

Attachment 1 - Main Themes in Submissions on the Funding Assistance Rates Review Options Discussion Document

Submissions on the Funding Assistance Rates Review Options Discussion Document closed on 28 March 2014. We received 93 submissions (some of them from multiple submitters). All but four territorial authorities made submissions.

Different funding assistance rates for some councils

Most submitters supported the idea that those councils who would find it hardest to find the local share of the costs of land transport activities should receive higher funding assistance rates. However, some submitters sought for every council in the country to be given a different funding assistance rate depending upon the 'score' they obtained under the chosen metrics used as proxies for councils' ability to find the local share. Others felt that only councils who were truly outliers, e.g. the Chatham Islands, should receive higher rates than other councils.

There was division of opinion in the submissions as to which of the metrics consulted on should be used as proxies for councils' relative ability to find the local share of costs but overall there was most support for a metric which took into account the size of the land transport 'job' a council had to undertake e.g. the number of lane kilometres of local road in a council's district.

One Network Road Classification

The provisional framework provides that National Land Transport Fund revenue would only be used towards the eligible costs of undertaking or maintaining a land transport activity to fit for purpose standards. Some concern has been expressed in submissions that there is uncertainty as to exactly what this would mean until the full implications of the One Network Road Classification are better understood.

Overall NLTF co-investment rate

Of the options consulted on all councils sought for the National Land Transport Fund to on average meet 53% of the costs of eligible local authority land transport activities (i.e. they sought a 53% 'overall NLTF co-investment rate'). However a number of submitters felt that changes should be made to the funding ranges in the GPS and/or the revenue sources for the National Land Transport Fund to enable that overall co-investment rate to be higher.

Emergency works

Most territorial authorities (other than those who are currently heavy users of emergency works funding) supported the principle that elevated emergency works funding assistance rates should only apply to clean-up and reinstatement following out of the ordinary short-term natural events.

One rate?

On the whole the submissions supported the idea of each council receiving one funding assistance rate for all the land transport activities it undertakes that are eligible for funding from the National Land Transport Fund. However many submissions sought for exceptions to be made (and higher funding assistance rates to be retained) for:

- Special purpose roads (*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. Many of them run at least in part through the public conservation estate and some are former State highways.*)
- Warning devices on local road/rail level crossings
- Total mobility services
- Local authority run road safety education and advertising

Transitioning and targeted enhanced rates

Most submitters supported (1) Gradual transitioning-in of any changes to funding assistance rates; and (2) The use of targeted enhanced funding assistance rates for time limited periods.

