

Report No.	21-36
Information Only - No Decision Required	

GENERAL UPDATE - GOVERNMENT POLICY AND SUBMISSIONS

1. PURPOSE

- 1.1. The purpose of this report is to provide members with updates on various documents and consultation items released by local and central Government along with our involvement in each.

2. RECOMMENDATION

That the Committee recommends that Council:

- a. receives the information contained in Report No. 21-36 and Annexes.

3. FINANCIAL IMPACT

- 3.1. There is no financial impact as a result of this item.

4. COMMUNITY ENGAGEMENT

- 4.1. None required.

5. SIGNIFICANT BUSINESS RISK IMPACT

- 5.1. There is no significant business risk impact as a result of this item.

6. CLIMATE IMPACT STATEMENT

- 6.1. This is an administrative item and as such there is no climate change impact from this report.

7. BACKGROUND

- 7.1. There are a number of key documents and updates that have been released by government and agencies, which relate to key projects underway in the transport sector. In many cases, these documents will guide our own planning and decision making at a regional level and it is therefore important to be across them and submit feedback where required.
- 7.2. Reports outlining a number of these key documents and policy have been provided to the Committee as regular quarterly updates. The following information provides key updates on any existing or new policy received since the last update to the Committee in December 2020.

8. DRAFT NEW ZEALAND RAIL PLAN

- 8.1. The **draft New Zealand Rail Plan (draft Rail Plan)** is a new document developed by the **Ministry of Transport (MoT)** which sets out the Government's strategic direction for rail and signals investment priorities in the rail network over a 10 year period. It feeds into the **Government Policy Statement (GPS)** and will guide the **Rail Investment Programme (RNIP)**.

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- 8.2. The draft Rail Plan was initially released in December 2019 and called for submissions by 11 May 2020. The Committee submitted on the draft Rail Plan in May.
- 8.3. Following consideration of submissions, an updated Rail Plan was due to be presented to Cabinet (alongside the draft GPS) on 10 August 2020. The sector has been eagerly awaiting the release of a final rail plan, however no firm indications have been given on when to expect this. That said, the Ministry of Transport website advises that the Rail Plan will come into effect with the National Land Transport Programme 2021-24 (August 2021). On this basis, it is reasonable to expect that a final Rail Plan will be released within the next six months.

9. REGIONAL FREIGHT HUB

- 9.1. KiwiRail is progressing plans for a high-tech, intermodal freight hub which will help grow Palmerston North's role as a critical freight distribution centre for the lower North Island. It will support rail and road transport working together to meet the freight demand in the lower North Island, while boosting the regional economy. The project is known as the Regional Freight Hub.
- 9.2. The KiwiRail Regional Freight Hub has attracted funding from the **Provincial Growth Fund (PGF)** to design a regional growth/freight hub in the region, designate land use for rail, and commence purchasing the required land. The preferred site is partially in the North East Industrial Zone, stretching over rural land north towards Bunnythorpe. It is close to Palmerston North's major distribution businesses, and Palmerston North Airport.
- 9.3. In July 2020, KiwiRail sought informal feedback on the location of the Freight Hub prior to moving forward with the designation process. Horizons provided feedback on the proposal and has had ongoing dialogue with KiwiRail representatives.
- 9.4. In late October 2020, KiwiRail lodged its **Notice of Requirement (NoR)** for a designation in the Palmerston North City Council District Plan for the construction and operation of a new intermodal rail and freight hub. The NoR was publicly notified in February with submissions due to close on 26 March.
- 9.5. Transport staff are working closely with Horizons District Advice Team s to consider the Notice of Requirement and draft a submission outlining key matters as they relate to land transport in the Horizons region. Focus on the strategic direction of the draft Regional Land Transport Plan 2021-31 and alignment with this direction will form the foundation of our submission points on the NoR (in addition to any points raised from other areas of Horizons').
- 9.6. KiwiRail advise that after the designation is complete and land has been purchased, the next stage will be to begin planning to build the Regional Freight Hub, including any necessary resource consents, building consents and other third-party approvals.

10. MARTON FREIGHT HUB

- 10.1. On 18 August 2020, Minister Hon Shane Jones announced that the Government will help fund the construction of a rail hub in Rangitikei, dedicated to handling and transporting logs from around the lower North Island. The facility, to be built in Marton, will receive \$9.1 million from the Government's COVID-19 Response and Recovery Fund. Once complete and operational, the Marton Freight Hub will enable more efficient log transportation in the lower North Island. It is expected that the hub will create more than 80 jobs during construction, and 22 full time positions once operational. Further, the rail hub is expected to attract more commercial developments in the area and take freight trucks off the road network.
- 10.2. Further to the funding secured above, funding has also been committed by Rangitikei District Council and Rangitikei Forestry Holdings to progress the project.

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- 10.3. Tenders were awarded in December to a planning consultancy and work on planning and site assessments commenced in January 2021. The next stage in this project is completion of a comprehensive development plan, due to be finished in April 2021.

