



# AGENDA

Ordinary meeting of the

**Nelson Regional Transport Committee**

**Thursday 20 June 2013  
Commencing at 9.30am  
Council Chamber  
Civic House  
110 Trafalgar Street, Nelson**

Membership:

Councillors Ian Barker (Chairperson), Gail Collingwood, Ruth Copeland, Paul Matheson and Derek Shaw, Bill Findlater (Economic), Inspector Jenny Richardson (Safety and Personal Security), John Moore (Public Health), Jeremy Glasgow (Access and Mobility), Waihaere Mason (Cultural), Peter Olorenshaw (Environmental Sustainability), and Jenny Chetwynd (NZTA Regional Director)

20 June 2013

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## **Apologies**

### **1. Interests**

- 1.1 Updates to the Interests Register
- 1.2 Identify any conflicts of interest in the agenda

### **2. Confirmation of Order of Business**

### **3. Confirmation of Minutes – 8 April 2013**

**4-5**

Document number 1489593

Recommendation

***THAT the minutes of the meeting of the Nelson Regional Transport Committee, held on 8 April 2013, be confirmed as a true and correct record.***

### **4. Regional Transport Committee Additional Information – 2 May 2013**

**6-7**

Document number 1534660

Recommendation

***THAT the Regional Transport Committee Additional Information – 2 May 2013 (1534660) be received.***

### **5. New Zealand Transport Agency Regional Report – 2 May 2013**

**8-15**

Document number 1505070

Recommendation

***THAT the New Zealand Transport Agency Regional Report – 2 May 2013 (1505070) be received.***

**6. Funding Assistance Rates Review – Nelson City Council Submission 16-25**

Document number 1527745

Recommendation

***THAT the Funding Assistance Rates Review – Nelson City Council Submission (1527745) be received.***

**7. New Zealand Transport Agency Regional Report – 20 June 2013 26-30**

Document number 1529629

Recommendation

***THAT the New Zealand Transport Agency Regional Report – 20 June 2013 (1529629) be received.***

**Note:**

- **This meeting will be followed by a workshop on Investment Logic Mapping led by NZTA. The workshop is expected to commence at 10.30am.**

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**Minutes of a meeting of the Nelson Regional Transport Committee  
Held in the Council Chamber, Civic House, Trafalgar Street, Nelson  
On Monday 8 April 2013, commencing at 1.01pm**

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Present: Councillors I Barker (Chairperson), P Matheson, D Shaw and R Copeland, P Olorenshaw (Environmental Sustainability), J Glasgow (Access and Mobility), P Hookham and M Owen (New Zealand Transport Agency), J Moore (Public Health), B Findlater (Economic), and W Mason (Cultural)

In Attendance: Councillor E Davy, Matt Barnes and Jason Morgan (New Zealand Transport Agency), Principal Adviser Transport and Roading (R Palmer), Executive Manager Strategy and Planning (M Schruer), Administration Adviser (S McLean)

Apologies: J Chetwynd (New Zealand Transport Agency Regional Director), and Councillor Collingwood

**1. Apologies**

Resolved

***THAT apologies be received and accepted from Councillor Gail Collingwood and Jenny Chetwynd.***

Barker/Moore

Carried

**2. Interests**

There were no updates to the Interests Register and no conflicts of interest with items on the agenda were identified.

**3. Confirmation of Minutes**

Document number 1425481, agenda pages 3-6 refer.

Resolved

***THAT the minutes of a meeting of the Nelson Regional Transport Committee, held on 6 December 2012, be confirmed as a true and correct record.***

Glasgow/Moore

Carried

In response to a query, Mr Hookham and Mr Palmer agreed to look into the timeframe of the review of the Tahunanui intersection and provide an update to the Committee.

Mr Schruer confirmed that the 2013 meeting dates listed in the minutes were still in place.

Attendance: Councillor Copeland and Mr Findlater joined the meeting at 1.06pm.

#### **4. High Productivity Motor Vehicles**

Document number 1478939, agenda pages 7-9 refer.

Councillor Barker summarised the High-Productivity Motor Vehicle Routes report and confirmed that no strategic changes had been made.

There being no further business the meeting ended at 1.10pm.

Confirmed as a correct record of proceedings:

\_\_\_\_\_ Chairperson \_\_\_\_\_ Date

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**Regional Transport Committee Additional Information –  
2 May 2013**

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**1. Purpose of Report**

- 1.1 To formally receive information circulated to the Regional Transport Committee by email on 2 May 2013.

**2. Recommendation**

***THAT the Regional Transport Committee  
Additional Information – 2 May 2013 (1534660)  
be received.***

**3. Background**

- 3.1 The meeting of the Regional Transport Committee scheduled for 2 May 2013 was cancelled. In its place, information was circulated to members by email. This information is on the agenda for this meeting, to be formally received as detailed.
- 3.2 New Zealand Transport Agency Regional Report – 2 May 2013. This is dealt with in a separate report on the agenda for this meeting.
- 3.3 Funding Assistance Rates Review – Nelson City Council Submission. This is dealt with in a separate report on the agenda for this meeting.

**4. Discussion**

- 4.1 Additional information was provided in the body of the email. This information is now presented to the Committee to be formally received.

**Southern Arterial Corridor Management Plan**

- 4.2 A request for proposal is with three selected consultants to provide a 'Southern Arterial Corridor Management Plan' The objective of the plan is to determine the comprehensive planning and management measures necessary to protect the Southern Arterial Corridor so that it remains a long-term route available for transport purposes, initially for cycling and walking, but with the option of expanding this to include an arterial vehicular transport route.

- 4.3 The request for proposals close on Friday 10th May and we envisage the work will be complete by mid July 2013.
- 4.4 It is likely that an outcome of the Southern Arterial Corridor Management Plan is that the necessary tool to protect the St Vincent section of the route is a plan change. The plan change would be a separate piece of work and would proceed in the 13/14 financial year.

