

24 April 2025

Submitted via website

SUBMISSION TO MINISTRY OF TRANSPORT ON LAND TRANSPORT MANAGEMENT (TIME OF USE CHARGING) AMENDMENT BILL

Thank you for the opportunity to present this submission on the Land Transport Management (Time of Use Charging) Amendment Bill.

The Queenstown Lakes District Council (QLDC or the district) is supportive of the introduction of the Land Transport Management (Time of Use Charging) Amendment Bill. The need for a time of use charge (TOUC) scheme aligns with the district's approach of using a range of travel demand management (TDM) tools to address congestion.

As a road controlling authority, QLDC has significant institutional knowledge and on the ground experience in addressing complex transport challenges. While supportive of the bill, QLDC has concerns regarding the governance structure of scheme boards, and the minimisation of local influence on scheme design and investment approaches.

QLDC stresses that affordable public and active transport alternatives are essential for effective and equitable roll out of TOUC schemes.

Key areas that QLDC recommend for further consideration are:

- Emphasis on the availability of public and active transport alternatives for scheme success
- Assurance that revenue from the scheme can be used to give some users discounted public transport fares
- Amend the governance structure of scheme boards to give more territorial authority influence in scheme design and investment approaches
- Simplify agreements by better utilising existing practices and structures, including links with Spatial Plans
- Allow for the assessment and adaptation of schemes through short-term trials
- Amend the exemptions to include vehicles that reduce congestion, such as public transport
- Allow for alignment with Spatial Plans and priority development areas.

QLDC would not like to be heard at any hearings that result from this consultation process. Due to the timeline of the process, this submission will be ratified by Council retrospectively at the next Council meeting.

Thank you again for the opportunity to comment.

Yours sincerely,



Glyn Lewers
Mayor



Mike Theelen
Chief Executive

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1.0 The Queenstown Lakes District Context

- 1.1 Queenstown Lakes is one of the fastest growing districts in the country, with resident population projected to nearly double over the next 30 years¹. Being one of Aotearoa New Zealand's premier visitor destinations, the district has also faced an extraordinary growth in visitor numbers. For the year ending June 2023, there were 3.3 million unique visitor arrivals to the district, which equates to 63 visitors per resident².
- 1.2 Many visitors use self-driving opportunities, such as rental vehicles, while in the district. This has made Queenstown the second largest vehicle hire port in New Zealand, with over 2,000 rental vehicles currently available³.
- 1.3 The district's alpine environment also adds to the cost of servicing the road network. This means more expensive infrastructure, such as bridge crossings, and harsher terrain, adds to maintenance costs. The terrain also creates limited opportunities to expand the network via lane additions. This is exemplified by State Highway 6A (SH6A) between Frankton and Queenstown, which is a critical access corridor with limited opportunities to expand due its mountainous topography.
- 1.4 The combination of unprecedented growth and limited opportunities to expand the network has resulted in congestion, time travel delays and ultimately decreased quality of life and experience for residents and visitors⁴.
- 1.5 By necessity, the transport network in the Queenstown Lakes District (QLD) must be used more effectively to accommodate growth. This requires a mode shift away from private vehicles and towards alternative modes of transport, such as public transport, walking and cycling. If significant mode shift does not occur by 2028, it is predicted that peak travel periods on SH6A (6 kilometres) will regularly exceed 60 minutes compared to the 15-20 minutes currently⁵.
- 1.6 The need to encourage alternative modes to improve the efficiency of the network is raised in several strategic documents such as:
 - Queenstown Business Case⁶ (produced by New Zealand Transport Agency (NZTA))
 - Queenstown Public Transport Business Case⁷ (produced by Otago Regional Council (ORC))
 - QLDC Spatial Plan⁸ (produced by the Grow Well Whaiora partnership between Central Government, Kāi Tahu, QLDC and Otago Regional Council)
 - Climate Biodiversity Action Plan⁹ (produced by QLDC in partnership)

¹ <https://www.qldc.govt.nz/community/population-and-demand>

² <https://teic.mbie.govt.nz/teiccategories/datareleases/murpe/>

³ <https://www.qldc.govt.nz/media/yrlhbqnm/queenstown-integrated-transport-strategy.pdf>

⁴ <https://www.qldc.govt.nz/media/5nmpxn4y/quality-of-life-survey-2024-full-report.pdf>

⁵ <https://www.qldc.govt.nz/media/dombeggs/5ab-queenstown-business-case-summary-report.pdf>

⁶ <https://www.nzta.govt.nz/assets/projects/queenstown-package/5ab-queenstown-business-case-summary-report.pdf>

⁷ <https://www.orc.govt.nz/media/rasnp1qg/queenstown-public-transport-business-case-final-2024.pdf>

⁸ <https://www.qldc.govt.nz/your-council/council-documents/queenstown-lakes-spatial-plan>

⁹ <https://climateaction.qldc.govt.nz/our-plan/>

- Travel to a Thriving Future¹⁰, QLDC's destination management plan (produced in partnership by QLDC, Destination Queenstown and Lake Wānaka Tourism).

