

BOARD PAPER

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Board function:	Setting sector and organisation direction
Subject:	Auckland Transport Alignment Project – recommended strategic approach and next steps

It is recommended that the NZ Transport Agency Board ...

- **Supports** the recommended strategic approach for the development of Auckland's transport system over the next 30 years, as set out in the Auckland Transport Alignment Project final report
- **Agrees** that that recommended strategic approach should be reflected in the Transport Agency's future strategy, organisational priorities, investment decision-making and work programme

The Auckland Transport Alignment Project is a significant step towards addressing issues relating to Auckland's transport system

- The Government (the Ministry of Transport, the NZ Transport Agency, the Treasury and the State Services Commission) and Auckland Council/Auckland Transport have worked together over the past year on the Auckland Transport Alignment Project to identify an aligned strategic approach for the development of Auckland's transport system
[Investment and Operations Committee paper 15/10/150 refers]
- The Auckland Transport Alignment Project is a critical step towards ensuring that the investment programme is well directed, prioritised, funded, understood, communicated – and broadly agreed between key parties
- The Auckland Transport Alignment Project terms of reference required the development of:
 - a recommended strategic approach
 - an indicative package to show how that approach might be implemented
 - an estimated cost compared against funding plans
 - identified implementation steps

The recommended strategic approach is the final of three project deliverables

- The project's first deliverable (the 'Foundation Report') was published on 19 February 2016
- That report concluded that, unless plans and programmes are amended, the Auckland transport system will deteriorate over the next 30 years [*Board paper 16/04/0999 refers*]
- The project's second deliverable (the 'Interim Report: Findings and Conclusions') was published on 21 June 2016
- That report concluded that changing the mix of investment in current plans will still not deliver the step-change required and that a new approach and demand management tools are needed [*Board paper 16/08/1042 refers*]
- The final deliverable of the Auckland Transport Alignment Project (the recommended strategic approach) was delivered to the Ministers of Transport and Finance and the Mayor of Auckland and Councillor Cashmore on 31 August 2016 and published on 15 September 2016
- The *Auckland Transport Alignment Project Recommended Strategic Approach* report is available in the Resource Centre on Diligent Boards

The recommended approach focuses on addressing Auckland's most significant projected transport challenges

These are identified as:

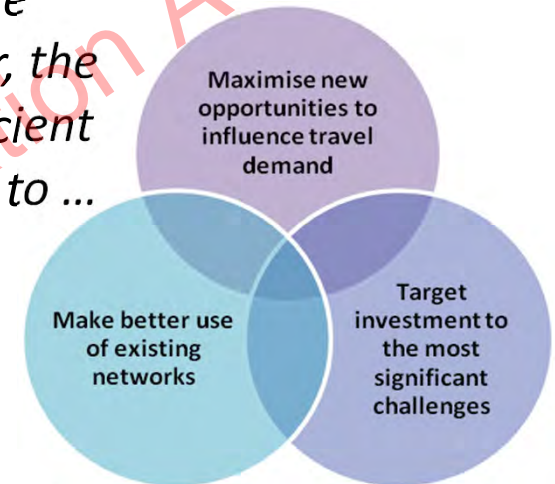
- the need to enable a faster rate of housing growth, particularly in Special Housing Areas and greenfield areas 'live-zoned' in the Auckland Unitary Plan
- continued and growing congestion on motorways and arterial roads during peak periods, and increasingly in the inter-peak period, which adversely affects the efficient movement of freight and business traffic
- access to jobs for large parts of the west, and some parts of the south
- the need to increase public transport mode share, particularly along high volume congested corridors

The recommended strategic approach has three integrated elements

1. **Targeted investment** to support urban growth and complete the strategic public transport, roading and cycling networks. However, the signaled increased level of investment is a necessary but not sufficient step; in order to achieve the objectives it would also be necessary to ...

