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Committee Regional Transport
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Recommended Final Regional Land Transport Programme

1. Purpose

To inform the Committee about the meeting of the Regional Land Transport Programme Hearings Subcommittee that took place on Tuesday 26 and Wednesday 27 May 2009 and to recommend changes to the final Regional Land Transport Programme as a result of the Subcommittee's deliberations and other matters.

2. Significance of the decision

The matters for decision in this report **do not** trigger the significance policy of the Council or otherwise trigger section 76(3)(b) of the Local Government Act 2002.

3. Report of the Hearings Subcommittee

3.1 The Proposed Regional Land Transport Programme (RLTP)

The amended Land Transport Management Act 2003¹ (the Act) requires the Regional Transport Committee to prepare and consult on a RLTP every three years. The RLTP contains all the land transport activities proposed to be undertaken throughout the region for the next 3 financial years (2009 – 2012), the regional priority of those activities, indicative activities over the following 3 financial years, plus a 10 year financial forecast.

The proposed activities in the RLTP are submitted by the New Zealand Transport Agency (NZTA) and 'Approved Organisations' (including the eight territorial authorities (TAs) and Greater Wellington). The activities in the programme relate to passenger transport, walking and cycling, travel demand management, local roads, state highways, and the movement of freight.

¹ As amended by the Land Transport Management Act 2008.

The proposed RLTP was approved for consultation by the Regional Transport Committee on 5 March 2009. Submissions were invited on the proposed programme during March/April 2009.

3.2 Hearings Subcommittee

The Regional Land Transport Committee established a Subcommittee to hear submissions on the proposed RLTP and to make recommendations on any changes to the programme. The Subcommittee had the following membership:

- Councillor Wilde (Chair)
- Mayor Guppy
- Mayor Brash
- Dr Deborah Hume (representing the New Zealand Transport Agency).

3.3 Submissions

Greater Wellington received 579 submissions on the proposed RLTP.

Around 93% of submissions were received from individual members of the public, most using either the paper feedback form contained in the summary document or the online submission form on Greater Wellington's website.

The remainder (7%) were received from local councils, organisations/agencies, advocacy groups and community groups. Five submissions were received from territorial authorities (Kapiti Coast District Council, Porirua City Council, Upper Hutt City Council, South Wairarapa District Council and Carterton District Council). A submission was also received from Horizons Regional Council in relation to projects of inter-regional significance.

A number of submissions also came through to this process via Greater Wellington's Long Term Council Community Plan (LTCCP) process which was being consulted on concurrently. Where submissions were made on the LTCCP that addressed programme matters (i.e. matters relating to prioritisation and roading projects) these were referred to the Regional Transport Committee's process. This was to ensure any comment made about strategic transport issues were dealt with by the appropriate process.

The Hearings Subcommittee met to hear oral submitters on 26 May and reconvened on 27 May to consider all submissions and to develop recommendations. In total 42 submitters presented orally to the Subcommittee. A detailed analysis of the submissions and associated officer comment was provided to the Subcommittee to assist their deliberations (**Report 09.288** – available on Greater Wellington's website).

Key themes from the submissions are set out in the following paragraphs.

3.3.1 Overall support

General support was noted overall by submitters for the projects included in the proposed programme even if views varied greatly about the order of priority in which projects were ranked in the proposed programme. Around 41% of submitters answered 'Yes' to the question *Do you support the projects in the RLTP?* Around 23% answered 'No' and 36% did not specifically respond to this question in their submission.

3.3.2 Order of priority for activities in the programme

Overall, submitters were supportive of the categorisation of activities into broad first-priority, second-priority and third-priority groupings as set out below.

First priority activities are:

- Operation of committed new passenger transport capital projects
- Passenger transport infrastructure maintenance and renewals
- State highway maintenance and renewals
- Statutory transport planning.

Second priority activities are:

- Transport planning studies and investigations
- Walking and cycling projects costing less than \$4.5m
- Travel demand management activities
- State highway block programme - primarily safety projects costing less than \$4.5m.

Third priority activities (subject to an order of priority) are:

- Large new projects costing more than \$4.5m.

However, some submitters did have specific views about where particular types of activities should sit. For example, there were some who thought that state highway maintenance should be removed or reduced in the first priority category and that walking, cycling and travel demand management programmes should be elevated into the first priority grouping. Others believed some walking, cycling and demand management activities should have a lower priority, coming after some of the major new projects in the third priority group.

