional and legislative framework responsible for transport outcomes in New Zealand.
- To identify what systemic and relationship deficiencies are impeding optimum outcomes for communities.
- To identify why and how impediments should be removed.
- To make recommendations for change.
- To provide a resource of factual information and considered opinion to inform debate on future options in the area of transport governance.

The document is necessarily forceful in its expression but is not intended to allocate blame to individuals, institutions or governments, past or present.

It is hoped that by putting issues “on the table” the Wellington Regional Council will act as a catalyst for the future co-operative action of major transport stakeholders to improve the means of achieving efficient and positive transport network outcomes for New Zealand.

# Introduction

## (1) Background

Most New Zealanders would agree that the land transport system is an essential part of the fabric of our society, an aspect that can enhance or impede our social, economic and environmental well being. At present, our ability to manage the system and deliver the outcomes expected of it is less than ideal, in part due to the significant changes that have occurred in the transport sector over the last decade. These changes include:

- The significant downsizing and restructuring of the Ministry of Transport.
- Rearrangement of the institutional framework at national level to reflect the proposition of funder/provider separation.
- The creation of a legislative framework which is largely predicated on the belief that competition and market responses will produce efficiencies and effective outcomes.
- A progressive disengagement of Government from taking the leadership role in the strategic planning for the national infrastructure.
- The privatisation of most of the nation's public transport operations.

For a brief period in the early 1990s there were some apparent benefits as a result of these changes.

However, after ten years experience of the current framework, it is abundantly clear that the philosophies and structures created are not delivering the expected results.

Why? Because in the last decade we have been preoccupied with institutional arrangements, such as funder/provider separation, which severely mitigate against strategic consideration and implementation of desired outcomes. In short, we have forgotten how to manage.

The transport system is a network of inter-related components, a multi-modal entity that has the purpose of providing access and mobility for people and freight. A system, which by its very nature, must be planned for, developed and managed in an integrated manner.

As a regional council, we are required to prepare a strategy that identifies the transport needs of the region and how they should be met (we do this with input from all of the key agencies and authorities and the public). This has been done, **but our ability to ensure that the strategy is implemented is limited.**

We are seeking a framework that **requires** the strategy to be implemented, a framework that **enables** the strategy to be implemented, and a framework that allows us to focus all of our energy and resources on delivering outcomes.

In order for this to occur, it will be first necessary to:

- Restore the acceptance of sound strategic planning, the co-ordination of efforts, and the exercise of *judgement*.
- Expunge the preoccupation with competitive theory and the view that mechanical systems of allocation can displace sound management in very imperfect markets.
- Provide incentives and requirements for agencies to work co-operatively to achieve clearly articulated common goals.

It is clear that the transport pressures in Auckland are reaching critical proportions. Wellington also has its very substantial challenges. An ad hoc approach to both these regions is no longer feasible. Government has committed to higher levels of funding for public transport, so acknowledging it as part of a multimodal system. Regrettably, throwing money at a dysfunctional institutional framework is unlikely to produce the best outcomes.

Changes to the way in which we manage the land transport system will help us to mitigate the increasing congestion on our roads and to minimise the negative impacts on the mobility of people and freight, and the associated flow-on effects to our social, economic and environmental wellbeing.

## (2) This report

We have prepared this report as a means of articulating the problems as we see them, and to offer solutions. We hope that the report will assist the Government with its current review of the way in which land transport is managed.

The report includes an in-depth description of the current land transport framework, identifying and describing roles and responsibilities, planning arrangements, funding, and legislation. It then analyses this framework in terms of the impediments it places on the successful and efficient delivery of land transport outcomes and makes recommendations for change.

We begin by outlining in summary form why the current framework is unsatisfactory, and what needs to be done to fix it.

# Part B

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## Problems and solutions

### (1) The problems in a nutshell

Isolating the problems with the current land transport system is not easy. The problems outlined below are the key ones inhibiting the delivery of the land transport outcomes identified in our regional land transport strategy to the benefit of the regional community and economy. To a large degree, all of the problems are inter-related.

#### (a) **Implementing a strategy**

As noted above, the land transport system is a network of inter-related components, a multi-modal entity that should be planned for, developed and managed in an integrated manner.

In the Wellington Region we have a plan for the transport network – the Wellington Regional Land Transport Strategy 1999-2004. The Strategy's vision, objectives, performance measures, targets, policies and plans represent an integrated package designed to meet the Wellington Region's transport needs. The development of the Strategy followed a robust process involving wide stakeholder consultation on the Region's current and future transport needs combined with detailed technical analysis of options. The Strategy was developed over a period of 3 years at a cost of \$1 million.

The drivers that informed the Regional Land Transport Strategy included changes in the Region's demographics and associated activities; transport problems such as congestion and safety issues; the interface between transport and communities and the needs that derive from the Region's topography.

Objectives for the strategy were developed linked to the identified needs. A state of the art modelling process was then used to determine the best means of achieving these objectives. The impact of topographical limitations meant that the concept of packages or sets of proposals to improve the entire arterial network became central to the modelling process.

The Strategy translates objectives and policies into specific action programmes or packages for six major corridors in the Region. The transport corridors link the main urban areas of the Region to each other and within each corridor there is a strategic road or public transport service or both.

Unfortunately, there is little evidence that Transfund New Zealand ("Transfund"), Transit New Zealand ("Transit") and a number of local authorities take the strategy seriously, and they do not appear to be committed to implementing it. This is not necessarily because they do not believe that the strategy is right for the region, but because they are, not surprisingly, driven by their own, narrow goals. And, to be fair, the current framework doesn't clearly require their commitment, relying instead on the weak "not inconsistent with" obligation and on relationships that place requirements on planning documents and not organisations themselves. **Therein lies a major failing of our current system.**

Wellington Regional Council is committed to implementing its part of the strategy, but finds itself shackled by restrictive legislative provisions and bureaucratic processes that inhibit rather than enable action. Critical to this is a funding regime designed to ration funds rather than to allocate them.

## (b) Funding

Most of the projects identified in the Wellington Regional Strategy can only be undertaken with funding assistance from the national purse via the Crown's national transport funding agency, Transfund.

Under Transfund's complex procedures, each project is assessed using a mechanical process that compares the benefits it will deliver to **road** users with all other projects from around the country. If a project fails to meet a cut-off point, it won't receive funding, and in most cases will not be able to proceed. **This is despite the fact that the project may be a core element of a carefully planned strategy.** Other related projects may be funded, but won't necessarily provide the same benefits because of the missing element.

Even when funding is approved for a project, there is a requirement to demonstrate that outputs will be procured using a competitive pricing procedure. This in itself creates major difficulties. One of the key outputs in the Wellington Region is urban rail services, where there is a sole supplier. Our inability to define an acceptable competitive pricing procedure for rail is a major barrier to implementing a whole range of key passenger transport outcomes in the Wellington Regional Strategy.

Why can't we simply acknowledge that we have a sole supplier situation, and find alternatives to competitive theory as a means of ensuring that we receive value for the public expenditure that we must make? After all, the process followed in preparing our Strategy has already demonstrated that we must maintain and enhance our rail services.

Adding to the problem is the fact that funding is approved on a year-to-year basis. This is another significant barrier to obtaining the long-term investment in passenger transport infrastructure that is clearly needed in our Region. Patronage funding proposals may in the future remove this barrier.

Some fundamental philosophical changes to the approach to funding land transport outcomes are essential.

## (c) Leadership and direction

Implementation of land transport outcomes is disjointed and incoherent because there is no clearly identified common purpose. The problem stems from the many pieces of legislation governing land transport, which provide principal objectives for only some of the agencies involved and which fail to state an overall purpose<sup>1</sup>. Transit, for example, must operate a safe and efficient State highway system. But to what end? Why do we want a safe and efficient State highway system, and how does this system fit into the bigger picture of land transport? Transfund's principal objective is to allocate resources to achieve a safe and efficient roading system. Why only roading? What about public passenger transport?

The problem is compounded by the fact that there is no national land transport strategy to set a direction and define goals.

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<sup>1</sup> Compare this situation with, for example, the Resource Management Act 1991 or the Hazardous Substances and New Organisms Act 1996, both of which have clear purpose statements.

Specifying objectives for key agencies like Transfund and Transit is a good thing. But their role in the overall land transport framework should also be defined, so that they deliver funding and State highways in a manner that supports and contributes to the overall land transport system and the specific objectives of national and regional land transport strategies.

#### (d) **Public transport infrastructure**

The current legislative regime prohibits a regional council from owning an interest in a transport entity and from funding public transport infrastructure. Why? Some transport facilities are regional in nature, serving the needs and providing benefits for the wider regional community. They should be planned for, managed and funded on a regional basis.

That's why the Wellington Regional Council *does* own and *does* fund passenger transport infrastructure, despite the prohibition and the restrictions. And it does so in an open and honest manner, albeit with some creative thinking to get around the legislative constraints. Had the Council not taken this approach, public passenger transport would be less attractive, and we wouldn't have the patronage levels that exist today.

But why should we be forced to find workarounds and back-door methods to deliver public transport facilities for our Region? After all, these facilities are now identified in our regional land transport strategy and contribute to the overall objective of a balanced and sustainable land transport system that meets the needs of the regional community.

While we hope that in the future we will be able to increase patronage to the point where services are able to operate on a fully commercial basis without any public subsidy, we believe that this will only be possible with public funding of infrastructure. And funding that infrastructure is not easy under the current framework.

#### (2) **Is it only Wellington that has problems?**

The Wellington Regional Council has prepared this report. Are we the only ones having problems implementing a regional land transport strategy? Perhaps many parts of the country are quite happy with the way the current land transport framework operates in their area. We don't know the answer, and a full national survey is beyond the scope of this study.

However, we have checked with our colleagues in the Auckland Region, and they also report problems, particularly in relation to public transport funding. And to be frank, the majority of the country's urban transport problems occur in the Auckland and Wellington regions.

In preparing the Auckland Regional Land Transport Strategy 1999 ("Auckland Regional Strategy"), considerable efforts were made to gain buy-in from all of the participating organisations and agencies. As a result there is a high level of commitment to implement the strategy. However, there are still examples where implementation is difficult. For example, it is understood that Auckland City Council are reluctant to implement a roading solution to problems in the Eastern Corridor, despite the fact that the Strategy requires them to protect the route by designation.

Construction of the North Shore Busway is a key element of the Auckland Regional Strategy. While the parties responsible for implementing this project are prepared to proceed, there is concern that the project may not meet Transfund's funding criteria. If this happens, it will be another example of a carefully planned strategic project that can not be operationalised.

The Auckland Region's local authorities have combined to develop a proposal to purchase access to rail corridors from Tranz Rail. A complex management and ownership structure is proposed because of the inability of the Auckland Regional Council to own public transport infrastructure. An application has been made to Transfund for funding to enable the proposal to proceed, but the application does not fit comfortably within Transfund's rigid funding criteria. A decision from Transfund is expected this month.

### (3) Solutions - what needs to happen

Figure 1(a) is a depiction of our current land transport framework showing in summary form key inter-relationships between agencies and authorities and strategies, plans and programmes. Highlighted on the figure are the lack of national guidance and the weak relationship that exists between regional land transport strategies and national programmes.

In contrast, Figure 1(b) depicts the framework as we believe it should be, with strong direction from the top and clear requirements to implement regional strategies. The changes that are required to move us to this state are not great, but their impact will be significant and beneficial.

In summary, we recommend that:

#### 1. **Central government articulates a goal for land transport.**

A policy statement or directive could be issued in the interim, but a national land transport strategy should be completed and/or the overall objective specified in legislation in the longer-term. (The proposed New Zealand Transport Strategy may partly fulfil this requirement in the interim, but will not have the same statutory effect as a national land transport strategy prepared under the Land Transport Act 1998.)

#### 2. **Central and local government organisations and agencies be required to give effect to regional land transport strategies.**

The onus should be placed on the agencies themselves, rather than the documents they produce. The agencies and organisations should be required to co-operatively decide on *how* this would be achieved.

To recognise the increased status that such a change will give a regional land transport strategy, consideration should be given to instigating an appeal process in their development, possibly involving the Environment Court.

Clearly there will have to be some caveats on the requirements to implement the strategy if, for example, detailed investigations find that a project is not physically feasible or will compromise safety to an unacceptable extent.

Projects will also need to satisfy the requirements of the Resource Management Act 1991.

3. **Transfund fund regional land transport strategies when requested to do so, rather than funding individual projects within them.**

We are not recommending that Transfund totally fund all of the projects, rather that they should contribute to funding the package of measures defined in the strategy. It would be up to the region itself to determine how to fund any shortfall. Regions should be given a commitment of the funding available for at least a five-year period.

The change in emphasis from funding individual projects to funding strategies has perhaps already started to occur with the introduction of patronage funding.

4. **The requirement that all purchasing of transport outcomes must use a competitive pricing regime be changed.**

A new regime is required to recognise that competitive pricing will not always be appropriate, and that there are other equally valid means of ensuring that we receive the greatest value possible for the public money that is spent on land transport.

5. **The legislative focus on roads be changed to a focus on the sustainable and effective movement of people and goods.**

6. **The roles of all of the agencies and organisations involved in the delivery of land transport outcomes and the relationships between them be more clearly defined.**

7. **The prohibition on regional council ownership and funding of public transport infrastructure be removed.**

These changes *do* require legislative amendments, but *do not* necessarily require any fundamental changes to the agencies and organisations involved.

# Agencies & Authorities

# Strategies Plans & Programmes

# Relationships

# Mandates

# Features & Comments

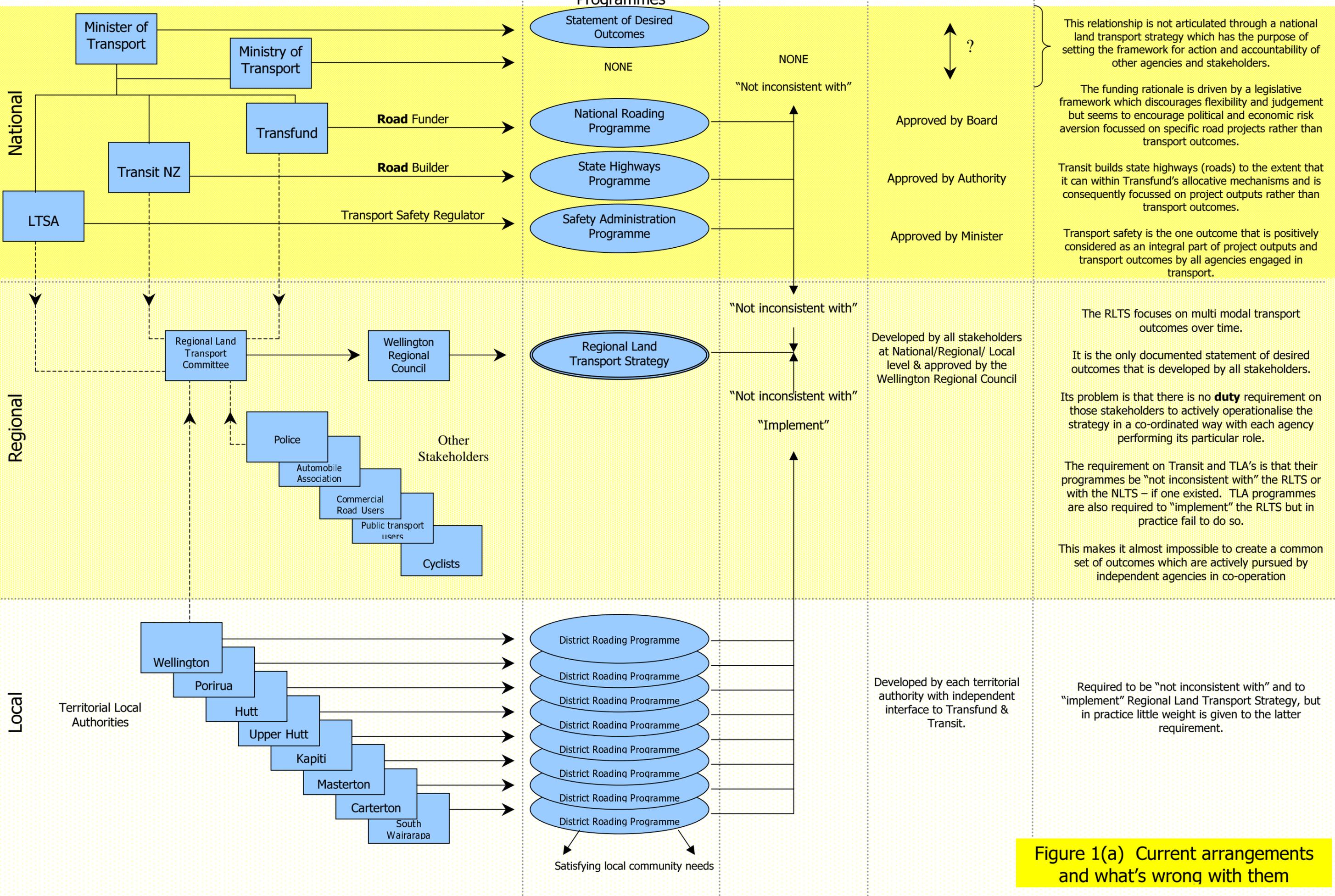


Figure 1(a) Current arrangements and what's wrong with them



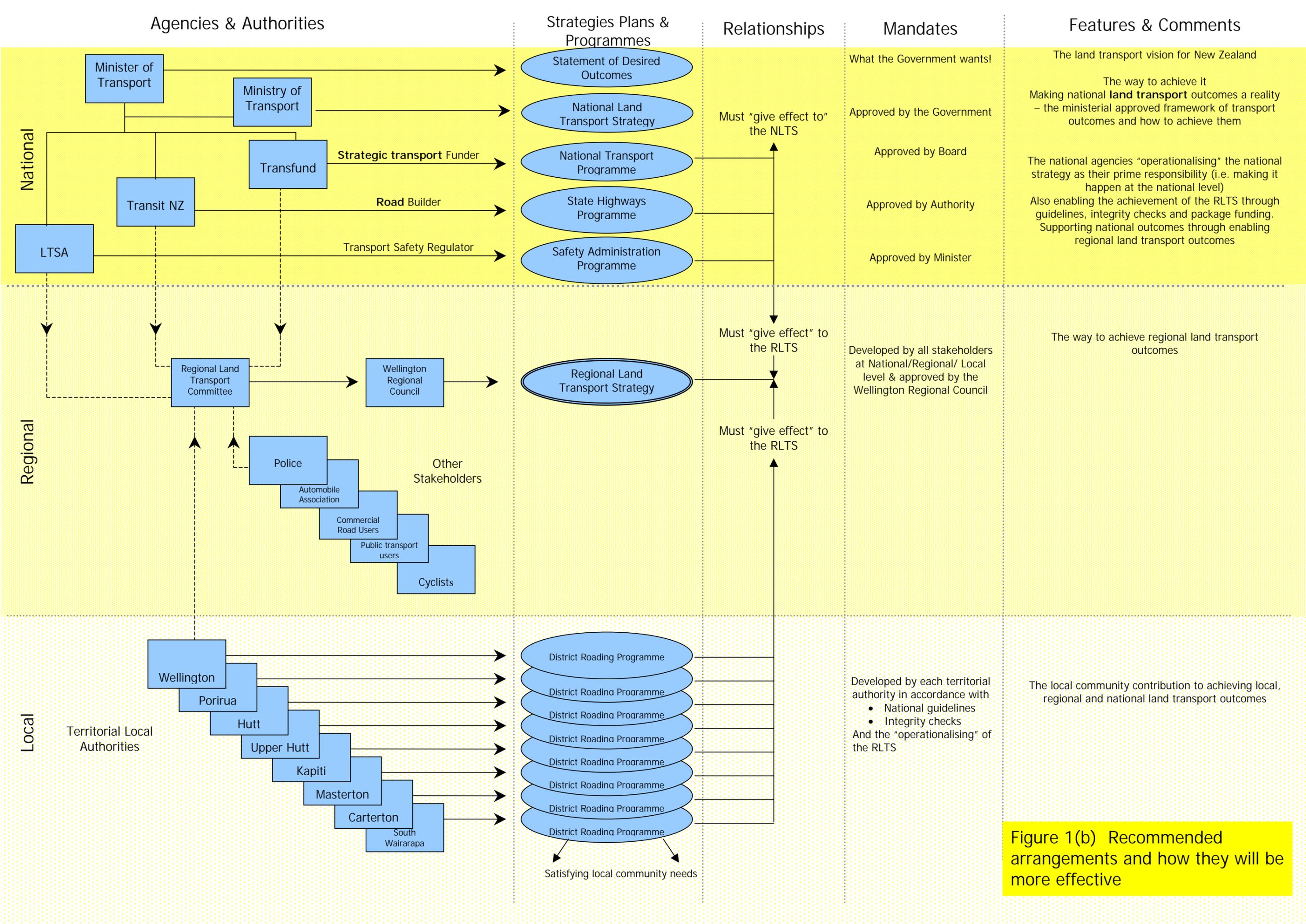


Figure 1(b) Recommended arrangements and how they will be more effective



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## New Zealand's land transport system – October 2000

### (1) Introduction

The land transport system is a component of a broader transport system incorporating land, water (maritime) and air transport. By and large each component is managed separately, with separate legislative and delivery regimes. The focus of this report is solely on the land transport component.

