

30 April 2021

## **Submission by the Auckland Business Forum on the Draft Auckland Regional Land Transport Plan 2021-2031**

### ***Overview***

1. The Auckland Business Forum welcomes the opportunity to provide feedback on the Draft Regional Land Transport Plan 2021-2031 (Draft RLTP). We note the complex and challenging operating environment that the Draft RLTP has been forged in, and we acknowledge and share Auckland Transport's (AT) commitment to a collective "quest to be a liveable, climate-friendly and productive city".
2. We do not believe, however, that the Draft RLTP provides the policy prescription and project mix required to succeed in that quest. The network performance outcomes that document points to represent bad news for the bulk of transport users and for Auckland's economy, and reflect an approach that is too heavily geared towards mode shift.
3. Fundamental changes are required in that approach if Auckland is to shift the dial on transport, and deliver the outcomes that Aucklanders want and need.

### ***About the Auckland Business Forum***

4. The Auckland Business Forum is a group of Auckland-based business organisations formed to advocate for greater urgency around the planning and delivery of the Auckland transport programme. The group was formed out of concern for a long-running decline in the standard of Auckland's transport infrastructure, and the subsequent impact on productivity and quality of life. The Auckland Business Forum's membership incorporates broad-based user and industry perspectives on transport issues, and consists of:
  - Auckland Business Chamber
  - Civil Contractors New Zealand
  - Employers and Manufacturers Association (Northern)
  - Infrastructure New Zealand
  - National Road Carriers
  - The NZ Automobile Association (Auckland District Council)
  - Ports of Auckland Ltd

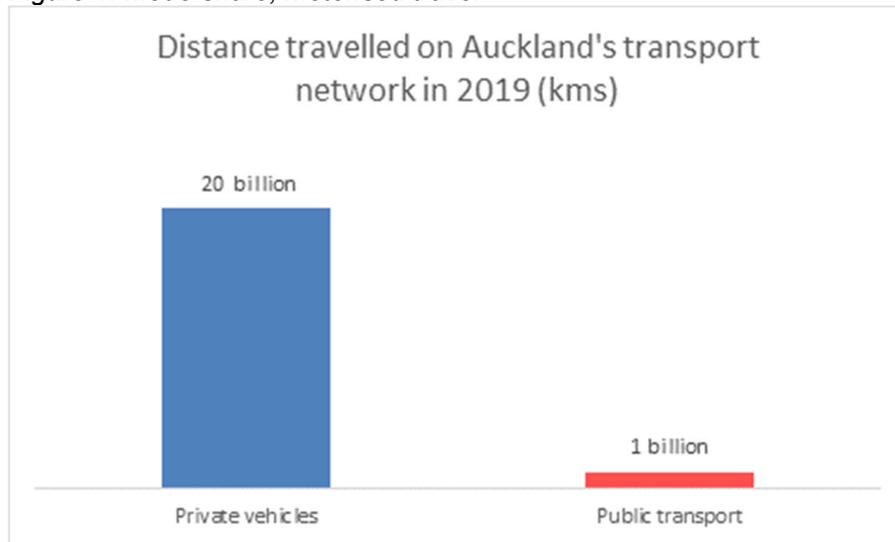
### ***Key concerns***

- i. Congestion
5. The Auckland Business Forum's concerns centre on the network performance outcomes that the Draft RLTP delivers, and in particular its failure to do anything significant to

address Auckland's long-standing and pervasive congestion problems. Over the 10-year period, the Draft RLTP signals that congestion will increase by around 10% in the morning peak period, and by significantly more in the interpeak period, in proportional terms. We note the contrast between this congestion forecast and that of the 2018 ATAP report, which predicted that, by the end of the current decade, congestion would be held at 2016 levels.

6. Our fear is that the actual congestion outcome is likely to be quite a lot worse. AT's prediction is that the amount of driving that Aucklanders do (as measured in Vehicle Kilometres Travelled, or VKT) will grow in line with population growth. Yet growth in VKT has outstripped population growth over the last decade, largely due to the distribution of that population growth (the bulk of Auckland's urban development has taken place in outlying suburbs) and rising GDP per capita (greater affluence fuels more driving). We see no reason **not** to expect these same facts to remain in play for much of the coming decade.
7. Further, even if growth in VKT per capita were to ease, Auckland's network operates so close to capacity that even a modest increase would be acutely felt.
8. Meanwhile, AT's modelling focuses only on AM peak travel patterns, which are more uniform than other parts of the day and therefore more conducive to mode shift. This is likely to inflate the prospects for PT growth, and any subsequent de-congestion benefits it might deliver.
9. For the Auckland Business Forum, this represents an unacceptable outcome, and we have little doubt that the majority of Aucklanders would be of a similar mind. It would impose an intolerable level of service on the bulk of transport users in Auckland, and would seriously undermine goals of increasing productivity, prosperity and liveability.
10. It raises questions about whether taxpayers (road users, in particular) and ratepayers are getting a fair return, and whether AT is delivering on its statutory obligations to operate an effective, efficient transport network.
  - ii. Balance
11. The congestion outcome reflects a strategy that is too heavily weighted towards public transport (PT). There is no question of the validity and urgency of increased investment in PT and active modes, but it must not come at the expense of adequate investment to support travel by general traffic and freight, which accounts for the vast bulk of travel on the network and will continue to do so well into the future.

