

Questions and Answers - Draft GPS 2021

What is the GPS?

It's the Government Policy Statement on land transport. It's a document required by legislation where the Government signals the level and type of investment expected in transport infrastructure (e.g. roads, rail) and services (e.g. bus services).

What isn't the GPS?

The GPS cannot direct or guarantee funding for specified projects, like a certain bridge or road.

It can set funding ranges for types of activities, like walking and cycling, that will help achieve the outcomes that the government wants. The draft GPS 2021 also sets expectations for how Government Commitments, such as Let's Get Wellington Moving package will be implemented.

Waka Kotahi NZ Transport Agency (the Transport Agency) identify specific projects that it or councils put forward and decide which ones to fund in order to turn the GPS into investment on the ground.

As the GPS does not specify projects, we can't say how much will be spent in a region or whether certain projects will get funding. The Transport Agency determine this when they develop the National Land Transport Programme in response to the GPS and Regional Land Transport Plans.

What is the relationship between funding and the GPS?

The draft GPS provides guidance on how about \$4.5 billion should be spent through the National Land Transport Fund (NLTF) each year. It provides signals for spending of a further \$1.5 billion each year on land transport through local government investment.

The GPS guides the Transport Agency and local authority investment in land transport by signalling:

- what the government wants the land transport system to achieve (by setting strategic priorities, and identifying ways to achieve them)

- how much revenue will be raised for the NLTF from fuel excise duty (FED), road user charges (RUC), and motor vehicle registration (“rego”)
- how the government wants the funding to be allocated across different types of land transport system activities (for example, roads, public transport, active transport, or road safety).

What are the strategic priorities for GPS 2021?

The strategic priorities for GPS 2021 are:

- Safety
- Better Travel Options
- Improving Freight Connections
- Climate Change

Activity classes have been set to allow the Transport Agency and local government to invest in these priorities.

Have your priorities changed since GPS 2018? If not, why does the GPS look different?

GPS 2021 builds on and consolidates the priorities of GPS 2018. The Transitions Guide explains what has changed.

Legally we have to review the GPS every three years. We could have left it untouched because we are still seeking a transport system that gives people choice about how they get to where they need to go, and supports them to do this in a way that is safe and reduces the impact of travel on the environment.

However based on feedback from councils, we made some changes to try to make the GPS easier to use and understand. For example, councils told us that the previous priority of “Access” covered a lot of varied content. So we’ve tried to make specific priorities clearer by splitting it out into Better Travel Options and Improving Freight Connections.

Government has also progressed its wider policy work since GPS 2018 was released. We wanted to update the GPS to reflect that. For example, you’ll see Road to Zero and Let’s Get Wellington Moving in GPS 2021.

Why is rail/coastal shipping being funded by road users?

Investment from the NLTF will help make these modes a more competitive way of carrying freight. This should help reduce the number of trucks on the roads. Road users will benefit from:

- Reduced emissions
- Safer roads with fewer trucks

Track User Charges from rail operators are also being explored.

How much funding is forecast under this GPS?

Total investment over the 10 year period will be \$48 billion from the NLTF, supported by further investment by local government and the Crown, most notably the \$6.8 billion for the transport projects in the NZ Upgrade Programme.

What changes to petrol excise duty and road user charges are proposed?

No changes have been proposed or forecast in the work for this GPS.

Can we afford to pay for everything in the GPS?

The draft GPS has been developed with close engagement with the Transport Agency to understand the pressures and costs of proposed activities. The Government is confident that the commitments made by the draft GPS 2021 are affordable within forecast revenue.

Why were some activity classes removed?

Investment to deliver **Regional Improvements** already occur across a number of activity classes, and will continue to do so without the dedicated activity class.

The regional improvements activity class previously guaranteed funding for non-metropolitan regions, but these were typically high priority State Highway Improvements that could have happened without the activity class. Delivering all comparable projects through the same activity class ensures that there is sufficient funding to progress the highest priorities.