The land transport system is comprised of a number of elements:

- Roads – State highways, local roads
- Footpaths
- Cycleways
- Car parks
- Rail – passenger services, freight
- Bus
- Taxi
- Interchanges – bus/rail, car/rail
- Pedestrian facilities
- Public passenger transport
- Total mobility

The list is not exhaustive, nor are the elements mutually exclusive.

The delivery of the transport system involves central and local government, special purpose agencies and transport service providers.

This section of the report will look at who does what, land transport planning, inter-relationships, funding, legislation, agency goals and public passenger transport.

### (2) Who does what?

Government ministers, the Ministry of Transport, Transfund, Transit, the Land Transport Safety Authority ("LTSA"), regional councils and territorial authorities all have key roles to play in the management and provision of the land transport system. Table 1 provides an overall summary of roles, planning documents, funding processes and legislative framework. This is not repeated in the text. The status and function of each agency is shown in Figure 2, and further details and a list of key legislative requirements are provided in Appendix 1. The formal relationships between the various agencies, their planning documents and the legislation governing them is provided later in this section.

Table 1. Key agencies with responsibility for land transport.

Agency	Role	Planning Documents	Funded by	Legislation
<b>Government Ministers</b>	<ul style="list-style-type: none"> <li>• Transport policy and legislative framework</li> <li>• Revenue collection</li> </ul>	<ul style="list-style-type: none"> <li>• National land transport strategy</li> <li>• National policy statements (RMA)</li> </ul>	Crown	<ul style="list-style-type: none"> <li>• Land Transport Act 1998</li> <li>• Resource Management Act 1991</li> </ul>
<b>Ministry of Transport</b>	<ul style="list-style-type: none"> <li>• Advice to Government</li> <li>• Provision of services to the Government</li> </ul>	<ul style="list-style-type: none"> <li>• Performance agreement</li> </ul>	Crown	<ul style="list-style-type: none"> <li>• All transport legislation</li> </ul>
<b>Transfund New Zealand</b>	<ul style="list-style-type: none"> <li>• Allocation of funds from the National Roads Account</li> </ul>	<ul style="list-style-type: none"> <li>• National Rooding Programme</li> <li>• Performance agreement</li> </ul>	National Roads Account	<ul style="list-style-type: none"> <li>• Transit New Zealand Act 1989</li> </ul>
<b>Transit New Zealand</b>	<ul style="list-style-type: none"> <li>• Maintenance and improvement of the state highway system</li> </ul>	<ul style="list-style-type: none"> <li>• State highways programme</li> <li>• State highways strategy</li> <li>• Performance agreement</li> </ul>	National Roads Account	<ul style="list-style-type: none"> <li>• Transit New Zealand Act 1989</li> <li>• Resource Management Act 1991</li> </ul>
<b>Land Transport Safety Authority</b>	<ul style="list-style-type: none"> <li>• Promotion of land transport safety at reasonable cost</li> <li>• Management of the land transport register</li> </ul>	<ul style="list-style-type: none"> <li>• Safety (administration) programme</li> <li>• Performance agreement</li> </ul>	Crown User charges	<ul style="list-style-type: none"> <li>• Land Transport Act 1998</li> <li>• Transit New Zealand Act 1989</li> </ul>
<b>Regional councils</b>	<ul style="list-style-type: none"> <li>• Land transport planning</li> <li>• Provision of public passenger transport services</li> <li>• Total mobility</li> </ul>	<ul style="list-style-type: none"> <li>• Regional land transport strategy</li> <li>• Regional programme</li> <li>• Regional policy statements and plans (RMA)</li> <li>• Annual plan and long term financial strategy</li> </ul>	National Roads Account Rates	<ul style="list-style-type: none"> <li>• Local Government Act 1974</li> <li>• Transit New Zealand Act 1989</li> <li>• Land Transport Act 1998</li> <li>• Transport Services and Licensing Act 1989</li> <li>• Resource Management Act 1991</li> </ul>
<b>Territorial authorities</b>	<ul style="list-style-type: none"> <li>• Maintenance and improvement of local roads</li> <li>• Provision of public passenger transport infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>• District roading programme</li> <li>• District plan (RMA)</li> <li>• Annual plan and long term financial strategy</li> </ul>	National Roads Account Rates	<ul style="list-style-type: none"> <li>• Local Government Act 1974</li> <li>• Transit New Zealand Act 1989</li> <li>• Resource Management Act 1991</li> </ul>

Regional councils are required to establish regional land transport committees. The committees are comprised of persons appointed by the regional council whom it considers appropriate, including representatives from:

- Transfund
- Transit
- the LTSA
- the Commissioner of Police
- the regional council
- territorial authorities
- commercial road users
- private road users
- railway operators
- public transport users
- cycle users and pedestrians
- passenger service operators.

The functions of the committee are to prepare for approval by the regional council the regional land transport strategy and the regional programme (described in (3) below). In the Wellington Region, the Regional Land Transport Committee is not involved in the preparation of the regional programme on the basis that the programme has a direct and significant impact on rating decisions that must be taken by the Council itself. The Council is made up of democratically elected members accountable to the public for their decisions.

Transport service providers such as Tranz Rail, bus companies, and freight companies participate in the land transport system. In some cases this participation is on a purely commercial basis, in others it is partly or wholly subsidised by public funds.

### (3) Land transport planning

There is a myriad of planning instruments<sup>2</sup> involved in the land transport system, both statutory and non-statutory documents. The instruments cover a range of aspects from policy to funding to specific transport outcomes. Key documents for each of the agencies will be described below. Further details of the legislative requirements are shown in Appendix 2.

The Minister of Transport has the ability to complete a *national land transport strategy* defining the Crown's goals, the policy objectives to be pursued, and the measurable targets to be met to achieve the policy objectives. Once prepared a national land transport strategy must remain current for 10 years or any lesser period specified in the strategy. **No national land transport strategy has ever been produced**, although the previous government produced a non-statutory National Transport Statement (1998).

The Minister for the Environment has the ability to prepare *national policy statements* under the Resource Management Act 1991, **but has not done so**, although there is a New Zealand Coastal Policy Statement 1994.

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<sup>2</sup> The term "planning instruments" is used in this report in a broad sense to include funding proposals, strategies, performance agreements etc.

## Key Public Agencies with Responsibilities for land transport

Minister of Transport	
<b>Mandate</b>	Appointed by the Governor-General
<b>Status</b>	Minister of the Crown
<b>Structure</b>	Member of Cabinet
<b>Objective</b>	To manage the Government's transport portfolio
<b>Functions</b>	<ul style="list-style-type: none"> <li>To advise the Government on transport matters</li> <li>To manage the Performance Agreements with the Ministry of Transport, Transfund New Zealand, Transit New Zealand, the Land Transport Safety Authority, the Maritime Safety Authority, the Civil Aviation Authority and the Transport Accident investigation Commission</li> <li>To promote land transport safety at reasonable cost</li> <li>To approve the Safety (Administration) Programme</li> <li>To recommend persons as members of the Transfund New Zealand Board, the Transit New Zealand Authority and the Land Transport Safety Authority</li> </ul>

Ministry of Transport	
<b>Status</b>	Government department
<b>Funded by</b>	Crown (88%) Other (12%)
<b>Objective</b>	The Ministry's core function is the development of policy to ensure that Government receives high quality advice and information relating to the promotion of safe, sustainable transport at reasonable cost.
<b>Functions</b>	<ul style="list-style-type: none"> <li>Providing services to the Minister of Transport</li> <li>Providing policy advice and information to the Government on all aspects of transport</li> <li>Managing contractual obligations with stand-alone transport organisations</li> <li>Developing and managing legislation rules and regulations in the transport sector</li> <li>Developing policy initiatives related to the provision of sustainable transport systems</li> <li>Negotiating and implementing international air service agreements</li> <li>Representing the Government's transport interests internationally</li> <li>Managing the motor vehicle registry and collecting revenues and paying associated refunds</li> <li>Monitoring the transport sector</li> <li>Being a source of information to the transport sector</li> <li>Facilitating coordination within the transport sector</li> <li>Managing the Crown's interest in joint venture airports</li> <li>Managing the operation of Milford Sound/Piopiotaahi aerodrome.</li> </ul>

Transfund New Zealand	
<b>Mandate</b>	Established by statute
<b>Status</b>	Crown entity
<b>Structure</b>	Board members appointed by the Governor General on recommendation of the Minister of Transport. Two members from Transit New Zealand, one representing local government, one representing road users and one representing an aspect of the public interest not represented by other members
<b>Funded by</b>	National Roads Account (100%)
<b>Objective</b>	The principal objective of the Board shall be to allocate resources to achieve a safe and efficient roading system
<b>Functions</b>	<ul style="list-style-type: none"> <li>To approve and purchase a national roading programme</li> <li>To approve capital projects and to purchase outputs</li> <li>To make payments from the National Roads Account</li> <li>To review and revise the national roading programme in accordance with its most recent performance agreement</li> <li>To approve competitive pricing procedures</li> <li>To audit the performance of the Authority as compared with its State highways programme</li> <li>To assist and advise local authorities in relation to their functions, duties, and powers</li> <li>To audit the performance of every local authority as compared with its regional programme or district roading programme</li> <li>To provide the Minister with such information and advice as the Minister may from time to time require</li> <li>To carry out such other functions and duties, in relation to roading, as the Minister may from time to time prescribe.</li> </ul>

Transit New Zealand	
<b>Mandate</b>	Established by statute
<b>Status</b>	Crown entity
<b>Structure</b>	Authority members appointed by the Governor General on recommendation of the Minister of Finance and the Minister of Transport. Not less than 6 and not more than 8 members.
<b>Funded by</b>	National Roads Account (100%)
<b>Objective</b>	To operate a safe and efficient State highway system
<b>Functions</b>	<ul style="list-style-type: none"> <li>To prepare a State highways programme</li> <li>To make payments from the State Highways Account</li> <li>To control the State highway system, including planning, design, supervision, construction, and maintenance</li> <li>To provide the Minister with such information and advice as the Minister may from time to time require</li> <li>To carry out such other land transport functions, and such duties, as the Minister may from time to time prescribe</li> </ul>

Land Transport Safety Authority	
<b>Mandate</b>	Established by statute
<b>Status</b>	Crown entity
<b>Structure</b>	Authority members are appointed by the Governor-General on the recommendation of the Minister of Transport. The Authority is to consist of 5 members who the Minister considers will represent the public interest in land transport matters.
<b>Funded by</b>	National Roothing Fund (41%) Users of the transport system (55%) Crown (4%)
<b>Objective</b>	The Authority's principal objective is to undertake activities that promote safety in land transport at a reasonable cost.
<b>Functions</b>	<ul style="list-style-type: none"> <li>To establish safety standards concerning entry into, and operation in, the land transport system</li> <li>To monitor adherence to safety standards within the land transport system</li> <li>To ensure regular reviews of the land transport system to promote the improvement and development of its safety</li> <li>To investigate and review land transport accidents and incidents in its capacity as the responsible safety authority</li> <li>To maintain and preserve records and documents concerning activities within the land transport system, and in particular to maintain the Land Transport Register</li> <li>To provide to the Minister such information and advice as the Minister may from time to time require</li> <li>To promote safety in the land transport system by providing safety information and advice, and fostering safety information education programmes</li> <li>To carry out its functions in relation to the safety (administration) programme under the Transit New Zealand Act 1989</li> </ul>

Regional Council	
<b>Mandate</b>	Established by statute
<b>Status</b>	Local authority
<b>Structure</b>	Elected councillors  Regional Land Transport Committee appointed by the Council. Must include representatives of the Authority the Board, Transit New Zealand, the Commissioner, the regional council, the territorial authorities in the region, commercial road users, private road users, railway operators, public transport users, representatives of cycle users and pedestrians, passenger service operators Passenger Transport Committee
<b>Funded by</b>	Rates National Roads Account
<b>Objective</b>	No specified objectives in law relating to transport
<b>Functions</b>	The functions, duties, and powers of a regional council under the Transit New Zealand Act 1989, the Transport Services Licensing Act 1989, and the Land Transport Act 1993

Territorial Authorities	
<b>Mandate</b>	Established by statute
<b>Status</b>	Local authority
<b>Structure</b>	Elected councillors
<b>Funded by</b>	Rates National Roads Account Financial contributions
<b>Objective</b>	No specified objectives in law relating to transport
<b>Functions</b>	The functions, duties, and powers conferred on territorial authorities by the Local Government Act 1974, any other public Act and any local Act applying to that territorial authority

Figure 2



Transfund must approve a *national roading programme* that is comprised of those outputs and capital projects that have been recommended by Transit and local authorities and approved by Transfund. The national roading programme must include the funding allocated to each output and capital project, and is current for a **one-year period**. *Outputs* are defined as goods or services to be provided and *capital projects* are individual land transport related activities of a capital nature. The national roading programme therefore lists the specific projects that will receive funding from Transfund in a given year.

Transit must produce a *State highways programme* that identifies the outputs and capital projects for which payment is sought from Transfund. The programme must state the objectives to be achieved by each output and is current for a **one-year period**. Transit has chosen to prepare a *National State Highways Strategy* to describe their mission, goals and objectives for the state highway system. This document has no statutory effect, and is very much a policy statement. Transit also prepares individual strategies for each state highway that describe policies and plans for individual sections of state highways in terms of:

- efficiency and safety improvements
- traffic and road management
- access and highway protection
- road user services
- community services
- environmental protection.

The LTSA must prepare a *safety (administration) programme* identifying the outputs recommended by the Authority and their estimated costs. The safety (administration) programme includes outputs recommended by Transit, regional councils and territorial authorities, and must be approved by the Minister of Transport. The programme is current for a **one-year period**.

Transfund, Transit and the LTSA must all produce a draft *performance agreement* for the Minister of Transport. The Minister must approve the agreements or may require that they first be amended.

Regional councils must prepare a *regional land transport strategy* setting out the future land transport needs of the region and how these will be delivered in a safe and cost effective manner. The strategy must be kept current for not less than 3 years in advance, but not more than 5 years. **Regional land transport strategies must consider all modes of transport and are the only comprehensive and detailed land transport planning documents that are produced.**

Regional councils **may** prepare a *regional passenger transport plan* specifying the passenger services the council proposes to be provided in its region. Once prepared, a passenger transport plan must be included in a regional land transport strategy

Regional councils **may** also produce a *regional programme* identifying the outputs for which financial assistance is sought from Transfund. The programme must state the objectives to be achieved by each output and is current for a **one-year period**. Regional programmes are the only programmes that may include bids for outputs for passenger transport services referred to as alternatives to roads, or ATRs, and must not include provision for any output for roading. In practice, in the Wellington Region, the regional programme is prepared in stages, with individual outputs or groups of outputs submitted to Transfund for approval.

Regional councils **must** prepare a *regional policy statement* and may prepare *regional plans* under the Resource Management Act 1991. The purpose of regional policy statements and plans is to help promote the sustainable management of natural and physical resources. Both statements and plans must be reviewed within 10 years of becoming operative.

Territorial authorities **must** prepare a *district roading programme* identifying the outputs and capital projects for which financial assistance is sought from Transfund. The programme must state the objectives to be achieved by each output and is current for a **one-year period**.

Territorial authorities **must** also prepare a *district plan* under the Resource Management Act 1991 to help the authority to promote the sustainable management of natural and physical resources in its district. The district plan must be reviewed within 10 years of becoming operative.

Regional councils and territorial authorities **must** prepare annual plans and long term financial strategies under the Local Government Act 1974. These documents set out short and long term performance measures together with funding requirements.

### *Comment*

Some of the planning instruments referred to above are mandatory, others are optional. **Significantly, no national land transport strategy or national policy statement has been produced. Such documents should have significant statutory effect in guiding subordinate documents, and their absence leaves a major gap in the overall-planning framework.**

Interestingly, there are no purpose statements for national and regional land transport strategies. This matter will be discussed later in the report.

The currency of the planning instruments varies from one year for the programmes to 10 years for a national land transport strategy, a national policy statement, a regional policy statement, a regional plan and a district plan. Regional land transport strategies have an intermediate currency of 2 – 5 years. **As will be discussed later, a one-year timeframe for funding outputs and capital projects is far too short for the major investment decisions that are required for public transport infrastructure.**

It is significant that a regional programme can only provide for *outputs* whereas a State highways programme and district roading programme can all provide for *capital projects* and *outputs*. Again, this will be discussed later as it creates a major impediment to delivering land transport outcomes.

## (4) Inter-relationships

A key but confusing element of the management of the land transport system is the inter-relationships that exist between organisations and planning instruments. Figure 3 shows how key elements are related to each other.

Some of the inter-relationships exist between authorities, some between planning instruments and some between authorities and planning instruments.