3.3.3 Large new projects list

The 19 projects included in the third-priority activities group of the proposed RLTP were:

1. Western Link Road Stage 1 and Ihakara St Extension Package
2. SH1 Basin Reserve Upgrade and Adelaide Road capacity improvements (design)
3. Package of Rail Network Improvements (RS1)
4. SH2 Melling Interchange and Melling Bridge package
5. Western Link Road Stage 3 and Southern Connection Package
6. Paraparaumu and Waikanae Station Upgrades
7. SH1 MacKays Crossing to Paekakariki Median Barrier
8. SH2 Moonshine to Silverstream Median Barrier
9. SH1 Mount Victoria Tunnel Fire Safety
10. SH1 Terrace Tunnel Fire Safety
11. SH2/SH58 Grade Separation
12. SH1 Waikanae Grade Separation (Design)
13. Region-wide Bus Service Improvements
14. SH1 Ngauranga to Aotea Peak Period Tidal Flow Lanes and Hutt Road Bus Lanes Package
15. Waterloo Quay Capacity Improvements
16. Rail Electronic Ticketing
17. Westchester to Glenside Link
18. Masterton Eastern Bypass
19. SH58 Long-term Safety Upgrades (Design)

All projects in the third priority group ‘large new projects’ received some level of support and opposition in the submissions, and submitters had a range of, often conflicting, views about which projects should be given higher or lower priority.

The project in the Third Priority list that attracted the most feedback was the Basin Reserve Upgrade project. Around 120 submitters (21% of all submitters) specifically commented on this project. Of those, 88% were opposed to the project and 12% specifically supported it.

Also attracting a high level of comment, but in these cases strong support, were Rail Scenario 1 (package of rail improvements), Region-wide Bus Service Improvements, and Rail Electronic Ticketing. In addition to supporting these projects, many submitters sought a higher priority be given to them.

Receiving a good level of support through submissions were the Western Link Road Stage 1, Paraparaumu and Waikanae Station Upgrades, SH1 MacKay’s to Paekakariki Median Barrier.

Receiving a moderate level of support was the SH58 Safety Upgrades, followed by the two SH1 tunnel fire safety projects, SH2/58 Grade Separation,

SH1 Ngauranga tidal flow lanes and Hutt Road bus lanes package, SH2 Melling Interchange and Melling Bridge Package, and SH2 Moonshine to Silverstream Median Barrier.

Projects that attracted a similar level of both support and opposition were Masterton Eastern Bypass, Westchester to Glenside, Waterloo Quay Capacity Improvements and Western Link Road Stage 3.

3.3.4 Transmission Gully

The project that overwhelmingly received the most comment through the submissions was Transmission Gully, with a mention from around 33% of all submitters.

Around 119 submitters specifically supported Transmission Gully, many seeking urgent progress in relation to this project which they felt was long awaited and vital for providing efficient, safe and resilient access to/from Wellington City through the western corridor.

However, there were also a large number of submitters (73) who opposed Transmission Gully for one of two reasons. Either they favoured upgrade of the coastal route as an alternative solution, or they believed that building such a major new road was unsustainable and money would be better spent on improving public transport, walking and cycling.

3.3.5 'Missing' projects identified by submitters

Throughout the submissions a wide range of projects or ideas were identified by submitters as activities that they felt should be included in the programme but are not currently. Most commonly mentioned were:

- a light rail system from Wellington railway station (or Johnsonville) through the Wellington City CBD to the Hospital and Wellington Airport (some submitters suggested using money currently allocated to Transmission Gully to pay for it)
- a new railway station at Raumati South
- a high quality, safe, well maintained cycleway between Petone and Wellington City (with some identifying the wider Great Harbour Way concept).

3.3.6 Consultation fatigue and process confusion

Many submitters felt that far too much time and money is spent on consultation. Others were cynical about whether public feedback makes any difference to the outcome. One of the strongest themes in this area was the message 'just get on with it'.

Many submissions related to matters that are unable to be addressed through the RLTP process. Submitters were often unclear about how the programme related to the various LTCCPs and where the responsibility rests for various components of the programme.

3.4 Market Research

As part of the consultation process Research New Zealand was commissioned to carry out a survey of residents in the region. The purpose of the survey was to seek a representative opinion from the community on the proposed RLTP.

Overall support for the broad order of priorities

52 percent of the respondents ordered the priorities in the same order as they appeared in the RLTP summary document (First-Priority: maintaining the existing network; Second-Priority: low cost studies/investigations, walking, cycling, travel demand management, minor state highway safety; Third Priority: high-cost large new projects) indicating that they were happy with the priority framework set out in the RLTP.

Rating Third-Priority projects in terms of importance

Each project was rated on a scale of one to five, where one was “Not at all important to me” and 5 was “Very important to me”. The projects that received the highest ratings were Rail Scenario 1 and the Region-wide Bus Service Improvements. The projects that received the lowest ratings were the Westchester to Glenside link, the Masterton Eastern Bypass and the Paraparaumu and Waikanae Station Upgrades.

