

8 July 2016

Barry Mein
Auckland Transport Alignment Project
Interim report

NZCID Feedback on the ATAP Interim Report¹

The New Zealand Council for Infrastructure Development (NZCID) welcomes this opportunity to provide feedback on the Auckland Transport Alignment Project (ATAP) Interim report: Findings and Conclusions May 2016 (the Interim report).

NZCID strongly supports the ATAP process. Achieving alignment of transport policy across local and central government through robust analysis is an essential step to delivering better transport outcomes for our largest and fastest growing city.

We commend the Foundation report which agrees the assumptions, trends and objectives for Auckland's transport system.

Executive summary

We welcome the Interim report, but are concerned several conclusions have been reached on the basis of preliminary evidence.

We commend ATAP's preliminary investigation of an Eastern Corridor and note the Interim report's determination that it is likely to represent poor value for money. On this basis, ATAP has not included an eastern motorway in its emerging strategic response.

We disagree with that finding. The conclusion has been drawn on an analysis that did not model interpeak mobility benefits and which did not include optimisation through a combination of design and pricing or appropriately value wider strategic, social and economic benefits beyond travel time savings.

On the other hand, the emerging strategic response relies upon what appears to be a highly ambitious pricing regime. Neither the political deliverability of such a scheme nor its net impact on travel decisions and costs has been investigated, yet the scheme still forms a cornerstone of the recommended pathway.

In our view, a different level of rigour has been applied to the evaluation of an eastern motorway than to the evaluation of a pricing system focused on demand management.

In the final report, we expect to see a high level cost benefit ratio for:

- a scenario based on demand management including a preferred pricing option,
- another incorporating an eastern corridor and other supply options necessary to address "unmanaged" demand, and
- a third "recommended" pathway which includes both, linking and optimising the revenue from a pricing regime with investment solutions which meet demand.

¹ This submission represents the views of NZCID as a collective whole, and may not necessarily represent the views of individual member organisations.

We anticipate that a recommended pathway comprising elements of demand management and increased “supply” will test the boundaries of political and public acceptability. For this reason, we consider much more detail should be provided in the final report as to why, after decades of tolerable transport performance, Auckland will no longer be capable of meeting travel needs without a pricing regime.

In our report, *Transport Solutions for a Growing City*, submitted previously to ATAP, we found that land use allocations, as set out in the Auckland and Proposed Unitary plans, sat at the heart of increasing transport challenges.

We encourage ATAP to highlight the problem passed on to transport officials by a land use vision which is incompatible with Auckland’s geography, travel patterns and existing transport infrastructure.

We ask ATAP to provide recommendations to the next Auckland Council as to how it may reallocate growth to better support agreed transport outcomes.

We conditionally support the emerging strategic approach

The emerging strategic approach consists of three types of intervention:

- Influence travel demand patterns
- Make better use of existing networks
- Provide new infrastructure and services

We agree with and support the need to ensure we are making the most of existing assets before investing in new solutions.

We also support delivery of new solutions where capacity is inadequate to allow for growth.

We therefore support two of the three interventions which comprise the emerging strategic response.

We are more tentative about providing support for the third intervention – influence travel demand patterns.

We support road pricing

ATAP partners will be aware that NZCID has championed road pricing for many years. We have seen in the water sector how effective and powerful a direct relationship between the users of a service and those who pay for that service can be and consider the same outcome can be achieved in transport.

We are extremely supportive of, and commend, ATAP’s proactive approach to assessing the impact of road pricing on Auckland’s transport network.

However, the discussion, sentiment and proposed implementation of demand management, including variable network pricing, in the Interim report does not in our view accurately reflect the true benefit of road pricing.

We are concerned that the actual purpose of road pricing has not been clearly articulated and we desire to make sure that this purpose has not been overlooked in the process of meeting ATAP’s Terms of Reference before we commit to supporting the emerging strategic approach.

The purpose and value of road pricing

The purpose and value of road pricing is not to change travel patterns nor modes, nor gain revenue nor even manage demand. Each of these factors are inputs into the wider objective of enabling people and goods to move where they need to move and when.

The value of road pricing is that it can strengthen the relationship between those who use a service, in this case roads, and the cost of providing that service, so that the best possible investment decisions can be made.