**5. Conclusion**

- 5.1 That the additional information regarding the Southern Arterial Corridor Management Plan is received.

Rhys Palmer  
**Principal Advisor – Transport and Roading**

**Attachments**

None

No supporting information follows.

<b>Report to:</b>	Nelson Regional Transport Committee
<b>Presenter:</b>	Jenny Chetwynd
<b>Date:</b>	2 May 2013

The purpose of this report is to provide an update on NZTA's role in the delivery of the Regional Land Transport Strategy and the National Land Transport Programme in the Nelson Region and to provide an update on key initiatives that may impact the strategic development of the regional transport network or the users of that network.

## 1. National Transport Operating Environment

Following a soft patch of activity in the middle of 2012, the New Zealand economy is looking more positive. December quarter GDP rose a robust 1.5%, to be 2.5% higher for the year, its strongest growth rate since 2008. Growth was broad based across industries, with the forestry and logging sector performing especially well in the quarter and construction picking up as expected.

The strong December quarter GDP result helped to contribute to a solid 2012 year overall for growth. The main contributors on the expenditure side were consumption and investment, including both business and residential investment. Net exports only had a slight positive contribution in the year, as the high exchange rate made imports more attractive. One factor detracting from the solid growth in 2012 has been the weak performance of the labour market. The unemployment rate remains elevated, and employment growth is subdued. The implication is that productivity growth in 2012 was a very strong 3.3%. The labour market is expected to show some more strength later in 2013, particularly as the Canterbury rebuild continues to ramp up.

Economic Indicators released during March point to ongoing strength in the first half of 2013. Activity indicators for the manufacturing and services sector rose, while business and consumer confidence continued to improve. However, the impact of drought on the economy will be a key offset. Assuming that the drought does not intensify from now on, the economic impact is expected to be largely contained to the 2013 calendar year and estimated to have a negative impact on real GDP growth this calendar year of approximately 0.7% points from what it would have been otherwise.

The Transport and Industrial Relations Committee reported back on the Land Transport Management Amendment Bill on the 5<sup>th</sup> March. The Bill proposes amendments to: simplify the transport objectives of the LTMA and the NZTA, amend the makeup of Regional Transport Committees, simplify consultation processes for tolling schemes, and procurement processes in relation to PPPs. The Bill will also incorporate some of the provisions the soon-to-be-repealed Public Transport Management Act (allowing for the formal establishment of the Public Transport Operating Model).

## 2. Delivering the National Land Transport Programme

### 2.1. Managing our State Highway network

	Activities	Commentary/Details
Maintenance & operations	General Road Maintenance	\$1.4 million in maintenance allocation for Nelson region.
Maintenance Renewals	Maintenance Chip Sealing (MCS)	4.2km of Chip Sealing has been completed for the Nelson highway network at a value

1505070



		of \$0.3 million and includes selected use of high skid resurfacing seals (Melter Slag)
	Thin Asphalt Surfacing (TAS)	2.5km of TAS resurfacing at a cost of \$1.22 million has been completed including the resurfacing of SH 6, Tahunanui Drive from Toswill Road to Maire Street.
	Drainage renewals	Replacement of drainage channels, culverts and other drainage features on the network, prioritised across the network.
	Miscellaneous Works	Signs renewals, as required across the network.
	Maintenance Renewals	Ongoing structures maintenance including a number of bridge expansion joints replaced on SH6. This will result in temporary lane closure and traffic signals deployed for duration of the work.
Safety Projects	Minor Safety/Safety Retrofit, Investigation & Reporting	SH6 Whangamo'a's/Collins Valley Guardrails - construction commencing May 2013
		SH6 Hillwood Drive to Boulderbank - Guardrails - construction commencing June 2013
		SH6 - speed chevrons will be installed at high risk crash sites.
Special Interest Items	SH6 Rocks Road Cliff Stabilisation - Phase 2	The second phase of SH6 Rocks Road cliff stabilisation is currently underway targeting the area around the Observation Post and 36 The Cliffs. The investigation phase is complete and design phase is now underway for remedial works. Investigation findings and remedial options for cliff and battery post stabilisation have been discussed with affected property owners and NCC.
	Stock Effluent Disposal Facility	The preferred option is to build a SEF on private land on the Caltex Petrol Station site (south of the 3 Brothers intersection along SH6 Hope straight). It is proposed that this facility will be built by the land owner at no cost to NZTA or NCC, other than the related roading improvements, and this SEF would be via a lease arrangement with NCC for the operation over an initial 10 year periods. This site is now being pursued as the preferred site and negotiations are underway between NZTA and Land Owner to reach an agreement.
	Rocks Road Cycleway	NZTA are aligning funding for the Investigation, Design and Construction phases to align with NCC funding. A Terms of Reference went before NCC meeting 1 November, where Council voted

		to not include capacity improvements as part of the cycle/walkway scope. Both NCC and NZTA are working together to confirm the scope of the study, before submitting a funding application in the 2013.
<b>Studies &amp; Strategies</b>	Top of the South Passing Opportunities Strategy	An internal review has been carried out by NZTA for the Draft Strategy and the report is subsequently being updated. Proposed to be completed in mid 2013.
<b>Bridges &amp; Structures</b>	HPMV	All structure on the SH network in Nelson have been assessed to carry full HPMV

