



Campaign for Better Transport submission on the Local Government (Auckland Law Reform) Bill

Introduction:

This is a submission by the Campaign for Better Transport (CBT) on the Local Government (Auckland Law Reform) Bill (the Bill). This bill is the third and final Bill required to implement the Government's decisions on governance arrangements for the Auckland region. Of particular interest to the CBT is that the Bill establishes 'Auckland Transport' as a council-controlled organisation to manage much of the Auckland region's transportation.

While the CBT sees merit in some of the changes to transport governance in Auckland proposed by the Bill, overall the CBT does not support the Bill in its current form. Fundamentally, the CBT considers that the establishment of Auckland Transport in the form proposed in this Bill will not provide the integration, accountability and effectiveness that transport management in the Auckland region so desperately requires. The CBT is also highly concerned about the greater role that central government, rather than the future Auckland Council, will have in making decisions on Auckland's transport needs.

The CBT makes the following submissions – which are detailed further in this submission below:

1. To ensure that those making important transport decisions are accountable to the people of Auckland, the transport functions to be assumed by Auckland Transport should instead be exercised by the Auckland Council – with transport being a key department of that council.

In the case that this submission is rejected by the Select Committee, the CBT makes the following suggestions to improve the functioning of Auckland Transport.

2. To create better integration between railways, state highways and local roads, Auckland Transport should jointly manage (with NZTA and KiwiRail) all state highways and railways within Auckland.

3. Auckland Transport should not be exempt from having to comply with sections 59, 60, 64 and 74 of the Local Government Act 2002. These exemptions, if retained, will undermine Auckland Transport having to be accountable to the people of Auckland.

4. When preparing the Regional Land Transport Programme, Auckland Transport should have to 'give effect to' rather than just 'be consistent with' the Regional Land Transport Strategy.

5. Stronger links between the Auckland Council and Auckland Transport are necessary to ensure political accountability.



6. The current Auckland councils, rather than the Minister of Transport, should appoint the initial members of the board of Auckland Transport. Auckland Council should be required to appoint a completely new board, should they wish to do so, with a year of that Council being formed.

7. We submit that the proposed draft structure of Auckland Transport lacks sufficient emphasis on Public Transport infrastructure planning.

The CBT is very concerned that the current structure of the Bill will transfer much of the power over transport in Auckland away from elected local and regional politicians, towards unelected transport officials and central government.

Submission One - Transport should be part of Council and not a CCO

The CBT considers that government is making a fundamental error in creating a council-controlled organisation (CCO) to manage transport matters, rather than leaving Auckland Council to make decisions relating to transport within Auckland. It is considered that the proposed governance structure for transport matters will result in poorer outcomes and less political accountability than is currently the case in Auckland.

The CBT recognises that there are some advantages in creating an organisation that is dedicated to transportation issues – as is proposed by the Bill. Since its formation around five years ago, the Auckland Regional Transportation Authority (ARTA) has played a large role in significantly improving Auckland's public transport system, and there have been large increases in public transport patronage in response to these improvements. By having transport separated from day-to-day politicking, a greater focus on transport matters has been possible than was previously the case before ARTA existed.

However, the CBT considers that these are outweighed by the disadvantages that creating a CCO separate to council will bring – particularly if other changes are not made to the Bill (as detailed elsewhere in this submission) to ensure it is more accountable to the Auckland Council and the people of Auckland. The CBT notes that improving transport in the Auckland region is considered to be a high priority by regional and local politicians, in particular the mayors of Auckland City and Manukau City – who have put themselves forward as candidates for the mayoralty of the future Auckland Council. It is a concern that a mayor and council elected by the people of Auckland to help make significant improvements to Auckland's transport system will have very little power to do so.

The CBT is also concerned about the potential for significant problems if the decisions being made by Auckland Transport are substantially different to the direction the Auckland Council wishes to push transport policy. The future mayor and councilors for Auckland are likely to end up being blamed for outcomes that they have no control over. The CBT does not consider that to be an effective outcome.