Whether or not the strengthening of this relationship results in mode shift or another response is of less importance than users paying for the actual costs of providing services.

By paying the actual costs of usage, including the impact on a scarce resource (lane capacity) at busy times, direct pricing of roads allows a balance to be struck between the cost of providing a service and the demand for that service.

That is, higher demand will result in more revenue, which will enable extensions to the transport network to the point where costs equal demand.

Critically, if there is any deviation of the funds users contribute away from services which benefit them then the relationship between those who pay and those who benefit will be lost and the efficiencies of road pricing reduced.

Stated another way, users should not through a road pricing scheme be charged a fee above nor below that required to deliver services which meet need.

A higher price will disincentivise travel, with negative consequences for social interaction, liveability and economic productivity.

A lower price will encourage travel, adding demand to the network and resulting in heavier congestion than can be addressed with available funding.

The overriding objective of any transport investment or mechanism must at all times be facilitating movement at the lowest overall cost.

We are concerned that the sentiment and evidence provided in the Interim report does not appear to favour a variable network pricing solution which seeks to balance the costs of providing a road network with demand for that road network.

The term “demand management” itself, suggests an emphasis less on providing services to meet need and more on suppressing demand to achieve identified public outcomes.

What is the right amount of demand to manage? Who determines which trips should be managed and how?

In our view, willingness to cover the full costs of travel must be the only barrier to movement or the impact on economic and social wellbeing will be unacceptable.

An essential element to covering the full costs of travel is returning the revenue from charges back into services which benefit those who pay, otherwise network pricing will evolve over time into a suppressive travel instrument which is unresponsive to changing needs.

Importantly, subsidies from one mode or distinct geographical area to another mode or area threaten to distort the relationship between what users want, what they are prepared to pay for and how much it costs to meet that need. The result will be lower investment efficiency, increased costs overall, and unnecessary barriers to movement.

ATAP should explicitly stipulate that a bottom line to implementation of variable network pricing is that revenue gained from road users should be “ring-fenced” for investment in initiatives that benefit those same users.

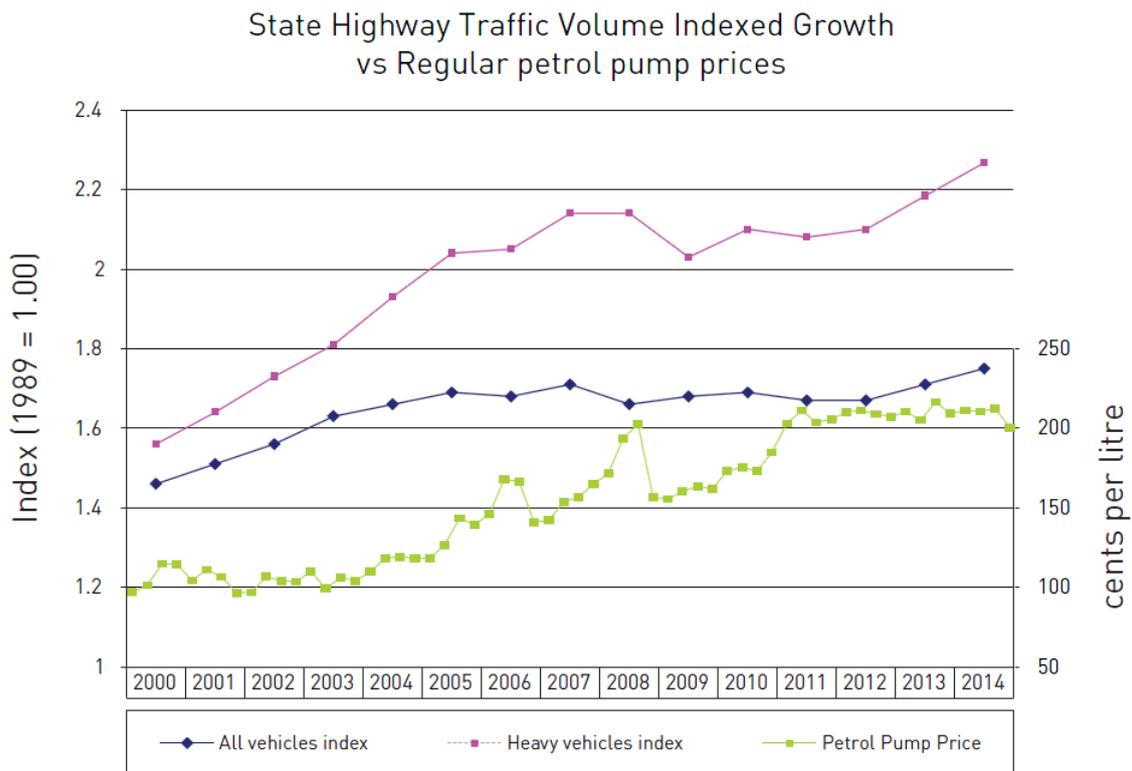
Public transport, walking, cycling or other means should have access to revenue from road pricing, but only to the extent that defined projects demonstrate a benefit to those paying road charges. Additional funding for these activities, where required, should be provided by alternate sources, particularly rates and user charges.