Receiving mixed feedback and a notable polarisation of views was the Basin Reserve Upgrade. While 39 percent of Wellington City respondents placed this project among their top five priorities (15 percent placed it as number one on their list of priorities), a further 10 percent placed the project amongst their lowest three priorities.

Projects respondents would like to see happen sooner

Fifty-two percent of respondents said that they believed Transmission Gully should happen sooner than was proposed in the RLTP. In addition, 43 percent of respondents said that the proposed Region-wide Bus Service Improvements should happen sooner than proposed.

Overall rating of the ten-year RLTP

Respondents were asked to take everything in the draft RLTP into consideration and to rate the overall draft RLTP on a scale of one to five, where one was “Not at all supportive” and five was “Extremely supportive”.

In all, half of the respondents (50 percent) rated the overall draft RLTP as a four or five. Twenty-eight percent of respondents rated it as a three on the scale, while only nine percent of respondents rated it as a one or two.

The results of the survey were presented to the Subcommittee by Research New Zealand.

3.5 Government Funding Announcements

Between the approval of the proposed RLTP for consultation in early March and the consideration of submissions on 26/27 May, several announcements were made by central government that are relevant to the RLTP.

The potential for regions to develop a Regional Fuel Tax scheme was scrapped by the government in mid March.

The Minister of Transport identified seven 'Roads of National Significance' (RoNS) for New Zealand in mid March. State Highway 1 between Wellington Airport and Otaki is one of these. The NZ Transport Agency advises that the identification of this RoNS in Wellington adds a further guiding factor in determining the priority of improvements in the Wellington region.

A new Government Policy Statement (GPS) on Land Transport Funding 2009/10 – 2018/19 was issued on 19 May. The new GPS states that the government's priority for its investment in land transport is to increase economic productivity and growth in New Zealand. It sets out the impacts that the government expects to achieve through the National Land Transport Fund. A separate report on the GPS is on the Committee's agenda.

Signalled in the GPS is the intention to fund capital investment in Wellington rail infrastructure directly through Crown funds rather than the National Land Transport Fund.

Officers tabled advice on the implications of the new GPS during the Subcommittee's deliberations. Officers concluded that despite the change in short term focus, the process for prioritising activities in the proposed RLTP was generally well aligned with the impacts sought through the new GPS.

3.6 Changes recommended by the Subcommittee

3.6.1 Changes to the priority order of large new projects list

Having considered the submissions and the survey results, the Subcommittee is recommending a number of changes to the proposed RLTP. This includes the following changes to the priority order of 'large new projects' in the three year programme:

- Elevate the Region-wide Bus Service Improvements project from 13 (medium) to sit above SH1 Waikanae Grade Separation and assign it a 'high' priority rating.
- Elevate the SH58 Safety Upgrades project from the bottom of the list to sit above the Westchester to Glenside Link project.

Reasons for the recommended changes:

Both the feedback from submissions and the market research survey strongly supported a high priority for Rail Scenario 1 and the Region-wide Bus Service Improvements. While the rail package currently sits at priority 3 and is rated

'high' within the large new projects group, the Bus Service Improvements project currently sits at priority 13 and is rated 'medium'. The Subcommittee felt that due to the strong and consistent support for bus service improvements through the consultation, it should be elevated up the list of large new projects.

The Subcommittee considered how far the bus service improvements project should be elevated. They felt that the bus service improvements must be moved into the group rated 'high'.

They felt that the current number one and number two projects, Western Link Road and Basin Reserve Upgrade, remain appropriate. The Basin Reserve Upgrade is vital to improving the reliability of bus services between the Wellington CBD and the southern suburbs and both projects are vital to improving access on State Highway 1, consistent with the Wellington RoNS.

The Subcommittee was comfortable that leaving Rail Scenario 1 at priority 3 'high' was appropriate to signal its high importance to the region. They discussed the merits of where this project should sit in relation to the current priority 4 through to priority 11 projects within the 'high' group.

Officers advised the Subcommittee that the current priority 6 project, Paraparaumu and Waikanae Station Upgrades, was expected to be committed before the final RLTP is approved. This is discussed further in section 4 below.

The remainder of the projects in the 'high' group are to address immediate road safety issues. The Subcommittee noted that addressing safety issues remained an important consideration and therefore settled on recommending that the Bus Service Improvements project be elevated to sit at the bottom of the 'high' group, above the SH1 Waikanae Grade Separation project.