# Inter-relationships between organisations and planning instruments

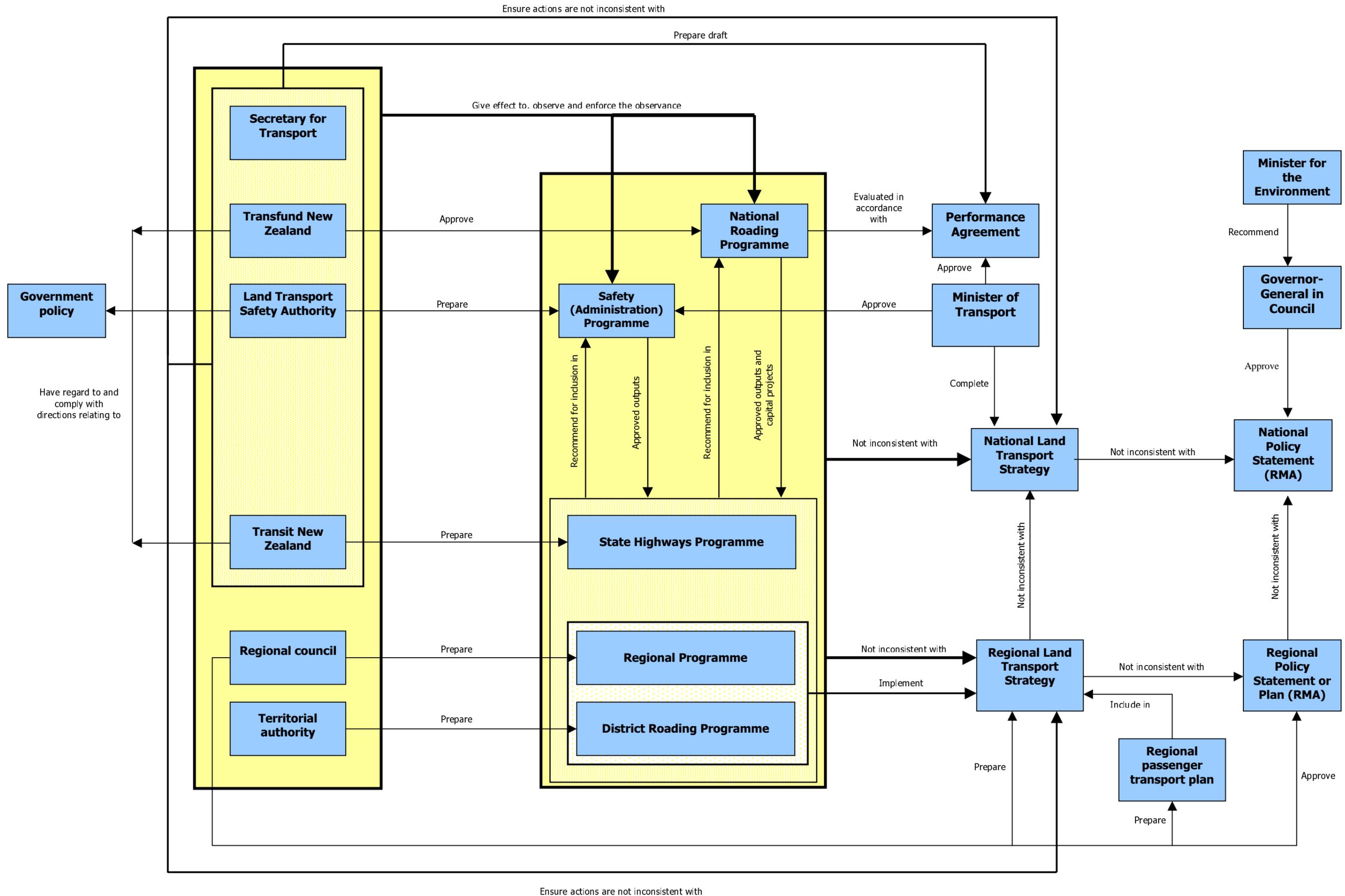


Figure 3



The “highest ranking” document is a national policy statement under the Resource Management Act 1991. A national land transport strategy cannot be inconsistent with a national policy statement, and a regional land transport strategy cannot be inconsistent with a national land transport strategy or a regional policy statement. The national roading programme, State highways programme, regional programme and district roading programme cannot be inconsistent with a national land transport strategy or a regional land transport strategy.

The national roading programme is comprised of approved outputs and capital projects from the State highways programme, the regional programme and the district roading programme. The national roading programme cannot include any outputs or capital projects that are not recommended by Transit, regional councils or territorial authorities.

The regional programme and the district roading programme must implement the regional land transport strategy<sup>3</sup>, but there is no such requirement on the State highways programme. The Secretary for Transport, Transfund, the LTSA, Transit, regional councils and territorial authorities must all give effect to, observe and enforce the observance of the national roading programme and the safety (administration) programme<sup>4</sup>. That is, once an authority has put forward a proposal and this has been approved and included in the national roading programme or safety (administration) programme, the authority is obliged to implement the proposal.

The Secretary for Transport, Transfund, the LTSA and Transit must all ensure that their actions are not inconsistent with a national land transport strategy or a regional land transport strategy, but there is no such requirement on regional councils or territorial authorities.

The Minister of Transport must approve the safety (administration) programme (budgeted expenditure 2000/01 is \$214 million<sup>5</sup>), but Transfund approve the national roading programme (budgeted expenditure for 2000/01 is \$1058 million). The Government has delegated the responsibility for allocating revenue to land transport outputs and capital projects, but retained control over expenditure on safety.

## (5) Land transport funding

Funding for the land transport system comes from a number of sources, the key ones being road user charges, excise duty, registration and licensing fees, property rates and public passenger transport fares.

Key funding relationships are shown in Figure 4. A significant amount of revenue is collected from road users in the form of excise duty, road user charges and registration and licensing fees. This revenue is defined as “roading revenue” and is paid into the *Crown bank account*. Roothing revenue is used to help fund the safety activities of the Commissioner of Police and the LTSA, and to fund the *national roads account*. The collection and allocation of roading revenue is undertaken on a national basis and there is no attempt to match expenditure to the locations from where it is collected. All projects from across the country must compete for funding on the same basis.

The national roads account is administered by Transfund, and is used to supply funds to the *State highways account* administered by Transit, and the *land transport disbursement*

<sup>3</sup> Unless the implementation of that strategy is clearly impractical

<sup>4</sup> So far as their financial resources reasonably permit

<sup>5</sup> All costs in this report are GST inclusive

*accounts* administered by regional councils and territorial authorities. Once allocated to the national roads account, money is dedicated to land transport funding (principally roading, as will be discussed later).

Transfund must evaluate funding proposals from Transit, regional councils and territorial authorities in accordance with the Performance Agreement they have with the Minister of Transport, and must ensure that sufficient funds will be available.

Local communities contribute to funding the land transport system in their area through property rates. Individuals contribute through excise duty, road user charges and registration and licensing fees associated with road use, and through user charges paid for public passenger transport services and total mobility. Developers may also contribute when new subdivisions are created through the financial contribution provisions included within district plans.

All expenditure from the State highways accounts and the land transport disbursement accounts of local authorities must be made in accordance with a competitive pricing procedure that has been approved by Transfund. In fact, all payments from any source by a regional council or a territorial authority for a public passenger transport service must be made using a competitive pricing procedure approved by Transfund. By definition this requirement applies to **all** transport expenditure of a regional council, even if the full funding is derived from rates.

Competitive pricing procedures can be approved for outputs or capital projects, or for classes of outputs and capital projects. While Transfund must *approve* a competitive pricing procedure, there is nothing to stop Transit, a regional council or a territorial authority from developing a procedure and submitting it to Transfund for approval.

Transfund's breakdown of funding categories is shown in Table 2 together with an assessment of which authority can apply for the various components. It is interesting to note that the ATR passenger service category provides for financial assistance to regional councils for the provision of services that relieve road congestion and reduce accident costs. The emphasis is on the benefits that accrue to road users.

Similarly the ATR freight services category aims to reduce roading costs to road controlling authorities (Transit and territorial authorities).

Public passenger services designed to give people and communities access to public transport in off-peak periods are referred to as *community services*, and total mobility and concessionary fares are referred to as *social services*.

Transfund evaluates proposed outputs and capital projects based on their *benefit-cost ratio*, and ATRs on their *efficiency ratio*. All projects throughout New Zealand are considered on an equal basis, hence areas of high traffic volume (e.g. Auckland) or low construction cost (e.g. Canterbury) win priority over other areas where traffic volumes are lower and topography results in higher costs of construction (e.g. Wellington).

Extensive guidance is provided about how to prepare benefit-cost assessments, and Transfund set a cut-off point for funding according to their available funds and the proposals they receive. Transfund also determine the degree of funding assistance that will be provided. For example, rail services are allocated a financial assistance rate of 60% of the costs of contracting that service, whereas bus services are allocated a rate of 40%.

Table 2 Transfund's funding categories

			Transit New Zealand	Territorial authority	Regional council
Roothing maintenance	Structural maintenance	Sub-outputs not shown	✓	✓	✗
	Corridor maintenance	"	✓	✓	✗
	Professional services	"	✓	✓	✗
	Financial assistance	"	✓	✓	✗
	Preventative maintenance	"	✓	✓	✗
	Property management	"	✓	✓	✗
	Emergency works	"	✓	✓	✗
Improvement and replacement of roads	Construction	"	✓	✓	✗
	Property	"	✓	✓	✗
	Minor safety	"	✓	✓	✗
Alternatives to roading	ATR Services	Passenger Services	✗	✗	✓
		Freight Services	✗	✗	✓
	ATR Projects	ATR Capital projects	✓	✓	✗
Passenger transport	Community services	General Services	✗	✗	✓
		Shelters and facilities	✓	✓	✗
		Patronage funding	✗	✗	✓
		Rail services	✗	✗	✓
	Roothing Improvements (SH)	Roothing improvements (SH)	✓	✗	✗
	Infrastructure	Infrastructure (LR)	✗	✓	✗
	Social services	General services (concessions)	✗	✗	✓
		Paratransit	✗	✗	✓
		Rail Services (concessions)	✗	✗	✓
Administration and project control	State highways	State highways general administration	✓	✗	✗
		State highways project control	✓	✗	✗
	Territorial	Territorial authority administration support	✗	✓	✗
	Regional	Regional land transport planning	✗	✗	✓
		Passenger services administration	✗	✗	✓



# Key funding relationships

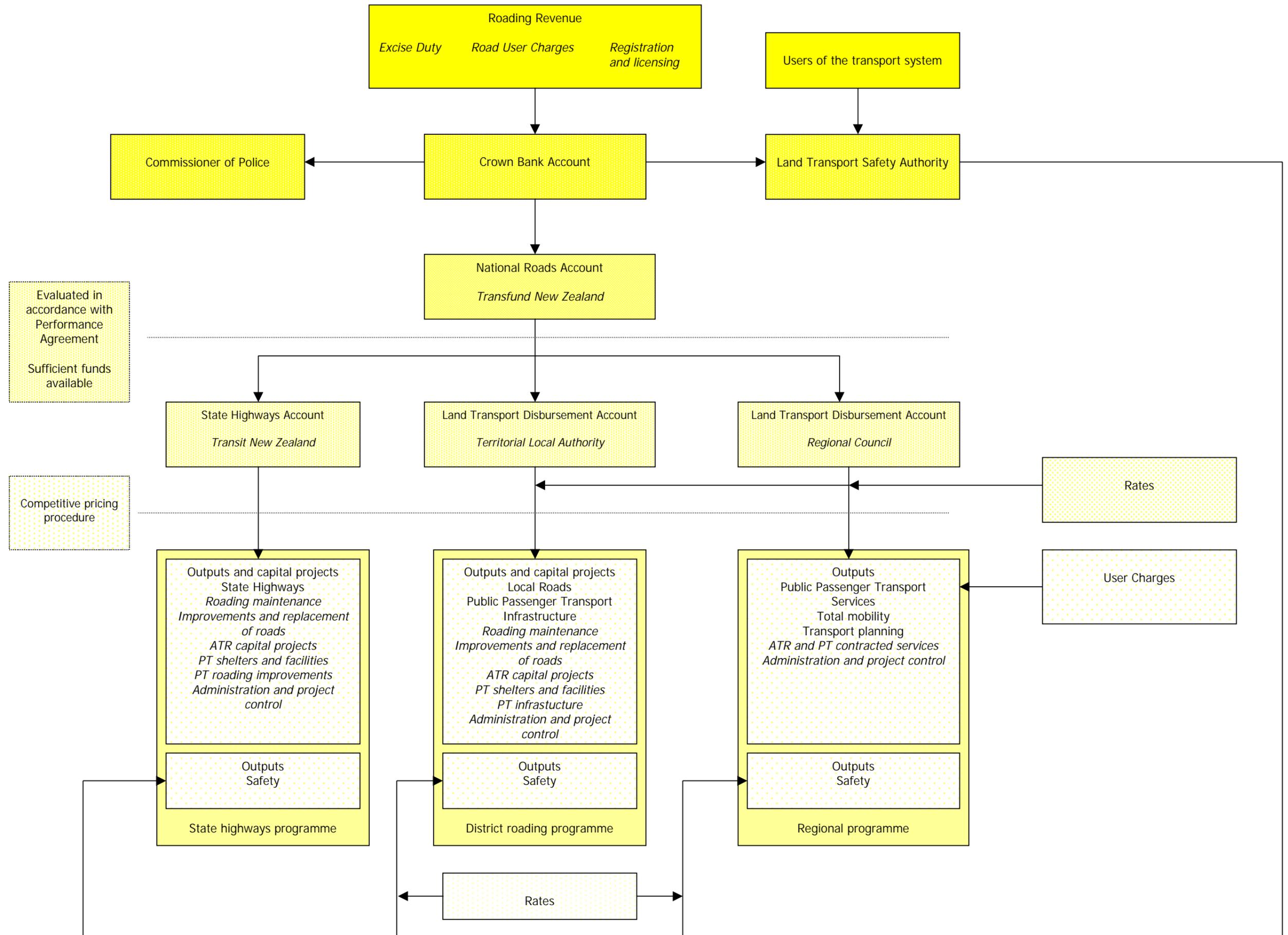


Figure 4



The 2000/2001 National Roothing Programme allocates a total funding of \$1058 million. Nationally, 90% of this money is for roading projects, 5.6% for passenger services, 0.1% for ATRs, 2.1% for Transfund outputs, and 3.4% for administration and project control. Within the Wellington Region, the total funding allocated is \$73 million, 75% for roading projects, 23.7% for passenger services, 0.02% for ATRs and 1.2% for administration and project control.

The benefit cost ratio cut-off for 2000/2001 is 3.0.

As would be expected, the proportion of funds allocated to passenger transport in the Wellington Region is significantly greater than the national average. The proportion of funds allocated to ATRs is minimal, both nationally and within the Wellington Region. There are two reasons for this. Firstly, existing ATR services are funded as social or community services. Secondly, it is hard for proposed new ATR services to show sufficient benefits to receive funding. This matter is discussed further later in this report.

Public funding for passenger transport services is variable. Some services are able to operate on a fully commercial basis, with the total revenue being supplied by fare paying passengers. Other services are contracted by regional councils and receive subsidies in addition to fares. Currently Wellington Regional Council's funding policy seeks to set a user charge for passenger services at an average of 70% of the cost of the service. The remaining 30% is funded as a national and regional community contribution, the national contribution being the subsidy received from Transfund (40% for bus services, 60% for rail), the regional contribution coming from rates. The allocation of rates across the Region is made on the basis of congestion relief for road users (85%), concessionary fares for the transport disadvantaged (10%) and social services to provide access to public transport services (5%).

Transfund is currently in the process of introducing *patronage funding*, a new method of allocating resources to passenger transport services. Under patronage funding, a regional council will receive funding based on the number of passengers using public transport. If the number of passengers increases so will funding from Transfund. There will be higher benefits at peak times of traffic congestion. Transfund proposes that its payment rates will cover 100% of the benefits to road users plus 25% of the benefits to public transport users.

## (6) The legislative regime

There are five key pieces of legislation that establish and guide the land transport system. These pieces of legislation establish the framework for the way in which land transport is managed.

The *Land Transport Act 1998* provides for the development of national and regional land transport strategies. It establishes regional land transport committees and the LTSA. In addition, it provides for a number of driver requirements including licensing and offences.

The *Transit New Zealand Act 1989* establishes Transfund and Transit, the funding regime, the national roads programme and national safety (administration) programme, and the Government's control of roads.

The *Transport Services Licensing Act 1989* provides for the licensing of transport services, the registration of public passenger services, and the development of a regional passenger plan. Some of the key aspects of this Act are found only in an interpretation section, with confusing cross-references that will be discussed later in the report.

The *Resource Management Act 1991* provides for the development of national policy statements, regional policy statements and plans, and district plans. It also provides for network utility operators to become requiring authorities and gives them the power to designate land.

The *Local Government Act 1974* sets up local authorities, but does not give them any clear functions with respect to land transport. Instead it provides some specific provisions, and makes cross-references to the legislation listed above. For example, it states that a regional council shall have the functions, duties, and powers of a regional council under the Transit New Zealand Act 1989, the Transport Services Licensing Act 1989, and the Land Transport Act 1998. The Local Government Act 1974 also prohibits (with some exceptions) a local authority from conducting a passenger transport operation, and a regional council from owning or having any interest in a passenger transport undertaking.

### *Comment*

The legislation provides clearly stated objectives and functions for Transfund, Transit and the LTSA. There are no clear objectives or functions for regional councils and territorial authorities with respect to land transport.

It is interesting that a function of Transfund is to “carry out such other functions and duties, **in relation to roading**, that the Minister may from time to time prescribe”, whereas Transit shall “carry out such other **land transport** functions, and such duties, as the Minister may from time to time prescribe” (sections 3C and 6 Transit New Zealand Act 1989 – emphasis added).

## (7) Goals and objectives

Table 3 shows the principal objectives of some key agencies. Further details of missions, goals and objectives can be found in Appendix 3<sup>6</sup>.

As previously noted, Transfund, Transit and the LTSA all have their principal objective defined in legislation. Wellington Regional Council’s objective is taken from the Wellington Regional Land Transport Strategy 1999-2004 (“Wellington Regional Strategy”). Other objectives have been taken from published documents.

A simple assessment of the objectives listed in Table 3 shows that **there is a clear mismatch between the objectives of the various organisations**. This is primarily because Transfund’s principal objective is to allocate resources to achieve a safe and efficient **roading** system, which, although extremely important, is only one aspect of the **land transport** system. In comparison, the Wellington Regional Strategy objective seeks to achieve an **integrated network** with capacity balanced within and between each mode (i.e. between road, rail, pedestrian etc.)

The Minister of Transport’s stated objective for the Government is to build a sustainable transport system. The supplementary explanation of what a sustainable transport system means contains all of the essential elements for a healthy land transport system:

- a system which provides for the safety of its users
- a system that meets the needs of its customers
- a system which provides a reasonable return on investments

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<sup>6</sup> Additional transport objectives can be found in resource management documents

- a system that manages impacts on air, water and land resources
- a system that provides mobility and accessibility opportunities.

**If such a goal was articulated in a national land transport strategy it would be able to influence all of the subservient documents and guide the actions of key agencies.**

## (8) Public passenger transport

Public passenger transport is comprised of specified services, registered services, contracted services and commercial services.

*Specified services* are those services that are specified in a regional passenger transport plan. They are those services the council proposes to be provided in its region. Some specified services operate on an entirely commercial basis, while others, known as contracted services, operate with a subsidy. *Contracted services* are specified services that are purchased by a regional council on the basis that they are necessary, but are unable to operate on a commercial basis.

All operating services are required to be registered by a regional council.

Free market theory would suggest that commercial services would make up the bulk of the passenger services operating in a region, with contracted services only being required to “fill the gaps” and provide accessibility. This is not our experience in the Wellington Region where the vast majority of services are contracted services. A key reason for this market failure is that road users are not paying the full costs of their road use, making it impossible for passenger transport to compete on an even basis.

### ***Comment***

The majority of the costs of providing a passenger service are incurred at peak times, and full commercial pricing of these services would result in significant reductions in patronage, with a modal shift to private car travel. The extra car journeys would result in significant additional disbenefits to road users from increased congestion, as well as adding to other negative externalities such as adverse environmental effects and the costs to society from accidents. Given our current lack of ability to adjust road pricing, the efficient solution at present is to subsidise peak time passenger services. The Wellington Regional Council attempts to reflect congestion pricing when allocating the rates proportion of the subsidy across the regional ratepayers.

In the longer term, it is hoped that patronage can be increased to the extent that services can operate on a fully commercial basis. However, public investment in infrastructure will be required if this is to occur.