Figure 1: Mode share, motorised travel



Source: MoT, AT

12. AT justifies this approach on the basis of mode shift – that is to say, it envisages that the bulk of the growth in demand on the network will be absorbed by PT, walking and cycling. Given the structure of the Auckland network, and the very high likelihood that new arrivals to the city in the coming decades will continue to rely on the flexibility and convenience of private vehicles (both for household and business trips), we do not think this approach is realistic.
13. Further, we note that road users directly contribute over half the cost (\$16.3 billion) of the programme set out in the Draft RLTP, through Fuel Excise Duty (FED) and Road User Charges (RUC). A situation where motorists and freight receive such limited value in return for ever-increasing FED and RUC payments is both unfair and unsustainable – at some point, a public backlash seems inevitable.

### **A re-configured approach**

14. In order to deliver meaningful benefits, and to meet the needs and expectations of AT's customers, we believe fundamental changes to AT's approach are required. Key elements would include the following:
  - i. Greater aspiration on congestion
15. Congestion is the defining transport issue for Auckland households and businesses, and Auckland needs and deserves a far bolder response from AT and its partner agencies.
16. That doesn't mean trying to 'solve' congestion – in any growing, successful city, a degree of congestion is inevitable. Instead, it means doing everything possible to reduce congestion to levels that most Aucklanders would consider tolerable. Auckland's congestion levels are currently on par with cities like Sydney and Melbourne (which have three times as many inhabitants) – the goal must be to bring them down to something approaching the levels of a mid-sized Australian city like Brisbane.
17. Firm congestion targets must be brought to the centre of the transport plan for Auckland, with performance against them regularly measured and reported on. We would like to see AT opt for a more meaningful and user-friendly congestion metric, based on travel

time delays (for instance, total customer hours of delay, both on the motorway and local road networks).

ii. Invest for throughput

18. Going harder on congestion needs to be backed up by a much greater focus from AT on projects aimed at increasing efficiency for general traffic. On the supply side, that would include scaling up and bringing forward:

- New road projects (large and small scale) on the outer parts of the network
- Targeted widening on additional sections of the motorway network
- The network optimisation programme, with a clear emphasis on optimisation of trips by general traffic and freight

19. Demand-side interventions would include pushing ahead with plans for congestion charging (discussed in more detail below), encouraging increased working from home, and monitoring international trends and successes when it comes to promoting increased vehicle occupancy.

iii. Greater emphasis on freight

20. There needs to be a far stronger focus on freight than can currently be seen in the Draft RLTP. Rather than treating freight as a sub-set of other network concerns, AT needs to approach it as a strategic priority in its own right, building on the work done through the development of the Auckland Freight Plan. Without a deeper level of engagement with freight issues, AT is missing an important opportunity not just to understand and respond to the needs of the freight sector, but also to develop solutions that can help to advance its own network performance, safety and climate change objectives.

iv. Rethink funding

21. We remain deeply concerned by the decision to bring rail projects into the NLTF without a proportionate increase in new funding. The crowding-out effect this has had on investment to support the rest of the network are manifested in the Draft RLTP itself. Ultimately, it has created a situation where the funding model is unable to cope with the demands being placed on it, and all parts of the transport system are being short-changed. In the absence of new funding from the Crown (which could entail bringing rail back under the Crown funding umbrella), it is imperative that AT and Council put in place new funding streams (value capture being the most obvious example).

v. Strategic framework

22. The Auckland Business Forum would also like to see a much stronger framework guiding the transport programme in Auckland (significantly stronger than the set of joint objectives that ATAP provides). This framework would begin with a clear and coherent vision for what we want to achieve as a city in a transport sense, flowing into a set of specific transport outcomes. The choice of transport projects – both larger-scale strategic projects and smaller-scale projects – would be based on what could best deliver against those outcomes, and performance would be regularly measured and reported on.

23. Such an approach would build robustness and accountability in transport decision-making, and help to maximise the prospects of enduring public buy-in and cross-party support (for programme principles, at least). In the absence of a guiding framework, the Draft RLTP feels less like a plan for the city, and more like a 'wish list', with the length of the list determined by the availability of funding.