The benefit of electric vehicles must not be artificially constrained

Critically, inaccurate pricing of roads risks undermining the value proposition presented by electric vehicles.

As set out in Figure 1 below, increasing fuel prices (in green) between 2003 and 2011 coincided with a flattening in demand for road use (in blue).

Figure 1: Energy price influences demand for driving



Falling oil prices in recent years have seen demand for road travel increase again and motor vehicle purchases hit record highs.

This leads us to conclude that electric vehicles are likely to facilitate a significant increase in demand for private vehicle travel because the marginal cost of operating electric engines is lower than that for conventional vehicles.

Lower costs of travel provide a potential windfall for businesses with high transport travel costs and for individuals who can lower their costs of living, delivering a net liveability improvement.

The transport system must be able to respond to, and support without subsidising or penalising, the introduction of electric vehicles.

A pricing mechanism, such as that described in the Interim report, appears to place less emphasis on enabling travel at its lowest cost than on increasing costs to achieve specific transport targets.

We do not support the implementation of a road pricing system which acts as a suppressant to travel in order to achieve specified public objectives, such as increasing public transport mode share, where net benefits to those paying the price cannot be demonstrated.

We support users paying for the actual cost of their travel needs.

A road pricing system should gather as much revenue as is required to meet the travel needs of those paying road charges, either by funding extensions to the network or by funding alternatives which have a demonstrable benefit for those paying charges.

We recommend ATAP discusses the impact of lower private vehicle running costs and how a network pricing solution will support lower travel costs without undermining the vast efficiency and liveability dividend presented by more energy efficient vehicles.

Implementing a variable network pricing solution

Theoretically, variable road pricing is capable of being implemented at the level of streets and corridors, so that prices fluctuate depending on demand at different times of the day on that specific route.

In practice, such a system will only come about over time as the land use and transport system evolves in response to a new pricing mechanism.

For communities with no viable alternatives to private vehicles or high dependency upon one road, road pricing risks becoming “monopolistic” in application. In such a circumstance, users may be forced to pay an inefficiently high price for transport. That is, the economic benefit of reduced congestion will be exceeded by the economic and social cost incurred of disincentivising travel when desired.

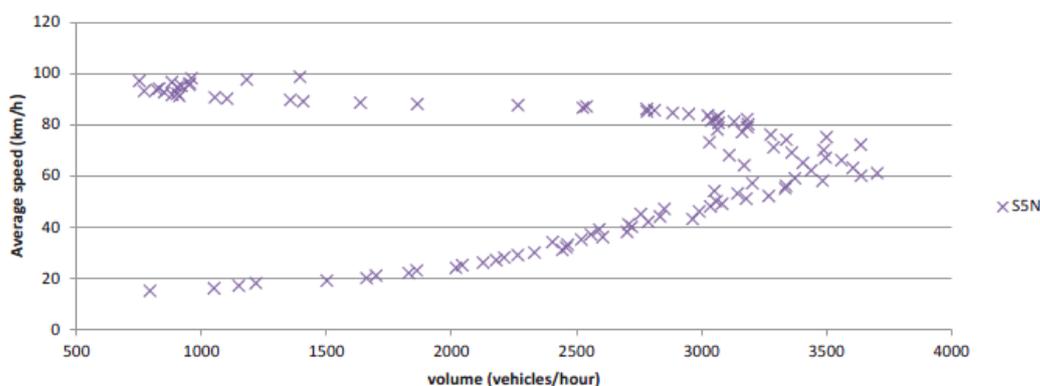
We therefore agree with the finding in the Interim report that implementation of variable network pricing will require staging.

