

A Transfund information bulletin for the passenger transport industry July 2000

Passenger transport funding - a new approach

In recent weeks the Minister of Transport, the Hon Mark Gosche, has signalled the Government's intention to increase funding for passenger transport.

The means to deliver some of the increased funding is patronage funding - that is, passenger transport service grants based on passenger numbers. Transfund is currently developing the patronage funding scheme, in order to provide regional councils with the financial incentive to increase passenger transport usage, particularly at peak times.

The previous subsidy limit has been removed, which will allow grants to grow as councils adopt the new funding method and patronage increases. The Government estimates that if regional councils seize opportunities to increase patronage, passenger transport funding from the National Rooding Programme could increase from \$46 million last year to \$73 million in 2003 (excluding infrastructure funding).

In the longer term, there are plans to review the way public transport is funded and managed in association with work on other possible changes to the land transport management system.

Policy and scope

In conjunction with the Ministry of Transport and the passenger transport industry, Transfund is developing the framework for the new funding approach, reviewing financial assistance rates, and examining the interaction of patronage funding with passenger transport infrastructure funding. The patronage funding policy will apply to:

- existing and new community public passenger transport services (bus, rail and ferry)
- commercial and contracted services.

The project does *not* consider:

- services that are not available to the general public, e.g. charters, tourist operators
- passenger transport services in the "social services" output class - Total Mobility, school services, concessionary fare schemes
- freight services
- taxi services or private ride-share arrangements
- other transport modes such as cycling or walking.

What's involved?

Transfund has initiated several different work streams in order to develop the new funding policy. Consultants Booz Allen & Hamilton are coordinating the various tasks, which include:

Evaluation of benefits.

Developing simple procedures for evaluating the benefits of reduced traffic congestion, safety, environmental effects and community values, resulting from increased use of passenger transport.

Patronage measures & payments.

Developing the basis for payments, e.g. passenger/stages, passenger boardings, and formulating a schedule of payment rates for each region. This could involve, for example, identifying route zones on the basis of congestion, with

higher payment rates for the most congested zones or routes.

Patronage monitoring. Developing simple procedures for monitoring outputs, e.g. passenger numbers, traffic volumes.

Impact on services and funding.

Examining how the new policy will affect Transfund's overall funding allocations and regional councils' current subsidy incomes.

Financial assistance rates (FAR).

Reviewing the present FAR policy.

Infrastructure funding. Examining linkages between passenger transport service funding and funding of the transport infrastructure.

Industry consultation

In all of the above tasks Transfund and its consultants will liaise closely with regional councils (RCs), transport operators, the Passenger Transport Advisory Group (PTAG), the Technical Working Group (TWG) and the Ministry of Transport (MoT) to develop options for the patronage funding policy.

We'd like to hear from you

Transfund is k & n to receive industry input to its work on the patronage funding scheme. Please note the consultation timetable set out in this bulletin, particularly the workshop dates. To contribute your views, refer to contact details at the end of this bulletin.

When the options have been developed, Transfund will report to the industry and will run workshops in Auckland, Wellington and

Christchurch in order to obtain feedback prior to implementation of the new policy. (See accompanying timetable).

As well as communicating policy options and other details direct to industry members at all stages, Transfund will publish regular updates in Transfund News and key trade journals.

Canterbury pilot

Environment Canterbury will be piloting the patronage funding concept, following an invitation from Transfund to all regional councils earlier this year. The pilot scheme provides a valuable opportunity to test a number of the features of the proposed scheme.

Environment Canterbury has consulted with several other parties, including other regional councils, and has adopted a pragmatic approach that will keep the pilot scheme relatively simple. The term of the pilot is from 1 July 2000 to 30 June 2001.

Transfund is negotiating with other councils that have expressed an interest in undertaking patronage funding pilots, and welcomes further approaches from councils.

Why change from the current funding method?

The key reason for the change is to link increased funding for passenger transport with increased patronage, in line with government policy. The existing system of funding RCs a fixed percentage of their net costs, within a capped total level of funding, provides little incentive for them to increase patronage.

The new policy should provide the required incentives.

How will patronage funding affect operators?