Project name	Phase type	NLTP Status	Funding priority	2012 total cost	2013 total cost	2014 total cost
Safety Retrofit - Nelson	Construction	NLTP 2012/15	Probable	240,000	240,000	240,000
SH6 Nelson Stock Effluent Facility Improvements	Construction	NLTP 2012/15	Probable	0	0	468,000
SH6 Nelson Stock Effluent Facility Improvements	Design	NLTP 2012/15	Probable	0	80,000	0
SH6 Quarantine Road I/S	Design	NLTP 2012/15	Probable	0	212,000	0
SH6 Quarantine Road I/S	Construction	NLTP 2012/15	Probable	0	0	1,202,000
SH6 Rai Saddle Second Curve Realignment	Construction	NLTP 2012/15	Probable	0	2,370,000	2,428,000
SH6 Rocks Rd Off-road Shared Pathway	Construction	NLTP 2012/15	Probable	0	0	2,500,000
SH6 Rocks Rd Off-road Shared Pathway	Design	NLTP 2012/15	Probable	0	250,000	0
SH6 Rocks Rd Off-road Shared Pathway	Investigation	NLTP 2012/15	Probable	110,000		0
SH6 Whakatu Drive Northbound Capacity Improvements	Investigation	NLTP 2012/15	Probable	155,000	0	0
SH6 Whakatu Drive Northbound Capacity Improvements	Design	NLTP 2012/15	Probable	0	212,000	0
SH6 Whakatu Drive Northbound Capacity Improvements	Construction	NLTP 2012/15	Probable	0	0	1,100,000
SH6 Atawhai Drive Intersections	Construction	NLTP 2012/15	Reserve	0	0	1,808,000
SH6 Clifton Tce to The Glen Off-road Shared Pathway	Investigation	NLTP 2012/15	Reserve	151,000	0	0

SH6 Whakatu Drive/Saxton Fields Roundabout	Investigation	NLTP 2012/15	Reserve	206,000	0	0
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## 2.2 Rocks Road Cliff project

Following approval of the design, we are aiming to advertise the contract by end of May/Early June. Construction is expected to start in July. In conjunction Opus is also working on design of Battery Observation post reinstatement works for NCC with a view to including within the NZTA tender docs. Also working with Nelson Port to look at options to stabilise the beacon. These works will be procured under NZTA contract and billed to Nelson Port.

The Pullars (who property at the top of the cliff is affected and through which we need access to undertaker the remedial works) have indicated their approval for works on their land. Some work may also end up in adjoining property owners land (36A The Cliffs). Both property owners have been pretty supportive to date and an agreement by the end of May is expected. There is a building consent required for the work on the observation structure. The outline plan will be lodged in May to NCC. It is important for NZTA to gain approval of property owners to support this building consent application. Impact on Traffic - The expectation at this stage is that all construction will be managed from above the site rather than from the state highway carriageway. Therefore temporary traffic control will ensure two live lanes with cycle lanes at all times and a barrier along the toe of the cliff to stop debris rolling over to the road. Stop/go and speed restriction will be required at establishment/disestablishment and occasional clean up during construction.

## 2.3 Tahunanui intersection

NZTA has reviewed the operability and safety of this intersection. A number of options to improve safety have been considered but yet to be endorsed. The key focus has been to retain operational capacity through this intersection while improving the safety by reducing the confusion over the clearway operation. Driver behaviour is such that there is a reluctance to use the inside lanes due to the possibility of parked vehicles and limited visibility. One option being explored is to lengthen the clearway but this will need support from NCC and consultation with adjacent land owners. Once the review has been completed we will send out for wider comment.

## 3. Improving Customer Service and Reducing Compliance Costs

### 3.1. Top of the South (TOTS) Road Efficiency Group

Since the last RTC, there have been meetings of both the Steering and Working groups. The MOU and Issues and Options Paper are being signed off by the respective councils and the working group is now turning its focus onto models of collaboration and what contract elements would be included within the models. The working group have identified the range, value and duration of current contracts operational across the top of the South, including State Highways. Two models will initially be prepared using "straw man" methodology to test the value of each. The working group met on 22 April, and the steering group on 1 May.

### 3.2 Funding Assistance Rates (FAR) Review – First Consultation Stage

The first stage of consultation for the Funding Assistance Rates (FAR) Review opened early March. The submission period for this round of consultation closes at 5pm on 3 May 2013.

It is important to note that following feedback from our investment partners and the reference group we have decided to undertake our consultation in two stages. The first stage will look at the range of approaches while the second will look at specific options in more detail.

To assist with the initial round of consultation a Discussion Document is now available at [www.nzta.govt.nz/far](http://www.nzta.govt.nz/far). This Document provides background context to illustrate how funding assistance rates currently work. It then discusses a range of overall approaches that could be

taken to setting funding assistance rates and some principles that the NZTA could use in deciding what overall approach, or combination of overall approaches, to use. There may be other principles or overall approaches that we have not identified in the Discussion Document. If so, please let us know.

Both the Discussion Document and our website ([www.nzta.govt.nz/far](http://www.nzta.govt.nz/far)) contain a submission form. However, the questions listed on that form are only intended as a guide and we would welcome any other feedback or ideas you have about the issues raised in the Discussion Document and the approach the NZTA should take to setting funding assistance rates. The project timeframe following this consultation period is as follows:

- July 2013 - NZTA decides on the overall approach(es) to use in setting FARs and asks the Minister of Transport if he wishes to set any FAR criteria.
- November 2013 to January 2014 - A second phase of consultation on a FAR Review Options Paper which will discuss options for specific methods for calculating FARs and what those specific options would actually mean for different stakeholders.
- February/March 2014 - NZTA decision on specific methods for calculating FARs going forward and likely funding assistance rates for the 2015-18 investment period.

### 3.3 Investment Logic Mapping pre-workshop session

A presentation was given to full Council and RTC members on 9 April. The session explored the principals and methodology of the Better Business case (BBC) process which utilises Investment Logic Mapping (ILM) as the tool for developing the strategic case. A full 2 hour workshop will be undertaken after the scheduled RTC meeting on 20 June.

## 3 Improving the efficiency of freight movements

At the December 2012, the RTC received a presentation by local freight operators about the delays in permitting local road HPMV routes. The Agency were pleased to see progress made this year culminating in Council approving a number of routes that will enable more end to end HPMV utilisation within the Region. We hope that the management of permitting will be much improved now and fully support any further moves to encourage the take up of HPMV.

