

In Confidence

Office of the Minister of Transport

Chair, Cabinet Economic Development Committee

Government Policy Statement on Land Transport 2021 – release of draft for public engagement

Proposal

1. This paper seeks Cabinet agreement to undertake public engagement on the proposed content of the draft Government Policy Statement on Land Transport (GPS) 2021/22–2030/31.

Executive summary

The purpose of the GPS

2. The GPS provides guidance on how over \$4 billion is spent through the National Land Transport Fund (NLTF) each year, and guides co-investment from local government and any additional financing. It is the Government's main statutory lever to ensure that investment in land transport reflects government priorities over the next ten years. The GPS must be reviewed every three years.
3. Government has high ambitions for a limited pot of funding (the NLTF), which has no built in increases beyond this year and faces construction costs that are rising higher than the rate of inflation. Despite contributions to land transport infrastructure from the Crown through the Infrastructure Investment Package (announced in December 2019) and contributions to rail (to be determined by Budget 2020), funding pressures will remain. The investment strategy set out in the draft GPS 2021 has been carefully considered in light of these pressures.

Priorities of the draft GPS 2021 and delivering Government commitments

4. The draft GPS 2021 (attachment 1) consolidates the direction of GPS 2018, with clearer and stronger direction on what the Government is seeking from land transport investment. It incorporates transport strategies that Cabinet has endorsed since GPS 2018 was released¹.
5. I propose three strategic priorities for land transport investment over the next ten years:
 - 5.1. **Safety:** developing a transport system where no-one is killed or seriously injured
 - 5.2. **Better travel options:** providing people with better transport options to access social and economic opportunities.
 - 5.3. **Improving freight connections:** to support economic development.

¹ Auckland Transport Alignment Project, Let's Get Wellington Moving, Road to Zero and the below rail components of the Rail Plan.

6. Each strategic priority will guide investment to meet multiple outcomes. Outcomes focused on the environment (including climate change) and value for money apply across all priorities, programmes and activity classes.
7. A large proportion of national land transport fund will continue to be focused on maintaining levels of service. I propose the GPS 2021 is explicit about the investment commitments that the Government has made for new investment, to provide certainty for users and make clear how I expect the Waka Kotahi NZ Transport Agency (the Transport Agency) to support the following commitments:
 - 7.1. Auckland Transport Alignment Project
 - 7.2. Let's Get Wellington Moving
 - 7.3. Road to Zero
 - 7.4. enabling a reliable and resilient rail network as outlined in the draft New Zealand Rail Plan (the Rail Plan).²
8. The strategic direction section of the draft GPS 2021 explains how regions will benefit from the Road to Zero strategy (where 70 percent of improvements should be outside of Wellington and Auckland), a better maintained network, and improved freight connections for primary producers to reach markets.

Engagement

9. I propose to engage with stakeholders from 11 March to 24 April 2020 on the attached draft GPS 2021. I will report back to Cabinet on the final form of the GPS 2021 in June 2020, prior to its release in July 2020. This timeline gives local authorities and the Transport Agency a year to reflect the final GPS 2021 in their transport plans, before it comes into effect.

² Commercial rail investments in KiwiRail, such as in new locomotives or ferries, will continue to be funded as they are now through Crown injections directly into KiwiRail. The metropolitan rail networks in Auckland and Wellington already receive funding from the NLTF through Auckland Transport and Greater Wellington Regional Council.

The purpose of the GPS

10. The GPS is the main statutory lever for Government to indicate how the NLTF should be invested, and to guide co-investment from local government and any additional financing.
11. As required by the Land Transport Management Act 2003 (LTMA 2003), the GPS sets out what the Government wants land transport to achieve over ten years through investment in different types of activity (for example, roads, road policing and public transport) and how much funding will be provided to do this. The GPS must be reviewed every three years.
12. The Transport Agency gives effect to the GPS through the National Land Transport Programme (NLTP), which sets out the projects that the NLTF will be invested in to fulfil the Government's aims for land transport. This is made up of projects from Regional Land Transport Plans (RLTPs), which must be consistent with the GPS, and projects proposed by the NZTA.