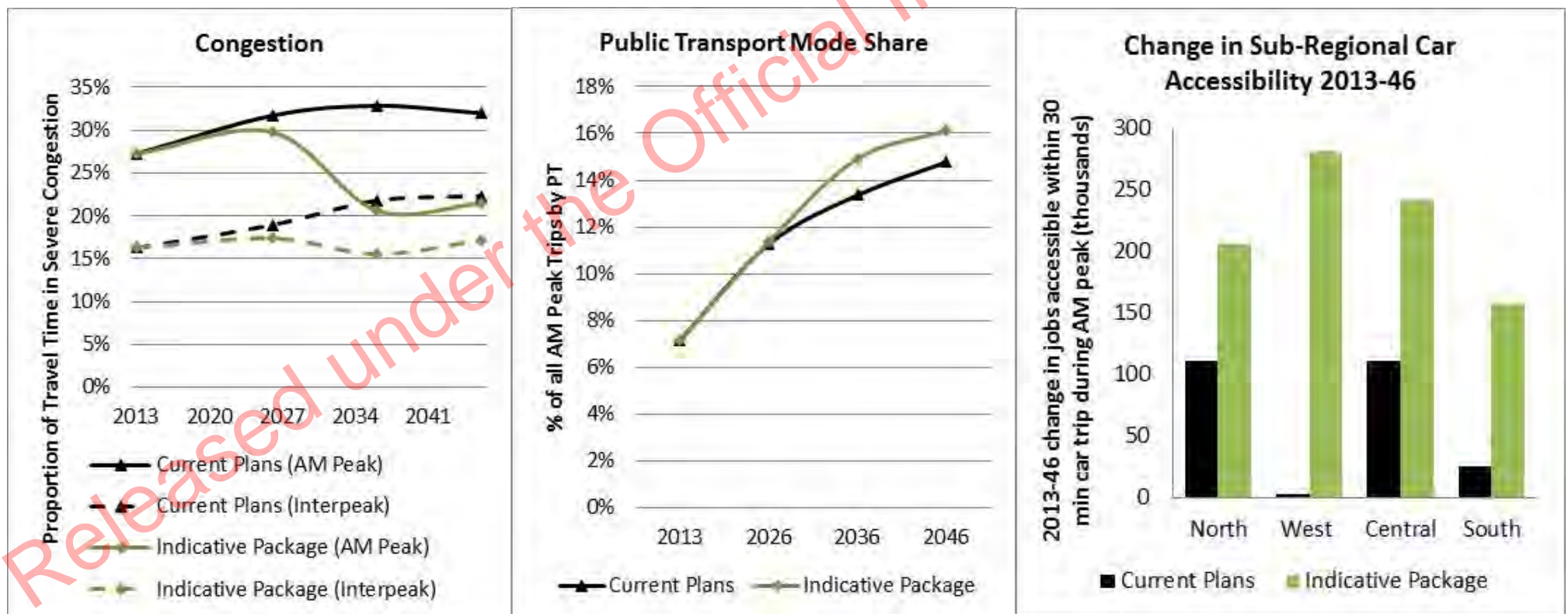
2. **Make better use of existing networks** by increasing the productivity (throughput) of key corridors through use of new technology and smart practices. Together with the targeted investment this would again be a necessary but not sufficient step. In order to achieve the agreed objectives for Auckland it would also be necessary to ...

3. **Influence travel demand** through better integrating land use and transport, and optimising the timing, mode and location of travel. Smarter transport pricing would be a particularly effective method for influencing demand



Implementing this approach will produce better outcomes than current plans

- The recommended approach is projected to deliver substantially better outcomes against the key project objectives of access to employment, congestion and public transport mode share, when compared to the current plan
- The current plan reflects the 30 year investment proposals that were developed for the 2015-25 Auckland Regional Land Transport Plan, this was referred to as the Auckland Plan Transport Network