## 4 Improving the Road Safety system

### 5.1 Safer Journeys

Safer Journeys is New Zealand's 10 years Road Safety Strategy to 2020. In 2011 the National Road Safety Committee launched the first Safer Journeys Action Plan for 2011-2012 (most of these actions being complete). This has been followed by the release of the second Safer Journeys Action Plan (for 2013-2015) by *The Associate Minister of Transport, Michael Woodhouse on 27 March 2013 at Parliament*. The focus of both action plans is on those initiatives that will have the greatest impact in reducing crashes and trauma.

In the Safer Journeys strategy there are 11 areas of high or medium concern, and two areas of continuing/emerging focus. The areas of high and medium concern are the major focus for the action plans with most of the actions assigned to the four core road safety partner agencies - Ministry of Transport, NZ Transport Agency, NZ Police, and ACC.

Who's involved?

Ultimately, road safety is the responsibility of all New Zealanders. The partner agencies have a key role in road safety and in the implementation of the Safer Journeys strategy and action

plans, along with regional transport committees, local authorities, and community organisations. Processes such as road safety action planning provide collaborative approaches to achieving road safety outcomes. But action plans should also be a guide for local communities, private companies and other organisations.

For more information, please refer to: <http://www.saferjourneys.govt.nz/action-plans>

## 5.2 Vehicle Licensing Reform Consultation

At various times in the last year I have reported to you on the Vehicle Licensing Reform project. The aim of the project is to save New Zealanders both time and money by simplifying the vehicle licence system whilst supporting the Government's commitment to road safety.

You will have seen the consultation material produced by NZ Transport Agency and Ministry of Transport and publicity about the views of various interested groups on the proposed changes.

The project looked at the;

- Warrant of Fitness (WoF) and Certificate of Fitness (CoF) systems
- Annual Vehicle licensing system (registration)
- Transport services licensing system

The Associate Minister of Transport the Hon Simon Bridges announced the results of the review in late January. (after 4,600 submissions considered). A number of changes to the WoF and CoF are proposed and further investigations into the Transport Services and Annual Vehicle Licensing were called for.

The changes will simply and clarify these systems for users.

## 5.3 Warrant of Fitness (WoF)

The WoF is one element of the VLR. Consultation on the amendment to the rule will be across the months of April/May 2103 with changes implemented 1 April 2014 (or earlier). The estimated savings to motorists will be between \$125 to \$185 million annually.

A detailed list of the results of the review (including the WoF area) and implementation schedule is attached as Appendix 1.

Approved:

Jenny Chetwynd, Regional Director

Date: 17 April 2013

## Appendix 1: Vehicle Licensing Review

### Key changes

The Vehicle Licensing Reform was a review of:

- the warrant of fitness and certificate of fitness systems
- the annual vehicle licensing (commonly known as registration) system
- the transport services licensing system.

The aim is to save New Zealanders both time and money, while supporting the government's commitment to road safety.

### Warrant of Fitness system (WoF):

- After initial inspection for new cars, no further inspection will be needed until vehicles are three years old.
- Annual inspections for vehicles three years and older and first registered on or after 1 January 2000
- Six-monthly inspections for vehicles first registered before 1 January 2000
- Information and education to increase people's awareness of regular vehicle maintenance
- Extra Police enforcement activities.

### Certificate of Fitness:

- Six monthly default for inspections remains
- Frequency of inspections can be varied between three and twelve months
- Vehicle owners and operators will have greater choice about where and from whom they get their vehicles inspected.

### Transport Services Licences

The NZTA will report by 30 September 2013 on ways to streamline and refocus the system towards operators who present a greater risk to road users. This includes reporting on:

- The implications of removing farmers and trades people who only use one goods vehicle of less than 15,000kg gross vehicle mass, from having a transport services licence
- Ways to improve the process for entry to transport services licensing
- Opportunities to better manage and exit unsafe and poor performing operators from transport services licensing
- Whether the fees and charges for the regulatory activities should change to reflect the activities carried out for different sectors.

### Annual Vehicle Licensing

The NZTA will report by 30 September 2013 on ways to:

- Make it easier for motorists to pay on time by improving communication
- Encourage on-time payment through the use of payment incentives such as late payment penalties
- Use different infringements to better differentiate between those who are late to pay and those who are evading payment.



## Indicative timetable

System	Action	Indicative Date
Warrant of fitness (WoF)	Consultation on amendment to Rule WoF Changes implemented	April/May 2013 1 July 2014 or earlier
Annual Vehicle Licensing	Report back to government on specific changes to Annual Vehicle Licensing	30 September 2013
Transport Services Licensing	Conversation with industry about proposed changes	Before 30 September 2013
	Report back to government on changes to Transport Services Licensing	30 September 2013

For more information visit [www.transport.govt.nz](http://www.transport.govt.nz)

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## **Funding Assistance Rates Review – Nelson City Council Submission**

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### **1. Purpose of Report**

- 1.1 To receive the first stage submission made by Nelson City Council on the New Zealand Transport Agency's (NZTA) Funding Assistance Rates (FARs) Review.

### **2. Recommendation**

***THAT the report (1527745) be received.***

### **3. Background**

- 3.1 As noted in the briefing paper sent to Regional Transport Committee members on the 2 May 2013, Nelson City Council made a submission on the NZTA FARs Review currently underway.
- 3.2 The first stage of consultation sought feedback on the principals and preferred approach(s), and closed on 3 May 2013. The NCC submission is included as Attachment 1.
- 3.3 The next stage of the process is for the NZTA to decide on the overall approach(es) to use in setting FARs, and to ask the Minister of Transport if he wishes to set any FAR criteria. NZTA will then produce a FAR Review Options Paper for another round of consultation.
- 3.4 Between November 2013 and January 2014 Nelson City Council will have the opportunity to comment on the FAR Review Options Paper, which discusses options for specific methods for calculating FARs, and what those specific options would actually mean for different stakeholders.
- 3.5 Once that feedback is received, NZTA will make decisions in February/March 2014 on the likely FARs for the 2015-18 investment period.

