



24 March 2014

FAR Review NZ Transport Agency  
50 Victoria Street  
Private Bag 6995  
Wellington 6141  
Attention: Clare Sinnott

Email: [farreview@nzta.govt.nz](mailto:farreview@nzta.govt.nz)

Dear Ms Sinnott

**Funding Assistance Rates (FAR) Review Options Discussion Document**

The Cycling Advocates' Network (CAN) thanks NZ Transport Agency for the opportunity to make a written submission on the Funding Assistance Rates (FAR) Review Options Discussion Document (hereafter Discussion Document).

CAN is the overarching body of the national network of cycling advocates. It is a voice for all cyclists - recreational, commuter and touring. Its membership includes over 400 paid members with more than 1500 additional 'friends' who are on an email network.

This current submission has been prepared by members of the Cycling Advocates' Network (CAN). CAN has followed the policy review process with interest and although it did not make a submission in the previous consultation about principles we would like to draw attention to the April 2013 submission by Cycle Action Auckland, a member group of CAN.

CAN supports any policy changes that will (1) ensure that infrastructure for active transport modes is more adequately funded and (2) improve the safety of the land transport system for vulnerable road users especially those using active transport modes given that Census 2013 data indicates that the number of people biking to work has increased by 16 percent since 2006. While this increase is not evenly distributed nationally it is very significant that more New Zealanders seek to use a bicycle for their journey to work. For many it will reflect concerns about the health and environmental impacts of using private vehicles. Funding for

the land transport system must ensure that the needs of cyclists are more effectively addressed in the land transport network.

## **Principles**

According to the Discussion Document funding assistance rates systems should:

1. Support optimal national land transport outcomes being achieved in the right way, at the right time and for the right price. Optimal national land transport outcomes contribute to the provision of an effective, efficient, safe, responsible and resilient transport system. (A responsible transport system addresses the potential harms of that system, including environmental and health impacts.)
2. Facilitate land transport network users experiencing an integrated and appropriately consistent network throughout the country.
3. Appropriately split the costs of the New Zealand land transport network between direct land transport system users and local communities recognising that each of those groups affects, and benefits from, that network.
4. Provide approved organisations and the NZ Transport Agency with as much investment certainty as practicable.
5. Be efficient to apply.
6. Be based on evidence and data that is readily accessible and reliable.
7. Ensure that if there are variations to how funding assistance rates are set or applied to address outliers or exceptions this is done transparently.

In general, CAN supports these principles but would emphasise that optimal national land transport outcomes mean giving full recognition to the responsibility for addressing environmental and health impacts. This needs to be given more weighting in subsequent decisions about co-investment. For example, there needs to be greater certainty, when setting a co-investment rate, that active transport modes will be adequately funded, reflecting their benefit to the wider land transport system. There is no evidence that the third, or any other, of these principles justifies a shift in the relative share away from the NLTF to local communities.

## **FAR for maintenance of cycleways and footpaths**

CAN notes that on page 22 of the Discussion Document it is proposed that maintenance and renewal of cycle paths (other than cycle paths and facilities used for purely recreational purposes); and cycleway markings on non-separated road services, as well as footpaths on road structures, e.g. pedestrian overbridges/underpasses, would be funded at an approved organisations' normal funding assistance rate. This means a reduction in the FAR for local road and walking and cycling capital improvements and road safety promotion from the current 53-94% to 50-52%.

## **Determining councils' funding assistance rates, bands and modelling of bands**

The principle that the focus should be on differences in local authorities' ability to raise the local share of the costs of achieving land transport outcomes, rather than input costs has merit. However, it will be difficult to arrive at a comprehensive measure of ability to raise local share.

Of particular concern to CAN is that the Discussion Document uses a much reduced maximum normal funding assistance rate of 70 or 75% (page 35). The reduced cap (down from 94%) is likely to result in significant reductions of expenditure on walking and cycling facilities, and capital improvements to those facilities. It is argued that the current minimum FAR for walking and cycling facilities and road safety promotion were not based on evidence of the appropriate split of costs between direct land transport users and local communities but equally there is no evidence in the Discussion Document to support a lower minimum FAR.