Funding context of GPS 2021

13. The GPS provides guidance on how over \$4 billion is spent through the National Land Transport Fund (NLTF) each year, and guides co-investment from local government and any additional financing.
14. GPS 2018 set high expectations to initiate a shift in investment away from state highways and towards public transport and walking and cycling. Some of this shift was achieved through rebalancing investment between modes through activity classes. Some will be achieved by changing the way the Transport Agency assesses investments. This work is being progressed through a joint Ministry of Transport and Transport Agency programme to revise the Transport Agency's Investment Decision Making Framework and Economic Evaluation Manual to account for the wider transport outcomes this government is seeking. This new framework should be in place by time GPS 2021 comes into effect.
15. In forming the draft GPS 2021, I have worked closely with the Transport Agency to understand the base investment required to maintain current levels of service in the land transport system, complete already committed projects, and additional pressures on the NLTF. I have also reflected upon the lessons learned from the first year of implementing GPS 2018.
16. The size of the NLTF does not automatically rise in line with cost increases. Construction costs are rising faster than the NLTF (and faster than general inflation). With no Fuel Excise Duty (FED), Road User Charges (RUC) increases planned to help meet this pressure, the purchasing power of the NLTF will decrease – it will “buy” less for the same amount. The NLTF is also under pressure from increasing costs from extreme weather events, which to date have been insured against by investing in a resilient network and setting aside funding for reactive emergency work.
17. This committee has also taken decisions to provide for a portion of the NZTA's regulatory activities and the Ministry's monitoring function to be top-sliced from land transport revenue prior to inclusion in the NLTF [DEV-19-MIN-0261 refers]. This further reduces funds available to implement the GPS.
18. In addition, the NLTF is expected to pay for bigger investments. For example, some of our cities are growing beyond the ability of their public transport networks to support them. The necessary

change to transport services and networks will add to pressures on the NLTF. The additional of rail to the NLTF, whilst bringing all of land transport together in the same investment pot, also creates a new cost pressure on NLTF funding to meet its share of funding.

19. This committee recognised the need for ongoing Crown contributions in order to implement the rail plan [DEV-19-MIN-0225 refers]. The funding split between the Crown and NLTF will be determined by Budget 2020, which will impact the pressure on the NLTF and may change the funding ranges of the final GPS 2021.
20. In December 2019, Government announced a Crown Infrastructure Investment Package. This provides \$6.8 billion for 22 transport projects across New Zealand. These projects were chosen because there is a need to progress them as key infrastructure priorities, but they were not funded through GPS 2018 and would be unlikely to be funded through GPS 2021 due to funding constraints and focus on more immediate priorities.
21. The Ministry of Transport's modelling for GPS 2021 indicated that around \$2 billion would be spent over the next 10 years on projects that have been included in the package. This relieves some pressure that the NLTF would have otherwise faced in delivering new Government commitments such as the Road to Zero strategy, which involve significant cost. It also enables faster delivery of some of the government's existing priorities, such as the Auckland Transport Alignment Project (ATAP).
22. I have carefully formed the investment strategy proposed in the draft GPS 2021 to take account of both the ongoing needs of the transport system and the steps still needed to achieve the vision this government has for the future system. The Transport Agency will need to manage the NLTF to meet these challenges and also fund the ambitious objectives this government has for the land transport system. The difficulty of balancing funding to meet these challenges during GPS 2021, without FED and RUC increases, should not be underestimated.

The current GPS 2018

23. The Government published the current GPS in 2018. Safety and access were the key strategic priorities, with the environment and value for money as supporting priorities. For the first time, the GPS brought mode neutrality³ and liveable cities to the forefront of land transport investment. A decrease in funding for state highway improvements aimed to correct the structural imbalance of funding, while enabling funding to support this Government's focus across all transport modes.
24. GPS 2018 was developed and published at pace to ensure that implementation of this Government's priorities could begin during this term of government. There were a number of issues that were unable to be included in GPS 2018, due to timing constraints. These were:
 - enabling funding for alternate modes such as the rail network (outside of metropolitan rail areas) and coastal shipping
 - a new safety strategy

³ Defined as considering all modal options, appraising them in a neutral way, increasing funding for some modes to reflect past imbalances, and making costs more transparent to users to influence their decision making.

- further defining the role of transport in urban growth and the regions
- considering the affordability of public transport
- reflecting further action to reduce greenhouse gas emissions from transport
- reflecting work undertaken to investigate the appropriateness of current evaluation practices.