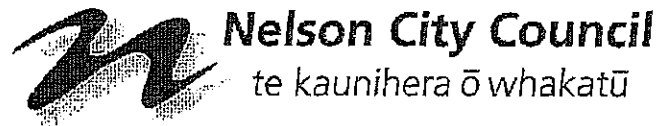
Rhys Palmer  
**Principal Advisor Transport and Roding**



## **Attachments**

Attachment 1: Nelson City Council Submission on Funding Assistance Rates Review -1505071

No supporting information follows.



**New Zealand Transport Agency  
Funding Assistance Rates (FAR) Review**

**SUBMISSION FROM NELSON CITY COUNCIL**

To:	FAR Review Discussion Document Submissions NZ Transport Agency 50 Victoria Street Private Bag 6995 Wellington 6141 Attention: Clare Sinnott
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**3 May 2013**

**This submission is made by:** Nelson City Council

Attachment 1

**Address for Service:**

**Postal:** Nelson City Council  
PO Box 645  
Nelson 7040  
Attn: Road Safety Adviser

**Email:** chris.ward@ncc.govt.nz

**Fax:** (03) 546 0431

**Contact Person:** Chris Ward, Manager Strategic Response

**Direct Phone:** (03) 545 8729

Signed



..... Date.../...../.....

Aldo Miccio

**Mayor of Nelson**

1485379

PDF RAD# 1505071

## **1 Introduction and general comments**

- 1.1 Nelson City Council ('the Council') welcomes the opportunity to provide feedback to the New Zealand Transport Agency (NZTA) on the 'Funding Assistance Rates (FAR) Review' discussion document.
- 1.2 The Council seeks to work closely with NZTA on key transport projects in order to deliver benefits to the economy, local road users and local residents. Regardless of the approach that is taken to setting FARs, the relationship between NZTA and Council is fundamental to the successful delivery of transport projects within the Nelson area.
- 1.3 This relationship needs to be built on a common understanding of what we are trying to achieve by investing in transport infrastructure. In part, this is guided by the FAR principles and government policy. However, it should also be guided by sharing an understanding of how transport projects fit at the local level with achieving the Nelson community's preferences around how this city should develop economically and socially, and the environmental qualities and attributes within which that development should occur.
- 1.4 Currently Council receives the lowest base FAR available (43% for maintenance, 53% for capital projects). Council is concerned that some of the approaches under consideration would result in Council receiving an even lower rate than previously. The Council has built an asset management framework around an anticipated level of funding against which it can prioritise essential maintenance and transport upgrades and to meet ever higher environmental standards e.g. discharges of road run-off to freshwater. Any loss of Government funding will have significant impacts on transport infrastructure and may prove counter-productive to growing Nelson, contributing to New Zealand's growth and maintaining a city that is easy to get around, has roads that are safe to use and are fit for purpose.
- 1.5 The Council requests that the NZTA confirms that it will maintain a level of at least 43% as the minimum base FAR for all councils.
- 1.6 The Council also asks NZTA to consider increasing the base FAR for Nelson City to reflect the amount of heavy traffic on Nelson's roads. The proportion of heavy vehicles is higher than in other areas due to presence of the port and airport, coupled with a lack of rail infrastructure. This imposes a higher demand on ratepayer funding for maintenance works for damage caused by heavy vehicle use than exists in other areas. At our current base FAR of 43%, the majority (57%) of this damage is paid for by Nelson residents. The Council believes that this issue needs to be addressed in the FAR review, regardless of the approach that is finally selected.

## **2 Principles**

- 2.1 Council agrees that a principle-based approach needs to be taken to setting FARs.
- 2.2 Council generally supports the principles identified in the discussion document, but notes that the more principles there are, the harder it is to find an approach

that meets all of the principles. There seems to be some overlap between some of the principles, for example the wording for 'Be consistent with seeking value from investment of the NLTF' could be amended to cover both 'Be financially responsible' and 'be efficient to apply'. Some rationalisation of the principles is desirable.

- 2.3 Whilst 'allow social and environmental responsibility to be exhibited' is stated as a principle, it is not referred to in the consideration of the advantages and disadvantages of each approach. Further analysis of each option against this principle is requested.
- 2.4 Council understands that NZTA needs to take a whole of network approach to land transport in New Zealand. However, Council also believes that this principle should be applied at a regional level where the land transport network integrated with other community infrastructure. There is a need to retain a focus on supporting viable, productive communities with transport infrastructure that supports economic development that may be location specific but not of national scale.
- 2.5 Council would like to see a principle that FARs should:
- 'recognise the need for regional integration of transport infrastructure with community infrastructure to support community and economic development opportunities'.

### **3 Preferred Approach or Combination of Approaches**

- 3.1 Council is not in a position to be able to recommend one approach or a combination of approaches, because insufficient detail is available on what a preferred option might mean for funding of transport projects in our area.
- 3.2 Council is able to state its expectations of what the preferred approach should deliver. These are threefold:
- 3.2.1 Firstly, there needs to be transparency in the process by which the National Land Transport Fund is distributed across the country. Councils need clear, consistent rules that enable them to carry out their statutory (10 year) planning with some confidence that the basis on which funding is allocated will not change over the lifetime of the Long Term Plan (LTP).
- 3.2.2 Secondly, Nelson recognises the importance of our area within the Top of the South (TOTS). Nelson's port, airport, industrial area and CBD are important economic hubs for the region, and there is a need to ensure that investment in transport links across the TOTS supports these hubs and their connections to hubs in Tasman and Marlborough Districts.
- 3.2.3 Thirdly, Council has to consider the interests of its own residents, road users and ratepayers. There needs to be flexibility in the allocation of transport funding to recognise the local community's needs and aspirations as expressed in the Regional Transport Strategy.
- 3.3 Council notes that some of the descriptions suggest that transport users are a separate group from residents and ratepayers. The majority of people actually

fall into both groups, with users of the land transport system generally being a subset of ratepayers. At the local level, more weight should be given to the interests and benefits of residents and ratepayers over those of land transport users.

