

16 April 2025

03 941 8999

53 Hereford Street
Christchurch 8013

PO Box 73013
Christchurch 8154

ccc.govt.nz

Committee Secretariat
Transport and Infrastructure Committee
Parliament Buildings
Wellington, 6011

Email: ti@parliament.govt.nz

Christchurch City Council submission on the draft *Land Transport Management (Time of Use Charging) Amendment Bill*

Introduction

1. Christchurch City Council (the Council) thanks the Transport and Infrastructure Committee (the Committee) for the opportunity to make a submission on the *Land Transport Management (Time of Use Charging) Amendment Bill (the Bill)*.
2. The Council acknowledges the impact of congestion on economic productivity and quality of life for our cities and communities.
3. While recognising the intent of the Bill to improve the efficiency and economic productivity of roading networks, we would like to see local leadership and decision-making more explicitly recognised in the design of the proposed model. The proposed framework establishes a centralised governance model for developing and operating time of use charging schemes. We are of the view that, without adequate protections in the legislation for representative local authority input, this will have the effect of limiting the local voice.
4. The submission below focuses on four key aspects, which include:
 - the centralised decision-making governance model.
 - the investment and prioritisation process for scheme revenue.
 - the workload for scheme boards before reaching a decision.
 - the proposed exemptions.
5. In addition to these submission points, we have included an Appendix which details specific requests for clarification or amendment (see Appendix 1).

Submission

Centralised decision-making

1. Under the proposed governance arrangements for introducing a time of use charging scheme, local authorities would have limited ability to input and influence schemes that will be implemented in their region. We are concerned by this lack of local leadership and decision-making, and caution against the proposed centralised model. We consider that a more locally focussed governance model that enables joint decision-making between the Crown and local scheme members is required.

Scheme board composition

2. The Bill outlines the membership and voting rights of scheme boards, which currently provide local authorities with a limited decision-making role beyond proposing a scheme. The Council requests that the role of local

leadership is strengthened in these arrangements. To ensure that local perspectives are adequately represented, we request revisiting the proposed structure to provide a more balanced role for local authorities in the decision-making process.

3. Local input is critical to ensuring the effective delivery and implementation of schemes. These schemes will predominately be operating and impacting the local transport network, with local authorities also expected to play a significant role in delivering these schemes. To provide more proportional recognition of the role local authorities play, we propose a new joint governance model (see Appendix 2 for the Council's detailed proposed amendments). We also request delegating the ability to make changes to the charging area and charges payable (within the OIC) to the scheme board.
4. In addition to the scheme board composition, we also seek that local authorities have the ability to endorse a scheme proposal prior to it being submitted to the Minister for consideration. Local authority ownership is crucial to the success of a time-of-use charging scheme. We consider that by allowing local authorities to endorse the proposal before submission to the Minister, that this would help achieve this ownership and provide more recognition of local leadership.

Ministerial powers

5. The Bill provides the responsible Minister with a range of powers, including the ability to direct local authorities to initiate schemes (after three years) and terminate schemes as well as the final decision-maker for any scheme proposal.
6. The council considers that the local authority should be the only authority able to initiate a scheme, even after three years. We see that introducing a time-of-use charging scheme is a local matter that benefits from local leadership. Allowing the Minister to initiate a scheme without local involvement will limit our role as decision-makers and reduce the opportunity for local input.
7. While we acknowledge that the Minister is the primary decision-maker, we have some concerns about the level of discretion granted to the Minister in making decisions. To enhance transparency and clarity in the decision-making process, we request that the Minister provide reasons for their decisions. This would not only ensure greater transparency but also offer a clear rationale for the decisions made.

Scheme revenue and investment agreements

Investment agreements

8. The Bill requires that prior to a scheme being operative, the local authority members of the scheme must reach an 'investment agreement' with the responsible Minister. We request that scheme revenue should be invested in projects and services set out in previously agreed and consulted Regional Land Transport Plans (RLTP) and Regional Public Transport Plans (RPTP) that align with the objectives of the legislation. By requiring this alignment with the RLTP and RPTP, it not only reduces any risks of misalignment but also provides more certainty both to local authorities and the community around priorities for investment in the region.
9. Although we seek to invest the scheme revenue through previously agreed regional plans, we agree that it is important to understand who is responsible for the delivery of investment projects utilising the balance of the scheme revenue. It is also helpful to provide clarity on the account type the revenue will be received into and spent from. For these reasons, we request the investment agreements be simplified to address the delivery responsibilities and disbursement accounts.