25. I initially considered publishing a second stage GPS 2018 to incorporate these areas, but given the large step-change in investment direction between the GPS 2015 and GPS 2018, I decided that incorporating these areas into the draft GPS 2021 would better allow local government and the Transport Agency to adapt and deliver the Government's priorities. Some areas are already being addressed outside the GPS:

- 25.1. The Transport Agency and Ministry of Transport are undertaking a review of current evaluation practices
- 25.2. Cabinet is considering a Green Transport Card to reduce public transport fares for people on low incomes.

Overview of the draft GPS 2021

26. The draft GPS 2021 consolidates the direction of GPS 2018 and reflects strategies Government has released since GPS 2018. It has a new, clearer format to improve understanding and implementation of the Government's priorities and direction. I propose publishing the draft GPS 2021 Transitions Guide (attachment two), which should help users understand the differences and similarities between GPS 2018 and GPS 2021. Once users are familiar with the new GPS, the guide will no longer be needed, which is why I propose publishing it as a separate document.

Roles and Responsibilities

27. The draft GPS 2021 opens with a new section outlining the role of the GPS and the responsibilities of each of the relevant parties in the land transport sector in relation to the GPS. This follows feedback gathered from local government during the Ministry of Transport's regional roadshows in early 2019.
28. This new section strengthens the information that was annexed in the previous GPS to provide further clarity on the role of the GPS, NLTP and RLTPs in land transport investment. It reinforces the need for joint planning and cooperation including work with the Ministry of Housing and Urban Development so that transport and land-use policy have a consistent strategic direction. This is essential to achieve an integrated land transport system that works for the New Zealand of the future.

Strategic direction: strategic priorities

29. I have re-organised the four GPS 2018 priorities into three strategic priorities in GPS 2021. This separates out the access priority from 2018, to make it easier to interpret as it encompassed many aspects. The relationships between the GPS 2021 and the GPS 2018 priorities are set out in table 1.

Table 1: Comparison of GPS 2018 priorities with GPS 2021 priorities

GPS 2018 Priorities	GPS 2021 Priorities	Notes
<p>Safety (Key priority)</p> <p>a safe transport system, free of death and serious injury</p>	<p>Safety</p> <p>Developing a transport system where no-one is killed or seriously injured while travelling</p>	<p><i>Safety remains a key priority, with the wording updated to reflect the Road to Zero strategy.</i></p>
<p>Access (Key priority)</p> <ul style="list-style-type: none"> providing increased access to economic and social opportunities enabling transport choice and access resilient 	<p>Better travel options</p> <p>Providing people with better transport options to access social and economic opportunities.</p> <p>Improving freight connections</p> <p>Improving freight connections to support economic development.</p>	<p><i>Access remains a key priority, but is now covered in two parts to provide clearer guidance. GPS 2021 continues to support better urban transport options and well-connected freight routes. The detailed descriptions of these priorities explain the role of choice, access and resilience.</i></p>
<p>Environment</p> <ul style="list-style-type: none"> reduces greenhouse gas emissions, as well as adverse effects on the local environment and public health 	<p><i>GPS 2021 is just one of the tools Government can use to reduce land transport emissions. It can also use regulations, standards, direct investment and incentive schemes.</i></p> <p><i>Reducing greenhouse gases and pollutants is embedded throughout the GPS and will be supported by investing in the GPS 2021 strategic priorities. In particular, strong support for rapid transit, rail, public transport, walking, and cycling will support shifts to cleaner and more efficient forms of transport. GPS 2021 also reinforces integrated planning for transport and land use which, taking account of Government policy on urban development, also aims for better environmental outcomes.</i></p>	
<p>Value for money</p> <ul style="list-style-type: none"> delivers the right infrastructure and services to the right level at the best cost 	<p><i>GPS 2021 embeds value for money throughout the GPS as a principle that should always be expected from investments. GPS 2021 encourages co-benefits to be considered when developing business cases (e.g. for health, resilience, or environmental sustainability).</i></p>	

30. Under each strategic priority, GPS 2021 highlights the short to medium term results the Government expects to see as a result of investment (such as a reduction in the number of deaths and serious injuries), and how to deliver these outcomes (such as implementing Road to Zero). These can be found on pages 13 to 18 of the draft GPS 2021.
31. Examples of indicators that will be used to measure progress towards results have been included in the draft GPS 2021. We are not seeking feedback on the indicators as they are indicative only. The full list of appropriate indicators that will measure whether the aims of the GPS have been achieved will be provided in the final GPS 2021 when the strategic direction has been determined after public engagement. These indicators will be used to complete holistic, high level reporting against GPS 2021 annually. This will complement existing programme-level reporting (on ATAP for example) and regular NZTA reporting on the NLTF.