Finally, the separation of transport away from other functions and roles of Auckland Council has the potential to reduce effective integration between transport and land-use



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planning, as well as many other decisions made by council. Effective urban planning and transportation planning requires a high level of integration between the two, and if the planning functions of the Auckland Council are completely separated from the planning functions of Auckland Transport, the CBT considers the likely result will be poorer urban outcomes.

For the reasons outlined above, the CBT considers that creating a separate CCO for transport in Auckland is fundamentally flawed. Therefore, it is submitted that Part 4 of the Bill be deleted in its entirety and transport be included as another function of Auckland Council and the Local Boards.

Notwithstanding the CBT's opposition to the establishment of Auckland Transport, as detailed in submission one, if parliament is of a mind to create this CCO then changes to it will be required to ensure it can operate most effectively, and in an integrated manner with the Auckland Council. These suggested alterations are outlined in the remainder of the CBT's submission on the Local Government (Auckland Law Reform) Bill.

Submission Two - Better integration is required between state highways, railways and local roads

The CBT considers that the main benefit for transport of the whole process to create a single 'Super City' for Auckland is that the number of agencies involved in transportation planning, funding, management and operations will be reduced. This should result in better integration and better decisions being made. The current situation simply does not work, with so many agencies involved in transport matters with objectives that are often contrary – such as ARTA not being able to roll-out its 'Quality Transit Network' scheme as local councils have not provided sufficient bus lanes.

It is agreed that the creation of Auckland Transport should improve this situation, and result in far better integration of transport matters. However, the CBT considers that the Bill does not take this integration far enough, and by still having distinctly separate agencies for the management and operation of state highways, railways and local roads (NZTA, KiwiRail and Auckland Transport respectively) there will still be an unacceptably low level of integration when it comes to transport matters in Auckland.

The CBT submits that Auckland Transport should have a significantly greater role to play in the planning and management of the state highway and rail networks within Auckland. The CBT considers that a 'Joint Venture Authority', as proposed in Option 5 of the Ministry of Transport's Regulatory Impact Statement, is likely to be the most effective long-term solution to ensure that the best transport decisions are made for Auckland. While this may be a longer term solution, in the meanwhile CBT submits that the legislation should instruct greater integration between the three main transport agencies in Auckland so that better decisions can be made.



Submission Three - Auckland Transport should not be exempt from various provisions of the Local Government Act 2002

Section 38(3) of the Bill states that sections 59, 60, 64 and 74 of the Local Government Act 2002 do not apply to Auckland Transport. The CBT considers that exempting Auckland Transport from having to comply with these section of the Local Government Act will result in this agency being even less politically accountable.

By not having to comply with section 59 of the Local Government Act, Auckland Transport's principle objectives will not be to achieve the objectives of its shareholder – the Auckland Council. Auckland Transport will also not have to exhibit a sense of social and responsibility by having regard to the interests of the community in which it operates. The CBT considers that this will result in greater separation of Auckland Transport and the Auckland Council, and will result in Auckland Transport being unaccountable to the people of Auckland.

By not having to comply with section 60 of the Local Government Act, Auckland Transport's decisions will not have to comply with its statement of intent. This seems a fairly bizarre outcome, and the CBT considers it takes away an opportunity for the Auckland Council to influence the decisions being made by Auckland Transport. The CBT once again opposes this exemption, as it will reduce the political accountability of Auckland Transport.

By not having to comply with section 64 of the Local Government Act, Auckland Transport's statement of intent requirements are fairly undefined. As per the above exemptions, the CBT opposes this part of the Bill as it is likely to reduce political accountability.

By not having to comply with section 74 of the Local Government Act, Auckland Transport will not have to comply with Official Information Act requirements that are usually associated with councils and their associated agencies. As per the above exemptions, the CBT opposes this part of the Bill as it will certainly reduce Auckland Transport's political and public accountability.

The four sections of the Local Government Act 2002 noted above should all apply to Auckland Transport to ensure that it is properly accountable to the Auckland Council and the people of Auckland.