Passenger transport services are funded by Transfund from the National Rooding Programme. Payments are made direct to regional councils, who are, and will

CONSULTATION TIMETABLE	
June - August 2000	Develop policy options with RCs, operators and MoT.
June - October 2000	Assist those RCs who are interested to develop prototype patronage funding schemes.
July 2000	Environment Canterbury prototype commences.
August 2000	Following Transfund Board approval, policy options will be published (in print and on Transfund's website) for wider consultation.
September 2000	Interactive industry workshops have been planned as follows- Wellington - Mon 4 September (Museum Hotel, Cable Street). Christchurch - Weds 6 September (Rydgcs, cnr Worcester St and Oxford Terrace). Auckland - Fri 8 September (Centra Hotel, Auckland Airport). All workshops will start at 9.30am and last for the whole day. Attendance is free.
October 2000	Transfund Board will consider final policy recommendations.
Oct/Nov 2000	Transfund will issue an interim Manual of Procedures, and run training for RCs, consultants and other affected parties.
Oct 2000 onwards	Voluntary uptake of the new policy by those councils whose data systems are ready.
Early 2001	Revise procedures, if necessary, based on industry feedback and wider review by MoT.
July 2001	New procedures to be used by RCs in preparing their regional transport programmes for 2001/2002.

continue to be, responsible for specifying the requirements and minimum standards for passenger transport services within their regions. Transfund and councils are conscious of the need for care in changes to passenger transport funding, because of their long term effects on both passengers and operators.

Transfund will ensure that all existing contracts between councils and operators are honoured, and will work with councils to ensure that future

contracting arrangements which reflect the new funding policy are fair to operators.

PROJECT STEERING GROUP

Development of patronage funding is being overseen by a Project Steering Group chaired by Transfund chief executive Martin Gummer, and including representatives from the Ministry of Transport, Bus & Coach Association, Trans Rail, and the Auckland, Wellington and Christchurch regional councils.

Want to know more?

If you have any questions concerning patronage funding that are not covered in this preliminary bulletin, please address them in the first instance to Julie Booker at Transfund, direct dial 04 916-4299, email julie.booker@transfund.govt.nz

Questions concerning Government policy on passenger transport funding should be directed to Greg Mossong at the Ministry of Transport, phone 09 379-0036, email g_mossong@transport.govt.nz

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Transfund and industry processes set to change

At its June meeting the Transfund Board resolved to adopt the final recommendations of the Major Projects Review, some of which had been amended following industry consultation. The Board also approved some of the associated changes to Transfund's role and business processes.

These changes will focus Transfund on the concept of portfolio management, developing a framework for output funding, key performance indicators, establishing case management protocols, and agreeing the requirements for best practice guidelines. Transfund will work with road controlling authorities (RCAs) to ensure compatibility with desired regional and local outcomes, subject to projects meeting Transfund's funding criteria.

Consultation

The review and its recommendations have been widely consulted on and have received broad industry support. The presentations to key industry groups and the five regional workshops resulted in extensive feedback and a number of submissions. These were all carefully considered and have resulted in amendments to the original recommendations contained in Boston Consulting Group's final report. The work has also been peer reviewed by PA Consulting (UK).

Comments and advice from the Ministry of Transport have also been taken into account, and the Ministry will continue to work with Transfund and Transit on issues associated with their roles and accountabilities. Most of the amendments to the recommendations clarify Transfund's relationship as a purchaser with Transit and co-purchaser with local authorities, and the function of regional land transport strategies in defining the outcomes to be delivered through a portfolio management approach. Transfund's partnership with RCAs in developing the new processes will be a critical factor in their successful

implementation. Full details of all the recommendations adopted will be circulated through a special newsletter to all industry sectors, and will be posted on Transfund's website.

Implementation

In order to achieve early benefits from the review, Transfund will phase implementation of the changes resulting from the recommendations over the next two years, in consultation with Transit and territorial authorities.

Key phases of Transfund's work plan will include the following:

- Funding allocation criteria and project evaluation processes will be **segmented** to better focus effort on those projects where the greatest value is at stake.
- Transfund proposes to **delegate non-material cost variations-up** to 10% of the total project phase cost, with a limit of \$10,000 per project – to RCAs, in order to save a significant amount of time currently spent on reviews. RCAs will need to stay within the total amount approved in their programme for each output.
- For 2000/2001 Transfund proposes to invite Transit and a selection of territorial authorities to trial **output funding** and **portfolio management**. Subject to the results of trialling, the output funding/ portfolio management approach would be provided as an option for all RCAs who meet Transfund's performance criteria, and who have a reasonable number of low risk projects in 2002/2003.

continued on following page

CONTENTS

- Transfund and industry processes set to change
- Review of benefit values – Stage 2 to proceed
- Revised organisation structure will enhance capabilities
- Workshops improve understanding of CPP issues
- \$940 million National Rooding Programme launched
- CPP non-compliance was "administrative error"
- Talking Points
- \$2.5 million for research
- Notice Board

continued from front page

- Transfund will establish the protocols for **case management** of high cost/risk projects and trial them during 2000/2001 for subsequent application to all case managed projects.
- By September 2000 Transfund will determine its requirements for RCAs' development of **best practice guidelines**, which will be undertaken in consultation with Transfund.