For this reason, and not because of technology, NZCID has promoted a regional motorway-only solution.

Modelling has shown that heaviest pressure on Auckland’s road system is expected on the motorway network. As volume to capacity ratios demonstrate, parts of Auckland’s motorway network are already underperforming. Fewer cars are able to use the network because congestion is slowing traffic below optimum speeds at busy times.

A well-implemented variable motorway toll provides the ability to lower demand at certain times to allow, paradoxically, more, not less, cars to use the motorway network by influencing entry or exit (Figure 2).

Figure 2: Average Speed vs Flow on the Southern Motorway²



² Ian Wallis and David Lupton, The Costs of Congestion Reappraised, NZTA RR 489, February 2013.

By targeting a road pricing solution to those areas suffering the worst congestion, increasing (not decreasing) traffic flows and retaining “free” alternatives, the motorway toll option is, in our view, more implementable politically in the shorter term.

Moreover, as an extension of the Northern Gateway system already in place, the motorway toll option requires no in-car or new technology, meaning its roll out can be confined to Auckland.

The road pricing option described in the Interim report is a national transport funding solution and requires the consent of, and investment from, all of New Zealand to address what is overwhelmingly an Auckland problem.

It will impact the National Land Transport Fund, eventually superseding fuel excises and road user charges.

It will impact the Government Policy Statement on transport as well as how transport is managed and prioritised under the Land Transport Management Act.

It will also carry significant implications for lower socio-economic groups, requiring a review of the needs of some communities and the way they are assisted by the Government.

We agree that universal national road pricing is the future for road travel and look forward to the time when this becomes reality.

However, we are concerned that by opting for a much more ambitious solution, ATAP partners may defer, not expedite, the introduction of more efficient means of charging for road use.

We support and are happy to engage in a national discussion about how New Zealand funds transport in the future, but caution ATAP not to underestimate the challenge of achieving this in the shorter term.

We support new infrastructure and services

NZCID supports timely extensions to the transport system to meet travel demand.

We therefore support the second “leg” of the emerging strategic response.

However, we have difficulty reconciling the supply-side aspect of the emerging strategic response with the choice presented in the Interim report (page 5) between a supply side response or demand management.

Does ATAP consider the emerging strategic response to include supply side enhancements consistent with revenue gained from users, or does ATAP consider supply side enhancements are unnecessary with a demand management programme in place?

We detect a weak degree of acknowledgement within the ATAP report of the depth of Auckland’s transport capacity constraints. The sentiment within the ATAP report we find at times to be narrow and unhelpful. For example, the pejorative statement “only building our way out of the problem does not offer a compelling future” (page 5) is blunt to the point of being confusing and we are concerned may reveal a low level of commitment to tackling issues which matter to Aucklanders.

No one seriously contemplates increasing supply as the only solution. We accept and agree that Auckland cannot afford to build enough infrastructure to ensure all expectations are met at peak times. However, Auckland cannot currently meet interpeak demand and modelling shows this problem will become dramatically worse over the next decade.

For a city of 1.5-2 million, this level of congestion is simply unacceptable. It is inconsistent with comparable cities – many of which are growing faster – and getting worse at an alarming rate.

We cannot build our way out of peak road congestion, but we can certainly – and must certainly – build our way out of interpeak congestion.

Interpeak travel is business travel and without it the Auckland economy's myriad of small mobile businesses will stop. The interpeak must operate at an acceptable level of service and delivering this outcome is a necessity not a choice.

It is therefore of concern to us that the recommended pathway includes no investment solutions to meet growing demand (page 7) over the next decade, presumably based on an assumption that all excess demand can be managed down.

We find this unrealistic. New investment priorities are required immediately to support Auckland's economy and its people over the next decade because all evidence is showing that existing plans do not meet need.