#### **4 Comments on Individual Approaches**

- 4.1 Council has found it difficult to fully assess each of the options because the desirability of some of them will vary according to the details of how the approaches will be implemented.

##### *Status Quo*

- 4.2 Council notes that there is an option of maintaining the status quo in relation to the combination of approaches that might apply when setting the 2015-18 FARs. Council believes that there is considerable merit in maintaining the status quo, as the possible benefits from changing the system are likely to be countered by significant costs in moving to a new system.
- 4.3 Council is not convinced that the arguments in favour of change are particularly strong. However, if a change is to be proposed then, given the investment in forward planning tied in to the asset management plans, a lead-in time to effect the transition is essential.
- 4.4 Nonetheless, Council makes the following comments on each of the individual approaches as follows.

##### *Flat Approach*

- 4.5 Council believes that this approach is suitable for some land transport activities, such as Public Transport operations, but, by itself does not give enough flexibility for maintenance and capital expenditure. For example, significant arterial projects that contribute to wider transport network and economic benefits should receive higher FARs based on each project's merits.
- 4.6 The Council supports the Flat Approach being used as part of a package of approaches (as under the current arrangements).

##### *Differences Approach*

- 4.7 This is the current approach that is used in setting base FARs. Whilst not ideal, it does give some certainty and is reasonably transparent. Council would not support the differences approach being used if the current minimum base FAR of 43% was dropped.
- 4.8 The Council supports the Differences Approach being used as part of a package of approaches (as under the current arrangements).

##### *Classification Approach*

- 4.9 The Council finds it difficult to support this approach without further information on how classification might work, and the specific FARs being considered. It is

not clear if the examples given in the discussion paper are indicative levels or not. Attachment 1

4.10 Council understands the rationale behind this approach but believes that in practice this system will be costly to set up and to administer.

4.11 Council does not support this approach.

#### *Revenue Approach*

4.12 The validity of this approach relies on the assumption that investment is required where road usage is greatest. Council believes that this is not a valid assumption to make.

4.13 There is a need to invest in transport infrastructure for future demands rather than for meeting present demands. Investment in roading should not be based on lag effects (resolving previous under investment) but on forward needs and effects that are required to be managed.

4.14 Council sees little positives in this approach and many drawbacks. It is also not clear how this would apply to an area such as Nelson, where the road network is short (and so overall vehicle kilometres are less) but where there are key regional economic hubs that require transport infrastructure (port, airport, CBD).

4.15 Council does not support this approach.

#### *Population approach*

4.16 Council sees some merit in taking account of the population in determining FARs, but that it should not be used exclusively. One model would be to set a base FAR based on a flat rate or differences approach and then to allocate a top up FAR rate based on population size.

4.17 Population size would seem to be a fairer measure for allocating FARs than metrics based on road usage. This is because all ratepayers contribute to overall funding of transport projects (FAR plus local share).

4.18 Council supports this approach as part of a package of approaches.

#### *Incentives Approach*

4.19 Council believes that there is merit in considering this approach on top of a flat rate or difference approach to setting FARs. This combination would give greater certainty on revenue for councils, whilst offering additional encouragement to councils for projects aligning with policy changes.

4.20 Council has worked with NZTA on its total mobility scheme to align its practices with the targets set by NZTA using the incentives approach.

4.21 By itself the incentives approach would not give any level of certainty to councils and would make long term planning extremely difficult.

### *Contribution Approach*

- 4.22 Council can understand the rationale for this approach but believes, that it does not take into account future economic growth and the contribution that will make. There is a strong argument for developing transport infrastructure to support that future growth rather than to reflect where current economic activity exists. The proposed approach seems to equate productivity with heavy vehicles – this would seem to exclude growing industries such as tourism, which also require investment in transport, but which is generally undertaken by light vehicles (rental cars, minivans and campers).
- 4.23 Council believes that this will be costly to set up and to administer and therefore does not support this approach.

### *Relative Benefit Approach*

- 4.24 Council does not support this approach. This seems to place higher value on the needs of road users at the expense of local residents and ratepayers. The disadvantages, as identified in the consultation document, are many whilst the benefits are minimal.
- 4.25 Council does not support this approach.

## **5 Conclusion**

- 5.1 Council thanks the NZTA for the breadth of approaches that it has drawn together as it seeks to identify an approach to setting FARs from 2015 onwards. Without seeing the detail of how a preferred approach might be implemented, it is difficult for Council to fully endorse any one of the options.
- 5.2 Council has not been convinced of the imperative to change the existing approach and suggests that NZTA specifically includes the current system when considering which approach or combination of approaches to further consult on.



	Value for money	Whole of network	Benefits to users and ratepayers recognised	Financially responsible	Social and environmentally responsible	Efficient to apply	Based on clear principles	Balance between certainty and agility	Council support
Flat	✓	x	x	✓	?	✓	✓	✓	✓
Differences	✓	✓	x	✓	?	✓	✓	✓	✓
Classification	✓	✓	x	x	?	x	✓	x	x
Revenue	x	x	✓	x	?	✓	✓	x	x
Population	✓	x	✓	✓	?	✓	✓	✓	✓
Incentives	✓	✓	x	x	?	✓	✓	✓	✓
Contribution	x	x	x	x	?	x	✓	x	x
Relative Benefit	?	x	✓	?	?	x	✓	x	x



**Report to:** Nelson Regional Transport Committee  
**Presenter:** Jenny Chetwynd, Regional Director  
**Date:** 20 June 2013

The purpose of this report is to provide an update on NZTA's role in the delivery of the Regional Land Transport Strategy and the National Land Transport Programme in the Nelson Region and to provide an update on key initiatives that may impact the strategic development of the regional transport network or the users of that network.