Providing clarity on how regions will benefit from GPS 2021

32. During the Ministry of Transport's regional roadshows in early 2019, local government requested further clarity in future GPSs around how the priorities apply to regions. Page 18 of the draft GPS 2021 acknowledges the different needs of regional New Zealand and the enabling role transport plays in regional development.
33. Key areas of focus in the draft GPS 2021 for regions include:
 - I. implementing the Road to Zero strategy (where 70 percent of improvements should be outside of Wellington and Auckland)
 - II. improving the freight network for primary producers to markets
 - III. sufficient funding to maintain networks to the condition required to ensure a safe and resilient network.

Investment strategy

34. The investment section of the draft GPS 2021 describes investment in land transport to deliver the strategic priorities. This is primarily through the NLTF, which is collected from FED, RUC and Motor Vehicle registration, with co-investment from local government and funding and financing.
35. The draft GPS 2021 sets the expectation that the sector and the government will work better together to ensure that all appropriate funding and financing approaches are considered, beyond the NLTF, for largescale and long-term programmes. The draft GPS provides further detail on when alternative funding and financing is appropriate and highlights that a funding and financing toolkit will be released with further guidance.

Principles for investing

36. It is important to me that value for money is considered for all investments made under GPS 2021. The principles for investing section (page 24) explains that when investing the NLTF, investments must align with the strategic direction of the GPS and make a meaningful contribution to the results identified in the GPS at an appropriate cost.
37. The principle of optimising the existing transport network, employing land use management, and encouraging behaviour change to manage demand is described. Taking advantage of the

opportunities arising from innovation is also encouraged as it can support value for money by providing alternatives or better choices in the way investments are made and used.

38. Finally this section explains that lead investments (investing ahead of demand) may represent value for money to support future developments. In GPS 2021, lead investment will help provide access to serviced land for housing development in high growth urban areas.

Dedicated funding and activity classes

39. The GPS sets activity classes with funding ranges and expenditure targets for the NLTF. As table 2 shows, most activity classes continue or increase levels of investment signalled in GPS 2018. Two activity classes appear lower than in GPS 2018. These are:
 - 39.1. the public transport activity classes – there will be an additional ~\$1 billion investment in public services infrastructure from the Crown Infrastructure Investment Package announced in December 2019
 - 39.2. local road improvements – as \$1.2 billion additional expected investment on local roads is instead reflected in the Road to Zero activity class
40. Government's infrastructure investment package announced in December 2019 brings overall investment in land transport to \$55 billion over 10 years. The combined investment is explained in the draft GPS 2021 but is not evident by focusing on the GPS activity classes (table 2) alone, which only show NLTF funding.
41. As set out on page 18 of the draft GPS 2021, I have made clear the specific areas of GPS 2021 from which regional New Zealand should benefit. This will be achieved through investment across multiple activity classes in the GPS so I propose that the regional improvements activity class is removed.
42. Funding ranges reflect the ATAP funding assumptions in respect of City Centre to Mangere rapid transit. I expect the final GPS will reflect the result of the process that is currently underway to select a project delivery partner.

