

Report No.	21-65
Information Only - No Decision Required	

## CENTRAL GOVERNMENT POLICY UPDATE AND SUBMISSIONS

### 1. EXECUTIVE SUMMARY

- 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. 21-65.

### 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. NEW ZEALAND RAIL PLAN

- 8.1. The **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. A draft Rail Plan was initially released for consultation in December 2019. The Committee submitted on a number of points in relation to the draft Plan.
- 8.3. The draft Plan was finalised and released on the MoT website on 5 May 2021. The RNIP is yet to be released.
- 8.4. The finalised Rail Plan, includes new trains to replace the Wairarapa and Capital Connection carriages and provide for passenger growth in the current focus, but freight hubs appear to be part of the future focus. The Rail Plan outlines that the first priority for rail is to achieve a resilient and reliable rail network that also improves safety. Over the next decade, this investment will take the network out of a state of managed decline and provide a stable platform for future investments for growth. It will also support employment and economic recovery from COVID-19.
- 8.5. The current strategic investment priorities focus on a resilient and reliable rail network, which includes investing in the national rail network to restore rail freight, and provide a platform for future investments for growth. It also includes investing in the metropolitan rail networks to support growth and productivity in New Zealand's largest cities.
- 8.6. The following is a summary of the key points from the Rail Plan which gives an idea where investment in the rail network will be focused.
- 8.7. The key priorities for investment are:
- network renewals and maintenance – investment in tracks, bridges, tunnels and signals across the national network to improve service levels;
  - level crossing safety improvements;
  - locomotive and wagon replacement – replacing end of life locomotives and wagons with a modern, reliable and efficient fleet;
  - installation of automatic train protection for all trains operating in metropolitan rail areas and supporting alignment between Auckland and Wellington systems;
  - mechanical depot upgrades and renewals – improved workshop layouts, safety and productivity enhancements and seismic strengthening of a number of maintenance facilities, including Hutt Valley, Auckland, and Christchurch;
  - design and procurement of two ferries to replace the ageing Interislander fleet and associated landside assets, enabling greater reliability, efficiency and resilience for this vital link in the freight supply chain between the North and South Islands; and
  - core asset renewals, such as mechanical overhauls and parts replacement for the existing fleet of locomotives and wagons, freight handling equipment, hoists, generators, and enabling technology.
- 8.8. Future opportunities identified in the Rail Plan include:
- More regional routes and improved logistics hubs;
  - Improved integration and greater resilience in ferry terminals and ports;
  - Additional infrastructure and rolling stock to support growth opportunities and regional initiatives;
  - More extensive network upgrades to enable accelerated and increased levels of service; and
  - Further investments to support the Government's commitment to emissions reductions, such as further electrification.

**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. 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 closing on 26 March 2021.
- 9.3. Transport staff worked with Horizons District Advice Team to 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 formed the foundation of our submission points on the NoR (in addition to any points raised from other areas of Horizons').
- 9.4. A total of 98 submissions were received on the NoR. Hearings are scheduled over a two week period from 9-20 August 2021.

**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 Rangitīkei, 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 Rangitīkei District Council and Rangitīkei Forestry Holdings to progress the project.
- 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 (progress had been made at time of writing but no firm completion date was available).

**11. NORTH ISLAND RAIL CONNECTOR SERVICE**

- 11.1. Work is underway to investigate the feasibility of a North Island rail connector service running between Wellington and Auckland. This service is intended to focus on providing connections and access for commuters along the North Island Main Trunk Line and run separately to the existing Northern Explorer service. A high-level feasibility study is being undertaken by KiwiRail with support from Regional and local councils. Text has also been built into each region's draft Regional Land Transport Plans (due to be approved before 30 June 2021) to signal the future opportunities and strategic benefit a service of this nature could provide for passenger transport in the regions.
- 11.2. Any updates on progress with this project will be made available to the Committee at future meetings.