## ***Climate change***

24. The Auckland Business Forum shares the view that the most significant opportunity to reduce transport-related emissions rests with de-carbonisation of the vehicle fleet, rather than through mode shift. However, we also see that massive supply-side constraints mean that it will be a long time before battery electric vehicles (both cars and trucks) can enter the market at anything like the scale envisaged by the Climate Change Commission and Auckland Council.
25. For that reason, we believe that the focus for the short to medium term should be on working within existing frameworks. That should include, as an initial step, exploring options to develop sustainable second- and third-generation biofuels.
26. Meanwhile, for heavy vehicles, we would like to see steps taken to incentivise and facilitate higher emissions standards for new imports (i.e., a shift from Euro IV to Euro VI). Heavy vehicles currently account for about 20% of Auckland's transport emissions. Through a combination of stricter emissions standards and electrification of the bus fleet, we believe the proportion could be halved within a relatively short period (i.e., three-five years).
27. Meanwhile, the Draft RLTP has not adequately considered the impact that congestion (and the strategy that AT is pursuing) will have on transport emissions in Auckland and nationally. Put simply, cars and trucks that spend more time stuck in traffic, and that are forced to stop and start more frequently, will consume more fuel, and therefore generate more emissions.
28. In addition, Census data points to an increasing trend of population loss from Auckland to smaller centres (Whangarei and Tauranga, in particular) – and Auckland's congestion levels are certain to be a significant push factor. As a greater number of Aucklanders opt to relocate, VKT nationally will increase (as VKT per capita is typically higher outside the main cities) and that means increased emissions.
29. There is currently a fixation in some quarters with the impact that increased road capacity could have on emissions – we would emphasise that, in many cases, this impact would be a positive one, due to the de-congestion benefits.

## ***Land use***

30. We consider there needs to be a stronger focus on land use in the Draft RLTP, given its deep inter-relatedness with transport planning. As touched on above, we would like to see far more attention given to generating and managing value uplift opportunities. Value capture provides a critical lever to help address the funding challenges around this programme, and to create a stronger link between those who pay and those who benefit. A more strategic approach to it is required.

## ***Road safety***

31. The road safety agenda remains preoccupied with speed, and in general we see a need for greater emphasis on the other elements of the Safe System (safer roads and roadsides, safer drivers, and safer vehicles) if Auckland is to significantly improve its road safety record.

32. Further to our comments above, requiring heavy vehicle imports to comply with Euro VI standards would not just mean cleaner vehicles being brought into the country, but also safer vehicles. This is because the newer emissions technology is inevitably coupled with the latest safety technology.
33. Separately, we note that local and central government agencies who use trucks as part of their service delivery typically make procurement decisions not on the basis of safety (or emissions, for that matter), but on the basis of lowest cost. In too many cases, this leads to situations where the trucks carrying out the work are not equipped with appropriate safety features.

### ***Road maintenance***

34. Road surfaces across the Auckland region are in a critical state of disrepair, following a decade of neglect. The planned investment in the Draft RLTP falls well short when it comes to turning this around, and much of the network will continue to operate past its use-by date.
35. Members of the Auckland Business Forum joined in calls last year for central government to increase investment into road maintenance nationally – to the tune of \$900 million over the following three years – in order to address the backlog caused by under-investment. We estimate that a further \$100-200 million is needed in the Draft RLTP for the 2021-2024 period, to meet Auckland's share of the shortfall.

### ***Congestion charging***

36. The bleak outlook for congestion highlights the need for road pricing/congestion charging to be brought to the centre of the transport plan in Auckland – without it, there appears little prospect of the step-change in network performance we are calling for. We are therefore pleased to see congestion charging highlighted in the Draft RLTP, but we urge AT to do more now to move the issue forward (even if the ultimate decision rests with Central Government).
37. Against the back-drop of the recently commenced Select Committee inquiry into congestion charging, there is an important opportunity for AT to advance the process of building awareness of and support for congestion charging among key stakeholders and the wider public. As one of the most vocal champions of this solution over the last decade, the Auckland Business Forum is perfectly placed to assist with this process, and stands ready to do so.

### ***Specific projects***

38. Further to the comments above, we would highlight the importance of the following projects:
  - i. East West Link
39. This project has been a key priority for the Auckland Business Forum for well over a decade, and we remain bitterly disappointed about the extent to which it has gone backwards in recent years (we note that it was one of three highest-priority projects in the Auckland Plan almost ten years ago).

40. Further information is needed immediately about the Government's current thinking on this project, and the timeframes involved. Meanwhile, congestion in the Neilson Street corridor continues to choke off the potential of one of the country's most important centres of economic activity.

ii. Supporting Growth

41. We are deeply concerned at the lack of funding for delivery of the Supporting Growth programme in the Draft RLTP. The proposed interventions are needed immediately, not 10 or 15 years from now. The areas encompassed by the programme will carry a massive share of the load as Auckland's population continues to increase in the coming decades – from a transport perspective, they must not be allowed to fail.

iii. Network optimisation

42. Network optimisation was one of the pillars of ATAP's recommended strategic approach in 2016, and we are pleased to see a programme finally being brought to the table. But the programme must provide adequate focus on optimising throughput for general traffic and freight, alongside optimisation initiatives focused on PT and active modes. In addition to the types of initiatives signalled in the Draft RLTP (removal of pinch-points and deployment of smart traffic lights), we would highlight the need for improved incident management and greater use of dynamic median barriers (including on the motorway network).

**Concluding remarks**

43. Again, we appreciate the opportunity to provide feedback on the Draft RLTP and we look forward to engaging further with AT and other partners as the final document takes shape. We are very happy to meet at your convenience to discuss the comments made above in more detail.

Yours sincerely,



Michael Barnett  
**Chair, Auckland Business Forum**