Allocation of scheme revenue

10. The Bill also specifies the hierarchy for recommended allocation of scheme revenue. Whilst we agree that the establishment and operational costs of the scheme should be covered before investing the remaining scheme revenue, we seek amendments to the allocation hierarchy to provide for additional costs in operating schemes (see Table 1 below, amendments in green).
11. Firstly, we request the allocation methodology include any costs incurred by local authorities to operate the scheme. We foresee that there will be a number of costs to local authorities as part of operating any scheme, including assessing and monitoring network effects, staff time and resource.
12. Secondly, as evident through similar schemes implemented overseas, time of use charging often results in increased pressure and demand on public transport services. It is therefore essential that scheme revenue is prioritised to support congestion alleviating measures, notably public transport services and providers.

Requested allocation of scheme revenue	
Order of costs to be covered by scheme revenue	The balance of scheme revenue
1. Scheme establishment costs	Activities and services within the scheme region as agreed through the Regional Land Transport Plan and Regional Public Transport Plan .
2. Scheme operation costs of NZTA	
3. Scheme operation costs of local authorities	
4. Secretary of transport costs	
5. Congestion alleviating complimentary measures	
6. Exemptions	

Table 1: Recommended allocation of scheme revenue and investment approach. Amendments in green, existing in black.

Scheme region

13. The Bill defines the scheme region to mean ‘the region in which a time of use charging scheme operates’. In the case of Canterbury, which covers a vast and diverse area, we do not consider that the proposed definition is appropriate and may have unintended consequences – particularly regarding revenue investment. We seek that the definition be amended to be the territorial boundaries of the local authority scheme board members.
14. This definition will assure scheme board members that the balance of revenues will be reinvested to benefit the areas where the charge is implemented while also aligning with the transport priorities of the scheme board member authorities.

Scheme development

15. The Bill currently requires scheme boards to undertake a substantive amount of work, including public consultation, before submitting a scheme proposal for consideration by the Minister. This all requires significant cost, time and resource to complete, particularly if the scheme is ultimately declined.
16. To provide scheme boards with greater assurance before committing to significant work, we request that a staged approach to scheme development is proposed. We see that introducing interim decision-making points is a mechanism to address this and provide scheme boards with greater confidence to proceed.
17. It is important to note that these interim decision points would not predetermine the final decision but rather

mitigates the risks for scheme boards so that there is a level of acceptance of proceeding. We also see that this approach would also help manage public expectations regarding the proposed time-of-use charging scheme.

Exemptions

18. The Council supports the exemption for emergency vehicles. However, we consider that these should be broadened to allow for additional exemptions. We see that this is necessary to ensure that any scheme is applied equitably, and its benefits are maximised. We also note that exemptions are a valuable tool for increasing public acceptance of a time-of-use charging scheme.
19. We recommend introducing two more categories to the list of exempt users:
 1. Public transport services operated by the local authority.
 2. Equity considerations – we suggest these could be developed based on existing welfare systems and processes within the Government. More detail on potential exemptions is available in appendix 1.
20. Additionally, we note that ‘scheme impact assessments must set out and explain the expected impacts on key communities of interest’. We request that this is expanded to include consideration of communities with limited access to public transport.

Detailed feedback

21. The Council has several detailed requests for clarification or amendment, which are listed in Appendix 1. We welcome the opportunity to discuss these points further if required.

Conclusion

22. The Council appreciates the opportunity to submit on the Bill. Providing road controlling authorities with the tools to effectively manage our transport networks is important to us and we look forward to further discussions with the Government and its agencies on this matter.

For any clarification on points within this submission please contact Lynette Ellis, Head of Transport and Waste Management, lynette.ellis@ccc.govt.nz

Yours faithfully



Phil Mauger
Mayor of Christchurch