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NZCID views on the direction of the next GPS (2012)

The New Zealand Council for Infrastructure Development (NZCID) welcomes the opportunity to comment on the direction of the next Government Policy Statement (2012). Rather than focus on the specific content of the proposed GPS, NZCID's comments relate to the overarching strategic challenges that arise from the proposed GPS discussion paper namely: funding, and long term alignment of national, regional and local planning, funding and delivery of transport investment.

Need for new transport funding paradigm

We are aware of and generally support the submissions prepared by NZ Contractors Federation, ACENZ, IPENZ and Roothing New Zealand. We support the continued investment in economic infrastructure and in particular the investments in the Roads of National Significance which we agree are essential to supporting accelerated economic activity and environmental and safety outcomes.

We also support the continued investment in public transport infrastructure in the major urban conurbations to enable improved density of urban development, where appropriate.

However, like other industry organisations we have concerns with regard to the effective, inflation adjusted, reduction in renewal and maintenance of the road asset base and the reduction in local road and public transport infrastructure investment signaled in GPS 2012. We note that GPS 2009 also introduced a reduction in the maximum expenditure for these activity classes and that the Canterbury rebuild will draw a significant amount of funds from the local road activity class pool.

It is clear that in order to ensure sufficient funding for investment in both extending the transport networks to deliver improved social, environmental and economic development, and renewing and maintaining our existing transport networks, significant new revenue streams are needed. Continued manipulation of funding allocations will not enable the step change in transport infrastructure, both road and rail, that is needed.

For these reasons, NZCID considers that new and innovative funding methods are now essential. Accordingly NZCID has been actively advocating a motorway network access charge in Auckland. A copy of the detailed funding paper is attached in support of this submission. We see no reason why such an approach could not be adopted across the wider motorway network system in New Zealand. Essentially, New Zealand faces a choice. We either find new and innovative methods to fund investment in the transport system required to sustain improved quality of life outcomes, or we continue to defer needed investment and allow our existing asset base to deteriorate.

NZCID considers that GPS 2012 should clearly signal this dilemma and set out a path to investigate new ways of increasing transport funding into the future.

Need for a new approach to spatial land use and transport infrastructure planning and implementation in New Zealand

NZCID supports reform of land use and transport planning in New Zealand. However, we do not think that current proposals for a Forward Plan to replace the NZ Transport Strategy as currently envisaged and the existing GPS process meet this need.

The Next Steps Review undertaken in 2007 identified a series of systemic shortcomings in land transport planning and implementation in New Zealand. These included:

- a 'strategic gap' between the vision and the broad objectives in the NZTS and their implementation through the NLTP.
- lack of clarity regarding the inter-relationship between the NZTS objectives and whether and how they may need to be weighted or traded-off against each other
- fragmented decision-making at the regional level and tensions between local and regional interests that are not always managed well through current processes resulting in a lack of effective prioritisation across regions.
- lack of balance between national and regional priorities exacerbated by a lack of top-down strategic direction resulting in planning decisions frequently being driven from the bottom-up.
- the need to both rationalise and streamline the planning process and redress the annual planning "churn"
- lack of robust evaluation including focus on value for money
- less integrated decision-making across modes and activity classes and blurred accountabilities for Land Transport NZ having resulted from recent Crown funding injections
- capability gaps, specifically in the Ministry of Transport
- serious lack of sector collaboration and integration underpinning many of the issues present in the sector.
- lack of role clarity, sector leadership, and common expectations about how the sector should engage that was seen to be perpetuating a fragmented sector culture.

- mistrust and 'competition' amongst the agencies.
- agencies that are individualistic and act independently.

While progress has been made, transport planning continues to be constrained by poor alignment between local, regional and national planning, and politicisation of strategic transport planning centred on three yearly central and local government election cycles. The move to three year planning cycles since 2008 has reduced the level of churn associated with yearly planning cycles. But in our view the Land Transport Management Act has failed to integrate these various planning documents into one coherent long term national land transport plan and programme. There remains a significant gap between the short term 3 yearly NLTP and GPS processes and the 30 year transport vision and land use plans.

Since that time, the government has moved to introduce the National Infrastructure Plan and the Auckland Spatial plan process. These are positive steps. But NZCID considers there is a need for clear alignment between vision and delivery and between long term land use planning and infrastructure planning and investment. This requires alignment between transport infrastructure planning phasing and investment at both the national and regional levels. We therefore consider further substantial reform of planning processes is required that links central, regional and local transport and land use planning funding and delivery as depicted in Figures 1 and 2 below.