The Subcommittee noted that all of the 'high' priority large new projects are considered very important and are highly valued. While the Act requires a priority order be given to these projects, the Subcommittee considers that there is not much between them. This group of large new projects combine to provide improvements across the range of transport modes and across the various key outcomes for the region's transport network.

The Subcommittee also discussed the current position of State Highway 58 at priority 19 'low' given that its purpose was to improve road safety. The NZ Transport Agency advised that this project was 'design' only in the first three years and related to the development of long-term safety upgrades for State Highway 58. The Subcommittee were also advised that a package of short term safety improvements for State Highway 58 were expected to be constructed over the next three years by the NZ Transport Agency, under their road safety group allocation. It was therefore agreed that the current position of the Long-term SH58 Safety Upgrades design should not be elevated into the 'high' priority group with the other safety projects, but that it should be elevated to sit above the Westchester to Glenside Link and the Masterton Eastern Bypass projects as these have a lesser safety focus and address more localised issues. It was also noted that developer contributions should appropriately fund a proportion of the Westchester to Glenside Link road.

3.6.2 Changes to other sections of the programme

The Subcommittee recommended the following changes to the proposed RLTP to take account of the recent government announcements:

- Add commentary about the new GPS
- Remove reference to the possibility of a regional fuel tax
- Remove rail capital expenditure from the programme and identify it in the final RLTP under 'Significant expenditure on activities funded from other sources' and add commentary about the changes in funding of rail projects
- Add commentary about the Levin to Wellington Airport Roads of National Significance.

For the purpose of clarity, the Subcommittee also recommended the following changes to the document:

- Amend Table 5 in the proposed RLTP as follows:
 - Add a 'three year cost' column
 - Add 'long term' to the title of the SH58 Safety Upgrades project
- Clarify the description of First, Second and Third Priority Activities and the 'priority order' of large new projects
- Add a foreword to highlight regional priorities.

The changes set out in sections 3.6.1 and 3.6.2 above have been subsequently made by officers and are contained in the recommended programme as **Attachment 1**.

3.6.3 Other recommendations

The Subcommittee made additional recommendations to the Regional Transport Committee after considering the submissions. These are:

- That the Regional Transport Committee instructs officers to provide feedback to the Ministry of Transport after the consultation process on the RLTP process and in particular concern about public consultation fatigue and process confusion.
- That the Regional Transport Committee requests that Greater Wellington amend the Regional Rail Plan to include the commitments of the Transport and Access Committee in relation to the status of a railway station at Raumati (as set out in Report 09.41 to the Transport and Access Committee on 11 February 2009, in Section 4) .

4. Other matters

A number of other matters have resulted in minor editorial changes and changes additional to the recommendations of the Hearing Subcommittee.

4.1 Paraparaumu and Waikanae Station Upgrades

The New Zealand Transport Agency confirmed that funding was approved for the Paraparaumu and Waikanae Station Upgrades on 4 June 2009. This means that the project has been removed from the third priority 'large new projects' list and will appear in the 'committed projects' section of the recommended final RLTP.

4.2 New rail funding arrangements

A significant change identified in GPS is the intention to fund capital investment in Wellington rail infrastructure directly through Crown funds rather than the National Land Transport Fund.

The RLTP Hearings Subcommittee resolutions included a recommendation to remove rail capital expenditure from the programme and identify it in the final RLTP under 'Significant expenditure on activities funded from other sources'. This resolution was made on the assumption that the detailed funding arrangements would be completed by mid June. However, many aspects of this new arrangement have still to be clarified and the current advice from the NZ Transport Agency is that rail capital expenditure projects should not be removed from the RLTP at this time.

Future changes to the RLTP to reflect this new funding arrangement will be necessary. To enable this to happen without triggering the need for another round of consultation, an amendment to the RLTP Significance Policy is recommended. The change is shown in section 14.4 of the RLTP in Attachment 1.

4.3 Final programme proposed expenditure

The following table sets out a high level comparison of final 3-year and 10-year costs compared to the proposed programme.

	Proposed	Final	Difference
3-year cost	\$1356m	\$1475m	+\$119m
10-year cost	\$5757m	\$5954m	+197m

The implementing agencies have provided updated information on project costs and timings as a result of ongoing project development since November 2008 and considerations through the Council LTCCP processes.