- 1.7 The 'Better Ways to Go' Mode Shift Plan 2022 jointly developed by QLDC, NZTA and ORC takes a comprehensive approach to encouraging mode shift in the district through a variety of tools. The plan identifies behaviour change tools, such as a TOUC scheme, to encourage mode shift in the district¹¹.

2.0 QLDC supports the introduction of enabling legislation for a time of use charge scheme

- 2.1 QLDC supports the introduction of the Land Transport Management (Time of Use Charging) Amendment Bill and acknowledges its alignment with the existing transport strategies and plans for the region (outlined above). It is noted that this formed part of the sub-regional deal proposal for QLDC, ORC and Central Otago District Council.
- 2.2 QLDC emphasises that time of use charge schemes need to be complemented by other TDM tools, such as incentives for travel by bike, public transport, or ride-share to improve network efficiency and reduce congestion. The deployment of these tools will be central to ensuring a scheme is effective in meeting its objectives and equitable in its impacts.

Recommendations

R.1 - QLDC supports the establishment of a framework to introduce a time of use charging scheme and acknowledges the alignment of this tool with the strategic direction of the district.

R.2 - QLDC highlights that time of use schemes need to be integrated with other TDM tools to successfully achieve objectives.

3.0 The proposed governance structure of scheme boards makes it challenging for local authorities to have a meaningful say in scheme design and investment approach

- 3.1 The governance structure in the proposed bill gives scheme board leadership, through a chair appointment and casting vote powers, to NZTA. This allows for NZTA to overrule local authorities in scheme design and its proposed investment approach when constructing a scheme proposal.
- 3.2 QLDC requests greater local authorities' decision-making powers on scheme boards, and through this amendment, more influence in scheme proposal, design and investment approaches. This will encourage a partnership approach and ensure local knowledge and expertise are incorporated into scheme design.
- 3.3 Local leadership plays an important role in scheme success. Local government has a deep understanding of the needs and concerns of their communities and is therefore best placed to carry out consultation on schemes, as well as determine what changes are needed in response to consultation.

Recommendations

R.3 - QLDC encourages amendments to the governance structure of scheme boards to allow local authorities to have greater influence in scheme design and investment approach.

¹⁰ <https://www.regenerativetourism.co.nz/the-plan>

¹¹ <https://www.qldc.govt.nz/media/ljzhnpz/item-2a-attachment-1-mode-shift-plan.pdf>

R.4 - QLDC recommends that territorial authorities lead public consultation and determine charges and pricing in response to consultation.

4.0 Allocation of scheme revenue needs to provide local community benefit

- 4.1 As raised above, QLDC recommends that the majority of revenue collected from schemes be allocated towards TDM measures to encourage alternative transport modes, such as affordable, regular and reliable public transport. These measures can also be used to minimise the impact of schemes on vulnerable groups, which may be disproportionately impacted by a TOUC scheme.
- 4.2 QLDC also supports the allocation of some scheme revenue going towards minor upgrades/improvements to the transport network, such improving functionality of intersections.
- 4.3 QLDC requests assurance that investment approaches of schemes will allow for ways to minimise the impact on communities which may be disproportionately affected by a scheme, such as those with disabilities, low-incomes, or lack of access to public transport alternatives.
- 4.4 There are several existing structures and practices already in place within NZTA and local authorities, such as Regional Land Transport and Spatial Plans. QLDC recommends that schemes be administered within existing structures and practices, rather than the establishment of new processes, to aid administrative efficiency and reduce costs.

Recommendations

R.5 – That revenue from schemes be used for alternative modes, such as walking, biking, as well as public transport.

R.6 – QLDC supports that a proportion of revenue be allocated towards improving the functionality of the transport network through minor upgrades.

R.7 – Assurance that revenue from the scheme can be used to minimise the impact on communities which may be disproportionately affected by a scheme.

R.8 – For the proposed framework to incorporate existing structures and practices between NZTA and local authorities to aid efficiency and avoid duplication.

5.0 Additional areas of consideration for scheme design

- 5.1 A TOUC scheme design and investment approach may need to involve distribution of revenue outside of the scheme areas. For example, secondary implications of a scheme, such as ‘rat-running’¹², may occur outside of the scheme area.
- 5.2 Schemes may also require adjustment or alterations after being deployed to address unintended implications and issues within communities. Allowing for assessment, evaluation and adaptation through short-term trials of schemes and building in general flexibility in the ability for local authorities to alter schemes will ensure adaptive and responsive schemes.
- 5.3 To ensure schemes achieve their objectives of encouraging behaviour change, QLDC calls for exemptions for public transport, motorbikes and mopeds to encourage the shift to transport modes that reduce congestion.

¹² ‘Rat running’ refers to where drivers increasingly use other roads not included in the charge zone to avoid the fee

Recommendations

R.9 – Scheme design and revenue allocation needs to allow for the mitigation of secondary implications, such as ‘rat-running’, which may occur outside of scheme areas.

R.10 – The introduction of mechanisms to enable schemes to be altered, or introduced as a trial period, to ensure they are responsive to local issues.

R.11 – Exemptions expanded to public transport, motorbikes and mopeds to encourage a shift to transport modes which reduce congestion.