## 12. LAND TRANSPORT RULE - SETTING OF SPEED LIMITS

- 12.1. The Government is developing a new **Land Transport Rule Setting of Speed Limits (the draft rule)** as part of its Tackling Unsafe Speeds programme released in 2019. The proposal identifies that managing unsafe speed is more than just enforcement and the new approach will see what is determined as safe and appropriate speed limits set using a consistent approach across the country. Speed management is about matching the speed limit to the design, use, form and function of the road and the risk posed to the road user. 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. Consultation on the Land Transport Rule Setting of Speed Limits 2021 has been initiated by Waka Kotahi, NZ Transport Agency via release of a consultation document outlining various proposals. **Submissions close on 25 June 2021.** Proposals included in the Government Road to Zero Road Safety Strategy for changes to speed management and speed limit setting are included in the consultation. The proposal introduces the requirement for Regional Speed Management Plans to be produced and managed by Regional Transport Committees.
- 12.3. The proposal has Regional Speed Management Plans being developed in the same timeframe as Regional Land Transport Plans. This will significantly increase the work load of RTCs and likely place an additional staff resource requirement on Regional Councils.
- 12.4. The proposals are expected to be implemented by the end of 2021 with the new processes being undertaken and Regional Speed Management Plans being produced to coincide with the Regional Land Transport Plan review in 2024.
- 12.5. **Background:** Speed Limits are currently set by **road controlling authorities (RCA)** using the **Waka Kotahi, NZ Transport Agency (Waka Kotahi)** guidelines, with the RCA then using the bylaw process to implement the speed limits. The current process has proven to be costly and inefficient and has resulted in poorly co-ordinated speed limits being set across the network and between RCAs. The need to set a bylaw has caused some RCAs to delay or avoid making co-ordinated speed management changes due to uncertainty around when and how to amend, replace or revoke current speed limits, as well as when to consult on speed limit changes.
- 12.6. **The proposal:** The proposed new **Land Transport Rule Setting of Speed Limits 2021** will give effect to a new regulatory framework that includes the following:
- bringing together infrastructure investment decisions and speed management decisions by creating a speed management planning process aligned with the Regional Land Transport Plan process;
  - requiring all RCAs that are territorial authorities to include their proposed speed limit changes and safety infrastructure treatments (which will include proposed placement of road safety cameras) for the coming 10 years into plans;
  - RTCs will co-ordinate input from RCAs to create a regional plan;
  - providing a new consultation process to help align plans with the RLTP process;
  - giving the new Director of Land Transport (within Waka Kotahi) the responsibility for certifying regional plans;
  - establishing an independent Speed Management Committee to:
    - certify the Waka Kotahi State Highway Plan;
    - oversee the information and guidance on speed management that Waka Kotahi (as regulator) provides all RCAs.

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- introducing a new process for setting speed limits outside of plans, and for RCAs that are not territorial authorities;
- requiring all speed limits (other than temporary speed limits) to be entered into a national register. Waka Kotahi (as regulator) will be the Registrar of the Register. The Register will give legal effect to all speed limits (other than temporary speed limits);
- requiring RCAs to reduce speed limits around:
  - urban schools to 30 km/h (variable or permanent speed limits), with the option of implementing 40 km/h speed limits if appropriate;
  - rural schools to a maximum of 60 km/h (variable or permanent speed limits).

12.7. **Speed Management Plans:** The current bylaw making process will be replaced by a new speed management plan process. This will be used by all RCAs that are territorial authorities. The responsibilities of various agencies are proposed as follows:

- RCAs will prepare plans on proposed changes to speed limits, road safety cameras and speed management-related infrastructure for the 10 financial years from the start of the plan.
- RTCs will be responsible for collating input from RCAs within their region and developing a **Regional Speed Management Plan (RSMP)**. This should support better engagement with communities, as well as collaboration between RCAs within regions. RCAs will be expected to take a “whole-of-network” approach to considering speed management changes. The resulting regional plan should provide a consistent picture of speed limits across the region.
- Waka Kotahi (as an RCA) will be responsible for producing a State Highway Plan, which will be certified by an independent speed management committee.
- RSMPs will set out the objectives, principles and measures for speed management on relevant roads for at least 10 financial years from the start of the plan and include the following treatments:
  - changes to speed limits (other than temporary and emergency speed limits);
  - road safety cameras;
  - safety infrastructure.
- The RSMPs will be updated and consulted on every three years.

12.8. The intent is to align the speed management planning and RLTP processes to bring together speed management and infrastructure investment decisions. The expectation is Waka Kotahi will work with RTCs in setting the deadlines to align consultation with the RLTP process.

12.9. **Roles in Development of Regional Speed Management Plans:** In developing RSMPs, RTCs and RCAs each have specific roles under the proposed Rule:

RTC roles	RCA roles
<ul style="list-style-type: none"> <li>• Collate input from RCAs within a region and develop, consult on and finalise regional plans.</li> <li>• Provide a forum to encourage consistency across the network, managing interactions and implementation timing across RCAs, and working through any boundary issues with bordering regions.</li> <li>• Carry out consultation on the regional plan with input from RCAs.</li> <li>• Provide the final draft plans for certification to Waka Kotahi.</li> </ul>	<ul style="list-style-type: none"> <li>• Continue to make decisions about speed management treatments on their roads.</li> <li>• Provide input into the regional plan to the RTC.</li> <li>• Receive, consider and respond to consultation responses forwarded by the RTC.</li> </ul>

12.10. The proposed Rule will require RTCs to follow the consultation requirements as set out in Section 82 of the *Local Government Act 2002* (LGA). This is the current consultation process used for the Regional Land Transport Plan process.