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Table 2: Activity classes and proposed funding ranges for draft GPS 2021

Activity Class	Notes		GPS 2021 funding ranges						Forecast funding ranges			
			2021/22 \$m	2022/23 \$m	2023/24 \$m	2024/25 \$m	2025/26 \$m	2026/27 \$m	2027/28 \$m	2028/29 \$m	2029/30 \$m	2030/31 \$m
Road to Zero	<p>The 2018 safety activity classes are reframed as the Road to Zero activity class in GPS 2021. This incorporates the road policing and safety promotion activity classes from GPS 2018. It also incorporates infrastructure funding previously delivered through the state highway improvements, local road improvements, and regional improvements activity classes. This activity class will be used to implement the Road to Zero strategy.</p> <p>Following the disbandment of the road safety promotion and demand management activity class, the draft GPS 2021 proposed that travel demand management activities are funded from other relevant activity classes, depending on the intervention undertaken.</p>	Upper Lower	910 820	940 840	980 870	1000 900	1040 930	1070 960	1080 970	1110 1000	1140 1020	1170 1050
Public transport services	<p>The draft GPS 2021 proposes splitting the public transport activity class into public transport services and public transport infrastructure. This will allow more transparency about the level of investment required to maintain existing levels of service as opposed to investing to improve levels of service. The infrastructure for the Auckland and Wellington metropolitan rail networks and inter-regional rail that began under the transitional rail activity class in GPS 2018 will now be funded through the public transport infrastructure activity class.</p>	Upper Lower	540 390	560 410	660 420	820 430	900 440	920 450	950 470	970 480	1000 490	1030 510
Public transport infrastructure		Upper Lower	770 500	620 410	660 370	780 340	830 340	850 350	810 350	810 350	850 370	870 380
Walking and cycling improvements	Scope is unchanged. Funding is higher compared to GPS 2018.	Upper Lower	145 95	140 90	160 105	115 75	115 75	115 75	120 80	120 80	120 80	120 80
Local road improvements	This incorporates relevant investment that would have previously appeared under the regional improvements activity class. Safety specific improvements that would have previously been funded from this activity class now appear in the Road the Zero activity class.	Upper Lower	300 120	250 100	260 100	260 110	130 50	130 50	140 50	140 60	140 60	150 60
State highway improvements	This incorporates relevant investment that would have previously appeared under the regional improvements activity class. Safety specific improvements that would have previously been funded from this activity class now appear in the Road the Zero activity class	Upper Lower	1300 1000	1050 850	1100 850	950 750	850 650	750 550	600 450	500 350	450 350	450 300

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Activity Class	Notes		GPS 2021 funding ranges						Forecast funding ranges			
			2021/22 \$m	2022/23 \$m	2023/24 \$m	2024/25 \$m	2025/26 \$m	2026/27 \$m	2027/28 \$m	2028/29 \$m	2029/30 \$m	2030/31 \$m
State highway maintenance	Scope is unchanged. Funding is higher compared to GPS 2018.	Upper Lower	860 740	880 750	900 770	940 800	970 830	1020 870	1060 910	1110 950	1150 980	1190 1020
Local road maintenance	Scope is unchanged. Funding is higher compared to GPS 2018.	Upper Lower	760 650	780 670	800 680	820 700	840 720	860 730	880 750	900 770	930 790	950 810
Investment management	No change to scope. Funding is higher compared to GPS 2018.	Upper Lower	80 70	85 75	90 75	90 75	90 80	95 80	95 80	95 85	100 85	100 85
Rail network	The new rail network activity class provides funding to KiwiRail to maintain and renew the national freight rail network as per the Rail Plan. The Rail Plan is currently out for engagement and we are amending legislation to implement a new planning and funding framework. Metro rail will be funded through the public transport infrastructure activity class. Figures will be provided after Budget 2020 is released.	Upper Lower	85 40	85 40	85 40	85 40	85 40	85 40	85 40	85 40	85 40	85 40
Coastal shipping	The draft GPS 2021 proposes a new activity class to support coastal shipping. My intention is that this investment will support choice for freight transporters, to allow New Zealand flagged coastal shipping to operate on a level playing field as other freight operators, and to enhance the sustainability and competitiveness of the domestic sector. The activity class signals three years of initial funding. During this time the best interventions for the sector can be explored, and inform further funding decisions in the next GPS.	Upper Lower	15 10	15 10	15 10	0 0	0 0	0 0	0 0	0 0	0 0	0 0

Proactively released by
the Ministry of Transport

A new focus on delivering Government commitments

43. Since GPS 2018 was released, the Government has completed further work on areas that require NLTF funding. To make clear that I expect funding to be made available for these commitments, GPS 2021 identifies four areas that I expect to be factored into the NLTP and have robust monitoring and reporting arrangements to demonstrate achievement. This should provide certainty of funding and also provides transparency for GPS 2021 users.