Table 3. Principal objectives of key public agencies

<b>Government</b>	<b>To build a sustainable transport system</b>				
	A sustainable transport system is one in which passengers, workers and those coming into contact with transport operations can expect a high level of personal safety.	A sustainable transport system is one that meets the needs of its customers, in a timely and cost effective manner.	A sustainable transport system is one in which investors and shareholders can expect a reasonable return on their investments, through providing innovative services and infrastructure in the right place at the right time at the right price, while providing rewarding employment for their employees.	A sustainable transport system is one that carefully manages its impacts on our air, water and land resources.	And a sustainable transport system is one that provides both mobility and accessibility opportunities to all those who live in the society in which it operates.
	<b>We work for safe, efficient transport at reasonable cost</b>				
	Safe means having a freedom from danger, personal risk and risk of property damage	<i>Sustainable</i> is used in economic, social and environmental terms	At <i>reasonable cost</i> means where the benefits to New Zealand exceed the costs to New Zealand		
<b>Transfund New Zealand</b>	To allocate resources to achieve a safe and efficient roading system				
<b>Transit New Zealand</b>	To operate a safe and efficient State highway system				
<b>LTSA</b>	To undertake activities that promote safety in land transport at a reasonable cost				

<b>Wellington Regional Council</b>	A balanced and sustainable land transport system that meets the needs of the regional community		
	Balance – achieving an integrated transport network with capacity balanced within and between each mode	Sustainability – developing a transport system which is environmentally friendly and economically sustainable	
<b>South Wairarapa District Council</b>	A roading network and land transport system that provides for safe and efficient vehicular, stock and pedestrian movement within the District and where appropriate within the constraints of Transfund funding share.		
<b>Carterton District Council</b>	To promote policies, allocate resources and to achieve a safe efficient land transport system that maximises local safety, economic and social benefits in partnership with Transit New Zealand		
<b>Upper Hutt City Council</b>	A cost effective, high quality and safe road system A transport network that creates high standards of accessibility within the City and is user friendly for both residents and visitors as a result of high traffic engineering standards and good directional signage		



# Part D

## The problems and recommendations

Impediments to the successful and efficient delivery of land transport outcomes

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## Impediments to the successful and efficient delivery of land transport outcomes – and recommendations for removal

The previous section has outlined the existing land transport system operating in New Zealand. The purpose of this section is to outline the problems that we (and others) encounter in trying to participate in the system and ensure that it meets the needs of the people of the Wellington Region.

### So what is the problem?

The problem is that there are many problems, culminating in a regime that **impedes sensible decision making, rational allocation of resources, and the provision of the necessary outcomes**. Foremost amongst the problems are:

#### (1) The planning framework

Land transport systems have certain characteristics, some generic and some regionally specific. One of the key generic characteristics is that the system operates as a network of inter-related components. Changes to one part of the network will affect other parts, both within and between modes of travel. An obvious example of an intra-modal effect is the recent improvements at the top of the Ngauranga Gorge on State Highway 1 which have significantly enhanced the traffic flows north and south, but have amplified the current congestion problems for north bound traffic at Mana. In terms of inter-mode effects, changes to bus or rail passenger services will result in more or less car journeys.

The topography and general land use patterns of the Wellington Region result in travel demands that are specific to the Region and which must be considered on a regional basis. The significant daily travel between the various districts of the Region means that a regional perspective is paramount.

And, of course, the transport system of each region must fit together and contribute towards the broader nation-wide network.

Within the Wellington Region, competition between districts is another potential barrier to strategic transport planning, further reinforcing the need for a regional perspective. Each district is naturally seeking to achieve the best outcome for itself, without necessarily considering the wider implications of their actions. Competition between districts is seen as a potential impediment to road pricing, with possible concerns that the road pricing mechanism may advantage/disadvantage one district or city over another. Similar problems arise with respect to setting limits on car parking, a potential tool to control congestion in central business districts.

**What is required is an integrated planning and management framework that carefully balances the total network by considering all of the inter-relationships within and between modes, within a context of carefully articulated goals.**

Unfortunately our management framework in New Zealand only partially delivers on these outcomes. How do all of the pieces fit together? What is the purpose of the planning framework?

Where is the leadership from central government? What is the overall goal? What status does the National Transport Statement (1998) have under the present Government? How does the Minister of Transport's stated goal for the Government have effect? What status will the proposed New Zealand Transport Strategy have? After all, although the planning

framework provides for a national land transport strategy, none has ever been produced. Nor have any national policy statements been produced under the Resource Management Act 1991. **The two highest-ranking documents in the planning framework, with the ability to provide leadership and direction, continue to be absent.**

### **Does it matter?**

Yes it does! Leadership from the top will provide guidance to all of those operating below, ensuring that all participants work towards a common goal.

That is not to say that the Government has no influence at the present time through performance agreements with Transfund, Transit and the LTSA, or through policy directives to these agencies. Just that this is a less effective, backdoor method of articulating goals.

At a regional level, the regional land transport strategy provides an excellent opportunity to clearly set goals and provide details of land transport outcomes necessary at a regional level. Unlike their national equivalent, regional strategies are mandatory. The Wellington Regional Strategy sets a vision for the Region, and defines outcomes that are required to meet that vision. As required by statute, the strategy is comprehensive in its approach, addressing all modes of land transport and their inter-relationships. And regional land transport strategies are prepared by regional land transport committees, representative of all key stakeholders.

Unfortunately, while there are provisions that require a number of the key agencies to act in a manner that is not inconsistent with a regional land transport strategy, there is only a partial requirement that it be implemented. This significantly reduces its effectiveness. This aspect will be discussed further below.

Transit have responsibility for managing the State highway network. They have produced a National State Highways Strategy and produce individual strategies for each State highway. It is not clear to what extent Transit looks at and strategically plans for the State highway network as a whole, and determines how this fits into the overall land transport system. Perhaps they rely on the regional land transport strategies for this type of planning?

### ***Recommendations***

1. That the government provides for an integrated planning and management framework that carefully balances the total network by considering the inter-relationships within and between modes.
2. That the government clearly articulates a goal for land transport. In the interim this may be through the issue of a policy statement or directive, but in the longer-term it should be through the completion of a national land transport strategy and/or by defining the overall objective in legislation. (The proposed New Zealand Transport Strategy will partly fulfil this requirement in the interim, but will not have the same statutory effect as a national land transport strategy prepared under the Land Transport Act 1998.)

## (2) Implementing a regional land transport strategy

Figure 3 shows the inter-relationships between a regional land transport strategy, other planning instruments and organisations in the land transport system. The comment was made that the Secretary for Transport, Transfund, Transit and the LTSA all have to ensure that their actions are not inconsistent with a regional land transport strategy, but that there are no such requirements on regional councils or territorial authorities. However, regional programmes and district roading programmes prepared by the latter authorities are required to implement the regional land transport strategy.

**Therein lies a major failing in the land transport framework.** While Transfund, Transit and the LTSA all contribute to the preparation of the regional land transport strategy through their participation on regional land transport committees, there is no obligation on them to implement the strategy, only to ensure that their actions are not inconsistent with it. This subtle but incredibly important distinction is fundamental and should be addressed if we are to deliver the land transport outcomes defined in the regional land transport strategy, which, as the previous section has demonstrated, is the only comprehensive planning document that exists.

The failure of the legislation to comprehensively ensure the implementation of regional land transport strategies is compounded by the lack of a clear purpose statement. What is the purpose of these strategies? A clear purpose statement would set up the role of the strategy in relation to the delivery of land transport outcomes. In our view, the purpose of a regional land transport strategy should be to give effect to the national land transport strategy by defining the land transport outcomes that will be delivered in the region. If this was made clear, the agencies and organisations with responsibilities for delivering the outcomes could then get together to decide on how they would each play their part.

Models exist. For example, the Resource Management Act 1991 sets out clear purpose statements for national policy statements, regional policy statements, regional plans and district plans. The Transit New Zealand Act 1989 requires that the Secretary for Transport, Transfund, Transit, the LTSA, regional councils and territorial authorities all give effect to, observe and enforce the observance of the requirements and provisions of the safety (administration) programme and the national roading programme. That Act further requires that these agencies consult from time to time about how to comply with that requirement.

The national land transport strategy would also benefit from a clear purpose statement.

Four examples can be used to demonstrate the problem. Firstly, Transit are currently working on a proposal to upgrade State Highway 58 which runs between the Hutt Valley and Porirua. Common sense would dictate that this proposal be considered in the context of the wider issue of a connection between the Hutt Valley and Porirua, as indicated in the Wellington Regional Strategy. However, Transit have no requirement to implement the strategy and are able to advance the proposal on the basis that they believe that it is not inconsistent with the Wellington Regional Strategy.

A second example of how Transit views the Wellington Regional Strategy was apparent at a recent workshop looking at the early construction of the Transmission Gully motorway. The Transit representatives and their consultants identified that the key reason for early construction of the motorway was to meet political and public expectations, not to meet a requirement of the Wellington Regional Strategy. At the workshop there was little recognition or acceptance:

- that the motorway was only one of a series of measures identified in the Wellington Regional Strategy for the western corridor

- that there was an identified sequence of implementation
- that failure to implement all of the measures in the correct sequence will result in a failure to meet the anticipated land transport outcomes.

Unfortunately, under the current framework, the Wellington Regional Council is unable to ensure that all of the planned measures will be implemented, and in the correct sequence. There can therefore be no guarantees that the land transport objectives will be met.

A third Transit example relates to the Rimutaka Hill Road section of State Highway 2. The Wellington Regional Strategy seeks to complete the design for the upgrade of the road to 70 kph standard. However, it appears that Transit is not investigating a full 70 kph alignment, but are instead looking at isolated improvements. Transit's actions are not inconsistent with the Wellington Regional Strategy, but are not implementing the outcome that the strategy is seeking.

Fourthly, the maintenance and enhancement of urban rail services is one of the key transport outcomes in the Wellington Regional Strategy, but there is no way of ensuring that this essential public good can and will be delivered. The current provider, Tranz Rail, is a privately owned company who do not consider urban commuter services part of their core business. Until future management and ownership issues are resolved it will not be possible to make the capital investments necessary to maintain and enhance patronage.

#### ***Recommendations***

1. That Transfund, Transit, the LTSA, regional councils and territorial authorities are **required** to give effect to the regional land transport strategy.
2. That Transfund, Transit, the LTSA, regional councils and territorial authorities are **required** to consult about how they can co-operatively implement the regional land transport strategy.
3. That the legislation be amended to provide clear purpose statements for the national land transport strategy and regional land transport strategies.
4. That, if recommendation 2 is adopted, an appeal stage be introduced to the preparation process of regional land transport strategies to recognise their increased status and effect. It is possible that the Environment Court would be able to deal with this matter, albeit with additional resources.

### (3) Focus on roads

The land transport framework has a clear bias towards the provision of roads. Critically this manifests itself in Transfund's principal objective – to allocate resources to achieve a safe and efficient *roading* system. Nationally 90% of Transfund's funding goes to roading, with this figure dropping to 75% in the Wellington Region.

Transfund's breakdown of funding categories was presented in Table 2. Included are categories for community and social passenger transport services, although it is hard to rationalise how these can be considered under Transfund's principal objective. That is not to say that they aren't important, just that by Transfund's own definitions they are not contributing to a safe and efficient roading system (their aim is to provide accessibility to transport for those without cars and for the transport disadvantaged).

Transfund's ATR category specifically targets alternatives to roads that relieve road congestion and roading costs. However, as reported earlier, only \$0.6 million or 0.1% of Transfund's 2000/2001 total allocation is apportioned to ATRs. In the Wellington Region, the figures are \$0.01 million or 0.02% respectively.

### **Why is the budget allocation for ATRs so low?**

Firstly, because existing ATR services have been funded as social or community services. Secondly, Transfund cannot purchase ATR services (or for that matter, any transport outcome – see later discussion); they can only approve outputs for ATR services that are included in regional programmes prepared by regional councils. And regional councils are not including new ATR services in their regional programmes because they are not able to demonstrate sufficient benefits. Why? Because proposed ATR outputs are considered by comparing their efficiency ratio against roading options, and they must compete for funding directly against roading proposals. Only the benefits to road users are considered. The inability to compete with roading suggests that the analysis of benefits and costs does not accurately reflect true costs and benefits.

Patronage funding is proposed as a replacement for ATR services, although in the interim it is being referred to as a community service. Under patronage funding Transfund proposes to fund 100% of the assessed road user benefits and 25% of the assessed benefits to passenger transport users.

#### ***Recommendations***

1. That the legislative focus on roads be changed to a focus on the sustainable and effective movement of people and goods.
2. That the term "roading revenue" be changed to "land transport revenue" to acknowledge that while the revenue is collected from road users, at the end of the day it is revenue that the Crown may use at its discretion. Its purpose should be to fund land transport outcomes.

## **(4) Fragmentation of responsibilities**

There are a large number of agencies involved in delivering land transport outcomes. In the Wellington Region these include public agencies:

- Transfund
- Transit
- LTSA
- Police
- Wellington Regional Council
- Kapiti Coast District Council
- Porirua City Council
- Wellington City Council
- The Hutt City Council
- Upper Hutt City Council
- South Wairarapa District Council

- Carterton District Council
- Masterton District Council

and private transport operators:

- Tranz Rail
- Stagecoach/Cityline
- Mana/Newlands Coach Services
- Community Coach Services
- Southbus
- Wellington Cable Car Limited

The large number of agencies combined with complex inter-relationships (refer to Figure 3) and the lack of a clear statement of the functions of regional councils and territorial authorities leads to confusion about responsibilities in some areas. It is quite clear that Transit are responsible for State highways and that territorial authorities maintain, improve and replace local roads. It is less clear where responsibilities lie when it comes to ATRs and passenger services and projects such as the provision of bus priority lanes which use roads to provide an enhanced public passenger service.

Similarly, the provision of park and ride facilities cuts across agencies and organisations, and in some cases, individual property owners as well. For example, in the Wellington Region some railway station car parks are owned by Tranz Rail, some by territorial authorities, and some by private individuals. This makes provision and enhancement of these facilities more difficult than it should be giving rise to inefficiencies. The Wellington Regional Council may provide funds to a territorial authority to purchase property for the provision of a park and ride facility, but cannot guarantee that the property will be used for that purpose in the future. The Regional Council cannot purchase the property itself because of legislative provisions prohibiting it from owning public transport infrastructure, a matter that is discussed below.

#### ***Recommendation***

1. That the government clearly ensures that the roles and responsibilities of all of the agencies involved in the delivery of land transport outcomes and the relationships between them are clearly defined.

## (5) Ownership and funding of infrastructure

Some of the fragmentation and complex inter-relationships referred to above arise because the Local Government Act 1974 prohibits a regional council from owning or having an interest in any transport undertaking. This prohibition is compounded by the Transit New Zealand Act 1989 which precludes a regional council funding or seeking funding for ATR capital projects.

In addition "roads" are defined to include roads, streets or public highways as well as the things lying upon the line or within the limits of the road. Under this definition, features such as bus priority measures, pedestrian facilities and covered walkways are all part of a road, and cannot be funded by a regional council.

### Why does this matter?

Firstly, some facilities are regional in nature, serving the needs and providing benefits for the greater regional community. Common sense suggests that such facilities should be funded regionally. But the current framework precludes this occurring, as the only authority with a mandate to charge on a region wide basis is a regional council. Within the Wellington Region, several important public passenger transport projects fall within this category. A good example is the proposed Lambton bus/rail interchange. Wellington Regional Council has submitted a funding proposal for this project to Transfund. Figure 5 shows the funding arrangements that are proposed. Although the project is entirely located within Wellington City, the benefits extend to the wider region, and the costs have been allocated on this basis. It is unlikely that this project would proceed if the rating component was solely restricted to Wellington City – and indeed such a regime would impact unfairly on Wellington City ratepayers.

Secondly, regional councils such as the Wellington Regional Council are pouring substantial amounts of money into public passenger transport services, funded jointly by Transfund and ratepayers. Some of this money *is* being used for infrastructure improvements, such as the refurbishment of Ganz Mavag rail units, and the provision of pedestrian over-bridges to provide access to rail stations. **Many such payments are a direct transfer from the public purse to the private balance sheet.**

Thirdly, time and effort is going into the creation of innovative ways to *beat the system*. This effort would be much better directed at finding innovative solutions to meet *transport* needs, and doesn't reflect an efficient use of resources. The complex funding arrangements for the Lambton bus/rail interchange are an example (Figure 5). The involvement of Wellington Cable Car Limited and Wellington City Council is simply a workaround – a means of achieving a necessary outcome in a restricted legislative regime. In this particular case, as was stated earlier, the benefits are regional and this should be reflected in the funding. Wellington Regional Council cannot directly fund the capital outlay, but will in effect be providing the funds to repay the loan. So we create a solution that gets around the legal impediments, but one that creates unnecessary administrative costs and results in an inappropriate allocation of financial risks.

#### **Recommendation**

1. That the government removes the prohibition on regional council ownership and funding of public transport infrastructure.

## (6) Legislation

Key legislation governing the land transport system is fragmented, and some sections poorly constructed. Some problems have already been mentioned, such as the lack of clearly specified transport functions for regional councils and territorial authorities, the lack of purpose statements for national and regional land transport strategies, and the principal function for Transfund.

Having different acts provide for land transport planning (Land Transport Act 1998), land transport funding and programmes (Transit New Zealand Act 1989) and passenger transport planning and contracting (Transport Services Licensing Act 1989) makes for a complex mix, especially as there is no over-arching goal or objective. Some examples of the problems are given below.

