

Frequently Asked Questions

- from provisional funding assistance rates framework discussions

November 2013

During September and October we've been speaking to stakeholders about a provisional framework for how Funding Assistance Rates could be set and applied in the future – you can view a summary of the provisional framework [here](#). We have also been asking Councils what factors make it materially harder for them to deliver land transport outcomes.

We've heard some frequently asked questions during these discussions:

Q. HOW WOULD 'SPECIAL PURPOSE ROADS' BE DEALT WITH?

A. "Special purpose roads" are a group of local roads and other carriageways that for a number of years have received very high funding assistance rates. A number (but not all) of them run through or provide access to National Parks

In the provisional framework we are proposing that the same funding assistance rate would apply to all of the land transport activities an approved organisation undertakes (other than where targeted enhanced rates are used or, possibly, for emergency works). This means that, for those local authorities with special purpose roads, activities on their special purpose roads would receive the same funding assistance rate as activities on their other local roads.

We are proposing that the funding assistance rate a council receives would be set taking into account factors that materially affect its ability to deliver optimal land transport outcomes. We are currently looking at what those factors should be, and will release some options for setting Councils' rates for public consultation later this year. One factor that has been suggested by some Councils, is that we should take into account the amount of non-rateable public conservation land within their area. We are looking into whether or not this is one of the factors that should be used in setting rates.

You can view details of the current Special Purpose Roads at this [link](#).

Q. HOW WOULD TOTAL MOBILITY SERVICES FUNDING BE DEALT WITH?

A. Currently the funding assistance rates for total mobility services are set on an incentives approach. There is a graduated funding assistance rate based on the extent to which regional councils are signed up to the Ministry of Transport's Total Mobility Services scheme.

Under the provisional framework we are proposing that the same funding assistance rate would apply to all of the land transport activities an approved organisation undertakes (other than where targeted enhanced rates are used or, possibly, for emergency works). This means that a regional council/unitary authority would receive the same funding assistance rate for Total Mobility Services as it would for all other land transport activities that it undertakes (that are eligible for investment from the National Land Transport Fund).

However, the provisional framework also allows for targeted time limited enhanced funding assistance rates to be used in order to give a kick start to incentivise, and enable, an approved organisation to make a step change in levels of service or the way they are delivering services. In theory such a rate could be used at some point in the future to give a kick start to incentivise, and enable, regional councils and unitary authorities to make a step change in levels of service for or the way they are delivering total mobility services.





Q. HOW WOULD ROAD SAFETY PROMOTION FUNDING BE DEALT WITH?

A. Currently the funding assistance rate for territorial/unitary authorities' road safety promotion is the same as their construction funding assistance rates. The funding assistance rate for regional council's road safety promotion is a weighted average construction funding assistance rates based on the rates of the territorial authorities in their region.

Under the provisional framework we are proposing that the same funding assistance rate will apply to all of the land transport activities an approved organisation undertakes (other than where targeted enhanced rates are used or, possibly, for emergency works). This means road safety promotion would receive the same funding assistance rate as other types of activities that can be used to address road safety issues (such as transport planning; capital improvements to roads, walking and cycling facilities and public transport infrastructure; and operational changes to roads and public transport). This would be consistent with a Safe System approach which looks across the entire land transport system to improve safety by creating safer roads and roadsides, safer speeds, safer vehicles and safer road use.

For further information on the Funding Assistance Rates review please visit www.nzta.govt.nz/FAR