The \$119m cost increase in the final 3-year programme results largely from:

- An increase of \$77m in ‘committed’ activities due to retiming of expenditure from the current year into the programme (largely rail infrastructure projects and Western Link Road property acquisition) and recent approvals of projects such as the Paraparaumu and Waikanae Station Upgrades.
- An increase of \$12m in ‘automatically included’ activities largely due to a forecast increase in rail operating costs resulting from updated information.
- An increase of \$21m in ‘second priority’ activities largely due to inclusion of new investigations and property acquisition for the RoNS.
- An increase of \$9m resulting from inclusion of local road administration subsidy not previously shown.
- There is no significant change in the ‘third priority’ activities over three years despite moving \$15m for Paraparaumu and Waikanae Stations to ‘committed’ activities. This is because Western Link Road Stage 3 property and construction costs have increased by \$9m and other minor cost adjustments made to project estimates by the proposing agencies.

Over the 10-year programme cost increases continue in the state highway programme, rail infrastructure programme and public transport operating costs.

Due to the late release of the new GPS, NZTA have not been able to identify indicative regional funding ranges to date. Analysis of the proposed programme against the previous GPS indicative regional funding ranges showed a likely funding gap of up to \$350 million over three years and up to \$1.3 billion over 10 years. It is probable that significant funding gaps will still be shown once NZTA allocates funding through the NLTP process. New government policy has removed the use of Regional Fuel Tax schemes and replaced them with future increases in national fuel taxes, removing any ability for the region to address any funding gap. Over the full 10 years it is likely that additional funding will need to be found if the whole identified programme is to proceed. This commentary on the likelihood of a future funding gap has been included in section 11 of Attachment 1.

5. Next Steps

Under Section 18B of the Act, the regional council is responsible for approving the final RLTP.

Greater Wellington will consider the recommended final RLTP at its meeting on 30 June. The Act specifies (s18B(3)) that the Council MAY decide to approve the programme without modification OR refer the programme back to the Regional Transport Committee with a request that it reconsiders one or more aspects of the programme. If referred back, the Committee, after

reconsidering matters, may forward to the Council an amended programme OR supply further information that it considers will help the Council with its decision.

Once the Council receives an amended programme or a programme with additional information the Council MUST approve the programme or amended programme and forward it to the New Zealand Transport Agency; OR forward the programme or amended programme to the Agency stating that it is not approved along with a statement of reasons.

The Agency will take account of the final RLTP when preparing a National Land Transport Programme (NLTP) for the three financial years 2009/10 – 2011/12. The NLTP is due to be published by 31 August 2009.

6. Recommendations

That the Committee:

1. ***Receives*** the report.
2. ***Notes*** the content of the report.
3. ***Agrees*** to make the following amendments to the proposed Regional Land Transport Programme as recommended by RLTP Hearings Subcommittee:
 - (i) *Elevate the ‘Region-wide Bus Service Improvements’ project from 13 (medium) to sit above SH1 Waikanae Grade Separation and assign it a ‘high’ priority rating in the large new projects list*
 - (ii) *Elevate the ‘SH58 Long-term Safety Upgrades’ project to sit above the Westchester to Glenside Link in the large new projects list*
 - (iii) *Add commentary about the new GPS*
 - (iv) *Remove reference to the possibility of a regional fuel tax*
 - (v) *Add commentary about the Levin to Wellington Airport Roads of National Significance*
 - (vi) *Amend Table 5 in the proposed RLTP as follows:*
 - *Add a ‘three year cost’ column*
 - *Add ‘long term’ to the title of the SH58 Safety Upgrades project*

- (vii) *Clarify the description of First, Second and Third Priority Activities and the 'priority order' of large new projects*
 - (viii) *Add commentary about the proposed new rail funding arrangements*
 - (ix) *Amend the 'Significance policy for variations to the RLTP' in Section 14 to reflect that the proposed new funding arrangements for rail capital expenditure will not be considered a significant variation requiring further public consultation*
 - (x) *Amend the three year programme and 10-year financial forecast sections to reflect the latest information provided in LTP online as at 8 June*
 - (xi) *Add a foreword to highlight regional priorities.*
4. **Agrees** to recommend the final programme, as set out in Attachment 1, to Greater Wellington for its consideration.
 5. **Delegates** to the Chair of the Regional Transport Committee authority to approve any minor editorial amendments to the RLTP prior to forwarding it to Greater Wellington for approval.
 6. **Instructs** officers to provide feedback to the Ministry of Transport after the consultation process on the RLTP process and in particular concern about public consultation fatigue and process confusion.
 7. **Requests** that Greater Wellington amend the Regional Rail Plan to include the commitments of the Transport and Access Committee in relation to the status of a railway station at Raumati (as set out in Report 09.41 to the Transport and Access Committee on 11 February 2009, in Section 4).

Report approved by:

Fran Wilde
Chair, RLTP Hearings Subcommittee

Attachment 1: Recommended final Wellington Regional Land Transport Programme 2009 - 2012