# Proposed Funding Relationships for Lambton Interchange

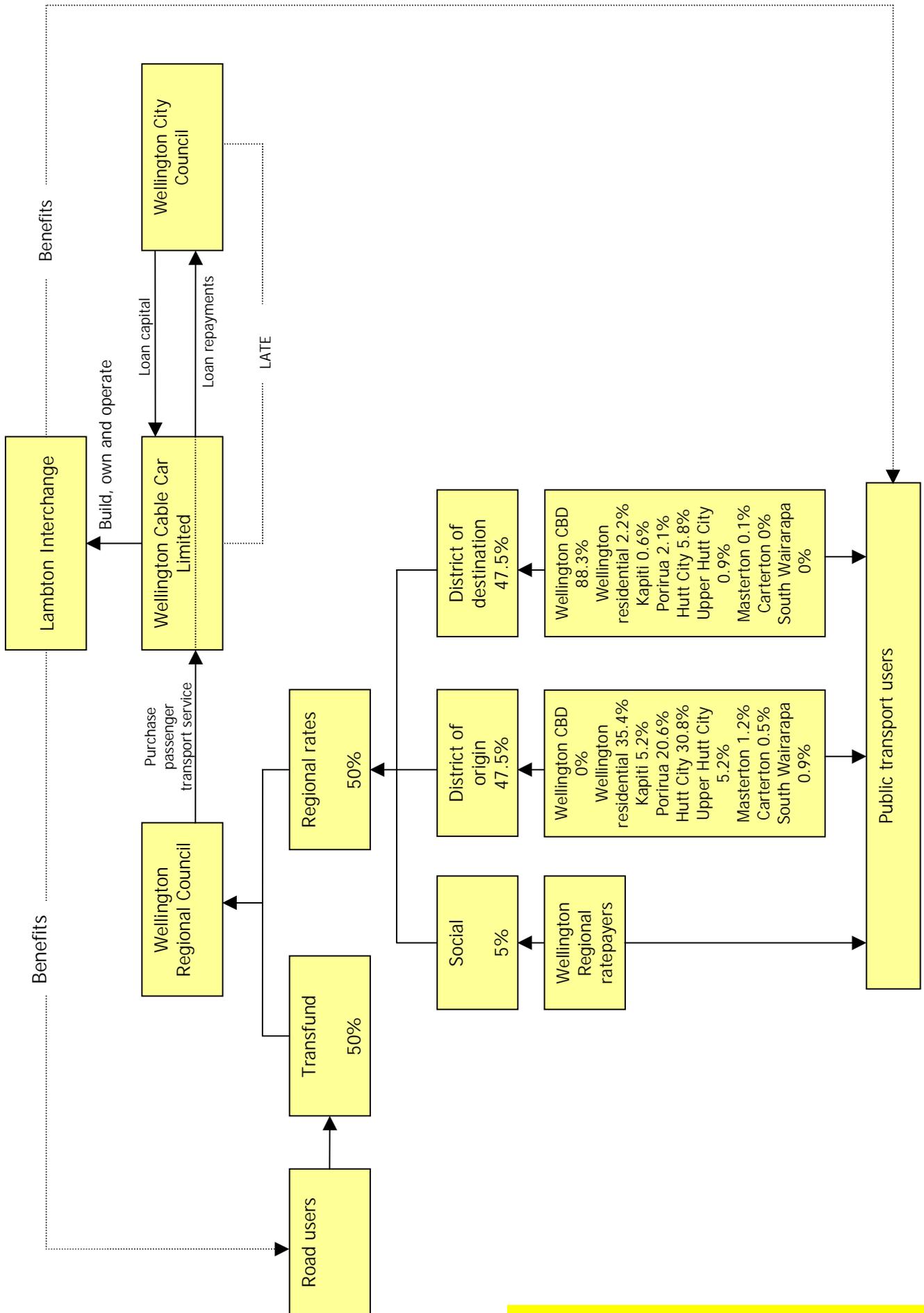


Figure 5

A regional passenger transport plan is prepared under the Transport Services Licensing Act 1989. The Act is entirely unclear as to whether such a plan *must* or *may* be prepared. In fact the requirements for such a plan are part of a convoluted set of definitions contained in an "Interpretation" section of the Act (section 47). Nowhere is there any function statement empowering a regional council to contract passenger services. The Wellington Regional Council therefore spends \$30 million of public money annually on passenger services based on a definition.

The Land Transport Act 1998 requires a regional passenger transport plan to be included in a regional land transport strategy, even though the law requires it to be prepared under different legislation and following a different process.

The Transport Services Licensing Act 1989 requires that all passenger transport services be licensed by a regional council. The Act provides several reasons for declining a service, none of which relate to a regional land transport strategy or a regional passenger transport plan. One basis for declining a service is if the council deems that it is contrary to sound traffic management or any other environmental factor identified by the regional council as being of importance to its region. Where would the council identify such matters? Possibly in a regional policy statement or plan prepared under the Resource Management Act 1991, or maybe in a regional land transport strategy. But the Transport Services Licensing Act 1989 makes no reference to these documents.

#### ***Recommendation***

1. That the laws governing land transport are reviewed and individual acts amended or amalgamated into one or more new laws. Specific changes are required to implement other recommendations in this report.

## (7) Passenger transport services

The legislative regime provides for a split in passenger transport *services* and passenger transport *infrastructure*. Regional councils are empowered to fund the former, but not the latter. Territorial authorities are empowered to fund the latter but not the former. This defies logic – surely passenger transport services should be treated as a complete entity, with integrated planning and management.

In practice, in the Wellington Region the Wellington Regional Council has taken a leadership role in the provision of passenger transport outcomes, by promoting both services and infrastructure. Funding is obtained by workarounds, as mentioned in a previous section. Had the Regional Council not taken this action, there would have been a significant deterioration of the passenger transport system, with consequential increased congestion of the roading system.

Motor cars provide a high level of convenience for their users. If public transport is to attract more users it also must be convenient, and many public transport activities are undertaken to enhance the desirability of travelling by these alternative modes. One current barrier to public transport travel in the Wellington Region is the need to have separate tickets if transferring between operators, for example between a bus and a train.

The Wellington Regional Strategy identifies the need to investigate integrated ticketing, and proposes that the Regional Council promote this concept with transport operators. Clearly it is going to be difficult to implement integrated ticketing given the number of operators and their narrow focus on their own service. Ideally the Regional Council would take a much greater leadership role in providing the infrastructure necessary for integrated ticketing, but this is not possible with the current prohibition on the Council holding an interest in a transport undertaking.

#### ***Recommendation***

1. That the laws governing land transport be amended so that public passenger transport services and infrastructure are planned for, funded, and managed in an integrated manner.

## (8) Funding

The problems with land transport funding relate not so much to the total funding but to the way in which it is allocated.

There are several problems.

There are complicated procedures for assessing individual projects and comparing and essentially ranking them on a national basis. It is assumed that the benefit cost ratio and efficiency ratio allows direct comparison of roading and passenger transport activities. This has been discussed earlier.

The assessment of individual projects does not provide an opportunity to consider how that project contributes to a package of measures identified in a regional land transport strategy. In fact, a project-by-project assessment system significantly undermines the value of having a strategy. While Transfund are clearly obliged to decline funding for a project that is inconsistent with a regional land transport strategy, they are not required to fund projects that **implement** the strategy.

In our view, the funding system could be significantly enhanced if Transfund were to fund strategies. In the United Kingdom, the “package approach”<sup>7</sup> is now a firmly established feature of local transport policy and Ministers are keen to pursue the funding of good, balanced packages as vigorously as resources will permit. Package funding has been the main means by which local authorities receive funding from central government in the United Kingdom since the mid – 1990s. Its introduction came about from an awareness of the need to consider integrated transport systems as a whole, rather than isolated road or public transport infrastructure, especially in urban areas. **New Zealand would do well to follow this approach.**

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<sup>7</sup> The term “package approach” has been adopted to describe a structure for developing, evaluating and funding local transport expenditure based on:

- Explicit local objectives and strategy
- Areas defined in terms of transport interaction rather than administrative convenience
- All modes of transport, and its interaction with land use
- Proposals for infrastructure provision, management and pricing
- A common evaluation framework

The change in emphasis from funding individual projects to funding strategies has perhaps already started to occur with the introduction of patronage funding.

The two-stage process of funding approval is a further problem. Outputs and capital projects must be submitted to Transfund for approval, and, once approved, land transport outcomes can only be purchased by using a competitive pricing procedure approved by Transfund.

Enshrining the use of competitive pricing procedures in the legislation enforces a rigid *one answer for all* regime that loses sight of the overall objective of ensuring that money is spent wisely in a cost-effective manner. There are circumstances where competitive pricing regimes are inappropriate, such as the provision of urban rail services in the Wellington Region. How can such services be competitively tendered? Remembering that the overall mix of transport modes has already been determined in the Wellington Regional Strategy, which identifies “the maintenance of urban rail as an arterial priority in public transport” as a key policy directive. Transfund appear to give little weight to their legislative requirement that they ensure that their actions are not inconsistent with a regional land transport strategy.

It is also completely inappropriate that Transfund must approve a competitive pricing procedure for all passenger services, irrespective of the source of funds. How can this be justified if all of the money is derived from local authority rates? Provisions in the Local Government Act 1974 stringently control expenditure by a local authority.

Under current proposals to introduce patronage funding, regional councils will receive a Transfund contribution based on the **actual** number of passengers carried. Regional councils will assess the need for a service (which in any case will be specified in a regional passenger transport plan), enter into a contract, and then hope that the service is successful. They will bear the full risk of the service failing to attract passengers. Under such arrangements it will be even more inappropriate for the councils to have to use a competitive pricing procedure approved by Transfund.

Adding to the problems is Transfund's view that it should be a *smart purchaser* and not a *funder*. However, the legislation clearly defines the principle role of Transfund as the **allocation of funding**. According to the Treasury, the purchasing process begins with a requisition, describing the goods or services that are requested. Once a requisition has been established, financial approval is sought. In terms of the land transport system, Transit, regional councils and territorial authorities make requisitions through their programmes, and these are assessed by Transfund who must approve each output and capital project. Transfund cannot purchase outcomes or capital projects that are not requisitioned by Transit, regional councils or territorial authorities. It is not a purchaser, it is a funder.

Comparison can be made to a bank that offers home loans. The bank is not a purchaser of property, merely a funder who assesses each request on its merits.

A further significant problem with funding land transport outcomes is the inability to enter into long-term contracts. Transfund approves projects on an annual basis, whereas any commitment to make a significant investment in infrastructure should be considered on a much longer term. This is a significant problem in the Wellington Region in terms of making major investments in rail infrastructure, such as the electrification of the line to Waikanae.

The electrification of the Waikanae line provides an example of a further problem with funding arrangements. The electrification is a key project in the Wellington Regional Strategy. However, there is a “Catch 22” situation in that Tranz Rail do not want to invest

in detailed investigations until funding is guaranteed, and Transfund do not wish to release funds until investigations show that the project has merit. So how does the project get started?

**Recommendations**

1. That the approach to funding land transport outcomes be fundamentally amended.
2. That when requested to do so, Transfund should fund regional land transport strategies, not just individual projects within them. This does not mean that they must totally fund all of the projects, rather that they should contribute to funding the package of measures defined in the strategy. (Note that this may require the development of more robust strategies.)
3. That Transfund should make funding commitments for at least a 5-year period.
4. That the requirement that all purchasing of transport outcomes must use a competitive pricing regime should be changed. A new regime is required to recognise that competitive pricing will not always be appropriate, and that there are other equally valid means of ensuring that we receive the **greatest value possible** for the public money that is spent on land transport.

## (9) Patronage funding

In theory the concept of patronage funding is fine. However, there are significant concerns about how the system is to be operated by Transfund. To benefit from the additional funding that is proposed under this system, patronage must be increased. In many areas of the country with poorly developed passenger services this will be an easy task. However, Wellington already has a highly developed and "mature" passenger service network, and it will be much harder to increase the already high levels of patronage. In fact, additional money will need to be spent to retain the current patronage levels, and the proposed system makes no allowance for this. As a result, the Wellington Region has the potential to receive less funding under the new system than at present.

Transfund proposes a "generous" contribution to new services in an attempt to kick-start the new system. Again this appears to be good in theory. However, a regional council must provide part of the initial costs of a service, and there may be no money available to fund this contribution during the current financial year. Funding is available only through the annual planning process, and councils may not have budgeted for new services under this regime, and will be unable to take advantage of the new scheme until at least July 2001.

**Recommendations**

1. That patronage funding should only apply in those regions that choose not to apply for funding the package of measures in their regional land transport strategy.
2. That any kick start funding for patronage funding be by way of an increased financial allocation rate on existing services to free up rating revenue to spend on additional service improvements.



# Part E

## Implementing a Strategy

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# Implementing the Wellington Regional Land Transport Strategy 1999 – 2004

## (1) The Strategy

The Wellington Regional Land Transport Strategy 1999 – 2004 (“Wellington Regional Strategy”) was developed over a period of 3 years to provide an integrated multi-modal package to meet the Wellington Region’s transport needs.

The Wellington Regional Strategy’s vision for transport in the Region is:

*“A balanced and sustainable land transport system that meets the needs of the regional community”*

Five objectives were developed to produce the optimal transport solution for the Region. These objectives are:

1. **Accessibility and economic development.** To provide a transport system that optimises access to and within the Region.
2. **Economic efficiency.** To implement the most efficient options.
3. **Affordability.** To plan for a land transport system that recognises funding constraints and ability to pay.
4. **Safety.** To provide a safer community for everyone through a transport system that achieves or improves on the targets of the National Road Safety Plan through the Regional Road Safety Strategy.
5. **Sustainability.** To provide a land transport system that:
  - Operates in a manner that recognises the needs of the community.
  - Avoids, remedies or mitigates adverse effects.
  - Uses resources in an efficient way.
  - Supports an optimal demand for energy.

## (2) Transport corridors

The Wellington Regional Strategy translates its objectives and policies into specific action packages for six major corridors that link the main urban areas of the Region to each other.

The six corridors are:

- Western Corridor – Otaki to Ngauranga Merge
- Hutt Corridor – Upper Hutt to Ngauranga Merge
- Wairarapa Corridor – Masterton to Upper Hutt
- Porirua to Hutt Valley
- Ngauranga to Wellington CBD
- Wellington South to Airport

Further refinement of the corridor packages is occurring through the progressive development of implementation plans for each corridor. The purpose of these plans is to determine affordable and economically efficient solutions to identified transport needs and deficiencies within the overall policy framework identified by the Strategy.

Essentially the corridor plans provide the detail necessary to “operationalise” the Strategy. They identify specific transport projects and the sequence in which they should be implemented to retain the network balance.

The implementation plans are being prepared through the Regional Land Transport Committee, thereby involving stakeholders. Technical experts determine the optimal package of measures that will meet the needs of the people using the corridor. The assessment takes into account any specific issues for the corridor, the overall objectives and policies of the Wellington Regional Strategy, and the inter-dependencies with other parts of the total network. Opportunities are provided for public input.

The first implementation plan has been completed. The Western Corridor Implementation Plan was incorporated as an addendum to the Wellington Regional Strategy in July 2000. It is presented here as an example of a package of transport projects that need to be implemented to meet the transport needs of the Region – and how that implementation can be frustrated by the current land transport framework.

### (3) The Western Corridor Implementation Plan (“WCIP”)

The Western Corridor generally follows the line of State Highway 1 and the North Island Main Trunk Railway from Otaki to Wellington.

The WCIP was the first implementation plan developed because the current and projected traffic volumes and trip patterns along the corridor lead to congestion, disruption, bottleneck, severance and safety problems significant enough to warrant priority action.

Given the predictability of severe problems related to commuting trips, public transport (especially rail) improvement was seen as a necessary early component of the action required. But because the problems are also related to recreational and freight trips, roading improvements were also found to be necessary.

The technical studies found that improvements to the existing roading alignment would only provide short-term relief. There were two reasons for this. Firstly, the cost of providing a long-term roading solution was too high because of the topographical constraints. Secondly, the improvements that are necessary would have unacceptable adverse effects on the coastal environment and on communities.

It is for these reasons that the best long-term solution was found to be the construction of a new corridor along Transmission Gully. Such a corridor will have additional strategic benefits for the Region.

This Report has previously stressed the importance of considering the land transport system as a network of inter-related components. Work on the WCIP could not therefore take place without considering the impacts of changes to this corridor on other parts of the total network.

As noted above, the public transport improvements proposed will not remove bottlenecks in the road network, although they will reduce their severity. The public transport improvements in the corridor will, however, increase the demands for good interchange

and pedestrian connections at Wellington station as well as transport improvements through the Wellington CBD.

All of the road improvement projects will result in faster access to Wellington City and will therefore place greater demands on the sections of road from Ngauranga to the Aotea off-ramp, the Terrace Tunnel and the inner city east of the Terrace Tunnel. Improvements to these areas are therefore necessary.

All of the inter-relationships were considered when developing the optimal package of transport improvements for the Western Corridor.

Of note also is the sequencing of the improvements, a matter critical to ensure that the overall network balance is maintained.

#### (4) Implementing the package of improvements

Table 4 lists the package of road and public transport improvements adopted in the WCIP, and Figure 6 shows the sequence of implementation that is required.

Implementation of the package of measures is necessary to “operationalise” the Wellington Regional Strategy and ensure that the transport needs of the community are met.

Implementation of the package requires direct action from Transfund, Transit, Wellington Regional Council, Kapiti Coast District Council, Porirua City Council, Wellington City Council and Tranz Rail. The involvement of other agencies is also necessary to secure funding for the early construction of the Transmission Gully motorway.

**It is at this point that the current framework fails.** It fails because it doesn't require the parties to work co-operatively to deliver their parts of the strategy. It fails because it doesn't deliver appropriate funding mechanisms. And it fails because it prevents regional councils from owning and investing in public transport infrastructure.

So what will happen under the current arrangements?

Transit and the local authorities concerned will determine what projects they wish to submit to Transfund for funding, and Transfund will assess funding of individual projects based on their benefit-cost ratio. Those projects that meet the cut-off point will receive funding, those that don't will not. There is no process that provides for the package of measures to be submitted together and jointly considered for funding, effectively negating the work that has gone into preparing the WCIP.

And the current legislative regime constrains funding sources to Transfund and local authority rates. There is no ability to charge tolls or other alternatives such as petrol tax.

Some specific examples of problems that are already evident are:

##### 1. **Construct the river crossing stage of the Kapiti local connecting road**

This project is essential for the free flow of traffic on State Highway 1 in the Kapiti area. In the WCIP it is scheduled to be completed by 2004. However, Kapiti Coast District Council have deferred funding for the project until the 2004/2007 period. The project will not be completed in accordance with the WCIP.

2. **Implement the Active Traffic Management System (“ATMS”) at Ngauranga Gorge and three lanes in each direction south to the State Highways 1 and 2 merge**

The ATMS component of this project is almost complete and will be operational soon. However, there is no commitment from Transit to provide three lanes in each direction at the bottom of the Gorge as stated in the WCIP.

3. **Resolve funding, legislative and resource management issues relating to Transmission Gully, purchase required land and commence construction if possible**

The early construction of the Transmission Gully Motorway is a subject of much debate. Clearly the current funding regime precludes early construction and legislative changes are essential if this project is to proceed. While this project is desired by many politicians and members of the public, little recognition is given to the fact that its early construction has been identified as part of a package of measures to solve transport problems in the Western Corridor. It is a key output of the WCIP.

4. **Address the need for high quality roading links between Porirua and the Hutt Valley**

As has already been stated in this Report, Transit are currently working on a proposal to upgrade State Highway 58 which runs between the Hutt Valley and Porirua. The WCIP indicates that this upgrade should be considered within the wider context of addressing the need for high quality roading links between Porirua and the Hutt Valley. The current work by Transit may preclude other options that may provide a better transport solution. Transit believe that their current proposal is not inconsistent with the Wellington Regional Strategy and the WCIP.

5. **Rail projects**

The rail projects identified in the WCIP are essential components to counteract the induced road traffic from the proposed roading improvements. Several problems are already apparent with the implementation of the rail projects:

- (a) Transfund do not want to simply recognise urban rail services as a specified output for which a Competitive Pricing Procedure (“CPP”) can be developed. This is despite the fact that the Strategy and the WCIP have identified the need for the maintenance and enhancement of the urban rail services.
- (b) Even if Transfund do ultimately accept urban rail services as a valid output, they will need to approve a CPP. No such procedure has been able to be developed in the past, resulting in a “rollover” of existing contracts. We await with interest Transfund’s response to the proposals submitted by the Wellington Regional Council.
- (c) Funding is approved on a one-year basis, inhibiting the longer-term investment needed to complete the major infrastructure projects which include the electrification of the line to Waikanae.
- (d) Tranz Rail do not want to invest in detailed investigation of the Waikanae electrification until funding is guaranteed, and Transfund do not want to release funds until investigations show that the project has merit.

- (e) The Wellington Regional Council cannot legally invest in public transport infrastructure, and must achieve outputs via back door methods. Many of the rail projects identified in the WCIP require investment in infrastructure.
- (f) Tranz Rail has recently announced that it does not consider urban commuter services part of its core business, and the future management and ownership structure is unclear. Until these matters are resolved it will not be possible to make capital investments.

## (5) What it means

The net result is that while a significant amount of work has gone into preparing the Wellington Regional Strategy and the WCIP, it is unlikely that the package of measures identified will be implemented in a comprehensive way, undermining the purpose of a strategic approach.