## 1. National Transport Operating Environment

### 1.1. National Economic Outlook

Stronger growth prospects relative to other advanced economies (amongst other factors), contributed to the NZ dollar Trade-Weighted Index (NZD TWI) hitting a post-float high. The surge in dairy commodity prices over the past two months is also likely to have played a part. However, more recent data indicates that prices may have peaked. This summer's drought will also have an economic impact on the economy, but is expected to be largely contained within the 2013 calendar year. The high NZD is contributing to subdued inflation, although the medium-term outlook is for higher inflation, which saw the OCR left unchanged. The low inflation environment, along with firm housing market activity in some parts of the country, is contributing to improving consumer sentiment.

Activity and business confidence indicators remain solid across the majority of sectors, while employment conditions also showed signs of improvement. At the time of writing only the December quarter GDP figures are available. These rose a robust 1.5%, to be 2.5% higher for the year, its strongest growth rate since 2008. Gains in GDP in the December 2012 quarter will likely be extended in the March 2013 quarter as business surveys report an increase in activity. Firms' outlook for activity and profits also rose, leading to a strengthening of investment intentions.

## 2. National Priorities

There are a number of national priorities being pursued through the land transport sector. These are all areas in which the RTC has an interest.

### 2.1. FAR (Funding Assistant Rate) Review

Submissions on the first stage of consultation for the FAR review have closed. NZTA have presented to the RTC / Council on the FAR background document and the consultation process, to enable potentially affected partners to directly engage and seek clarification before making submissions. The FAR working group will spend the next couple of months analysing submissions before making recommendations to the NZTA Board on the preferred option or options. In November this year, we will commence the second round of consultation which will focus on the preferred options(s). Further information can be found on the NZTA website; <http://www.nzta.govt.nz/consultation/far-review/index.html>

### 2.2. Improving Efficiency of Freight Movements

- Central / South Island Freight Story

The first round of the Central New Zealand freight story regional workshops has been completed. We are currently, collating all individual workshop outputs to develop a central New Zealand summary of the freight issues. Tasman key freight issues have been primarily captured in the South Island Freight Study. The South Island Freight Study has also concluded its consultation, and work has started on pulling together the feedback summaries for each region, which will be presented in four workshops around the South Island.

- **Top of the South (TOTS) Road Efficiency Group**

Since the last RTC, the steering and working groups have continued to meet. The working group examined 4 models at their meeting on 3 May and debated their merits against the principles in the MOU. A meeting with the working group and the CE's followed on 15 May to discuss the models. The outcome was that the CE's requested that the working group undertake more detailed analysis on two of the models before taking them before a future steering group meeting.

- **Establishment of the Public Transport Operating Model**

At the time of writing the LTMA Amendment Bill is has gone through its second reading and committee stage in Parliament. The Amendment Bill now just needs to go through the third reading. A key element of the Amendment Bill is the repeal of the Public Transport Management Act 2008, and the establishment of the public transport Operating Model (PTOM).

Public Transport workshops have been held where proposed changes to the Procurement Manual, to incorporate PTOM, were discussed with Regional Councils and bus service operators. Regional Councils (including Unitary Authorities) will need to update both the Regional Public Transport Plan (RPTP) and the Procurement Strategy before any Public Transport Contracts are let. Both the RPTP and the Procurement Strategy will require endorsement, which will be carried out at a regional level.

- **Investment Logic Mapping (ILM)**

There will be an ILM workshop following the RTC meeting. An ILM workshop is a robust tool and methodology that can include an outcomes and benefits workshop. Each workshop is 2 hours, involves all stakeholders and will determine:

- what the problem is and if it has a consequence that needs to be addressed
- what outcomes we would be looking to buy from any potential investment
- identifies the benefits of potentially investing
- stakeholder agreement to proceed or not to proceed.

This will be set against the wider strategic outcomes, to determine if there is a need to invest. Doing this right at the outset defines the way forward quickly and negates the need for costly investigations into potential projects that will not give a return on investment.

### 3. Delivery the National Land Transport Programme

#### 3.1 Managing our State Highway network

	Activities	Commentary/Details
Maintenance & operations	General Road Maintenance	\$1.4 million in maintenance allocation for Nelson region.
	Maintenance Chip Sealing (MCS) Thin Asphalt Surfacing TAS)	NZTA delivered the state highway renewals programme with a total of 4.03km of chipseal resurfacing and 2.25km of Asphalt resurfacing completed in Nelson at a combined total cost of \$1.16 million.
Maintenance Renewals	Drainage renewals	Replacement of drainage channels, culverts and other drainage features on the network, prioritised across the network.
	Miscellaneous Works	Signs renewals, as required across the network.
	Maintenance Renewals	Ongoing structures maintenance including a number of bridge expansion joints replaced on SH6.

