

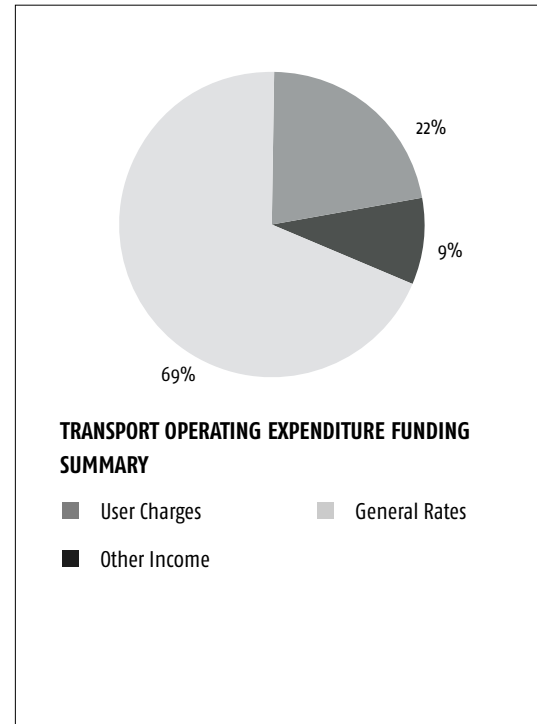
II) TRANSPORT STRATEGY

PROVIDING QUALITY CONNECTIONS

We're responsible for Wellington's extensive transport network, and for planning for the city's future transport needs. We see a high-quality transport system as critical to the city's economy and quality of life. Our transport activities include looking after hundreds of kilometres of city roads, as well as accessways, footpaths, cycleways, parking facilities, traffic signs and signals, street lighting and pedestrian crossings. We also manage parking areas and have an ongoing programme of safety promotion.

OPERATING ACTIVITIES

The funding sources for this strategy are illustrated in the graph below.

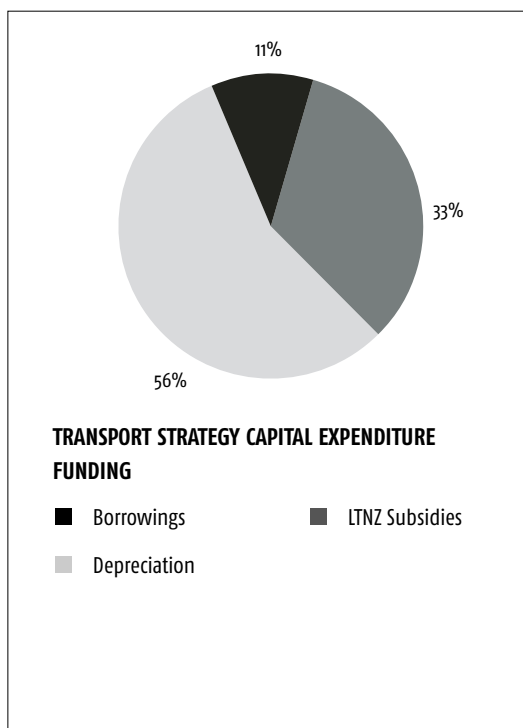


Activity	Funding Sources						
	User Charges	Other Income	General Rates	Targeted Rates			
				Residential	Commercial	Downtown	Other
2.1.1 Car parking	100%	0%	0%	0%	0%	0%	0%
2.1.2 Transport planning	0%	0%	100%	0%	0%	0%	0%
2.2.1 Regional advocacy	0%	0%	100%	0%	0%	0%	0%
2.2.2 Facilitation of ports access	0%	0%	100%	0%	0%	0%	0%
2.3.1 Travel Demand Management planning	0%	0%	100%	0%	0%	0%	0%
2.3.2 Roads Open Spaces	0%	10%	90%	0%	0%	0%	0%
2.4.1 Vehicle network	0%	5%	95%	0%	0%	0%	0%
2.4.2 Cycle network	0%	15%	85%	0%	0%	0%	0%
2.4.3 Passenger transport network	0%	100%	0%	0%	0%	0%	0%
2.4.4 Pedestrian network	0%	0%	100%	0%	0%	0%	0%
2.4.5 Network-wide control and management	0%	25%	75%	0%	0%	0%	0%
2.5.1 Road safety facilitation	0%	25%	75%	0%	0%	0%	0%

CAPITAL EXPENDITURE

The interest and depreciation costs relating to capital expenditure are incorporated in the operating costs of each activity.