The recommended pathway should be amended to include additional first decade investments to support demand, in tandem with solutions which deter demand which is generated in part by weak price signals.

Demand management and new services are partners, not opponents

We do not consider the issue of service improvements and demand management to be a choice between two options and we consider this question to be inconsistent with the emerging strategic response.

As discussed above, we consider road pricing to be an advanced charging system which allows authorities to balance the costs of providing an efficient transport system with the demand for travel.

With a variable network pricing system in place, we anticipate higher charges and greater revenue at congested points on the network at busy times. This revenue must help deliver new initiatives which either reduce demand at pinch points or expand the capacity of these pinch points, depending on which solution delivers greater value for money.

Demand management is a strategy to reduce those trips – and only those trips – which are incentivised by poor price signals.

Any demand management approach which seeks to suppress demand beyond this level is trading off congestion and other transport-specific benefits against social and economic freedom of movement – and is unacceptable.

Given Auckland's high level of growth, infrastructure and service expansions will be required under all scenarios and should be expressly acknowledged by ATAP as a positive and beneficial expression of freedom of movement.

Eastern motorway

For this reason, we have promoted investigation into a potential eastern motorway linked to an eastern aligned harbour crossing.

We are pleased to have been briefed on an analysis of an eastern motorway, undertaken within time constraints.

We note that this preliminary analysis indicates that an eastern motorway is unlikely to present a net economic benefit.

However, we have difficulty reconciling this finding with evidence which shows that the eastern motorway will in the future be congested at peak times.

The arrival of one million more Aucklanders exceeds the capacity of the Auckland motorway system under all modelled scenarios, both by ATAP and before.

Even with motorway widening in place, the core capacity provided by the Auckland road network is incapable of meeting the collective needs of Auckland businesses and residents.

Interpeak data is not available, but our assumption is that with an eastern motorway in place, Auckland's motorway system operates below a volume to capacity ratio of 0.8 throughout working days and weekends.

That is, although an eastern corridor is not sufficient to solve future AM Peak congestion, it appears as though it would be highly effective in limiting congested conditions to the AM and PM peaks.

Thus, there is demand for a strategic road solution, but modelled costs are considered to exceed the benefit of servicing this demand.

We acknowledge New Zealand's project consenting processes are time consuming, expensive and increase project costs well above New Zealanders' capacity to pay, and that these costs help undermine the economic case for urban transport solutions, but our primary concern is: where does that very high level of demand go if no eastern corridor is delivered and what is the net economic and social cost of those trips not being taken or being reassigned to different modes and times?

The fact that demand management options appear to remove this very large need suggests to us that pricing is punitive and successful only to the extent that it "prices people of roads".

A particular concern for us is that if electric vehicles reduce travel costs, inadequate capacity in the road system will require even higher tolls than modelled and the benefit of electric vehicles to users will be consumed by sub-optimal investment decision making.

We raised the eastern motorway option because it represents the last designated corridor within the Auckland urban area. Environmental sensitivities around the Hobson Bay reduce the benefit of this designation because in any case much of this section of the eastern motorway would have to be a tunnel.

It may therefore be the case that other motorway, expressway or arterial improvements represent better value for money.

We are open to and support ATAP's consideration of these options. Our only expectation is that ATAP delivers a future road system option which has the capacity to meet need at the price point necessary to build and maintain that system.

We do not yet have confidence that this system has been identified and are deeply concerned that nearer term demand management may over time be confused with demand suppression.

As discussed above, demand management is an effective tool to reduce trips which are incentivised by weak price signals. It must not become a tool to suppress trips altogether in an effort to achieve narrow transport objectives. If users are willing to pay for transport options, these options must be provided by authorities.

Consistent with ATAP's terms of reference, we expect to see in the final ATAP report detailed analysis of the net costs and benefits of: a demand management scenario; a capacity improvement scenario with an eastern motorway or alternative road improvement programme; and a scenario which uses road pricing to reduce poorly incentivised trips while creating revenue to expand road capacity and alternatives which reduce road demand into the future.

We support making better use of existing networks

NZCID supports the optimisation of existing assets.

We agree that some initiatives which could have a measurable impact on transport outcomes can and should be rolled out immediately, including the removal of parking on high volume roads and the application of new technology to existing assets.