<b>Safety Projects</b>	Minor Safety/Safety Retrofit, Investigation & Reporting	SH6 Whangamoas/Collins Valley Guardrails - construction underway
		SH6 Hillwood Drive to Boulderbank - Guardrails - construction commencing June 2013
<b>Special Interest Items</b>	SH6 Rocks Road Cliff Stabilisation - Phase 2	The design of the SH6 Rocks Road cliff stabilisation project is complete and work is now underway to get the contract advertised near the end of June 2013. Currently, NZTA is negotiating land entry agreements with the affected property owners as well as finalizing cost share agreements with NCC and Port Nelson. NCC will fund the stabilisation works on Battery Observation Post and Port Nelson will fund the stabilisation works to secure the navigation beacon on the Cliff. All these works will be procured under one NZTA contract.
	Stock Effluent Disposal Facility	The preferred option is to build a SEF on private land on the Caltex Petrol Station site (south of the 3 Brothers intersection along SH6 Hope straight). It is proposed that this facility would be via a lease arrangement with NCC for the operation over an initial 10 year periods.
	Rocks Road Cycleway	NZTA are aligning funding for the Investigation, Design and Construction phases to align with NCC funding. NCC and NZTA have agreed the Terms of Reference and scope of the study and are working together on the professional services tender for Scheme Assessment.
<b>Studies &amp; Strategies</b>	Top of the South Passing Opportunities Strategy	An internal review has been carried out by NZTA for the Draft Strategy and the report is subsequently being updated. Proposed to be released for wider comment in June 2013.

- **Rocks Road Cliff project**

Following approval of the design, we are aiming to advertise the contract by end of May/Early June. Construction is expected to start in July. . Currently, NCC consultants (Opus) are working on design of Battery Observation post reinstatement works with a view to including within the NZTA tender docs. Opus is also working with Nelson Port to look at options to stabilise the beacon. These works will be procured under NZTA contract and billed to Nelson Port.

- **Tahunanui intersection**

NZTA has reviewed the operability and safety of this intersection. A number of options to improve safety have been considered. The key focus has been to retain operational capacity through this intersection while improving the safety by reducing the confusion over the clearway operation. Driver behaviour is such that there is a reluctance to use the inside lanes due to the possibility of parked vehicles and limited visibility. NZTA is currently preparing public consultation documentation and will bring a draft to Nelson City Council prior to public release for your information and comment.

- **Atawhai Drive Operation and Transport Planning Strategy**

NZTA is undertaking a review of this corridor and proposes to develop a draft strategy for public consultation. The draft will be brought to Council prior to public release for your information and comment. At this stage it is likely the public consultation process for this, and the Tahunanui intersection, will run concurrently in July and August 2013.

- **State Highway Capital Project Summary**

Project name	Phase type	NLTP Status	Funding priority	Commentary
Safety Retrofit - Nelson	Construction	NLTP 2012/15	Probable	Ongoing
SH6 Quarantine Road I/S	Design	NLTP 2012/15	Probable	Currently being scoped
SH6 Nelson Stock Effluent Facility Improvements	Design	NLTP 2012/15	Probable	Subject to site confirmation
SH6 Rai Saddle Second Curve Realignment	Design	NLTP 2012/15	Probable	Detailed design of the realignment nearing completion. Safety audit of the design underway. Land purchase negotiations with affected landowner also underway and preparation of planning consents for the project commencing.
SH6 Rocks Rd Off-road Shared Pathway	Investigation	NLTP 2012/15	Probable	About to go to tender
SH6 Whakatu Drive Northbound Capacity Improvements	Investigation	NLTP 2012/15	Probable	Currently being scoped
SH6 Atawhai Drive Intersections	Construction	NLTP 2012/15	Reserve	Not action
SH6 Clifton Tce to The Glen Off-road Shared Pathway	Investigation	NLTP 2012/15	Reserve	No action
SH6 Whakatu Drive/Saxton Fields Roundabout	Investigation	NLTP 2012/15	(Reserve)	The NZTA, Tasman District Council and Nelson City Council have signed a Memorandum of Understanding in April, which details how the three parties will work together on the Investigation phase of Whakatu Drive/Saxton Fields Roundabout Optimisation project and . The request for tender will be called for in the new financial year 2013/2014.

## 4. Improving the Road Safety System

### 4.1 Safer Journeys

Safer Journeys is New Zealand's 10-year Road Safety Strategy to 2020. In 2011 the National Road Safety Committee launched the first Safer Journeys Action Plan for 2011-2012 (most of these actions being complete). This has been followed by the release of the second Safer Journeys Action Plan which covers 2013 to 2015 (SJAP2) by The Associate Minister of Transport, Michael

Woodhouse on 27 March 2013 at Parliament. The focus of both action plans is on those initiatives that will have the greatest impact in reducing crashes and trauma.

In the Safer Journeys strategy there are eleven areas of high or medium concern, and two areas of continuing/emerging focus. The areas of high and medium concern are the major focus for the action plans with most of the actions assigned to the four core road safety partner agencies - Ministry of Transport, NZ Transport Agency, NZ Police, and ACC.

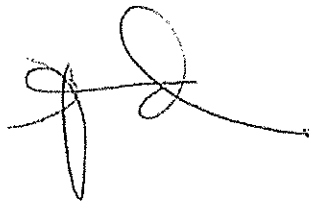
- Involvement of Regional Transport Committees

The Nelson RTC and partner agencies have a key role in road safety and in the implementation of the Safer Journeys strategy and action plans, along with local authorities and community organisations. The Nelson RTC is encouraged to familiarise themselves with SJAP2, including opportunities that could present through a stronger focus on significant programmes that take ambitious steps toward realising the Safer Journeys vision of ....'a safe road system increasingly free of death and serious injury'.

Although this may not require direct changes in your vision, initiatives and targets of your 2009 Regional Land Transport Strategy, there is a sharpened priority on strategic actions requiring joint-will, cross agency collaboration, possible reprioritisation of effort and investment, and wider partnerships to accelerate progress and yield greater benefits and improved safety outcomes.

Processes such as road safety action planning (RSAP) provide collaborative approaches to achieving road safety outcomes and the Nelson RSAP process and associated plan is well respected across the country. We encourage RTC members to continue actively feeding into this process, (via your Nelson Transport & Road Safety Adviser), being open to receiving safety updates as they relate to your RLTS, and progress towards targets of SJAP2.

For more information, please refer to: <http://www.saferjourneys.govt.nz/action-plans>



Approved: \_\_\_\_\_

Jenny Chetwynd, Regional Director

Date: 6 June 2013