Submission Four - Auckland Transport's Regional Land Transport Programme should 'give effect to' the Regional Land Transport Strategy

At present, the Land Transport Management Act 2003 (LTMA) requires ARTA to "give effect to" the Regional Land Transport Strategy (RLTS) when formulating the Regional Land Transport Programme (RLTP). The Bill proposed to alter this so that Auckland Transport only has to 'be consistent with' the RLTS.

The CBT considers that it would be very unwise for this change to occur. The RLTS is, and must be, the most important long-term strategy guiding transport matters in Auckland. The RLTS is formulated through an exhaustive process of widespread public consultation, and by a committee representing a wide range of stakeholders. By relegating the importance of the RLTS, the CBT considers that the strong guidance provided by this strategy may be lost – result in poorer and more uncertain transport outcomes.

The bill should be altered to ensure Auckland Transport has to "give effect to" the RLTS when formulating its RLTP.

Land use planning also forms an important part of transport planning, and such integrated planning is a key objective of the RLTS. Indeed, this has been noted by Cabinet¹ and the Minister of Transport to be a problem, yet the opportunity to resolve this issue through a strong relationship between Auckland Transport and the RLTS is not being taken.

The CBT cannot help but wonder whether the proposed changes to the importance of the RLTS are the government's response to the Auckland Regional Council's most recent proposed RLTS, which had very different transport priorities to those being advanced by central government. It would be very disappointing if this were the case.

Submission Five - Stronger links are required between Auckland Transport and the Auckland Council

An underlying theme of this submission is that there is a great risk Auckland Transport will be unaccountable to the people of Auckland for the decisions that it makes. The matters raised in submissions two, three and four seem to suggest that this Bill goes to great lengths to ensure Auckland Transport will be politically unaccountable.

The CBT submits that this is unacceptable, as such a large proportion of Auckland Council's budget is likely to be spent on transport matters. Further changes are considered essential to ensure greater links between Auckland Council and Auckland

¹ <http://www.mfe.govt.nz/cabinet-papers/cab-paper-spatial-planning-options-for-the-auckland-council.pdf>



Transport. This may involve a greater number of members of Auckland Transport's board being councilors, or the future mayor of Auckland Council having a greater role to play in the functioning of Auckland Transport.

Submission Six - Appointment of initial members of Auckland Transport's board

The Bill as proposed, would allow the Minister of Local Government and the Minister of Transport to select the initial board of Auckland Transport, with members of that board being potentially eligible to serve for up to three years.

The CBT strongly opposes this measure. The main way in which Auckland Transport can possibly hope to be publicly accountable is that its members will be selected (in the longer term) by the Auckland Council. Therefore, councillors who themselves are politically accountable to the people of Auckland, will be able to ensure Auckland Transport operates in a manner at least vaguely consistent with the goals of the Auckland Council.

However, if it is central government rather than the Auckland Council who select the initial members of the board, then there will be even less of an opportunity for Auckland Council to influence the direction of Auckland Transport. In effect, Auckland Transport will become the government's 'transport branch in Auckland' rather than Auckland Transport being Auckland Council's 'transport branch' – as is what should be the case. Yet again, this part of the Bill would reduce the accountability of Auckland Transport to the people of Auckland.

The Bill should be altered so that if an interim board of Auckland Transport is required before there is an Auckland Council to select it, that it is the existing councils of Auckland that select this board. Furthermore, the Bill should be altered to ensure that the Auckland Council can select a completely new board of Auckland Transport as soon as it sees fit.

Submission Seven - Organisational Structure

We submit that the proposed draft structure of Auckland Transport² lacks sufficient emphasis on Public Transport infrastructure planning. For instance public transport infrastructure projects currently underway include integrated ticketing, CBD rail tunnel and the Onehunga rail line and these will need to be continued under the new structure.