Transport capital expenditure projects are funded through a combination of LTNZ subsidies, rates funded depreciation and borrowings, as detailed below.



Activity	Funding Sources			
	LTNZ Capex Subsidies	Development Contributions	Depreciation	Borrowings
2.1.1 Car parking	0.0%	0.1%	84.3%	15.6%
2.4.1 Vehicle network	41.5%	0.1%	58.4%	0.0%
2.4.2 Cycle network	48.0%	0.1%	26.4%	25.4%
2.4.3 Passenger transport network	0.0%	0.1%	87.3%	12.6%
2.4.4 Pedestrian network	0.0%	0.1%	38.6%	61.3%
2.4.5 Network-wide control and management	44.1%	0.0%	38.5%	17.4%
2.5.1 Road safety facilitation	46.8%	0.1%	19.5%	33.5%

TRANSPORT STRATEGY – ACTIVITY FUNDING COMMENTARY

ACTIVITY 2.1.1: PROVIDER – CAR PARKING

The Council provides short-term, metered roadside car parks in the city centre. We aim to have a high turnover of these parks. We also operate coupon and resident parking in areas to give city dwellers on the fringe of the central business district some relief from the daily influx of commuters.

COMMUNITY OUTCOME

This activity contributes in part to the outcomes that “Wellington’s transport system will be designed to meet the needs of its people efficiently and sustainably.”

WHO BENEFITS?

<i>Individuals</i>	75%
<i>Whole community</i>	25%

The direct beneficiaries of the Council’s parking services are clearly those people who use car parks. These benefits are private and exclusive. Two people cannot use the same car park at the same time and it is appropriate to charge people for using car parks. The Council’s parking services operate in competition with other private sector providers.

It might also be argued that retailers benefit directly from the Council’s provision of car parks. However, there is no practical way of assessing whether people are using car parks to go shopping or for other purposes such as recreation.

The community as a whole also receives benefits from the Council’s parking activities. On-street car parking is time limited to encourage a high turnover of parks, as this helps bring people into the city and benefits the commercial sector. All ratepayers benefit from the income derived from this activity, as it offsets the cost of providing the vehicle network.

WHO SHOULD PAY?

<i>Individuals</i>	100%
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Since the principal benefit from the Council’s parking services is to identifiable individuals it is appropriate for them to bear the costs through user charges.

While it might be argued general ratepayers should meet 25 percent of the costs, reflecting the benefit to the community as a whole, this would be inappropriate for a number of reasons. First, the level of demand for car parks suggests people using them believe they represent good value. As the principal benefit is to these individuals, it is appropriate to set user charges at a level the market will accept. Second, the Council’s parking services operate in competition with private car park operators and setting lower fees would unfairly disadvantage those operators and potentially reduce the supply of off-street parking in the city. Third, the individuals using car parking spaces also benefit through being able to use ratepayer-funded roads and footpaths, and their contribution through parking fees offsets the cost of providing these services.

This activity recovers significantly more revenue, through enforcement and meter charges than the operating costs. The Council believes this is appropriate as it supports our transport and retail policies. These policies aim to improve access to on-street parking and increase turnover of parking.

OUR FUNDING TARGETS: OPERATING EXPENSES

User charges	100%
Other revenue	0%
Targeted rate	0%
General rate	0%

Total	100%
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ACTIVITY 2.1.2: PROVIDER – TRANSPORT PLANNING

The mixed modes and changing demands on transportation means that transportation planning and increasingly important. The Council's work in this area is closely linked to the work that we carryout under urban development.

COMMUNITY OUTCOME

This activity contributes in part to the outcomes that "Wellington's transport system will be designed to meet the needs of its people efficiently and sustainably."

WHO BENEFITS?

Whole community 100%

This activity is of benefit to the whole community.

A well planned transportation network plays an important part in making the city more liveable. It provides for the efficient movement of freight and it allows for people to be better connected, aiding social cohesion.

WHO SHOULD PAY?

Whole community 100%

As the activity is of benefit to the whole community it is considered fair and appropriate that it be funded form the general rate.