12.11. **Implications for Council:** The Rule introduces a whole new plan production process that is similar and is proposed to run to the same timelines as RLTPs. RTCs will be responsible for running the whole process on behalf of Council, but Council planning staff will be required to co-ordinate and produce the RSMP for the RTC.

12.12. Consultation requirements and subsequent follow-up work to modify or change the plans (proposed speed limits) are likely to be contentious. Speed limit changes are proposed by an RCA and included in the plan that will result in lowered speed limits. They will involve time to resolve either during plan preparation or following consultation on the plan. Contested speed limit changes must be referred back to the RCA for further consideration before the RSMP can be finalised for RTC adoption.

12.13. The current proposal is for the proposed RSMPs to be developed and consulted on in the same timeframe as RLTPs. The content requirements of RSMPs mean they need to be produced and agreed to allow projects to flow through into the RLTP process. In practice that will require RSMPs to be developed in the 18 months prior to RLTP development. RLTPs currently take around 18 months to develop and finalise so that will mean the combined plan production process will require a three-year timeframe. Given that both plans are for a six-year period but with a mid-term, or three-year, review this effectively becomes a continuous process.

12.14. The Committee needs to be aware that during the 2021-2024 **National Land Transport Programme (NLTP)** period this new planning process is likely to come into effect. The additional responsibilities being placed on RTCs will increase the workload of the Committee, especially for the development of the first RSMP. It will also likely require increased resource and funding within the Transport Team to prepare and manage development of the Plan (including consultation) as well as administer the Plan following its adoption.

- 12.15. **Regional Advisory Group:** A meeting was held with the Regional Advisory Group on 10 May to discuss this proposal. The group agreed in principle to putting a joint submission in outlining key matters for consideration and will meet again in June to discuss a draft submission.
- 12.16. **Next steps:** Officers have been in discussions with the TSIG group who are preparing a submission on behalf of the sector. It is intended that this submission will be used as a 'base document' for regions to use in their own submission.
- 12.17. It is officers' intention to draft a submission on behalf of the Regional Transport Committee, in collaboration with the Regional Advisory Group. This will be circulated to the Committee in early / mid June for comment prior to submission on 25 June.

### 13. HĪKINA TE KOHUPARA (GREEN PAPER – CLIMATE CHANGE EMISSIONS)

- 13.1. On 14 May, the MoT released a green paper setting out a strategy to reduce transport emissions for targeted consultation. MoT is seeking feedback on options to accelerate the transport sector to meeting the draft advice and recommendations of the Climate Change Commission, and moving to a net zero carbon transport system by 2050. It identified that eliminating emissions across the transport sector supports the response to climate change, noting that the sector currently produces 47 per cent of CO<sub>2</sub> emissions, and between 1990 and 2018, domestic transport emissions increased by 90 per cent.
- 13.2. MoT are doing targeted consultation on Hīkina te Kohupara. Full public consultation on initiatives to reduce transport emissions is due to follow in the 2nd half of 2021. By the end of 2021 Government is planning to release an Emissions Reduction Plan.
- 13.3. Submissions / feedback from targeted groups (of which local government is one) is due 25 June 2021. Officers are working closely with the Policy Team to understand the content of this discussion paper and contribute to a potential submission.

### 14. WELLINGTON REGIONAL GROWTH FRAMEWORK

- 14.1. **The Wellington Regional Growth Framework (WRGF)** is well underway. Put simply, it is a spatial plan that describes a long-term vision for how the Wellington region will grow, change and respond to key urban development challenges and opportunities in a way that gets the best outcomes and maximises the benefits across the Greater Wellington region. It is relevant to Horizons Regional Council in that the framework extends to Levin which is in our boundary. The WRGF is largely developed and Horizons staff have recently been approached to participate in a series of scoping workshops for work programs proposed under the framework. Transport officers have attended one workshop of relevance to the transport network and continue to keep a watching brief in this space alongside the Policy and Strategy Team.

### 15. SIGNIFICANCE

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

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**MANAGER TRANSPORT SERVICES**

### ANNEXES

There are no attachments for this report.