44. These areas are:

- I. Auckland Transport Alignment Project
- II. Let's Get Wellington Moving (LGWM)
- III. Road to Zero (around 70 percent of this investment should be outside of Auckland and Wellington)
- IV. Improving Freight Connections (enabling a reliable and resilient rail network as outlined in the draft the Rail Plan)

45. Sufficient funding has been made available in the draft activity classes to support the NLTF share of these areas.

Crown Funding

46. The GPS is required to outline any Crown contributions that are outside of the NLTF. The draft GPS reflects the transport element of the Government's infrastructure investment package, announced in December 2019.

47. The final GPS 2021 will reflect any decisions relevant to land transport from Budget 2020, such as the Crown funding required to fully implement the Rail Plan.

Ministerial expectations

48. Ministerial expectations outline how the Transport Agency should implement the GPS. Wording has been made clearer and updated to reflect areas of focus for GPS 2021. As drafted, key changes to the Ministerial expectations on Transport Agency cover:

- 48.1. greater collaboration between agencies to develop NLTP and RLTPs that reflect the draft GPS 2021 priorities and deliver shared national and regional objectives
- 48.2. linkages between transport investment and broader government outcomes such as on climate change
- 48.3. supporting a future focus in land investment, particularly around securing land and land use authorisations for future transport infrastructure
- 48.4. strengthening ability to manage delivery across projects, packages and programmes
- 48.5. ensuring delivery of ATAP, LGWM and Road to Zero and a package of work to improve freight connections (which includes working with KiwiRail to ensure implementation of the Rail Plan)

- 48.6. playing a more proactive role in accelerating mode shift (away from single occupant car journeys in towns and cities to shared and active modes)
- 48.7. considering a broader range of funding and financing options to deliver national and regional objectives (this would support the use of existing mechanisms available to the Transport Agency to negotiate cost-share of projects that would otherwise have specific Funding Assistance Rates).

Engagement on the draft GPS 2021

- 49. Under the LTMA, before issuing a GPS, I am required to have regard to the views of Local Government New Zealand and representative groups of land transport users and providers. I am also required to consult with the Board of the Transport Agency.
- 50. I propose to engage with stakeholders from 11 March to 24 April 2020 on the attached draft GPS 2021. To facilitate that process, I propose to release the attached draft GPS 2021 and the Transitions Guide to these stakeholders, and to make them available to the public on the Ministry of Transport's website. I will formally consult the Board of the Transport Agency on an updated GPS 2021 following public engagement.
- 51. Based on previous engagement, I anticipate that stakeholders' views on the draft GPS 2021 could include:
 - 51.1. support from local government for the focus on economic development, road safety, increased focus on the importance of maintaining the road network, and the integration of housing and transport planning
 - 51.2. the reference to supporting mode shift plans in Auckland, Tauranga, Hamilton, Wellington, Christchurch and Queenstown is likely to be well received in those metropolitan areas
 - 51.3. some communities may have concerns about motorway projects not going ahead but the significant \$6.8 billion infrastructure investment announced in December 2019 will advance a number of these projects
 - 51.4. the shipping sector will likely welcome the support for coastal shipping
 - 51.5. public transport users and cyclists are likely to support the increased focus on mode shift
 - 51.6. concern that the regional improvements class may reflect a change in support for regional New Zealand but new wording in the draft GPS 2021 provides clarity for how regions will benefit
 - 51.7. a desire from Living Streets Aotearoa that the GPS will protect investment for walking projects.

Finalising GPS 2021

- 52. After the engagement process concludes in April 2020, feedback will be considered and revisions made. I will bring the final GPS to Cabinet in June 2020, seeking agreement to its release, a year ahead of it coming into effect. This timing will allow sufficient time for it to be

reflected in Regional Land Transport Plans, so that the NLTP can be drafted to give effect to the GPS.

Departmental consultation

53. The following departments and agencies have been consulted on this Cabinet paper and the draft GPS 2021: Department of Conservation, Department of Internal Affairs, Energy Efficiency and Conservation Authority, Ministry of Business, Innovation and Employment, Ministry for the Environment, Ministry for Primary Industries, Office for Disability Issues, Ministry of Health, NZ Police, Te Puni Kokiri, Transport Agency, and the Treasury.