Figure 1: Delivering the Transport Vision

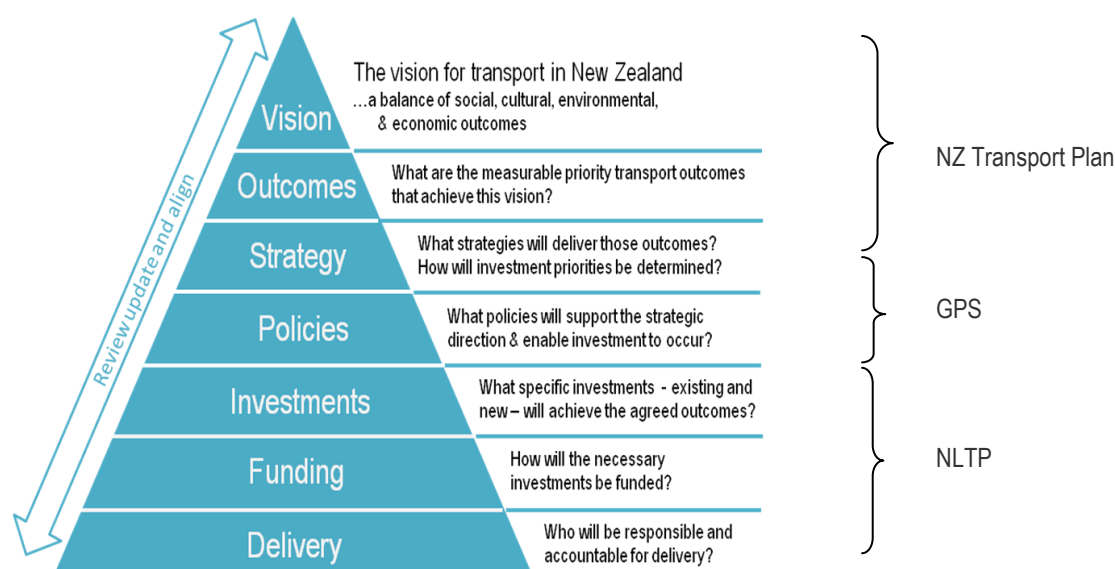


Figure 2: Integration of Land Use and Infrastructure Planning

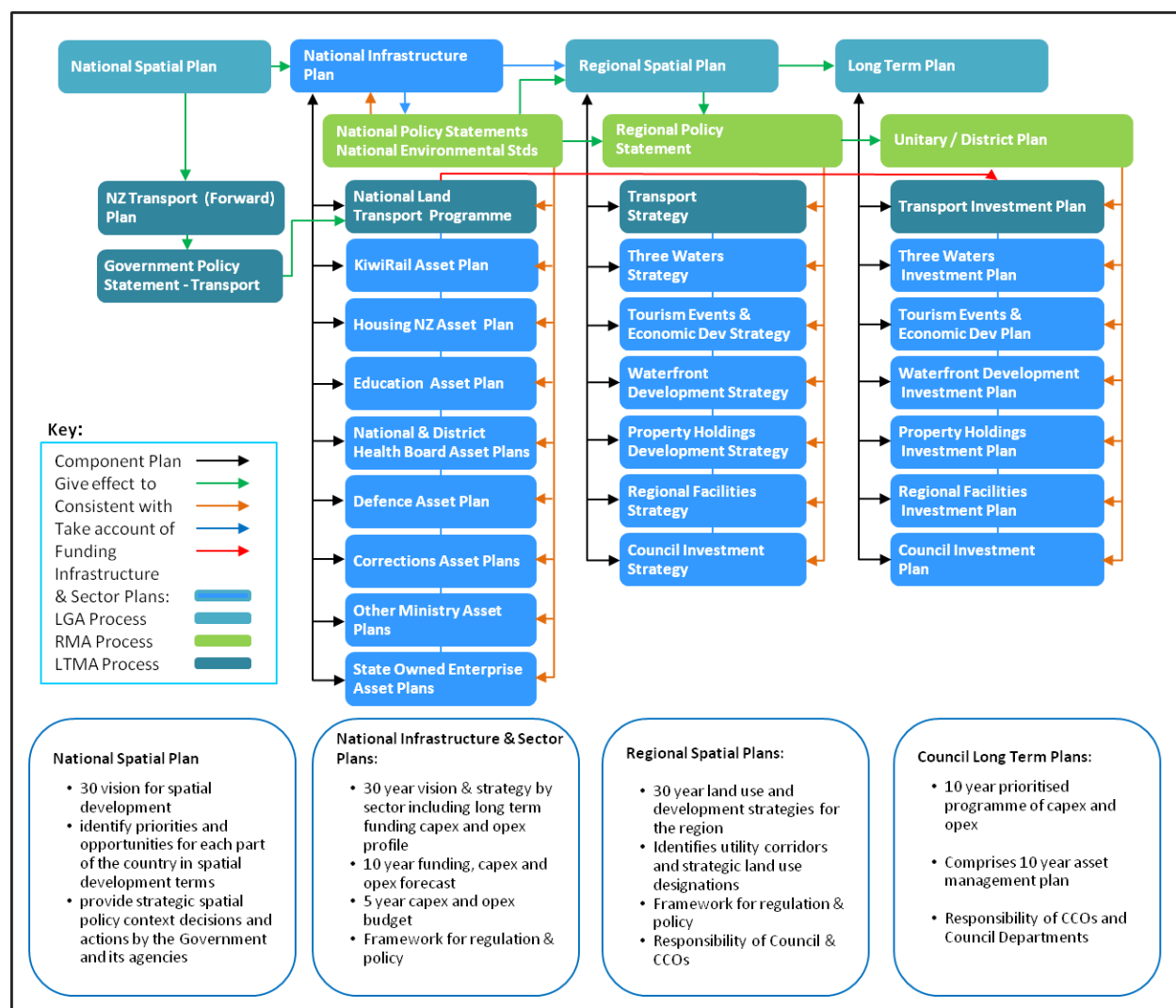


Figure 2 depicts transport as a lead component of land use planning together with the interrelationship with the wider public sector asset management programme.

The process is designed to achieve alignment between a National Spatial Plan, the National Infrastructure Plan, Regional Spatial Plans, and Local Plans, without substantive change to existing legislation. While modelled on the Auckland spatial planning process, the model would be replicable across other regions and districts, although the need for sector plans as a component of the regional spatial plan would be determined by the region.

Similar to processes adopted in jurisdictions such as Scotland, Ireland and Denmark the National Spatial Plan the National Spatial Plan (NSP) would be developed through a national discussion and aim to achieve cross party parliamentary agreement for the long term development of cities, towns and countryside. It would guide New Zealand’s development to 2040, setting out strategic development priorities to support Governments’ sustainable economic growth objectives. It would identify key issues and drivers of change, set out a vision to 2040, and identify priorities and opportunities for each part of the country in spatial development terms. It would focus strongly on priorities for the improvement of infrastructure to support long-term development. It would facilitate the development of National Policy Statements under the Resource Management Act.

The NSP would co-ordinate policies with a spatial dimension and align strategic investment priorities. It would provide the strategic spatial policy context for decisions and actions by the Government and its agencies. While not a spending document, it would set the strategic direction for National Infrastructure Plan and inform the investment programmes of public agencies and infrastructure providers. For transport infrastructure, it would define the spatial outcomes required to be delivered by the National Transport Strategy and the supporting National Transport Programme.

Within this context, the role of the Government Policy Statement is to set the policies that will support the strategic direction, ensure that there is sufficient funding allocated to enable its delivery and to initiate new policy directions required by a change in circumstances. As such the GPS becomes the implementation bridge between long term strategic direction, funding and delivery of the programme.

To enact this planning framework the following amendments to existing legislation would be required:

Resource Management Act:

- A new section to require the development of a National Spatial Plan.
- National Infrastructure Plan shall be consistent with any relevant National Policy Statements and its implementation shall be compliant with any National Environmental Standards
- In the development of National Policy Statements and National Environmental Standards central government shall take account of the requirements of the National Infrastructure Plan
- All government department and agency sector plans shall be consistent with NPSs and NESs
- Regional Spatial Plan shall give effect to any National Policy Statements and comply with all National Environmental Standards. NB. Although there is no formal requirement for Regional Spatial Plans to give effect to National Infrastructure Sector Plans, central government could chose to develop a NPS by sector under the RMA (similar to that proposed by UTAG for Auckland) to require conformity to government policies.
- Regional Policy Statement shall give effect to the Regional Spatial Plan
- All Regional and District plans shall be consistent with the RPS

Local Government Act:

- Regional Spatial Plan shall take account of the National Infrastructure Plan
- Council Long Term Plans shall give effect to the regional spatial plan

Land Transport Management Act

- The NZ Transport Plan will give effect to the national spatial plan
- The GPS and NLTP will give effect to the NZ Transport Plan
- The National Land Transport Programme will form the land transport investment component of the National Infrastructure Plan

- Only projects that are contained in the NLTP will be funded centrally (in whole or in part). Councils may chose to undertake other transport projects, but these will have to be fully funded locally.

Conclusion

NZCID notes that progress has been made since the Next Steps review for transport was undertaken in 2007. Regrettably however, the same issues around insufficient funding for transportation investment and ongoing misalignment between national regional and local transport investment planning funding and delivery continue to exist. GPS 2012 looks to perpetuate this problem by reallocating funds within a constrained funding environment. Three yearly review of funding allocations will not achieve long term alignment. Rather the process tends to exacerbate the problem further by trading off long term objectives through short term expediency. NZCID recommends a paradigm shift in the way we plan fund and deliver transport investment in New Zealand. The recommendations contained in this paper and the supporting “Funding Auckland” paper is designed to stimulate that discussion.