## (6) A better way

Part B of this Report outlines a number of measures that are considered necessary to ensure that the package of measures identified in the WCIP are implemented, and in the correct sequence. **It is only when this happens that the transport problems in the corridor will be solved and the transport needs of the community met.**

Table 4 Road and public transport improvements identified in the Western Corridor Implementation Plan

Project	Timeframe	Type	Cost
Construct the river crossing stage of the Kapiti Local Connecting Road	2004	Road	\$37M
Complete the safety improvements at McKays Crossing	2004	Road	\$12.3M
Complete the safety improvements on State Highway 1 north of Paremata	2004	Road	\$8.7M
Implement the Active Traffic Management System at Ngauranga Gorge and three lanes in each direction south to the State Highways 1 and 2 merge	2004	Road	\$5M
Resolve funding, legislative and resource management issues relating to Transmission Gully, purchase required land and commence construction if possible	2004	Road	
Construct a new two-lane bridge at Paremata	2004	Road	\$4.3M
Provide other safety and capacity improvements on State Highway 1 between Paremata and McKays Crossing appropriate to the timing of Transmission Gully	2004	Road	
Develop proposals for the future of the existing State Highway with appropriate agencies for once Transmission Gully is built	2004	Road	
Address the need for high quality roading links between Porirua and the Hutt Valley	2004	Road	
Address the need for links from Transmission Gully to Porirua City	2004	Road	
Provide additional commuter car and cycle parks at major railway stations	2004	Public transport	
Seal existing unsealed carparks at stations	2004	Public transport	
Upgrade the Paraparaumu Railway Station building	2004	Public transport	\$0.5M
Build a new railway station at Raumati	2004	Public transport	\$2M
Extend the urban electric rail service to Waikanae	2004	Public transport	\$5M
Increase weekday urban rail service frequency from the Kapiti Coast to Wellington to 15 minutes in peak period and 30 minutes in off-peak	2004	Public transport	\$1.2M
Increase rail feeder bus services to match the increase in urban rail frequency	2004	Public transport	
Allow commercial commuter bus services to operate from Titahi Bay and Whitby to Wellington	2004	Public transport	
For the longer term, investigate the viability of operating light rail services from Plimmerton and Porirua East to Wellington, or effective alternatives	2004	Public transport	
Increase local bus services to connect with increased rail services	2004	Public transport	
Construct an improved bus/rail connection at Porirua Railway Station	2004	Public transport	\$2.3M
Implement the Western Corridor Implementation Plan	beyond 2004	Public transport	
Construct Transmission Gully as a toll road as soon as possible	beyond 2004	Road	\$233M
Construct the remainder of the Kapiti Local Connection Road	beyond 2004	Road	\$24M
Provide new stations at Lindale, Aotea Lagoon and Glenside as population growth creates sufficient demand	beyond 2004	Public transport	\$4M
Upgrade remaining railway stations on the corridor	beyond 2004	Public transport	
Provide light rail services or alternatives from Plimmerton and Porirua East to Wellington (Enhanced bus and rail services being provided until demand warrants light rail)	beyond 2004	Public transport	\$15M
Provide additional rail services to Otaki and beyond	beyond 2004	Public transport	

# Western Corridor Implementation Plan Indicative Timeline Diagram

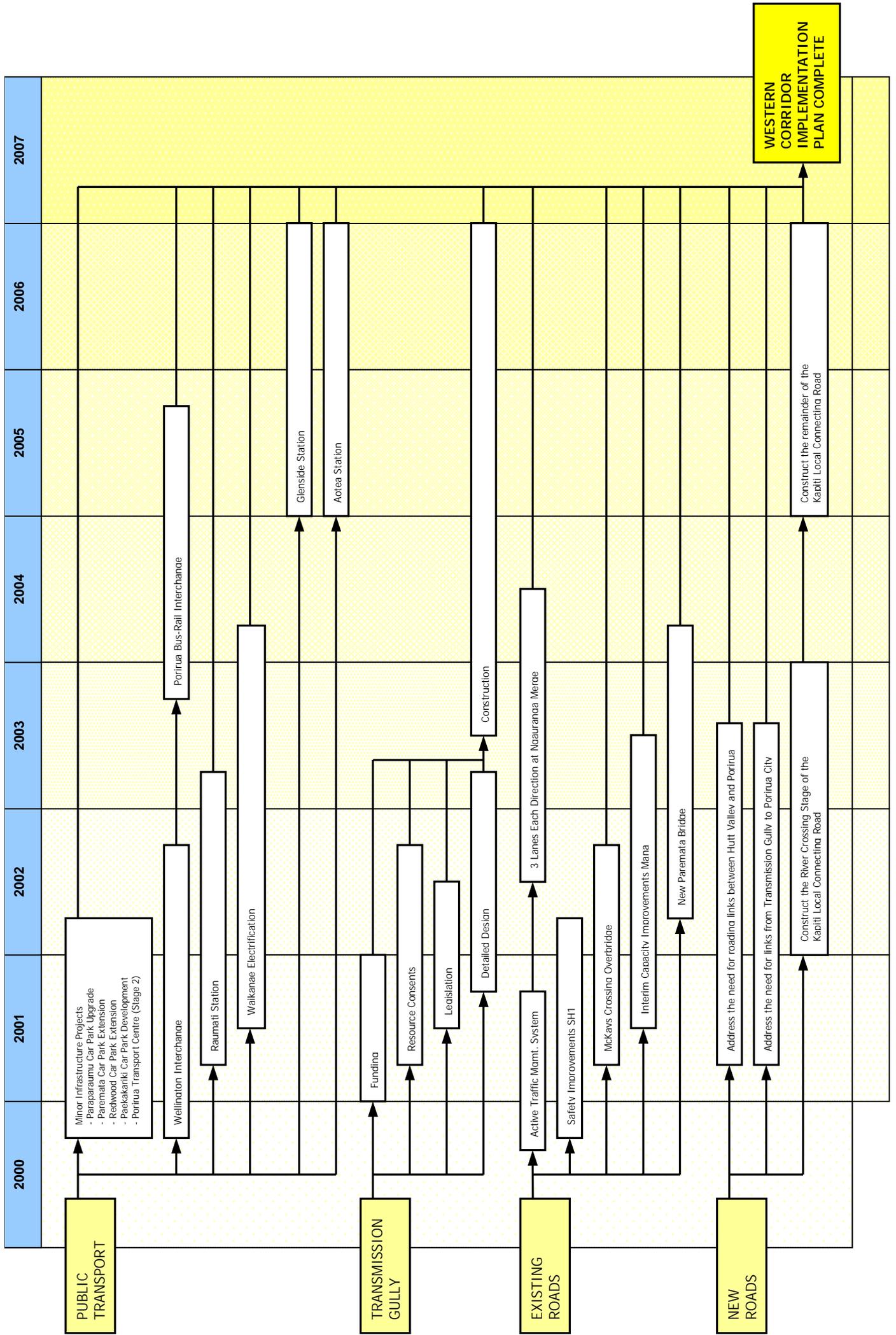


Figure 6

# Part F

## Conclusion

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## Summary of findings

A safe and efficient land transport system is an essential element of our society, contributing to our economic and social wellbeing. The system is a network of inter-related components, a multi-modal entity that has a sole purpose of providing access and mobility for people and freight. It is a system that should be planned for, developed and managed in an integrated manner.

At present, regional land transport strategies prepared by regional councils are the only comprehensive and detailed land transport documents that **must** be produced. These regional strategies identify the future transport needs of a region and how these will be delivered in a cost-effective manner. Unfortunately, while the legislation requires these documents to be produced, it doesn't require them to be implemented. The problems are compounded by the lack of national guidance in a national land transport strategy and by a complex and restrictive funding regime.

In our view, the legislative regime should be changed to **require** the implementation of regional land transport strategies. The funding regime should be changed to **enable** regional land transport strategies to be implemented. If changes are not made, the problems that are obvious now in Wellington and Auckland will only get worse, with continuing and growing adverse impacts on our social, economic and environmental well-being.

The changes will require a co-operative effort from all of those involved and strong leadership from central government. It will require that some risks be taken as we restore judgement as a sound and rational basis for decision-making. Mechanical rationing systems and competitive market theory are not substitutes for the establishment of goals, the identification of objectives and the making of commitments.

It will mean a re-focussing of key objectives and clarification of roles and responsibilities. It will mean that the way in which we have done things in the past will have to change.

The rewards will be great from taking this step.

And the consequences of non-action are that the community will get a land transport system that increasingly doesn't meet its needs.

In the interests of that community actions and decisions are required now!

## Summary of recommendations

1. That the government provides for an integrated planning and management framework that carefully balances the total network by considering the inter-relationships within and between modes.
2. That the government clearly articulates a goal for land transport. In the interim this may be through the issue of a policy statement or directive, but in the longer-term it should be through the completion of a national land transport strategy and/or by defining the overall objective in legislation. (The proposed New Zealand Transport Strategy will partly fulfil this requirement in the interim, but will not have the same statutory effect as a national land transport strategy prepared under the Land Transport Act 1998.)
3. That the laws governing land transport are reviewed and individual acts amended or amalgamated into one or more new laws. Specific changes are required to implement other recommendations in this report.
4. That the government removes the prohibition on regional council ownership and funding of public transport infrastructure.
5. That the approach to funding land transport outcomes be fundamentally amended.
6. That Transfund should make funding commitments for at least a 5-year period.
7. That the requirement that all purchasing of transport outcomes must use a competitive pricing regime should be changed. A new regime is required to recognise that competitive pricing will not always be appropriate, and that there are other equally valid means of ensuring that we receive the **greatest value possible** for the public money that is spent on land transport.
8. That when requested to do so, Transfund should fund regional land transport strategies, not just individual projects within them. This does not mean that they must totally fund all of the projects, rather that they should contribute to funding the package of measures defined in the strategy. (Note that this may require the development of more robust strategies.)
9. That Transfund, Transit, the LTSA, regional councils and territorial authorities are required to give effect to the regional land transport strategy.
10. That Transfund, Transit, the LTSA, regional councils and territorial authorities are required to consult about how they can co-operatively implement the regional land transport strategy.
11. That the legislation be amended to provide clear purpose statements for the national land transport strategy and regional land transport strategies.
12. That, if recommendation 9 is adopted, an appeal stage be introduced to the preparation process of regional land transport strategies to recognise their increased status and effect. It is possible that the Environment Court would be able to deal with this matter, albeit with additional resources.
13. That the legislative focus on roads be changed to a focus on the sustainable and effective movement of people and goods.
14. That the term "roading revenue" be changed to "land transport revenue" to acknowledge that while the revenue is collected from road users, at the end of the day it is revenue that the Crown may use at its discretion. Its purpose should be to fund land transport outcomes

15. That the government ensures that the roles and responsibilities of all of the agencies involved in the delivery of land transport outcomes and the relationships between them are clearly defined.
16. That the laws governing land transport be amended so that public passenger transport services and infrastructure are planned for, funded, and managed in an integrated manner.
17. That patronage funding should only apply in those regions that choose not to apply for funding the package of measures in their regional land transport strategy.
18. That any kick start funding for patronage funding be by way of an increased financial allocation rate on existing services to free up rating revenue to spend on additional service improvements.

# Part G

## Appendices

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## Appendix 1. Agencies with responsibilities for land transport

Minister of Transport			
<b>Mandate</b>	Appointed by the Governor-General		
<b>Status</b>	Minister of the Crown		
<b>Structure</b>	Member of Cabinet		
<b>Funded by</b>			
<b>Objective</b>	To manage the Government's transport portfolio		
<b>Functions</b>	<ul style="list-style-type: none"> <li>• To advise the Government on transport matters</li> <li>• To manage the Performance Agreements with the Ministry of Transport, Transfund New Zealand, Transit New Zealand, the Land Transport Safety Authority, the Maritime Safety Authority, the Civil Aviation Authority and the Transport Accident investigation Commission</li> <li>• To promote land transport safety at reasonable cost</li> <li>• To approve the Safety (Administration) Programme</li> <li>• To recommend persons as members of the Transfund New Zealand Board, the Transit New Zealand Authority and the Land Transport Safety Authority</li> </ul>		
<b>The Minister</b>	<i>May</i>	From time to time make rules ("ordinary rules") for the purposes of or concerning— (a) Safety and licensing, including technical requirements and standards, for any form of transport within the land transport system: (b) A matter related or reasonably incidental to functions of the Authority or Director under this Act: (c) Any other matter contemplated by a provision of this Act.	s152 Land Transport Act 1998
	<i>May</i>	From time to time, on behalf of the Crown, complete a national land transport strategy.	s170(1) Land Transport Act 1998
	<i>Must</i>	Ensure that, at all times after the completion of the first national land transport strategy, there is a current national land transport strategy.	s172(2) Land Transport Act 1998
	<i>May</i>	May from time to time, after consultation with the Board, by notice in writing,— (a) Determine the requirements for the operation of local authority trading enterprises to which payments may be made from the State Highways Account or from the Land Transport Disbursement Account of a local authority; and (b) Determine the requirements for the formation and operation of business units of local authorities to which payments may be made for minor and ancillary works; and	s32 Transit New Zealand Act 1989

		(c) Determine the requirements for reporting by a local authority in its annual report and audited financial statements on— (i) Its use of staff and assets in providing in-house professional services; or (ii) The provision of minor and ancillary works,— for which payments have been made from its Land Transport Disbursement Account	
	<i>May</i>	Construct or repair any road within any part of New Zealand	s46(1) Transit New Zealand Act 1989
	<i>May</i>	Declare that any road shall be a Government road	s46(2) Transit New Zealand Act 1989
	<i>May</i>	Declare that any road constructed or controlled by the Minister within the district of a territorial authority shall be under the control and management of the council of the district	s46(3) Transit New Zealand Act 1989
	<i>Shall</i>	Have the full power of control of all Government roads	s46(5) Transit New Zealand Act 1989

Ministry of Transport			
<b>Mandate</b>			
<b>Status</b>	Government department		
<b>Structure</b>			
<b>Funded by</b>	Crown (88%) Other (12%)	Ministry of Transport – Departmental Forecast Report for the year ending 30 June 2001	
<b>Objective</b>	The Ministry's core function is the development of policy to ensure that Government receives high quality advice and information relating to the promotion of safe, sustainable transport at reasonable cost.	Brief for the Minister of Transport December 1999	
<b>Functions</b>	<ul style="list-style-type: none"> <li>• Providing services to the Minister of Transport</li> <li>• Providing policy advice and information to the Government on all aspects of transport</li> <li>• Managing contractual obligations with stand-alone transport organisations</li> <li>• Developing and managing legislation rules and regulations in the transport sector</li> <li>• Developing policy initiatives related to the provision of sustainable transport systems</li> <li>• Negotiating and implementing international air service agreements</li> <li>• Representing the Government's transport interests internationally</li> <li>• Managing the motor vehicle registry and collecting revenues and paying associated refunds</li> <li>• Monitoring the transport sector</li> <li>• Being a source of information to the transport sector</li> <li>• Facilitating coordination within the transport sector</li> <li>• Managing the Crown's interest in joint venture airports</li> <li>• Managing the operation of Milford Sound/Piopiotahi aerodrome.</li> </ul>	Ministry of Transport – Departmental Forecast Report for the year ending 30 June 2001	
<b>The Secretary</b>	<i>Must</i>	Ensure that the actions of the Ministry are not inconsistent with any national land transport strategy that is for the time being in force	s174(5) Land Transport Act 1998
	<i>Must</i>	Ensure that the actions of the Ministry are not inconsistent with any regional land transport strategy.	S181(5) Land Transport Act 1998
	<i>Shall</i>	Submit to the Minister and copy to the Board, the Authority, the Land Transport Safety Authority, and the Commissioner— <ul style="list-style-type: none"> <li>• The safety (administration) programme</li> <li>• The Secretary's recommendations concerning the safety (administration) programme for that year</li> <li>• The Secretary's evaluation of safety (administration) needs and safety (administration) issues that are likely to arise during the next 5 years</li> </ul>	s37(3) Transit New Zealand Act 1989

	<i>Shall</i>	Give effect to, observe and enforce the observance of the requirements and provisions of the approved safety (administration) programme	s 39(1) Transit New Zealand Act 1989
	<i>Shall</i>	From time to time consult as appropriate with the Board, the Authority, the Land Transport Safety Authority, the Commissioner, and every local authority about how to comply with the obligations imposed on the Secretary by s 39(1)	s 39(2) Transit New Zealand Act 1989
	<i>Shall</i>	Make available to the public the safety (administration) programme	s40 Transit New Zealand Act 1989
	<i>Shall</i>	Give effect to, observe, and enforce the observance of the requirements and provisions of the national roading programme	s42B(1) Transit New Zealand Act 1989
	<i>Shall</i>	From time to time consult as appropriate with the Board, the Authority, the Land Transport Safety Authority, the Commissioner, and every local authority about how to comply with the obligations imposed on the Secretary by s 42B(1)	s 42B(2) Transit New Zealand Act 1989

Transfund New Zealand				
<b>Mandate</b>	Established by statute		s3A(1) Transit New Zealand Act 1989	New Zealand
<b>Status</b>	Crown entity		s3A(8) Transit New Zealand Act 1989	New Zealand
<b>Structure</b>	Board members appointed by the Governor General on recommendation of the Minister of Transport. Two members from Transit New Zealand, one representing local government, one representing road users and one representing an aspect of the public interest not represented by other members		s3A(2) Transit New Zealand Act 1989	New Zealand
<b>Funded by</b>	National Roads Account (100%)		s10(2) Transit New Zealand Act 1989	New Zealand
<b>Objective</b>	The principal objective of the Board shall be to allocate resources to achieve a safe and efficient roading system		s3B Transit New Zealand Act 1989	New Zealand
<b>Functions</b>	<ul style="list-style-type: none"> <li>• To approve and purchase a national roading programme</li> <li>• To approve capital projects and to purchase outputs</li> <li>• To make payments from the National Roads Account</li> <li>• To review and revise the national roading programme in accordance with its most recent performance agreement</li> <li>• To approve competitive pricing procedures</li> <li>• To audit the performance of the Authority as compared with its State highways programme</li> <li>• To assist and advise local authorities in relation to their functions, duties, and powers</li> <li>• To audit the performance of every local authority as compared with its regional programme or district roading programme</li> <li>• To provide the Minister with such information and advice as the Minister may from time to time require</li> <li>• To carry out such other functions and duties, in relation to roading, as the Minister may from time to time prescribe</li> </ul>		s3C Transit New Zealand Act 1989	New Zealand
<b>The Board</b>	<i>Shall</i>	Have regard to the policy of the Government in relation to land transport	s3F Transit New Zealand Act 1989	New Zealand
	<i>Shall</i>	Comply with any general directions relating to that policy given by the Minister	s3F Transit New Zealand Act 1989	New Zealand
	<i>Shall</i>	Give to the Minister a draft performance agreement	s7B(1) Transit New Zealand Act 1989	New Zealand
	<i>Shall</i>	Establish, maintain and operate the National Roads Account	s13 Transit New Zealand Act 1989	New Zealand
	<i>May</i>	Approve any output or capital project as qualifying for payment from the National Roads Account	s17 (1) Transit New Zealand Act 1989	New Zealand

