

Annex Two: Summary of high-level reform options to the regulation of public transport

New proposed overarching objectives for PTOM/Public Transport: Value for money, support mode shift, sustainable service provision, and reduce environmental and health impacts.			
	Option A: Modified Status Quo – Enabling	Option B: Directive	Option C: Adaptable
	Description Largely achieved through Waka Kotahi procurement guidance. Likely to provide greater flexibility to regional councils around how particular outcomes are achieved. More easily adjusted to reflect objectives of the Government of the day.	Description Greater legislative intervention, supported by Waka Kotahi procurement guidance. Likely to provide greater assurance to Government that specific outcomes will be achieved. Locks in outcomes and objectives in legislation.	Description Minimal legislative intervention. Outcomes driven through a new Government Policy Statement on Public Transport (GPSPT). GPSPT offers flexibility – could be directive or enabling. Allows a change of direction without legislative amendment.
Issue	Examples of policy options	Examples of policy options	Examples of policy options
New objectives	Replace principles in Part 5 of the Land Transport Management Act (LTMA) to reflect new PTOM objectives.	Option A, plus establish more detailed principles in Part 5 of LTMA.	Establish broad principles in LTMA, with specific Government objectives set out in policy statement.
Decarbonisation: 2025 mandate	2025 mandate established in the Requirement for Urban Buses (RUB).	2025 mandate established in the LTMA.	2025 mandate established in the GPSPT.
Decarbonisation: Asset ownership	Enable direct council ownership of assets, develop new procurement guidance for different ownership arrangements.	Option A plus establish compulsory acquisition powers for regional councils (investigating whether required/helpful).	Option A plus GPSPT.
Labour market	New LTMA Part 5 principle aligned to the objective of a sustainable labour market, associated guidance developed.	New LTMA Part 5 principle specifying more detailed labour market outcomes. Bespoke LTMA requirements and/or Schedule 1a of Employment Relations Act.	No LTMA change. Protections for employees established in the GPSPT.
Relationship between Waka Kotahi and regional councils – Standardisation of fleet/service contracts	Waka Kotahi encourages national consistency through procurement/funding levers (including through the RUB). Provides guidance on best practice.	Option A plus use legislation to drive greater consistency – for example, drive national consistency of vehicles by mandating the RUB.	Set out expectations for any common standards in the GPSPT.
Relationship between regional councils (RCs) and Road Controlling Authorities (RCAs)	Require RCs and RCAs to prepare Regional Public Transport Plans (RPTPs) in partnership through RPTP and procurement guidance.	Option A in the LTMA plus requiring RCAs to demonstrate how they are supporting the delivery of fast, frequent, reliable, and attractive public transport services.	Relationship between RCs and RCAs in public transport planning/delivery is guided by the GPSPT.
Relationship between operators and regional councils	Partnering principles in procurement guidance.	Partnering principles in legislation.	Partnering principles in GPSPT.
Exempt services – Inter-regional bus services	Develop inter-regional public transport strategy.	Option A plus either bring inter-regional bus services under PTOM or establish separate planning and procurement framework for inter-regional services more generally (including passenger rail) – <i>likely not part of PTOM review.</i>	Inter-regional public transport strategy is cross referenced in the GPSPT.
Treatment of on-demand public transport services	Exempt – can be funded/contracted if included in an RPTP.	Bring under PTOM - contracted unless exempt/commercial.	Option A or B plus use the GPSPT to outline role of on-demand services.