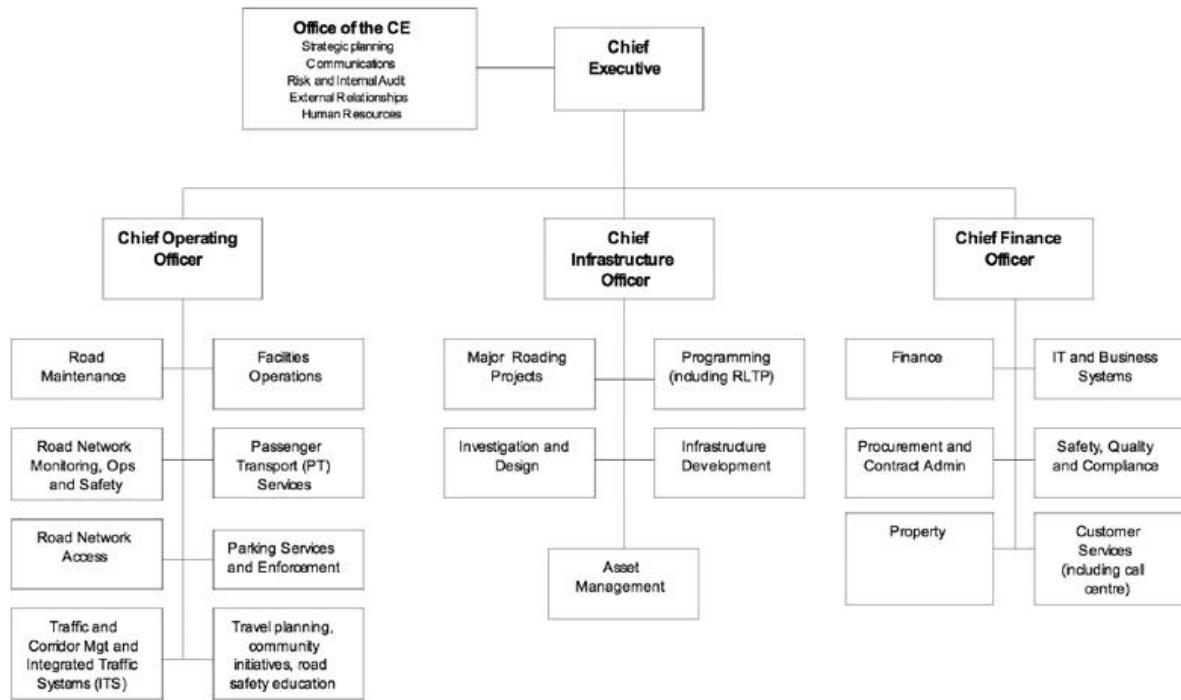
As such, public transport projects should have their own department, or "Major Roading Projects" should be changed to simply "Major Transport Projects" in the following diagram.

² [http://www.ata.govt.nz/web/cms_ata.nsf/vwluResources/Auckland%20Transport%20Agency%20-%20Draft%20Organisational%20Structure/\\$file/ata014%20discussion%20docu%20part%204%2020-11-09%20f.pdf](http://www.ata.govt.nz/web/cms_ata.nsf/vwluResources/Auckland%20Transport%20Agency%20-%20Draft%20Organisational%20Structure/$file/ata014%20discussion%20docu%20part%204%2020-11-09%20f.pdf)



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Auckland Transport Agency



Conclusions:

The CBT opposes this Bill as it relates to transport matters. The creation of Auckland Transport as a CCO is, in the CBT's opinion, likely to result in transport decisions being less politically and publicly accountable than is currently the case in Auckland. Furthermore, the benefits of 'integrating' transport in Auckland will be undermined by the continued separation of state highways and railway lines off from the responsibility of Auckland Transport. It is noted that the Royal Commission recommended joint management of state highways by a regional transport agency and NZTA.

The CBT opposes other aspects of the Bill that it considers will result in Auckland Transport being highly unaccountable for its decisions. The undermining of the RLTS and central government's ability to appoint the initial board of Auckland Transport is also opposed.