The approach is set out in an indicative policy and investment package

- The indicative Auckland Transport Alignment Project package (shown on the following slide) outlines the types of interventions likely to be needed and the decade-by-decade timing
- It includes the indicative priorities for major new investments over the next 30 years
- These major investments include new greenfield networks developed as part of the Transport for Future Urban Growth project
- The package should not be seen as an ‘investment programme’, as neither the Government (including through the National Land Transport Fund) nor Auckland Council are able to commit to funding over 30 years and all transport investments need to go through statutory processes to proceed
- However it is recommended that the package should be the shared starting point for prioritising interventions with the Transport Agency’s partners

Auckland Transport Alignment Project package

Indicative priorities for major new investments		
Early Priorities (completion in decade 1)	Medium Term Priorities (completion in decade 2)	Longer Term Priorities (completion in decade 3)
<ul style="list-style-type: none"> Northwestern Busway (Westgate to Te Atatu section) Address bottlenecks on Western Ring Route (SH20 Dominion Rd to Queenstown Rd) and Southern Motorway (Papakura to Drury) New or upgraded arterial roads to enable greenfield growth in priority areas Protect routes and acquire land for greenfield networks Complete SH16 to SH18 connection Early Rail Development Plan priorities Upgraded eastern airport access (SH20B) Investments to enable smarter pricing Increased investment in Intelligent Network Management Progress advance works on medium-term priorities 	<ul style="list-style-type: none"> Continued investment to enable greenfield growth New strategic roads to Kumeu and Pukekohe Implementation of mass transit on isthmus and then to the Airport Bus improvements Airport – Manukau – Botany Improved access to Port/Grafton Gully Northwestern busway extensions Improve connection between East-West link and East Tamaki Penlink Medium-term Rail Development Plan priorities 	<ul style="list-style-type: none"> Continued investment to enable greenfield growth Southern Motorway improvements south of Manukau Southwest motorway (SH20) improvements and improved northern airport access Northern motorway widening Waitemata harbour crossing improvements, including mass transit upgrade of Northern Busway Longer term Rail Development Plan priorities

Underpinning the package is a new agreement on strategic public transport and roading networks

- The Auckland Transport Alignment Project has developed a view on how the strategic road and public transport networks should develop over the next 30 years, or what is meant by 'completing the strategic networks'



The indicative package provides guidance on the relative priority and timing of key investments

- **Additional Waitemata Harbour Crossing:** An additional crossing would significantly improve access and reduce congestion across the existing harbour crossing. However, the current tunnel plan has very high costs (around \$4 billion) The Auckland Transport Alignment Project indicative package includes the crossing as a longer-term priority (2038-48), and the report recommends continuing to protect the route for a new crossing in a way that integrates potential future road and public transport requirements
- **Isthmus mass transit:** Strong growth in employment and education in the central city, and employment and passengers in the broader airport precinct, is expected to drive the need for higher capacity public transport. The Auckland Transport Alignment Project has concluded that the constraints in the central area can be managed through bus efficiencies in the first decade but a higher capacity mode, possibly light rail, is likely to be required on the central isthmus (which is not well served by rail) in the medium-term (2028-2038)
- **New greenfield networks:** The need to develop new transport networks for the greenfield areas has been confirmed initially through the Transport For Urban Growth project which recognises the need for a prioritised response over the next 30 years. This would need to occur in conjunction with major investments to connect these new networks to the rest of the transport system

The cost of the indicative package is higher than current funding plans provide for

- The total cost of the indicative package for the first decade is approximately \$24 billion, including total improvement expenditure of \$13 billion
- This includes all projected capital and operational expenditure for State highways, local roads, public transport, rail and walking and cycling in Auckland between 2018 and 2028
- The Auckland Transport Alignment Project has estimated that, under Auckland Transport's 2015-25 Regional Land Transport Plan (informed by Auckland Council's 2015-25 Long Term Plan) and assumptions made about the National Land Transport Fund investment in Auckland over the first decade, there would be approximately \$20 billion in funds available for transport between 2018-2028
- Depending on assumptions made about the extent of co-funding from the National Land Transport Fund, most of the funding gap lies with Auckland Council under current policies
- Auckland Council's share of the indicative package in the first decade would exceed its current provision for transport expenditure in its 2015-25 Long Term Plan by some \$2.8 billion to \$4 billion
- The Auckland Transport Alignment Project has recommended that Auckland Council and the government work together to consider options and agree an approach to address the funding gap

