

## Rapid Transit Framework

In confidence/Commercially sensitive

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### Purpose

To seek feedback on work to date on the development of a rapid transit policy and funding framework ahead of undertaking further engagement with the Ministry of Transport and KiwiRail.

### Recommendations

It is recommended the Board:

- **Notes** the Minister's letter of expectation requests Waka Kotahi to work collaboratively with the Ministry and KiwiRail to take a strategic, system-wide approach to planning rapid transit projects, and to partner with the Ministry and KiwiRail to prepare a single overarching framework that provides clarity and guidance for developing rapid transit strategies.
- **Provides feedback** on our work to date on key elements of a rapid transit framework, including a more detailed definition of rapid transit, rapid transit planning processes, roles and responsibilities, and principles for a funding framework.

### Strategic relevance

Rapid transit forms the backbone of public transport networks in our large cities, plays a growing role in meeting travel demand and shaping urban form by providing fast, frequent and highly reliable services on dedicated corridors unaffected by road congestion. Rapid transit corridors are nationally significant for the movement of people, and for supporting and enabling growth in our major cities – with the capacity to move far more people than State highways, free from road congestion. Rapid transit investments are typically very large and complex, take a long time to plan and deliver, and have long-lasting impacts on transport and urban development outcomes.

Successful rapid transit is critical to key GPS priorities, including mode shift, reducing carbon emissions, shaping urban form and delivering better economic, environmental and social outcomes.

To ensure we realise these benefits and can deliver the next generation of rapid transit investments more efficiently, equitably and consistently, a clearer policy framework is required.

## Background

Rapid transit investments to date (e.g. Northern Busway, Auckland rail electrification, Wellington rail network upgrades, City Rail Link etc.) have delivered (or are expected to deliver) transformational benefits. However, these projects have taken exceptionally long to plan, design and deliver. They have ad hoc funding and delivery arrangements that are inequitable and have missed key opportunities, such as value capture.

Major upgrades and expansions to Auckland and Wellington's rapid transit networks are planned. Other large and fast-growing cities in NZ are also planning rapid transit networks (Hamilton, Christchurch, Tauranga, Queenstown). The National Policy Statement for Urban Development will focus growth and development around rapid transit much more in the future, supporting the success of these networks.

The need for a clearer and more consistent policy framework for rapid transit has been recognised for some time. The Board approved a Rapid Transit Strategic Framework in September 2020, highlighting the national importance of rapid transit investments for New Zealand's fast-growing major cities. This paper sets out the work undertaken since the Board's decision on key elements of a rapid transit framework, including a more detailed definition of rapid transit, rapid transit planning processes, roles and responsibilities, and principles for a funding framework.

In December 2020, the Board also approved extending existing 'bespoke' funding arrangements for rapid transit for the 2021 NLTP while further work was undertaken to confirm a more enduring framework.

The Minister's letter of expectation for 2021/22 confirms the need to progress this work, noting the Government's recognition that a 'co-ordinated, consistent and planned approach to investment in rapid transit' is required. The Minister requests that Waka Kotahi:

- Work collaborative with the Ministry and KiwiRail to take a strategic, system-wide approach to planning rapid transit projects, including in relation to the urban development opportunities they unlock;
- Partner with the Ministry and KiwiRail to prepare a single overarching framework, providing clarity and guidance to stakeholders wanting to develop long-term strategies for rapid transit.

## Key issues

Our work to date provides a solid foundation for engagement with the Ministry and KiwiRail in developing a rapid transit framework. The table below provides some of the key insights from this work:

Issue	Insights from work to date
Defining rapid transit	<ul style="list-style-type: none"><li>• The GPS and National Policy Statement on Urban Development provide a high-level definition of rapid transit, but this needs to be fleshed out in more detail to ensure consistency in understanding what is and is not rapid transit.</li><li>• Key criteria for rapid transit relate to corridor significance, service speed, frequency, reliability and capacity. There is also an important overall consideration of service quality in comparison to private vehicles.</li></ul>

Issue	Insights from work to date
Planning rapid transit	<ul style="list-style-type: none"> <li>• Current practice mostly plans rapid transit through project-specific business cases. Network integration across different projects is challenging and key decisions on mode and corridor sequencing are made in ad hoc, highly politicised, ways.</li> <li>• Spatial plans (as proposed through the government's Resource Management Act reform) and a much greater focus on network planning can help address these issues and leave business cases to focus on project specific matters.</li> </ul>
Roles and responsibilities	<ul style="list-style-type: none"> <li>• Unclear roles and responsibilities have led to inconsistent and ad hoc approaches to project implementation, undermining the efficient implementation of rapid transit projects.</li> <li>• Spatial and network planning should be led jointly by Waka Kotahi and regional councils. A single delivery agency should have responsibility for designing and consenting rapid transit projects. Special purpose vehicles may be appropriate for delivery once key planning and design decisions have been made.</li> <li>• Regional councils should continue to operate rapid transit services, as part of the wider public transport network.</li> </ul>
Funding framework	<ul style="list-style-type: none"> <li>• Existing funding frameworks are historically based on state highways or small public transport projects, neither of which map across to rapid transit effectively. Bespoke funding arrangements have been required (e.g. City Rail Link) which take a long time to negotiate and can create inconsistencies and inequities.</li> <li>• A rapid transit funding framework will be complex, with key issues needing to be traded off against each other. Key principles have been developed, including: <ul style="list-style-type: none"> <li>○ Equitable funding contributions from beneficiaries</li> <li>○ A range of funding sources will be required</li> <li>○ Value capture should be considered</li> <li>○ A higher government contribution will be required</li> <li>○ Certainty and mode neutrality are important factors to consider</li> </ul> </li> </ul>

Fully developing and implementing a framework for rapid transit will take some time, especially as the details of roles, responsibilities and funding are worked through. Other parts of the framework, especially making improvements to how rapid transit planning is undertaken, can be progressed more quickly.

One example of this is the Auckland Rapid Transit Network Plan, which is being developed by partners in the Auckland Transport Alignment Project (ATAP). This Plan will help address key deficiencies in the planning of rapid transit in Auckland by providing a sequenced plan of investment to deliver Auckland's rapid transit network over the next 30+ years, including initial direction around the mode and timing of key corridors, and how they integrate with each other and the wider public transport network.

### Next steps

As per the Minister's letter of expectation, we will partner with the Ministry and KiwiRail to flesh out the rapid transit framework and finalise the details of what specific policy changes are required (and confirm the decision-makers) to address the key gaps identified through our work to date.

## Health & safety, customer/stakeholder & environmental impact

This paper is expected to have a neutral impact on health and safety, customer/stakeholder and environmental issues. Implementation of a more cohesive rapid transit framework will positively impact on all these issues, by helping to facilitate projects that will deliver a safe and sustainable way of travelling around our major urban areas. More cohesive planning of rapid transit will also help the public better understand key issues and trade-offs in key decisions on these major projects, assisting future detailed stakeholder engagement.

## Attachments

**Attachment 1**    Rapid Transit Framework – Summary

**Attachment 2**    Rapid Transit Framework – Key Issues and Initial Insights