Busway toll lanes

We include in this category the extension of dedicated busway corridors, most obviously the northern busway, to paying traffic.

The northern busway is a highly efficient corridor which is currently underutilised at busy times, relative to the remainder of the motorway network and the capacity of motorway lanes.

The capacity of a motorway lane is around 2000 vehicles per hour, whereas the northern busway at busiest times carries around 1 per cent of this figure.

Because bus stations are separated from the corridor, there is an enormous untapped capacity for general traffic to use the busway without materially impacting bus movements.

Assuming a very conservative 500 vehicles were permitted access to the busway per hour, up to 2000 paying vehicles may use the corridor each working day (assuming two hours in the morning southbound and two hours in the evening northbound). A toll of even just \$2.50 per trip would levy \$25,000 per week and over \$1 million per annum (assuming 40+ working weeks) and permit 2000 users a day to make significant time savings.

We acknowledge some capacity constraints, including at the termination of the southbound bus corridor, and expect that revenue from general traffic would initially be used to ensure improvements are made to guarantee unimpeded bus movement. Beyond these improvements, revenue could be used to contribute to extension of the busway.

We acknowledge public transport proponents may object to any potential infringement upon bus movement, but also note that removal of car parking on arterials, for example, will result in equivalent objections from those impacted by reduced parking options.

ATAP's objective must be to get the most out of the transport network, balancing competing interests to arrive at the net best system for Auckland. Better use of busway corridors at busy times is one viable option that should be considered.

On the basis that ATAP considers all options to better utilise all transport assets, we support the final element of the emerging strategic response.

Additional issues and options for testing

While we conditionally support the emerging strategic response, we consider there to be one significant gap which must be addressed by ATAP.

ATAP has not yet identified and explained why all evidence to date is showing such dire congestion from next decade.

Sound problem definition, even if not specified by the project's terms of reference, is critical to ensuring that ATAP solutions are appropriately geared to address Auckland's transport challenges efficiently and effectively.

Through the report, *Transport Solutions for a Growing City*, NZCID investigated in detail different factors often credited with creating Auckland's transport problem.

We acknowledged the very high levels of investment made to Auckland's transport system over the past decade, as well as the fact that these levels are expected to remain elevated indefinitely.

These levels are historically high and comparatively high when viewed against similar cities. Yet at the same time, Auckland's congestion issue, which Auckland Transport modelling shows will remain broadly at 2006 levels until the 2020s, is expected to become much worse shortly thereafter.

Record levels of investment should materialise as, at minimum, constant transport performance, if not material improvements. The kind of reductions anticipated and indeed experienced in recent years are totally inconsistent with the levels of resource being committed to Auckland transport.

Something is demonstrably wrong.

Growth is a factor, but with the exception of a slow down through the global financial crisis and for a brief period in the 1980s, Auckland has grown around present rates as a proportion of population since the Second World War.

Furthermore, this level of growth represents population expansion of less than 2 per cent per annum. Transport budgets have trebled in the past decade.

Something else is clearly influencing deteriorating transport outcomes.

Auckland's geography is undoubtedly more constrained than many other cities and it is certain that meeting Auckland's transport needs is made more expensive by natural features – but its geography has not changed in the past century nor is it expected to change in the next century.

Geography is not the reason Auckland's congestion is worsening.

Auckland's investment programme is the most obvious explanation why congestion is expected to worsen so dramatically.

However, although increased spending on public transport combined with comparatively weak growth in public transport patronage goes some way to explaining emerging problems, ATAP analysis has shown only minor benefits can be achieved from reprioritising projects.

Something else is creating a problem which no realistic transport policy can solve.

That "something" is land use.

Auckland's problem is land use increasingly misaligned to transport

The Auckland and Unitary plans suppose a level and distribution of growth which cannot under any viable scenario be serviced by quality transport.

Density is permitted in locations without quality public transport, increasing the number of cars per kilometre of road, and creating congestion.

Building and development restrictions prevent growth in areas with good connectivity, reducing access to public transport services and increasing dependency upon areas with weak public transport to accommodate growth. The result is comparatively high subsidies for public transport and growing congestion.