54. The Department of the Prime Minister and Cabinet has been informed.

Financial implications

55. There are no direct financial implications arising from engagement on the content of the draft GPS 2021. The final GPS 2021 will include any land transport investment from Budget 2020.

56. As part of funding the rail network through the NLTF, track user charges will be implemented to enable track users to contribute to the NLTF in a fair and transparent way. In addition, Crown funding will be required through the NLTF to enable it to provide sufficient funding to the rail network.

Human rights, legislative and gender implications

57. No specific human rights, legislative or gender issues have been canvassed in this paper.

Regulatory Impact Analysis

58. A regulatory impact assessment is not required with this paper as it does not result in changes to legislation or regulations.

Disability perspective

59. There are no specific proposals relating to people with disabilities. Activities funded under the GPS, such as public transport and pavement maintenance, will continue to assist with improving accessibility for disabled people. Disability perspectives will be considered as part of the normal decision-making processes carried out by local bodies when determining regional land transport plans.

Treaty of Waitangi and Crown Maori Relationship

60. The Treaty of Waitangi and Crown Maori Relationship was considered in the development of the draft GPS 2021 and Treaty obligations are indicated in the roles and responsibilities section of the draft GPS.

⁴ Refer to Cabinet Office circular: CO (19) 5: Te Tiriti o Waitangi / Treaty of Waitangi Guidance

61. Section 18H of the LTMA requires that the Transport Agency must establish and maintain processes to provide opportunities for Māori to contribute to land transport decision-making processes and consider ways to foster the development of Māori capacity to contribute to the organisation's land transport decision-making processes.
62. The Transport Agency recently developed their Māori Strategy *Te Ara Kotahi* and is currently working on a Māori engagement approach for the development of the NLTP 2021-24 that gives effect to the draft GPS 2021. This approach also includes guidance for councils to engage with Māori as they develop Regional Land Transport Plans. I support this approach and consider that no further signals are required in the draft GPS 2021.

Publicity

63. Following Cabinet's consideration of this paper, the draft GPS 2021 and draft GPS 2021 Transitions Guide will be published online. Engagement will occur with local government, key stakeholders, and the general public on the draft.
64. Once the draft GPS is public, previously unreleased Road to Zero information will be released. This relates mainly to redactions on proactively released information that related to NLTF funding. This was withheld whilst the GPS was still being formed.

Proactive release

65. If Cabinet agrees, I intend to release this paper on the Ministry's website alongside the draft GPS 2021. I will determine whether any information should be withheld under the Official Information Act 1982.

Recommendations

66. I recommend that the Committee:
- 1) **note** that the Government Policy Statement on land transport (the GPS) is Government's main statutory lever to guide investment in land transport
 - 2) **note** the contents of the attached draft GPS 2021 (which includes the following key features) will guide land transport investment over 2021/22 to 2031/32:
 - a. *an overall strategic direction* that prioritises safety, better travel options and improving freight connections. The environment and value for money are embedded throughout the GPS to ensure active consideration across investments.
 - b. *total funding* available for allocation from the NLTF is projected to increase from around \$4.5 billion in 2021/22 to \$5.1 billion in 2030/31 based on current forecasted levels of Fuel Excise Duty and Road User Charge rates
 - c. *funding allocations* to activity classes, that will enable:

- delivery of already announced government commitments: Auckland Transport Alignment Project, Let's Get Wellington Moving, Road to Zero and the below rail components of the Rail Plan.
 - mode shift away from single-occupant car journeys
 - support to coastal shipping
- d. *draft Ministerial expectations* as to how the New Zealand Transport Agency gives effect to the GPS
- 3) **note** that Crown funding will be required for the NLTF to enable it to provide sufficient funding to the rail network
- 4) **agree** that I release the attached draft GPS 2021 for engagement from 11 March to 24 April 2020
- 5) **invite** the Minister of Transport to report back, following stakeholder engagement, on the final form of GPS 2021 and seek agreement of publication of the final GPS 2021 for July 2020.

Hon Phil Twyford

Minister of Transport

Dated:

Proactively released by
the Ministry of Transport

Attachment one: Draft GPS 2021

Proactively released by
the Ministry of Transport

Attachment two: Draft GPS 2021 Transitions Guide

Proactively released by
the Ministry of Transport