OUR FUNDING TARGETS: OPERATING EXPENSES	
User charges	0%
Other revenue	0%
Targeted rate	0%
General rate	100%
Total	100%

ACTIVITY 2.2.1: ADVOCATE – REGIONAL TRANSPORTATION

An important component of our overall transportation planning is how our networks connect with the wider regions. We work with other local authorities and agencies in the area to ensure that the region has a coherent and efficient transport system that aids to economic development.

This activity is funded as per 2.1.2.

ACTIVITY 2.2.2: FACILITATOR AND FUNDER – PORTS ACCESS

The efficient movement of freight to and from the port is an important contributor to the city's economy. We work alongside the port authorities to ensure we can find appropriate solutions to the movement of freight so that these reduce any negative impacts on other users of the vehicle network.

Currently we have no direct funding to this area. We are considering a capital expenditure initiative to construct a round-a-bout to ease vehicle movements in this area within the next 3 years.

ACTIVITY 2.3.1: PROVIDER – TRAVEL DEMAND MANAGEMENT PLANNING

We are exploring a Travel Demand Management Planning initiative. This is component part of our overall transport and urban planning work.

COMMUNITY OUTCOME

This activity contributes in part to the outcomes that "Wellington's transport system will be designed to meet the needs of its people efficiently and sustainably."

WHO BENEFITS?

Whole community 100%

This activity is of benefit to the whole community.

The better understanding of travel demands will assist in the planning of the transportation network plays an important part in making the city more liveable. It provides for the efficient movement of freight and it allows for people to be better connected, aiding social cohesion.

WHO SHOULD PAY?

Whole community 100%

As the activity is of benefit to the whole community it is considered fair and appropriate that it be funded from the general rate.

OUR FUNDING TARGETS: OPERATING EXPENSES

User charges	0%
Other revenue	0%
Targeted rate	0%
General rate	100%

Total	100%
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ACTIVITY 2.3.2: PROVIDER – ROADS OPEN SPACE

Roads that are clean and have clear edges help make the city attractive and safe. We look after the city's roadside plants – removing or pruning overgrown ones, planting new ones, spraying weeds and supplying free plants to residents for them to plant on road reserves. We also clean city and residential streets, empty rubbish bins in the central city and remove spills and litter.

COMMUNITY OUTCOME

This activity contributes in part to the outcomes that "Wellington's transport system will be designed to meet the needs of its people efficiently and sustainably."

WHO BENEFITS?

Whole community 100%

This work benefits anyone who lives in or moves around the city by ensuring footpaths and roadside verges and open spaces are safe, attractive and free of litter. This work has benefits for the city's environment and for residents' safety, health and enjoyment of their surroundings.

WHO SHOULD PAY?

Whole community 100%

A small part of our roads open spaces costs are covered by a subsidy from the Government roading funding agency Land Transport New Zealand (LTNZ), which passes on funding from the fuel taxes it gathers. Of the remaining costs, as the community as a whole benefits, the fairest and most efficient way to fund this is from general rates.

The amount of the LTNZ subsidy varies from year to year depending on the scheduled asset management plan works and changes to the works programme based on reprioritisation.

OUR FUNDING TARGETS: OPERATING EXPENSES

User charges	0%
Other revenue	10%
Targeted rate	0%
General rate	90%

Total	100%
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ACTIVITY 2.4.1: PROVIDER – VEHICLE NETWORK

We manage a network that includes 59 bridges, four tunnels, and more than 650 kilometres of urban and rural roads, as well as all related pavements and service lanes. Upkeep of these roads includes resurfacing and major structural works, such as maintenance and earthquake-strengthening of bridges and tunnels.

As steward of the roads in a harbour city, we also have a responsibility to maintain sea walls, as well as the walls on dry land that make up the 'road corridor'.

COMMUNITY OUTCOME

This activity contributes in part to the outcome that "Wellington's traffic will flow smoothly through and around the city and its suburbs."

WHO BENEFITS?

Whole community 100%

The city's vehicle network is a vital public asset. Roads are available for all residents and visitors to use and, under the current law; we cannot charge anyone for using them. The vehicle network is not in competition with any privately-provided alternative. It benefits all residents by providing the means for safe, efficient travel. This benefits the economy and is also important for social reasons. For example, an efficient vehicle network allows people to get to work, visit friends and family, and get their children to school. This 'public good' aspect of the vehicle network is reflected in the fact that the Council's responsibility for providing and maintaining the network is enshrined in law.