Homes and jobs are dispersed across differing parts of the region, necessitating travel through pinch-points, reducing the effectiveness of point-to-point public transport and supporting the high mobility advantages of private vehicles.

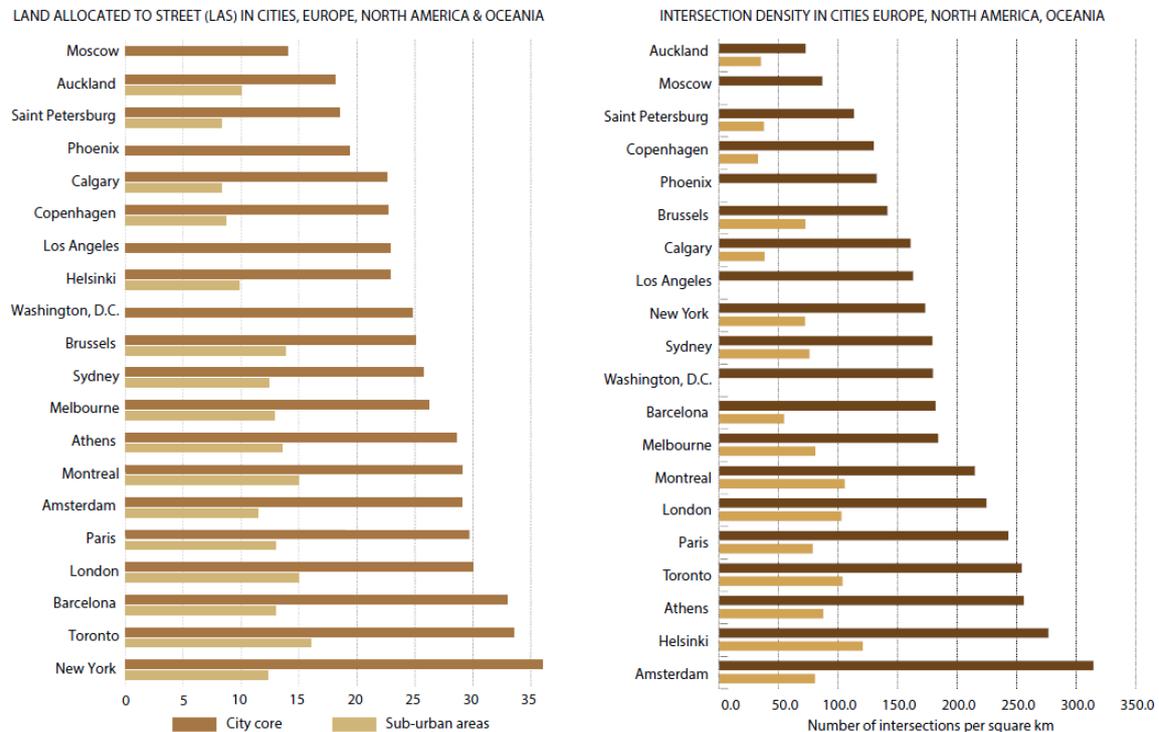
Until population and employment growth allocations are substantively revised, Auckland will have transport problems which no suite of policies will be capable of addressing without levying unacceptable costs on the region.

ATAP must investigate land use and growth assumptions and provisions with a view to recommending different growth scenarios to those currently planned as a means to addressing congestion, access to employment and weak public transport uptake.

The Auckland urban area is poorly configured for density

Most clearly set out in a 2013 UN report on select cities, Auckland has for 150 years not sufficiently provided for movement, both in terms of land allocated to travel and the configuration of transport corridors (Figure 3).

Figure 3: Auckland's transport backbone is inadequate to support density³



Streets are narrow, impeding expansion of dedicated busways (without removing development), pedestrian facilities and cycling.

Limited capacity allocated to regional arterial routes has left many with just one general traffic lane operating at most times, meaning motorways have become the de facto economic arterials of the region.

Streets wind around challenging topographical features, creating indirect passage to destinations and reducing the number of intersections. Both factors reduce the attractiveness of walking.

These entrenched features of the Auckland transport landscape severely limit opportunities for increased density in the short-medium term.