	<i>Shall</i>	Ensure that the granting of approval will not be inconsistent with any national land transport strategy or any relevant regional land transport strategy	s17(2) Transit New Zealand Act 1989
	<i>Shall</i>	Pay to the Transit New Zealand Authority/local authority the negotiated amount for the approved outputs and capital projects	s19(1), 23(1) Transit New Zealand Act 1989
	<i>Shall</i>	Approve a competitive pricing procedure for each output or capital project or class of output or capital project	s26 (1) Transit New Zealand Act 1989
	<i>May</i>	Make payments for outputs referred to in section 3D (passenger transport, rail transport and maritime transport) to a regional council	s36 Transit New Zealand Act 1989
	<i>Shall not</i>	Make payments for outputs referred to in section 3D (passenger transport, rail transport and maritime transport) to any other body	s36 Transit New Zealand Act 1989
	<i>Shall</i>	Give effect to, observe and enforce the observance of the requirements and provisions of the approved safety (administration) programme	s 39(1) Transit New Zealand Act 1989
	<i>Shall</i>	From time to time consult as appropriate with the Authority, the Land Transport Safety Authority, the Commissioner, the Secretary and every local authority about how to comply with the obligations imposed on the Board by s 39(1)	s 39(2) Transit New Zealand Act 1989
	<i>Shall</i>	Approve a national roading programme for the next year	s42A(1) Transit New Zealand Act 1989
	<i>Shall</i>	Ensure that only outputs and capital projects that are not inconsistent with any relevant regional land transport strategy are included in a national roading programme.	s42A(4) Transit New Zealand Act 1989
	<i>Shall</i>	In complying with the requirements of section 42A, have regard to the State highways programme, the regional programmes, and district roading programmes, that have been forwarded to it under this Act but shall not be bound to adopt in whole or in part any outputs or capital projects recommended in such programmes.	s42A(5) Transit New Zealand Act 1989
	<i>Shall</i>	Give effect to, observe, and enforce the observance of the requirements and provisions of the national roading programme	s42B(1) Transit New Zealand Act 1989
	<i>Shall</i>	From time to time consult as appropriate with the Authority, the Land Transport Safety Authority, the Commissioner, the Secretary and every local authority about how to comply with the obligations imposed on the Board by s 42B(1)	s 42B(2) Transit New Zealand Act 1989

	<i>Shall</i>	Consider the needs of persons who are transport disadvantaged in preparing a national roading programme	s42K Transit New Zealand Act 1989
	<i>Shall</i>	Consult iwi or hapu before including any output or capital project which affects or is likely to affect Maori land in a national roading programme	s42L Transit New Zealand Act 1989
	<i>May</i>	If it believes that a road is not in a satisfactory condition, require the Authority (State highways) or territorial authority (local roads) to undertake work	s106 Transit New Zealand Act 1989
	<i>Must</i>	Ensure that its actions in exercising its functions, duties, and powers are not inconsistent with any national land transport strategy that is for the time being in force.	s174(2) Land Transport Act 1998
	<i>Must</i>	Ensure that the actions of the Board are not inconsistent with any regional land transport strategy	s181(2) Land Transport Act 1998

Transit New Zealand			
<b>Mandate</b>	Established by statute		s4(1) Transit New Zealand Act 1989
<b>Status</b>	Crown entity		S4(4A) Transit New Zealand Act 1989
<b>Structure</b>	Authority members appointed by the Governor General on recommendation of the Minister of Finance and the Minister of Transport. Not less than 6 and not more than 8 members.		s4(1) and (2) Transit New Zealand Act 1989
<b>Funded by</b>	National Roads Account (100%)		
<b>Objective</b>	To operate a safe and efficient State highway system		s5 Transit New Zealand Act 1989
<b>Functions</b>	<ul style="list-style-type: none"> <li>To prepare a State highways programme</li> <li>To make payments from the State Highways Account</li> <li>To control the State highway system, including planning, design, supervision, construction, and maintenance</li> <li>To provide the Minister with such information and advice as the Minister may from time to time require</li> <li>To carry out such other land transport functions, and such duties, as the Minister may from time to time prescribe</li> </ul>		s6 Transit New Zealand Act 1989
<b>The Authority</b>	<i>Shall</i>	Have regard to the policy of the Government in relation to land transport	s7 Transit New Zealand Act 1989
	<i>Shall</i>	Comply with any general directions relating to that policy given by the Minister	s7 Transit New Zealand Act 1989
	<i>Shall</i>	Give to the Minister a draft performance agreement	s7B(2) Transit New Zealand Act 1989
	<i>Shall</i>	Establish, maintain and operate the State Highways Account	s20(1) Transit New Zealand Act 1989
	<i>Shall not</i>	Make any payment from the State Highways Account unless the payment relates to an approved output or capital project, the price of which has been determined by a competitive pricing procedure	s27(1) Transit New Zealand Act 1989
	<i>Shall not</i>	Make any payment from the State Highways Account to a local authority	s27(1) Transit New Zealand Act 1989
	<i>Shall</i>	Give effect to, observe and enforce the observance of the requirements and provisions of the approved safety (administration) programme	s 39(1) Transit New Zealand Act 1989
	<i>Shall</i>	From time to time consult as appropriate with the Board, the Land Transport Safety Authority, the Commissioner, the Secretary and every local authority about how to comply with the obligations imposed on the Authority by s 39(1)	s 39(2) Transit New Zealand Act 1989
<i>Shall</i>	Give effect to, observe, and enforce the observance of the requirements and provisions of the national roading programme	s42B(1) Transit New Zealand Act 1989	

	<i>Shall</i>	From time to time consult as appropriate with the Board, the Land Transport Safety Authority, the Commissioner, the Secretary and every local authority about how to comply with the obligations imposed on the Authority by s 42B(1)	s 42B(2) Transit New Zealand Act 1989
	<i>Shall</i>	Prepare a State highways programme	s42D(1) Transit New Zealand Act 1989
	<i>Shall</i>	Consider the needs of persons who are transport disadvantaged in preparing a State highways programme	s42K Transit New Zealand Act 1989
	<i>Shall</i>	Consult iwi or hapu before including any output or capital project which affects or is likely to affect Maori land in a State highways programme	s42L Transit New Zealand Act 1989
	<i>Must</i>	Ensure that its actions in exercising its functions, duties, and powers are not inconsistent with any national land transport strategy that is for the time being in force.	s174(3) Land Transport Act 1998
	<i>Must</i>	Ensure that the actions of the Authority are not inconsistent with any regional land transport strategy	s181(3) Land Transport Act 1998
	<i>May</i>	Apply to the Minister for the Environment for approval as a requiring authority.	s167(1) Resource Management Act 1991
	<i>May</i>	Give notice to a territorial authority of its requirement for a designation for a project or work	s168(2) Resource Management Act 1991
	<i>Shall</i>	Advise the territorial authority whether the requiring authority accepts or rejects the territorial authority's recommendation in whole or in part	s172(1) Resource Management act 1991
	<i>Must</i>	Submit an outline plan of the public work, project, or work to be constructed on designated land to the territorial authority to allow the territorial authority to request changes before construction is commenced	s176A Resource Management Act 1991
	<i>May</i>	Apply to the Minister of Lands to have the land required for a project or work acquired or taken under the Public Works Act 1981 as if the project or work were a Government work; and, if the Minister of Lands agrees, the land may be so acquired or taken	s186(1) Resource Management Act 1991

Land Transport Safety Authority			
<b>Mandate</b>	Established by statute		s184(1) Land Transport Act 1998
<b>Status</b>	Crown entity		s185(2) Land Transport Act 1998
<b>Structure</b>	Authority members are appointed by the Governor-General on the recommendation of the Minister of Transport. The Authority is to consist of 5 members who the Minister considers will represent the public interest in land transport matters.		s184(2),(3) and (4) Land Transport Act 1998
<b>Funded by</b>	National Roothing Fund (41%) Users of the transport system (55%) Crown (4%)		Land Transport Safety Authority Corporate Profile 2000
<b>Objective</b>	The Authority's principal objective is to undertake activities that promote safety in land transport at a reasonable cost.		s189(1) Land Transport Act 1998
<b>Functions</b>	<ul style="list-style-type: none"> <li>• To establish safety standards concerning entry into, and operation in, the land transport system</li> <li>• To monitor adherence to safety standards within the land transport system</li> <li>• To ensure regular reviews of the land transport system to promote the improvement and development of its safety</li> <li>• To investigate and review land transport accidents and incidents in its capacity as the responsible safety authority</li> <li>• To maintain and preserve records and documents concerning activities within the land transport system, and in particular to maintain the Land Transport Register</li> <li>• To provide to the Minister such information and advice as the Minister may from time to time require</li> <li>• To promote safety in the land transport system by providing safety information and advice, and fostering safety information education programmes</li> <li>• To carry out its functions in relation to the safety (administration) programme under the Transit New Zealand Act 1989</li> <li>• To carry out such other land transport functions, and such land transport duties, as the Minister may from time to time prescribe</li> </ul>		S190(1) and (2) Land Transport Act 1998
<b>The Authority</b>	<i>Must</i>	Ensure that its actions in exercising its functions, duties, and powers are not inconsistent with any national land transport strategy that is for the time being in force	S174(1) Land Transport Act 1998
	<i>Must</i>	Ensure that the actions of the Authority are not inconsistent with any regional land transport strategy	s181(1) Land Transport Act 1998

	<i>Must</i>	Have regard to the policy of the Government in relation to land transport	s191(1) Land Transport Act 1998
	<i>Must</i>	Comply with any general directions concerning to that policy given by the Minister	S191(1) Land Transport Act 1998
	<i>Must</i>	Give to the Minister a draft performance agreement	S192(1) Land Transport Act 1998
	<i>Must</i>	Prepare and make available to the public a service charter	S195(1) Land Transport Act 1998
	<i>Must</i>	Continue and maintain the national register of all driver licences	s199(1) Land Transport Act 1998
	<i>Shall</i>	Prepare for the Secretary a safety (administration) programme	s37(1) Transit New Zealand Act 1989
	<i>Shall</i>	Give effect to, observe and enforce the observance of the requirements and provisions of the approved safety (administration) programme	s39(1) Transit New Zealand Act 1989
	<i>Shall</i>	From time to time consult as appropriate with the Board, the Authority, the Commissioner, the Secretary and every local authority about how to comply with the obligations imposed on the Land Transport Safety Authority by s 39(1)	s 39(2) Transit New Zealand Act 1989
	<i>Shall</i>	Give effect to, observe, and enforce the observance of the requirements and provisions of the national roading programme	s42B(1) Transit New Zealand Act 1989
	<i>Shall</i>	From time to time consult as appropriate with the Board, the Authority, the Commissioner, the Secretary and every local authority about how to comply with the obligations imposed on the Land Transport Safety Authority by s 42B(1)	s 42B(2) Transit New Zealand Act 1989
	<i>Shall</i>	Consider the needs of persons who are transport disadvantaged in preparing a safety (administration) programme	s42K Transit New Zealand Act 1989
	<i>Shall</i>	Consult iwi or hapu before including any output or capital project which affects or is likely to affect Maori land in a safety (administration) programme	s42L Transit New Zealand Act 1989

Regional Councils			
<b>Mandate</b>	Established by statute		
<b>Status</b>	Local authority		
<b>Structure</b>	Elected councillors		
	Regional Land Transport Committee appointed by the Council. Must include representatives of the Land Transport Safety Authority the Transfund Board, Transit New Zealand, the Commissioner, the regional council, the territorial authorities in the region, commercial road users, private road users, railway operators, public transport users, representatives of cycle users and pedestrians, passenger service operators	s178(1) and (2) Land Transport Act 1998	
	Passenger Transport Committee	s114P Local Government Act 1974	
<b>Funded by</b>	Rates National Roads Account		
<b>Objective</b>	No specified objectives in law relating to transport		
<b>Functions</b>	The functions, duties, and powers of a regional council under the Transit New Zealand Act 1989, the Transport Services Licensing Act 1989, and the Land Transport Act 1993		
<b>The Council</b>	<i>Shall not</i>	Conduct a passenger transport operation	s594ZR(1) Local Government Act 1974
	<i>Shall not</i>	Hold any equity securities or debt securities or have any interest whatever in any body that engages, directly or indirectly, in any passenger transport operation or includes in its assets any passenger transport undertaking	s594ZU(1) Local Government Act 1974
	<i>Shall not</i>	Include in its assets any passenger transport undertaking	s594ZU(1) Local Government Act 1974
	<i>Shall not</i>	Enter into contracts if it holds any interest in a transport undertaking	S594ZZD Local Government Act 1974
	<i>Shall</i>	Ensure that its decisions in respect to passenger transport operations are in accordance with accepted principles of town planning and sound traffic management and do not advantage or disadvantage any passenger transport operation	S594ZZI Local Government Act 1974
	<i>Must</i>	Prepare a land transport strategy for its region	S175(1) Land Transport Act 1998
	<i>Must</i>	Prepare an annual report as to the progress in implementing its regional land transport strategy	S182(1) Land Transport Act 1998
	<i>Must</i>	Establish a land transport committee	S178(1) Land Transport Act 1998
	<i>May??</i>	Prepare a regional passenger transport plan	S47 Transport Services Licensing Act 1989

	<i>Shall</i>	Unless it declines registration, register a notified passenger service	S49(1) Transport Services Licensing Act 1989
	<i>May</i>	Decline to register a passenger service	S49(2) Transport Services Licensing Act 1989
	<i>Shall</i>	Maintain and make available to the public a current register of all services registered by it	s52(1) Transport Services Licensing Act 1989
	<i>Shall not</i>	Make any payment from the Land Transport Disbursement Account unless the payment relates to an approved output or capital project, the price of which has been determined by a competitive pricing procedure	s27(1) Transit New Zealand Act 1989
	<i>Shall not</i>	Make a payment from any source in respect of any passenger service unless the amount of the payment has been determined by a competitive pricing procedure, and no such payment shall be made to a local authority	S27(2) Transit New Zealand Act 1989
	<i>Shall</i>	Give effect to, observe and enforce the observance of the requirements and provisions of the approved safety (administration) programme	s 39(1) Transit New Zealand Act 1989
	<i>Shall</i>	From time to time consult as appropriate with the Board, the Authority, the Land Transport Safety Authority, the Commissioner, the Secretary and every local authority about how to comply with the obligations imposed on the Council by s 39(1)	s 39(2) Transit New Zealand Act 1989
	<i>Shall</i>	Give effect to, observe, and enforce the observance of the requirements and provisions of the national roading programme	s 42B(1) Transit New Zealand Act 1989
	<i>Shall</i>	From time to time consult as appropriate with the Board, the Authority, the Land Transport Safety Authority, the Commissioner, the Secretary and every local authority about how to comply with the obligations imposed on the Council by s 42B(1)	s 42B(2) Transit New Zealand Act 1989
	<i>May</i>	Prepare a regional programme in respect of outputs for which it is responsible	s42F(1) Transit New Zealand Act 1989
	<i>Shall</i>	Consider the needs of persons who are transport disadvantaged in preparing a regional programme	s42K Transit New Zealand Act 1989
	<i>Shall</i>	Consult iwi or hapu before including any output or capital project which affects or is likely to affect Maori land in a regional programme	s42L Transit New Zealand Act 1989
	<i>May</i>	Make payments for any approved output for the provision of any passenger service	s42M Transit New Zealand Act 1989

Territorial Authorities			
<b>Mandate</b>	Established by statute		
<b>Status</b>	Local authority		
<b>Structure</b>	Elected councillors		
<b>Funded by</b>	Rates National Roads Account Development Levies		
<b>Objective</b>	No specified objectives in law relating to transport		
<b>Functions</b>	The functions, duties, and powers conferred on territorial authorities by the Local Government Act 1974, any other public Act and any local Act applying to that territorial authority		
<b>The Council</b>	<i>Shall</i>	Have the power to construct, upgrade and repair roads	s319 Local Government Act 1974
	<i>May</i>	Form a public cycle track	s332 Local Government act 1974
	<i>May</i>	Erect on the footpath of any road a shelter for use by intending public-transport passengers or taxi passengers	s339 Local Government Act 1974
	<i>Shall not</i>	Conduct a passenger transport operation	s594ZR(1) Local Government Act 1974
	<i>May</i>	In respect of any passenger transport stop, passenger transport sign, section of roadway used exclusively by passenger transport operators, passenger transport shelter, apply for and be paid amounts from the National Roads Account	s594ZR(5) Local Government Act 1974
	<i>Shall</i>	Ensure that its decisions in respect to passenger transport operations are in accordance with accepted principles of town planning and sound traffic management and do not advantage or disadvantage any passenger transport operation	s594ZZI Local Government Act 1974
	<i>Shall not</i>	Make any payment from the Land Transport Disbursement Account unless the payment relates to an approved output or capital project, the price of which has been determined by a competitive pricing procedure	s27(1) Transit New Zealand Act 1989
	<i>Shall not</i>	Make a payment from any source in respect of any passenger service unless the amount of the payment has been determined by a competitive pricing procedure, and no such payment shall be made to a local authority	S27(2) Transit New Zealand Act 1989
	<i>Shall</i>	Give effect to, observe and enforce the observance of the requirements and provisions of the approved safety (administration) programme	s 39(1) Transit New Zealand Act 1989

	<i>Shall</i>	From time to time consult as appropriate with the Board, the Authority, the Land Transport Safety Authority, the Commissioner, the Secretary and every local authority about how to comply with the obligations imposed on the Council by s 39(1)	s 39(2) Transit New Zealand Act 1989
	<i>Shall</i>	Give effect to, observe, and enforce the observance of the requirements and provisions of the national roading programme	s42B(1) Transit New Zealand Act 1989
	<i>Shall</i>	From time to time consult as appropriate with the Board, the Authority, the Land Transport Safety Authority, the Commissioner, the Secretary and every local authority about how to comply with the obligations imposed on the Council by s 42B(1)	s 42B(2) Transit New Zealand Act 1989
	<i>Shall</i>	Prepare a district roading programme in respect of outputs for which it is responsible	s42H(1) Transit New Zealand Act 1989
	<i>Shall</i>	Consider the needs of persons who are transport disadvantaged in preparing a district roading programme	s42K Transit New Zealand Act 1989
	<i>Shall</i>	Consult iwi or hapu before including any output or capital project which affects or is likely to affect Maori land in a district roading programme	s42L Transit New Zealand Act 1989
	<i>May</i>	Give notice to a territorial authority of its requirement for a designation for a project or work	s168(1) Resource Management Act 1991
	<i>Shall</i>	Advise the territorial authority whether the requiring authority accepts or rejects the territorial authority's recommendation in whole or in part	s172(1) Resource Management act 1991
	<i>May</i>	Apply to the Minister of Lands to have the land required for a project or work acquired or taken under the Public Works Act 1981 as if the project or work were a Government work; and, if the Minister of Lands agrees, the land may be so acquired or taken	s186(1) Resource Management Act 1991

## Appendix 2. Land transport planning instruments and key legal requirements<sup>8</sup>

<b>National land transport strategy</b>	<i>May</i>	Include statements of— (a) The Crown's goals in relation to land transport in New Zealand; and (b) The policy objectives to be pursued to achieve the Crown's goals in relation to land transport in New Zealand; and (c) The measurable targets to be met to achieve those policy objectives.	s170(2) Land Transport Act 1998
	<i>May not</i>	Be inconsistent with any national policy statement for the time being in force under the Resource Management Act 1991.	s170(3) Land Transport Act 1998
	<i>Must</i>	Remain current for 10 years or any lesser period specified in the strategy.	s172(1) Land Transport Act 1998
<b>Regional land transport strategy</b>	<i>Must</i>	(a) Identify the future land transport needs of the region concerned; and (b) Identify the most desirable means of responding to such needs in a safe and cost effective manner, having regard to the effect the transport system is likely to have on the environment; and (c) Identify an appropriate role for each land transport mode in the region, including freight traffic, public passenger transport, cycling, and pedestrian traffic; and (d) State the best means of achieving the objectives referred to in paragraphs (b) and (c); and (e) Include any regional passenger transport plan (within the meaning of section 47 of the Transport Services Licensing Act 1989) that has been prepared by the regional council that has prepared the strategy.	S175(2) Land Transport Act 1998
	<i>May not</i>	Be inconsistent with any regional policy statement or plan that is for the time being in force under the Resource Management Act 1991	s175(3) Land Transport Act 1998
	<i>May not</i>	Be inconsistent with any national land transport strategy that is for the time being in force at the time of preparation of the regional land transport strategy.	s175(4) Land Transport Act 1998
	<i>Must</i>	At all times be kept current for a period of not less than 3 years in advance but not more than 5 years, and may be renewed from time to time.	s176(1) Land Transport Act 1998