The direct beneficiaries of the vehicle network are road users. This includes businesses that use roads for commercial purposes such as transporting goods. It also includes everyone who drives cars. But there are also many indirect beneficiaries, including people who never leave their homes but receive meals on wheels or mail deliveries.

It may be argued that the commercial sector receives a higher direct benefit than city residents. Heavy commercial vehicles cause more wear and tear on the roading network than private cars. However, it is not possible to reasonably assess how much benefit falls to each group.

WHO SHOULD PAY?

Whole community 100%

A significant part of our vehicle network costs are covered by a subsidy from the Government roading funding agency LTNZ, which passes on funding from fuel taxes. Of the remaining costs, as the community as a whole benefits from the vehicle network, the fairest and most efficient way to fund this activity is from general rates. While there may be arguments for imposing some direct costs on road users and, in particular, on heavy vehicles which cause a significant amount of wear and tear, the Council currently has no legal means of charging road users.

The amount of the Transfund subsidy varies from year to year depending on the scheduled asset management plan works and changes to the works programme based on reprioritisation.

OUR FUNDING TARGETS: OPERATING EXPENSES	
User charges	0%
Other revenue	5%
Targeted rate	0%
General rate	95%
Total	100%

ACTIVITY 2.4.2: PROVIDER – CYCLEWAY NETWORK

The Council maintains around 20 kilometres of cycleway in the city and suburbs. These require regular upkeep to ensure they have smooth surfaces, clear lane markings and signage, as well as cycle stands at appropriate parking points.

COMMUNITY OUTCOME

This activity contributes in part to the outcomes that “Wellington’s traffic will flow smoothly through and around the city and its suburbs” and that “Wellington will be pedestrian and cyclist friendly.”

WHO BENEFITS?

Whole community 100%

The cycleways provide significant benefits to the whole community. By encouraging people to walk and use cycles, they benefit the environment and improve residents’ overall levels of health. By reducing the amount of traffic, they make the city’s roads safer. Also, though not all residents use them, the opportunity is available for all. As an integral part of the transport network, the cycleways are a public asset.

The direct beneficiaries of the city’s cycleways are clearly the people who use them. This includes both cyclists and pedestrians who use the cycleways as de facto walkways. The cycleways provide these people not only with transport but recreational opportunities. However, it would be impractical to levy a fee on these users.

WHO SHOULD PAY?

Whole community 100%

A significant part of our costs for this activity are covered by a subsidy from the Government roading funding agency LTNZ, which passes on funding from the fuel taxes it gathers.

Of the remaining costs, as the community as a whole benefits from our provision of the cycleway network, the fairest and most efficient way to fund this activity is from general rates. Identifying individual users and charging them for their use would not be practical. Charging would also discourage people from using the cycleways, meaning the benefits from their use to the city’s social and environmental well-being would be lost.

The amount of the LTNZ subsidy varies from year to year depending on the scheduled asset management plan works and changes to the works programme based on reprioritisation.

OUR FUNDING TARGETS: OPERATING EXPENSES

User charges	0%
Other revenue	15%
Targeted rate	0%
General rate	85%

Total	100%
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ACTIVITY 2.4.3: PROVIDER – PASSENGER TRANSPORT NETWORK

Support for the city's public transport network is a major commitment for the Council. Our aim is to encourage greater use of the buses and rail, as this would improve energy efficiency and reduce pollution.

COMMUNITY OUTCOME

This activity contributes in part to the outcomes that "Wellington's public transport system will be accessible and affordable for all."

WHO BENEFITS?

Whole community 100%

The whole community benefits from this activity through improved access to public transport and provision of public shelters and transport information. While individual users of public transport receive the most direct benefit, the Council-provided services such as bus shelters are available to all. Encouraging use of public transport has wider community benefits including a cleaner environment and less congested roads.

WHO SHOULD PAY?

Individuals 100%

While the whole community benefits from this activity, the Council receives income for advertising on bus shelters. This income is enough to cover the cost of providing the Council's passenger transport network services, and as such, the cost of this activity does not need to be borne by the ratepayer.

The Greater Wellington Regional Council also funds projects as a part of its statutory responsibilities for public transport.