The implications of the Auckland Transport Alignment Project are significant for the Transport Agency

- The Auckland Transport Alignment Project recommends that the Government Policy Statement on Land Transport 2018 (GPS) incorporate the recommended strategic approach for Auckland
- This would then flow into priorities for the Transport Agency, including our investment priorities for Auckland in the 2018 National Land Transport Programme
- The recommended approach proposes a higher level of infrastructure investment than current plans, subject to funding
- Under the project recommendations the Transport Agency would need to continue to deliver infrastructure at increased pace
- The project priorities for major investments will guide the Transport Agency's programme of developing investment business cases through to implementation
- In addition to continued infrastructure investment, the Transport Agency will need to increase its focus on making better use of the existing networks, including adopting new technologies and continuing to work closely with Auckland Transport
- Most importantly the 'step change' in performance of the transport system is largely expected to be driven by a greater focus on influencing demand, particularly by the introduction of smarter pricing

The Transport Agency could take a strong lead role in influencing demand, including smarter pricing

- Two key Auckland Transport Alignment Project priorities for influencing demand are actively encouraging increases in vehicle occupancy (encouraging ride-sharing) and progressively moving to smarter transport pricing
- The project has specifically recommended the establishment of a dedicated project to progress smarter transport pricing with a view to implementation within the next 10 years
- It is expected that this would need the agreement of Government before progressing
- While it would have a strong policy element, it is recommended that the Transport Agency takes a key role in progressing smarter transport pricing, utilising our wide expertise
- To take a greater focus on influencing demand, the Transport Agency will:
 - identify opportunities in current and future projects (for example through the provision of high occupancy lanes)
 - identify and progress non-infrastructure interventions (for example by providing better real time information, and shared mobility initiatives)
 - identify trials and prototyping possibilities for pricing and non pricing options
 - work with its partners to progress the smarter pricing project

The Government and Auckland Council are supportive of the recommended strategic approach and have led communications

- The recommended strategic approach was considered by the Government on 12 September 2016 and by the Auckland Council governing body on 15 September 2016
- The launch of the recommended strategic approach by the Minister of Transport and the Mayor of Auckland, occurred on Thursday 15 August and was attended by many key stakeholders
- Both the Minister and Mayor noted that having both Government and Auckland Council in agreement on the direction for Auckland's transport future was a significant positive milestone
- Early feedback from stakeholders on the recommended approach has been generally positive
- Again, the positive step of gaining alignment has been recognised, although there are a range of views on the elements of the indicative package with a key theme of wanting to bring more initiatives forward

The key risks relate to implementation - to be successful the Transport Agency needs to refocus

- The Auckland Transport Alignment Project proposes a significant shift in how the Auckland transport system is progressed
- To deliver this new integrated direction, the Transport Agency and its partners will also need to shift focus and resources
- The project identifies a number of key elements and recommended actions that will require greater progress to be made by the Transport Agency
- It will be important to ensure that the Transport Agency and its partners stay aligned with the proposed approach
- While it is expected that the strategic approach will evolve over time as new information emerges, it will be important that the alignment that has been established through the Auckland Transport Alignment Project is maintained

It is proposed that the outcomes of the Auckland Transport Alignment project be reflected in the Transport Agency's future strategy, priorities and work programme

- This would involve:
 - embedding the recommended strategic approach in the Transport Agency's business and prioritise the Transport Agency's efforts to align with the Auckland Transport Alignment Project's recommendations
 - prioritising and aligning the Transport Agency's efforts on the key investment priorities, including greenfield areas, identified by the Auckland Transport Alignment Project for the next decade
 - increasing efforts to make better use of existing networks and influencing demand, including smarter pricing, through a comprehensive work programme (which would require the Transport Agency to build new capability and add capacity in a number of areas)
 - providing analysis and advice on funding options as part of New Zealand's total long-term land transport investment requirements