### **Administration Activities**

CAN is concerned that already the current level of funding assistance for the administration cost payment for road safety promotion, walking and cycling results in insufficient resourcing for these activities which are nevertheless centrally important to the efficient and safe functioning of the land transport system and which have wider economic benefits (in particular linked to their positive health and environmental impacts).

### **Road safety promotion**

CAN would like to see a higher level of FAR for local authorities' road safety promotion activities (as well as a higher level of funding from the NLTF for national level road safety promotion aimed at addressing safety improvement for vulnerable road users). The growing numbers of people using bicycles for transport as reflected in the Census 2013 journey-to-work data underscores the need for increased road safety promotion activities. CAN does not support the proposal for a single level of funding assistance for all approved organisations if this does not result in increased funding for road safety promotion aimed at improving safety of vulnerable road users.

### **Department of Conservation Carriageways**

CAN is deeply concerned at the suggestion (page 78) that

most DoC carriageways/vehicle accesses would not be eligible for funding from the NLTF - i.e. would have a 0% funding assistance rate. In particular [...], DoC carriageways/accesses would not be eligible for funding:

- where the use of that carriageway/access is in itself a key part of a recreation/ tourism activity;
- where the carriageway/access is primarily used for the purpose of managing the conservation estate (e.g by DoC staff and contractors);
- where they primarily serve activities undertaken on a commercial basis, or by clubs or similar groups under licences, permits or similar authorisations from DoC; and
- where the carriageways/accesses are very short, effectively driveways.

It would appear that the responsibility for funding these carriageways would then fall to the Department of Conservation which has insufficient funding for its natural and historic heritage conservation activity. Many of these carriageways may then not be maintained or would become

toll roads. The success of the New Zealand Cycle Trail reflects the considerable interest in recreational cycling much of which is in the conservation estate and any changes to the funding of carriageways would very likely have adverse impacts on cycle tourism in New Zealand.

### **Miscellaneous**

If the overall NLTF co-investment rate is set at the NZTA's "currently preferred" 50% rather than the current 53%, there needs to be transparency about how the remaining funds in the NLTF will be distributed. CAN recommends that any such remaining funds be tagged for strategic active transport projects.

We do not have a view about transitional arrangements but we recommend that any change to FARs must be done in a way that ensures maximum certainty for local authorities' long-term planning.

The Discussion Document is very heavily roading focused. As a result, the allocation of funds for passenger transport is inadequately considered. The current 50% FAR has the benefit of being easily understood and transparent but does not ensure that passenger transport services are funded at a level that supports a modal shift towards passenger transport.

A significant reduction in single occupant vehicles and heavy freight vehicles is essential for the efficiency of the land transport system.

### **Conclusion**

In the Foreword to the Discussion Document (see page 2) it is noted that this review of FAR was undertaken in response to dissatisfaction expressed by the local government sector over many years with the current funding assistance rates system. CAN wishes to emphasise that, while the local government sector has an important role and perspective, councils are supposed to represent the needs of all users of the land transport system. However, historically and at the present time, there are very limited mechanisms in place in local government for elected members and transport planners and other transport professionals to engage with those who promote active transport modes. Therefore, CAN is concerned that council submissions to the FAR review in the past, and at the present time, have tended to give insufficient attention to the implications of the options under discussion for active transport modes.

Similarly, NZTA has, in our view, failed to engage in a conversation with important stakeholders such as CAN as a national level land transport user organisation. In many places in documentation associated with the FAR review, we see references to the need for a conversation about the future co-investment rate.

CAN thanks you for the opportunity to make a submission on the Discussion Document and looks forward to having a conversation with NZTA at your earliest opportunity so that we can assist in ensuring that the final decisions will ensure that infrastructure for active transport modes is more adequately funded, and improve the safety of the land transport system for vulnerable road users especially those using active transport modes.

Yours sincerely

A handwritten signature in black ink, appearing to read "Cheyne". A horizontal line extends from the end of the signature.

Christine Cheyne  
CAN Submissions Co-ordinator

cc: CAN Secretary, CAN Chair, CAN Project Manager