OUR FUNDING TARGETS: OPERATING EXPENSES	
User charges	0%
Other revenue	100%
Targeted rate	0%
General rate	0%
Total	100%

ACTIVITY 2.4.4: PROVIDER – PEDESTRIAN NETWORK

Pedestrian safety is a crucial aspect of the transport network. The Council maintains more than 800 kilometres of footpaths, as well as pedestrian subways, bridges, canopies, seats bollards and fountains.

COMMUNITY OUTCOME

This activity contributes in part to the outcomes that "Wellington's traffic will flow smoothly through and around the city and its suburbs" and that "Wellington will be pedestrian and cyclist friendly."

WHO BENEFITS?

Whole community 100%

This work benefits the whole community by ensuring that footpaths and access-ways are safe and well maintained. While it might be argued the individuals who use footpaths are the direct beneficiaries, in practice that includes most residents, visitors to the city and therefore businesses. It would not be practical to assess benefits on an individual basis.

WHO SHOULD PAY?

Whole community 100%

Since the community as a whole benefits from this work, it is appropriate for general ratepayers to bear the costs. A small amount of user charge income is received from the operators of street-side commercial activities. However, this income is not consistent or

OUR FUNDING TARGETS: OPERATING EXPENSES	
User charges	0%
Other revenue	0%
Targeted rate	0%
General rate	100%
Total	100%

ACTIVITY 2.4.5: PROVIDER – NETWORK CONTROL AND MANAGEMENT

Traffic flows need to be managed to minimise congestion at busy periods. We run a control system based on over 100 sets of traffic lights, and a dozen closed circuit television camera systems and a central traffic computer system. This activity also covers traffic sign maintenance and road marking maintenance.

COMMUNITY OUTCOME

This activity contributes to the outcome that “Wellington’s traffic will flow smoothly through and around the city and its suburbs” and that “Wellington will have clear directional signage.”

WHO BENEFITS?

Whole community 100%

Network management is crucial in a modern, efficient vehicle network. The beneficiaries of our work in this area are the whole community. By controlling traffic flows, we make the city’s roads safer, more efficient and help reduce travel times.

This work also has benefits for the whole community, as a safe, efficient transport system benefits the economy and is important for public health and social connectedness.

WHO SHOULD PAY?

Whole community 100%

A significant part of our costs for this activity are covered by a subsidy from the Government roading funding agency LTNZ, which passes on funding from the fuel taxes it gathers.

Of the remaining costs, as the community as a whole benefits from our provision of a safe, efficient transport system, it is appropriate for this activity to be funded from general rates.

The amount of the LTNZ subsidy varies from year to year depending on the scheduled asset management plan works and changes to the works programme based on reprioritisation.

OUR FUNDING TARGETS: OPERATING EXPENSES

User charges	0%
Other revenue	25%
Targeted rate	0%
General rate	75%

Total	100%
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ACTIVITY 2.5.1: FACILITATOR AND FUNDER – ROAD SAFETY

We make ongoing improvements to the safety of our road network. This work involves a wide range of measures including improving lighting, widening footpaths, installing ‘traffic calming’ measures such as speed humps, and installing barriers and handrails to protect pedestrians.

COMMUNITY OUTCOME

This activity contributes to the Council’s long term outcome that “Wellington will seek to improve the safety and security of its citizens as they move around the city and region.”

WHO BENEFITS?

Whole community 100%

This work helps reduce accidents and ensures the transport network is safe. The benefits are felt by the whole community, including all road users, pedestrians, cyclists and all others who benefit from the city having a safe, efficient transport network.

WHO SHOULD PAY?

Whole community 100%

A significant part of our costs for this activity are covered by a subsidy from the Government roading funding agency LTNZ, which passes on funding from the fuel taxes it gathers. We also receive some income in relation to this activity from the Land Transport Safety Authority. Of the remaining costs, as the community as a whole benefits from a safe vehicle network, the fairest and most efficient way to fund this activity is from general rates.

The amount of the LTNZ subsidy varies from year to year depending on the scheduled asset management plan works and changes to the works programme based on reprioritisation.

OUR FUNDING TARGETS: OPERATING EXPENSES	
User charges	0%
Other revenue	25%
Targeted rate	0%
General rate	75%
Total	100%