There is some capacity to re-masterplan under-developed brown field locations, for example, in Tamaki over the medium-long term. Street widening to make room for buses, cyclists, pedestrians and general traffic, as well as improved intersections and new corridors could in such areas materially change the capacity for movement as and when intensification occurs.

However, this type of targeted integrated transport and development is not well-supported by the Auckland and Unitary plans. Development is permitted out of sequence, transport solutions are incremental and unfunded and, in any case, even with targeted redevelopment in one location, the wider distribution of homes, employment and other travel destinations across the city remains inconsistent with a broader shift to public transport.

³ UN Habitat, Streets as Public Spaces and Drivers of Urban Prosperity, 2013.

ATAP must recommend growth allocations which align with transport

To achieve the levels of congestion reduction, access to employment and public transport uptake outlined in ATAP's terms of reference, there is no alternative but to dramatically revise growth assumptions for the region.

Without the benefit of modelling, NZCID considers the most likely land use response to address acute congestion from the mid-2020s is:

- Reduce density in brownfield locations without quality public transport, or new residents will saturate the limited capacity of key road corridors.
- Loosen height and other development restrictions in areas with quality public transport, particularly the CBD and surrounding area, to reduce the attractiveness of private vehicles where alternatives are competitive.
- Concentrate new density in greenfield locations proximate to rapid transit, new schools, town centres and other amenities where development can be masterplanned to efficiently accommodate expected levels of density.
- Sequence growth in 5-10 year increments depending on infrastructure availability and the timing of new investment.

With the benefit of modelling, ATAP may be able to achieve greater transport benefits by, for example: greatly increasing employment and residential density in and around the CBD or shifting business land around the region and reducing employment growth in the central city; intensifying isthmus locations serviced by light rail or deferring light rail, retaining development restrictions in the isthmus and shifting growth to new areas; shifting more growth south instead of north, or east instead of west; or some other combination.

ATAP may be able to realise equivalent benefits by staging growth, releasing development restrictions in different locations as and when infrastructure becomes available and transport systems are reconfigured to support higher demand.

The size and intensity of Auckland's transport challenge necessitates that ATAP considers all options and is not constrained by Auckland Plan and Unitary Plan assumptions.

We do not see such analysis as outside the terms of reference of ATAP.

Section 7.2.i of the ToR states that ATAP "will include consideration of likely long term changes in demand for travel." Land use is what determines demand for travel.

Since long term demands for travel are determined by land use and growth assumptions, we consider re-evaluation of, and recommendations for revision to, the Unitary Plan in particular are not only warranted but required by ATAP.

We also note that ATAP has already undertaken some such steps, allocating, for example, an additional 50,000 homes to the isthmus.

We support this work and encourage ATAP to model 100,000 more homes on isthmus locations around light rail. Equally, the assumption of more growth on the isthmus may be at the very core of Auckland's transport problems. ATAP should also model 50,000 fewer homes on the isthmus, with residential and employment growth allocated elsewhere.

If ATAP time constraints prevent this work from being undertaken now, ATAP should recommend a process by which this work is undertaken and findings used to inform transport priorities.

These findings must be published and made available to the Auckland Council as soon as possible to inform decisions on the Unitary Plan and next Auckland Plan.

Concluding points

ATAP must emphasise that transport plays a critical role in the economy and lives of all Aucklanders and that the overriding objective of the transport system is to get people and goods where they need to get to when they need to get there at the lowest possible cost. Transport is an essential ingredient to a democratic system, a fair society and a functioning economy. Movement is beneficial and must be facilitated at its true cost and not disincentivised by poor transport and land use decisions.

ATAP must provide an explanation why transport has become so much worse in recent times relative to other comparable cities. In our view, the only feasible explanation is that suboptimal investment, absence of direct pricing signals and inappropriate land use assumptions as set out in the Auckland and Unitary plans, and which are used to inform ATAP modelling, are fundamentally inconsistent with the efficient movement of people and goods around Auckland. ATAP should strongly recommend different growth, pricing and investment allocations to ensure better economic and liveability outcomes for Auckland.

ATAP must make recommendations to the Government regarding changes to key legislation, including the Land Transport Management Act and Local Government Act, in order to ensure the smooth integration of road pricing into New Zealand's transport planning, funding and delivery framework.