Rapid Transit is a form of Public Transport so is now included in the Public Transport Infrastructure activity class.

Road Policing and Promotion of Road Safety will now be delivered through the Road to Zero activity class. Delivering all safety projects from one activity class will allow clearer prioritisation between activities. For example, the Transport Agency will be able to assess the benefits of increasing road safety advertising against infrastructure upgrades.

Demand management was primarily where the mode shift strategy work was being led from. Any demand management activities will now be considered across all relevant activity classes.

How will GPS 2021 ensure value for money?

Value for money was a supporting priority in GPS 2018. In the draft GPS 2021, it is included in the Principles for Investing section. This section sets out the things that the Transport Agency should be considering across all investments. This embeds value for money in *how* investments should be made, by ensuring:

- alignment with the GPS strategic direction
- effectiveness at achieving the GPS strategic priorities
- efficiency in delivery to ensure best cost for the results being delivered.

How do I provide feedback about the draft GPS?

The draft GPS will be released for public engagement from 19 March 2020 to 27 April 2020.

You can complete the survey on our website: www.transport.govt.nz/gps or send us your feedback in another form.

Feedback can be emailed to gps@transport.govt.nz or submitted in writing to:

Attn: GPS Policy Team, Ministry of Transport, PO Box 3175, WELLINGTON 6140

Feedback closes 27 April 2020.

Who do I contact if I have any questions?

If you have any questions contact the GPS project team on gps@transport.govt.nz

When will the final GPS 2021 be issued?

The Ministry will provide the Minister of Transport with feedback on the draft GPS following public engagement. We will then aim to publish a final GPS in July 2020 but this is subject to Ministerial decision making and Cabinet approval.

The draft GPS 2021 talks about incorporating technology and innovation into the design and delivery of land transport investment. What does this mean?

Improving land transport investment is all about maximising the benefits gained from the money invested. This means finding the most efficient and effective methods to achieve the Government's priorities for land transport. Existing, new and emerging technologies can support the creation of a safer, more efficient and effective transport system. How fast and how much technology will change transport depends on the costs and benefits of any new technology, people's willingness to use it, and central and local government creating an environment to test, trial and support its deployment.

During GPS 2021, the Transport Agency will be expected to work collaboratively with others to deliver transport innovation for the land transport system. This includes:

- piloting and demonstrating new approaches
- removing barriers that prevent it from delivering innovation
- contributing annual funding from across the Fund
- participating in a transport sector innovation programme in collaboration with the private sector and research community

How are the regions supported in GPS 2021?

Regions will be supported across activity classes. Areas of funding of particular interest to the regions include:

- Implementing Road to Zero – 70% of improvements will be outside of Auckland and Wellington (based on indicative modelling)
- Improving the freight network to get primary produce to markets
- Making sure there is sufficient funding to maintain a safe, resilient and accessible network.

Can my region access funding from both the National Land Transport Fund (NLTF) and the PGF?

Yes. All provinces are eligible for funding (outside the three main cities), however 'surge' regions (these are regions which have been identified as needing early investment) will be given priority. The surge regions include: Tai Tokerau/Northland, Toi Moana/Bay of Plenty, Tairāwhiti/East Coast, Hawke's Bay, Manawatu/Whanganui and Tai Poutini/West Coast.

In respect to funding transport projects, the PGF can be used to:

- provide a top-up of local share for projects that will receive funding from the NLTF, but where local councils are financially constrained
- bring forward projects which are not priorities for NLTF investment, but are strategically important to a region's productivity potential
- fund projects outside of the scope for NLTF investment, but which contribute to the objectives sought through the PGF and are aligned with the region's transport strategy.

A transport project needs to be referenced in a Regional Land Transport Plan (RLTP) in order for it to be considered for funding from either the NLTF and/or the PGF. This is to encourage integrated transport planning that takes a wider view of how transport can enable positive economic, social and environmental outcomes in regions, including decisions about the best mode for doing this.

Whether a project will receive PGF funding will be determined based on criteria that are being developed.