

STAFF REPORT

TO: Chairman and Members, Engineering Services Committee
FROM: Peter Thomson, Engineering Manager
REFERENCE: T603
DATE: 22 November 2007
SUBJECT: **LAND TRANSPORT MANAGEMENT AMENDMENT BILL 2007**

1 PURPOSE

To provide information regarding the new Land Transport Management Amendment Bill 2007 (LTMAB) that has been recently introduced to parliament.

2 BACKGROUND

The LTMAB will implement the recommendations from the State Services Commission's "Next Steps Review of the Land Transport Sector", which was released in May 2007.

The LTMAB was introduced to parliament for its first reading on 25 October and has been referred to the Transport & Industrial Relations Select Committee for consideration. The Select Committee is calling for submissions which close on 20 December.

Submission hearings are likely to be held in late January/Early February and possibly in various locations around the country.

The Select Committee is due to report back to parliament by 25 March 2008 for the Bill's second reading. The Bill is expected to have passed through all stages by May 2008.

Local Government NZ is coordinating a sector submission through a transport reference group which has representation from a cross-section of regional, territorial and unitary authorities. I represent TDC on the group.

3 COMMENT

the Next Steps review of the New Zealand land transport sector identified a number of issues that needed to be addressed. The legislation will implement the recommendations of Next Steps, and will:

- i. Introduce a Government Policy Statement setting out government's high level priorities for land transport to provide additional strategic guidance to the land transport sector. New Zealand Transport Agency will give effect to the GPS when it develops and manages each new three yearly National Land Transport Programme.

- ii. Introduce three-yearly Regional Land Transport Programmes that will identify all land transport activities in a region.
- iii. Change the constitution of Regional Land Transport Committees. New Regional Land Transport Programmes will be put together by RLTC's.
- iv. Make the National Land Transport Programme three-yearly.
- v. Introduce an accountability framework for the new transport Crown entity which will be formed by combining the functions of Land Transport New Zealand and Transit New Zealand. The new entity will be called the New Zealand Transport Agency and will be accountable to one board.
- vi. Introduce full hypothecation (dedication) of fuel excise duties to the National Land Transport Fund from 1 July next year, i.e. all fuel excise duty obtained from motorists will be reserved for land transport purposes.
- vii. Introduce a mechanism to allow Regions to levy regional fuel taxes in order to bring forward capital projects. The tax will be limited to up to ten cents per litre of petrol or diesel, with a limit of five cents per litre to be spent on roading.
- viii. Unitary authorities (Gisborne, Tasman, Nelson and Marlborough) are separately recognised.

A copy of the Transport Minister's media release and the Bill's first reading speech is attached for information.

It is interesting to note that Regional Land Transport Committees remain a committee of the relevant regional/unitary authority. Each Unitary authority must appoint:

- 5 persons to represent the unitary authority
- 1 person to represent the NZ Transport Agency (NZTA)
- 5 persons (1 to represent each of the NZ Transport Strategy objectives being: Economic development; Safety & personal security; Public health; Access & mobility; Environmental sustainability)
- 1 person to represent cultural interests
- Chair and deputy chair from unitary authority members

Only unitary and NZTA reps may vote on the approval of Regional Land Transport Programmes. The first 3-year RLTP is to commence on 1 July 2009.

The other 6 community reps have speaking rights on the RLTC and are only entitled to vote on matters relating to the adoption of the Regional Land Transport Strategy, which must be reviewed every 6 years.

Key issues to consider for submission are:

- There needs to be **statutory requirement** for the crown to consult with local government in the development of the Government Policy Statement
- Only capital items of "**regional significance**" should be subject to a regional prioritisation process undertaken by the RLTC in adopting its 3-yearly Regional

Land Transport Programme. This would include the state highway network, significant arterial routes and connections and significant capital improvements to public passenger transport. It would exclude operational, maintenance, renewals and minor capital works from any regional prioritisation process

- Reinforce that core voting **membership** of the RLTC needs to be constrained to the funders (5 from the unitary authority and the land transport entity). There will remain a need to consult with those representing other New Zealand Transport Strategy interests and flexibility around how this is achieved is recommended
- That **existing** planning, funding and operational **agreements** with the crown and crown agencies in relation to transport must be honoured and that the Next Steps Review implementation process is not seen as an opportunity to renegotiate those arrangements

4 RECOMMENDATION

THAT

The report be received and that Engineering Manager and Chairman be given delegated authority to complete Council's submission on the Land Transport Management Amendment Bill.

Peter Thomson
Engineering Manager