11. NORTHERN EXPLORER

- 11.1. In March 2020, the Northern Explorer train service was shut down due to COVID-19. It was not reinstated when the Country came out of lockdown. Following support from local and regional councils, KiwiRail announced the Northern Explorer service would resume for the summer season.
- 11.2. It is noted, there is local and regional drive and support to change the function of the Northern Explorer from a tourist train to a passenger commuter train, which will be reliant on additional funding required to support the service and keep fares at an appropriate level. There is also support for changing the name from Northern Explorer to Northern Connector to reflect the change in purpose.
- 11.3. A high-level feasibility report, which explores possible options, is being developed. Following discussions between KiwiRail and the 19 Mayors and Chairs of Councils on the **North Island Main Trunk (NIMT)** work to refine and further develop the possible options will commence shortly
- 11.4. Any updates on progress with this project will be made available to the Committee at future meetings.

12. MINISTRY OF TRANSPORT: PROPOSED APPROACH TO SETTING OF SPEED MANAGEMENT – GUIDANCE DOCUMENT

- 12.1. The Government is developing the setting of speed limits rule (the draft rule) as part of its Tackling Unsafe Speeds programme. This is intended to give effect to a new regulatory framework for speed management and the requirements for safer speed limits outside schools and will replace the Land Transport Rule: Setting of Speed Limits 2017.
- 12.2. The Ministry of Transport released a guidance document designed to provide local government and key stakeholders with visibility of the direction of the proposed changes and enable provision of additional input into drafting of the new 'setting of speed limits rule' ahead of formal consultation. It is understood that formal consultation was planned to occur in late 2020 after the general election.
- 12.3. Given the impact the setting of speed limits rule will have for our region, it is our intention to provide feedback on any formal consultation once it commences. At this stage we have not been given an updated timeframe on when consultation is likely to start.

13. WAKA KOTAHİ INVESTMENT PROPOSAL

- 13.1. The **Waka Kotahi Investment Proposal (WKIP)** outlines the programme of activities that Waka Kotahi, NZ Transport Agency propose for inclusion in the **2021-24 National Land Transport Programme (NLTP)**. This is important as it signals the level and focus of state highway investment for our region over the next 3 years, and informs a large part of the draft **Regional Land Transport Plan 2021-31 (RLTP)**.
- 13.2. The draft WKIP was released in October 2020 inviting feedback from the sector. Feedback on the draft WKIP was provided on behalf of the RTC in early December. A letter from Waka Kotahi was received in February 2021, responding to the points raised in the RTC's letter. As a result of the Committee's feedback, some changes will be made to the WKIP, along with a submission from Waka Kotahi on the draft RLTP to include various projects which are not currently included in the work programme. Other requests have been noted and some not actioned for various reasons as outlined in the response letter.

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- 13.3. A copy of the RTC's feedback and Waka Kotahi's letter in response are attached as Annex A and B to this item.
- 13.4. Waka Kotahi have not provided a confirmed date for when the WKIP will be finalised.

14. HOROWHENUA DISTRICT COUNCIL – TARAİKA DEVELOPMENT MASTER PLAN

- 14.1. Taraika is a 420ha block of land to the east of Levin. It is privately owned by a number of different parties and has been identified as a key growth area for the Horowhenua District. Horowhenua District Council has been working with these landowners to produce a Master Plan to guide development in this area. This Master Plan will enable the development of approximately 2,500 houses (at a range of different section sizes), a small commercial area, new parks and reserves, and education opportunities. A section of this development runs parallel to the proposed Ōtaki to North of Levin (Ō2NL) corridor and intersects State Highway 57, which is a key transport corridor for the region.
- 14.2. Horowhenua District Council notified proposed Plan Change 4 in November 2020. Transport staff have supported members of the Policy Team in making a submission in support of the proposal with advice regarding ensuring consistency with the current and proposed Regional Land Transport Plan. We note that urban development and densification of housing are important but good land use planning ensures integration with transport network to ensure safety and access to a variety of transport options. A further submission is being developed currently and if required, transport staff will attend the hearings later this year.

15. REGIONAL LAND TRANSPORT PLANS – OTHER REGIONS

- 15.1. A number of other regions are also publicly consulting on their draft Regional Land Transport Plans. As is tradition, the Committee generally submits on our neighbouring region's RLTP's in support and highlights any critical projects of significance to our region.
- 15.2. The Hawke's Bay Regional Transport Plan submissions closed on 28 February 2021. Staff drafted and submitted on this Plan. However due to time constraints were unable to have this letter approved for dissemination on behalf of the Committee. Consequently, the submission was made by staff rather than on behalf of the Committee. A copy of this submission is attached as Annex C to this item.
- 15.3. Draft submissions for the Waikato, Greater Wellington and Taranaki draft Regional Land Transport Plans are attached as Annexes D, E and F to this item. Submissions on each of these Plans close in March 2021.

16. SIGNIFICANCE

- 16.1. This is not a significant decision according to the Council's Policy on Significance and Engagement.

Leana Shirley
SENIOR TRANSPORT PLANNER

Rhona Hewitt
MANAGER TRANSPORT SERVICE

ANNEXES

- A HRC feedback on draft Waka Kotahi Investment Proposal
- B Waka Kotahi response to HRC feedback on draft Waka Kotahi Investment Proposal
- C Submission to Hawke's Bay draft Regional Land Transport Plan
- D Draft submission to Waikato draft Regional Land Transport Plan
- E Draft submission to Greater Wellington draft Regional Land Transport Plan
- F Draft submission to Taranaki draft Regional Land Transport Plan