<sup>8</sup> Please note that the legislative requirements listed are key requirements only and do not represent a comprehensive list of legal requirements

<b>Regional passenger transport plan</b>		Specifying the passenger services the regional council proposes to be provided in its region, both generally and in respect of the transport disadvantaged	s47 Transport Services Licensing Act 1989
	<i>May</i>	Specify the conditions of the services the regional council concerned proposes to be provided in its region	s47(2) Transport Services Licensing Act 1989
	<i>May</i>	Specify all or any of the following matters: 1. Routes, capacity, frequency of service, and fare structure 2. Any special provisions for users of a specified class or description of the services or any of them	s47(2) Transport Services Licensing Act 1989
	<i>May</i>	Specify any other matters the regional council thinks fit	s47(2) Transport Services Licensing Act 1989
<b>National roading programme</b>	<i>Shall</i>	Include— (a) Those outputs and capital projects recommended in the State highways programme, the regional programmes, and the district roading programmes forwarded to the Board under this Act that the Board considers should be included in the national roading programme; and (b) The proposed funding of those outputs and capital projects for that financial year.	s42A(1) Transit New Zealand Act 1989
	<i>Shall</i>	Be in accordance with the requirements of the performance agreement that is in force at the time of approval of that roading programme.	S42A(2) Transit New Zealand Act 1989
	<i>Shall not</i>	Be inconsistent with any national land transport strategy that is in force at the time of the preparation of the programme.	S42A(3) Transit New Zealand Act 1989
<b>State highways programme</b>	<i>Shall</i>	(a) List each approved output and capital project included in any earlier approved national roading programme or safety (administration) programme for which any payments due from the Board or the Land Transport Safety Authority are outstanding and the amount outstanding, and, if it is proposed that the approved output or capital project be suspended or abandoned, give an explanation of the proposed suspension or abandonment; and	s42D(2) Transit New Zealand Act 1989

		<p>(b) List all outputs and capital projects for which any payment is sought from the Board or the Land Transport Safety Authority in order of the priority that the Authority thinks should be given to those outputs and capital projects and, for each output and capital project, indicate its total cost, its proposed starting date, and its duration; and</p> <p>(c) State the objective or objectives to be achieved by each output and capital project, the options considered as being available to achieve that objective or those objectives, and such evaluation of each output and capital project and each option as the Board or the Land Transport Safety Authority may from time to time require; and</p> <p>(d) State how each output and capital project assists the implementation of any national land transport strategy that is in force; and</p> <p>(e) Be in such form and contain such other details as the Board and the Land Transport Safety Authority may jointly or separately prescribe.</p>	
	<i>Shall</i>	Include any output that the Authority considers should be recommended to the Land Transport Safety Authority for inclusion in the safety (administration) programme.	s42D(3) Transit New Zealand Act 1989
	<i>Shall</i>	Include the outputs and capital projects that the Authority considers should be recommended for inclusion in the national roading programme.	s42D(4) Transit New Zealand Act 1989
	<i>Shall not</i>	Include provision for any output referred to in section 3D of this Act	s42D(5) Transit New Zealand Act 1989
	<i>Shall not</i>	Be inconsistent with any national land transport strategy, or any relevant regional land transport strategy	s42D(6) Transit New Zealand Act 1989
<b>Regional programme</b>	<i>Shall</i>	(a) List each approved output included in any earlier approved regional programme for which payments due from the Board or the Land Transport Safety Authority are outstanding and the amount outstanding, and, if it is proposed that the approved output be suspended or abandoned, give an explanation of the proposed suspension or abandonment; and	s42F(2) Transit New Zealand Act 1989

	<p>(b) List all outputs for which financial assistance is sought from the Board or the Land Transport safety Authority in order of the priority that the regional council or territorial authority, as the case may be, considers should be given to those outputs and, for each output, indicate its total cost, its proposed starting date, and its duration; and</p> <p>(c) State the objective or objectives to be achieved by each output, the options considered as being available to achieve that objective or those objectives, and such evaluation of each output and each option as the Board or the Land Transport Safety Authority may from time to time require; and</p> <p>(d) State how each output assists with the relevant regional land transport strategy; and</p> <p>(e) State how each output assists the implementation of any national land transport strategy that is in force at the time of the preparation of the programme; and</p> <p>(f) Be in such form, and contain such other details, as may from time to time be prescribed by the Board and the Land Transport Safety Authority.</p>	
<i>Shall</i>	Include any outputs for the relevant region that the regional council considers should be recommended to the Land Transport Safety Authority for inclusion in the safety (administration) programme.	s42F(3) Transit New Zealand Act 1989
<i>Shall</i>	Include the outputs for the relevant region that the regional council considers should be recommended to the Board for inclusion in the national roading programme.	s42F(4) Transit New Zealand Act 1989
<i>May</i>	Include bids for one or more of the following: (a) Outputs referred to in section 3D of this Act: (b) Outputs relating to administration: (c) Outputs relating to any aspect of safety (administration) that are outputs agreed by all the territorial authorities affected by that regional programme.	s42F(5) Transit New Zealand Act 1989
<i>Shall not</i>	Include provision for any output for roading.	s42F(6) Transit New Zealand Act 1989
<i>Shall not</i>	Be inconsistent with any national land transport strategy, or any relevant regional land transport strategy, that is for the time being in force at the time of the preparation of the programme.	s42F(7) Transit New Zealand Act 1989

	<i>Shall</i>	Implement any regional land transport strategy having effect in respect of that region, unless the implementation of that strategy is clearly impracticable.	s42F(8) Transit New Zealand Act 1989
<b>District roading programme</b>	<i>Shall</i>	<p>(a) List each approved output and capital project included in any earlier approved district roading programme for which payments due from the Board or the Land Transport Safety Authority are outstanding and the amount outstanding, and, if it is proposed that the approved output or capital project be suspended or abandoned, give an explanation of the proposed suspension or abandonment; and</p> <p>(b) List—</p> <p>(i) All outputs and capital projects that the Board or the Land Transport Safety Authority or the Commissioner is recommended to undertake; or</p> <p>(ii) All outputs and capital projects for which any payment is sought from the Board that the territorial authority proposes to undertake,—</p> <p>each in order of the priority that the territorial authority considers should be given to those outputs and capital projects and, for each output and capital project, indicate its total cost, its proposed starting date, and its duration; and</p> <p>(c) State the objective or objectives to be achieved by each output and capital project, the options considered as being available to achieve that objective or those objectives, and such evaluation of each output and capital project and each option as the Board or the Land Transport Safety Authority may from time to time require; and</p> <p>(d) State how each output and capital project complies with the relevant regional land transport strategy; and</p> <p>(e) State how each output and capital project assists the implementation of any national land transport strategy that is in force at the time of the preparation of the programme; and</p> <p>(f) Be in such form, and contain such other details, as may be prescribed by the Board and the Land Transport Safety Authority from time to time.</p>	s42H(2) Transit New Zealand Act 1989

	<i>Shall</i>	Include any outputs for the relevant district that the territorial authority considers should be recommended to the Land Transport Safety Authority for inclusion in the safety (administration) programme.	s42H(3) Transit New Zealand Act 1989
	<i>Shall</i>	Include the outputs and capital projects for the relevant district that the territorial authority considers should be recommended to the Board for inclusion in the national roading programme.	s42H(4) Transit New Zealand Act 1989
	<i>Shall not</i>	Include provision for any output referred to in section 3D of this Act.	s42H(5) Transit New Zealand Act 1989
	<i>Shall not</i>	Be inconsistent with any national land transport strategy, or any relevant regional land transport strategy, that is in force at the time of preparation of the programme.	s42H(6) Transit New Zealand Act 1989
	<i>Shall</i>	Implement any regional land transport strategy having effect in respect of that district, unless the implementation of that strategy is clearly impracticable.	s42H(7) Transit New Zealand Act 1989

<p><b>Safety (administration) programme</b></p>	<p><i>Shall</i></p>	<p>(a) List, in order of priority,—</p> <ul style="list-style-type: none"> <li>(i) The outputs recommended by that Authority; and</li> <li>(ii) The estimated cost of each output; and</li> <li>(iii) The total budgeted cost of all safety (administration) outputs for that year; and</li> <li>(iv) An estimate of the revenue to be received by that Authority and the Police, respectively, from sources (other than the National Roads Account) applicable to those outputs; and</li> </ul> <p>(b) State—</p> <ul style="list-style-type: none"> <li>(i) The objective or objectives to be achieved by each output:</li> <li>(ii) The options considered as being available to achieve the objective or objectives:</li> <li>(iii) Such evaluation of each output and each option as is for the time being required by the last approved safety (administration) programme; and</li> </ul> <p>(c) State the measure by which the performance of each output should be judged; and</p> <p>(d) State how each output will assist the implementation of any national land transport strategy that is in force; and</p> <p>(e) Include a statement setting out—</p> <ul style="list-style-type: none"> <li>(i) The basis upon which the Land Transport Safety Authority will evaluate individual outputs for inclusion in the next safety (administration) programme; and</li> <li>(ii) The objectives of the Land Transport Safety Authority in respect of safety (administration) for the next 5 years; and</li> <li>(iii) The Land Transport Safety Authority's evaluation of the safety (administration) needs and safety (administration) issues that are likely to arise during the next 5 years and the proposed response to those needs and issues; and</li> <li>(iv) The measures by which safety (administration) should be judged; and</li> </ul> <p>(f) Be in such form, and contain such other matters and such details, as the Minister may from time to time require.</p>	<p>s37(1) Transit New Zealand Act 1989</p>
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### Appendix 3. Principal objectives, missions and goals of key public agencies

Organisation			
<b>Government</b>	Transport policy	<p>To build a sustainable transport system</p> <ul style="list-style-type: none"> <li>• A sustainable transport system is one in which passengers, workers and those coming into contact with transport operations can expect a high level of personal safety.</li> <li>• A sustainable transport system is one that meets the needs of its customers, in a timely and cost effective manner.</li> <li>• A sustainable transport system is one in which investors and shareholders can expect a reasonable return on their investments, through providing innovative services and infrastructure in the right place at the right time at the right price, while providing rewarding employment for their employees.</li> <li>• A sustainable transport system is one that carefully manages its impacts on our air, water and land resources.</li> <li>• And a sustainable transport system is one that provides both mobility and accessibility opportunities to all those who live in the society in which it operates.</li> </ul>	Hon Mark Gosche Speech to the Bus and Coach Association 11 July 2000
<b>Previous Government</b>	Overall policy objective	<p>The New Zealand transport system must contribute maximum benefit at minimum cost to New Zealand, consistent with sustainable development</p> <p>Accessibility Ensure that the transport system meets the needs of all New Zealanders</p> <p>Integrated transport system Ensure competitive neutrality between the various forms of transport</p>	National Transport Statement

		<p>Economic efficiency</p> <ul style="list-style-type: none"> <li>• Ensure that transport management and funding is conducted on a commercial basis that is responsive to user needs, does not distort consumer decisions, provides greater choice, and encourages innovation</li> <li>• Ensure that each transport operation incorporates the actual costs, including safety and environmental costs, that it generate</li> </ul>	
		<p>Safety</p> <p>Guide the development of operational safety policies to:</p> <ul style="list-style-type: none"> <li>– Improve safety for everyone, through a continuous process of identifying and managing risk at reasonable cost</li> <li>– Develop and strengthen accountability for safety among providers of transport services</li> </ul>	
		<p>Environment</p> <p>Manage the impact of transport on the environment by:</p> <ul style="list-style-type: none"> <li>– Promoting the sustainable management of natural and physical resources through the Resource Management Act 1991</li> <li>– Taking other action where appropriate, or as part of a broad economy wide response, to avoid, remedy or mitigate the adverse effects of the transport system on the natural and physical environment</li> </ul>	
		<p>Strategic</p> <ul style="list-style-type: none"> <li>• Monitor the performance of the transport sector</li> <li>• Respond in a timely and cost effective way to any market or regulatory failure in the transport sector that may be identified through careful monitoring</li> <li>• Undertake research into trends and key issues in the national and international economy that affect the transport sector and develop appropriate policies</li> </ul>	

Ministry of Transport	Mission	<p>We work for safe, sustainable transport at reasonable cost</p> <p><i>Safe</i> means having a freedom from danger, personal risk and risk of property damage</p> <p><i>Sustainable</i> is used in economic, social and environmental terms</p> <p><i>At reasonable cost</i> means where the benefits to New Zealand exceed the costs to New Zealand</p>	Ministry of Transport, Departmental Forecast Report for the year ending 30 June 2001
Land Transport Safety Authority	Principal objective	To undertake activities that promote safety in land transport at a reasonable cost.	S189(1) Land Transport Act 1998
	Vision	To create a safety culture in New Zealand that delivers land transport safety outcomes that achieve world best practice.	<a href="http://www.ltsa.govt.nz/about/index.html">http://www.ltsa.govt.nz/about/index.html</a>
	Mission	We are a stand alone authority responsible for promoting safety in land transport at reasonable cost and for managing the land transport register.	<a href="http://www.ltsa.govt.nz/about/index.html">http://www.ltsa.govt.nz/about/index.html</a>
	Goals	<ul style="list-style-type: none"> <li>• Safety standards To set and ensure compliance with safety standards at reasonable cost for land transport that are based on best practice.</li> <li>• Safety partnerships To improve land transport partnership efficiencies.</li> <li>• Safety funding To optimise the level and mix of safety funding across the land transport sector.</li> <li>• Safety innovation To catalyse innovation in land transport safety activities, research and management practices.</li> <li>• Safety leadership To demonstrate leadership in all aspects of land transport safety.</li> <li>• Registry management To pursue continual improvement in registry and revenue management and services.</li> <li>• Business excellence To demonstrate excellence in total business management and in the stewardship of each component of the business.</li> </ul>	<a href="http://www.ltsa.govt.nz/about/index.html">http://www.ltsa.govt.nz/about/index.html</a>

<b>Transfund New Zealand</b>	Principal objective	To allocate resources to achieve a safe and efficient roading system	s3A Transit New Zealand Act 1989
	Objective	To get maximum value out of the funds for which it is responsible.	<a href="http://www.transfund.co.nz/bus.html">http://www.transfund.co.nz/bus.html</a>
	Its business	Is to facilitate the best solutions for the roading network in a cost-effective manner.	<a href="http://www.transfund.co.nz/bus.html">http://www.transfund.co.nz/bus.html</a>
<b>Transit New Zealand</b>	Principal objective	To operate a safe and efficient State highway system	s5 Transit New Zealand Act 1989
	Mission	To provide road users with safe and efficient state highways	National State Highways Strategy
	Goals	<ul style="list-style-type: none"> <li>To provide and operate a safe state highway system</li> <li>To provide and operate an efficient state highway system</li> <li>To provide a quality service to road users</li> <li>To allow local community activities within the road corridor, where appropriate</li> <li>To avoid, remedy and mitigate, adverse effects of roads and road use on the environment</li> </ul>	National State Highways Strategy
	Vision	To be a world leader in roading solutions.	<a href="http://www.transit.govt.nz/about_transit/index.html">http://www.transit.govt.nz/about_transit/index.html</a>
	Mission	To provide a safe and efficient state highway system which meets the needs of road users and communities it serves	<a href="http://www.transit.govt.nz/about_transit/index.html">http://www.transit.govt.nz/about_transit/index.html</a>
	Strategic statement	To be recognised by our customers and stakeholders as the best road provider in New Zealand through: <ul style="list-style-type: none"> <li>The excellence of our state highway system</li> <li>Our responsiveness to our customers' needs</li> <li>The quality of our expertise and business practice.</li> </ul>	<a href="http://www.transit.govt.nz/about_transit/index.html">http://www.transit.govt.nz/about_transit/index.html</a>
	Goals	<ul style="list-style-type: none"> <li>Manage our state highway asset in a way which ensures best value for money</li> <li>Continuously improve the efficiency of our business processes</li> <li>Seek to achieve international best practice in everything we do</li> <li>Strive for the funding to meet the needs of road users</li> <li>Promote our achievements to our customers and our stakeholders</li> </ul>	<a href="http://www.transit.govt.nz/about_transit/index.html">http://www.transit.govt.nz/about_transit/index.html</a>

		<ul style="list-style-type: none"> <li>• Encourage innovation from our staff and our suppliers</li> <li>• Make our expertise available to others</li> <li>• Be prepared to make a rapid transition to meet the requirements of any changes in road management.</li> </ul>	
Wellington Regional Council	Vision	<p>A balanced and sustainable land transport system that meets the needs of the regional community</p> <p><i>Balance</i> – achieving an integrated transport network with capacity balanced within and between each mode</p> <p><i>Sustainability</i> – developing a transport system which is environmentally and economically sustainable</p>	The Wellington Regional Land Transport Strategy 1999 – 2004
	Objectives	<ul style="list-style-type: none"> <li>• To provide a transport system that optimises access to and within the region</li> <li>• To implement the most efficient options</li> <li>• To ensure that all users of land transport are subject to pricing and non-pricing incentives and signals which promote decisions and behaviours that are, as far as possible, in accordance with efficient use of resources and of optimal benefit to the user.</li> <li>• To plan for a land transport system that recognises funding constraints and ability to pay</li> <li>• To provide a safer community for everyone through a transport system that achieves or improves on the targets of the National Road Safety Plan through the Regional Road Safety Strategy</li> <li>• To provide a land transport system that: <ul style="list-style-type: none"> <li>– Operates in a manner that recognises the needs of the community</li> <li>– Avoids, remedies or mitigates adverse effects</li> <li>– Uses resources in an efficient way</li> <li>– Supports an optimal demand for energy</li> </ul> </li> </ul>	The Wellington Regional Land Transport Strategy 1999 – 2004

<b>South Wairarapa District Council</b>	Goal	A roading network and Land Transport system that provides for safe and efficient vehicular, stock and pedestrian movement within the District and where appropriate within the constraints of Transfund funding share.	Annual Plan 2000/2001
<b>Upper Hutt City Council</b>	Strategic goals	<ul style="list-style-type: none"> <li>• A cost effective, high quality and safe road system</li> <li>• A transport network that creates high standards of accessibility within the City and is user friendly for both residents and visitors as a result of high traffic engineering standards and good directional signage</li> </ul>	Annual Plan 2000 – 2001
<b>Carterton District Council</b>	Goal	To promote policies, allocate resources and to achieve a safe efficient land transport system that maximises local safety, economic and social benefits in partnership with Transit New Zealand	Annual Plan 2000/01
<b>TranzRail Limited</b>	Mission	<ul style="list-style-type: none"> <li>• To be innovative in transport</li> <li>• To be a safe, low cost and quick transport operator that gives value to our customers and our shareholders</li> <li>• To be a profitable transport company.</li> </ul>	<a href="http://www.tranzrail.co.nz/newsroom/exec_speech_14042000_c.html">http://www.tranzrail.co.nz/newsroom/exec_speech_14042000_c.html</a>