Transfund will monitor the implementation of the various recommendations through the

Industry Steering Group, and will report progress to all industry sectors. The Steering Group consists of Martin Gummer (chief executive, Transfund), Robin Dunlop (chief executive, Transit), Ian Robertson (Montgomery Watson, representing ACENZ), John Pfahlert (chief executive, New Zealand Contractors' Federation), Wayne Donnelly (Auckland City Council, representing LGNZ).

Members of the Steering Group would welcome contact from people in the groups they represent as the implementation progresses.

Revised organisation structure will support new initiatives

At its June meeting the Transfund Board approved several changes to Transfund's organisation structure and staffing levels. The changes are being made for two reasons: first, to provide the capability required for new business practices arising from the Major Projects Review; and second to ensure the key projects and activities Transfund is currently involved in can be managed and delivered effectively.

The decision to revise Transfund's organisation structure follows an internal review of its current structure, conducted over the past few months and facilitated by consultants Greene Hanson and a project team comprising management and staff members.

The key changes are as follows:

- separation of the existing Programme & Funding group into two new groups – Planning & Evaluation, and Operations
- additional staff resource within the new Planning & Evaluation group to cater for changes to Transfund's business practices, including evaluation/case management of key projects, the introduction of output funding, and the phasing in of a portfolio management approach to Transfund's funding activities
- development of a small project support function – to assist with planning and managing key internal projects, initiatives and teams
- addition of one full time analyst to the Policy & Strategy group
- additional part-time staff in the Finance and Corporate Services groups, in place of the existing consultancy resource.

The accompanying chart shows Transfund's revised organisation structure.

A further important development is the establishment of cross-group "standing teams" covering safety, CPP issues, passenger

continued on following page

Review of benefit values – Stage 2 to proceed

At its June meeting the Transfund Board resolved to commence Stage 2 of the Review of Benefit Parameter Values, following successful completion of Stage 1 (see Transfund News, May 2000).

Stage 1 identified a number of priorities that road users and communities consider important. Some of the initial findings were surprising, for example, individual interviews of drivers found that some drivers valued flow more highly than travel time savings. Another finding was that perceptions of safety (i.e. feeling safe) were as important to many drivers as actual physical safety. Such benefits, revolving around emotional comfort, have not previously been valued.

The expert panel assembled by Transfund to provide advice on Stage 1 of the project considered the findings of the consultation workshops and trial interviews, and developed a strategy for completing Stage 2.

Updating evaluation parameters

The second stage of the project will be to develop and deliver a revised set of benefit parameters – with revised NZ-based benefit values that reflect user preferences – to include in Transfund's evaluation procedures.

The benefit values used in current evaluation procedures were determined from

a variety of sources, some of which are now up to a decade old and were based on overseas research. There is evidence from the consultation that the current values do not fully reflect all road user preferences,

The result of this is that some projects (e.g. passing lanes and congestion relief projects) may not be receiving the priority that road users would wish them to receive.

Revised benefit parameters will result in more contemporary evaluation procedures that better reflect current road user preferences.

Wider scope for Stage 2

As a result of feedback from local government stakeholders during the consultation process, Stage 2 will be enlarged to include a review of passenger transport (PT) benefits as well as road user benefits.

Revised and up-to-date PT benefit values, particularly those relating to travel time and passenger comfort, may have a positive impact on the viability of new passenger transport projects and services. Stage 2 will also update and expand the information available on environmental and social costs and benefits.

The review of road user and passenger transport benefit values is scheduled for completion by the end of October 2001. In June 2001 Transfund will consider whether to undertake a review of road user benefit values for maintenance works.

Workshops improve understanding of CPP issues

During March and April a total of 237 contractors, consultants and road controlling authority staff attended seminars titled *CPP – Tender and Evaluation Procedures*, that were held in eight centres across the country.

The seminars were valuable in generating discussion and sharing of experiences on CPP issues. They provided a rare opportunity for “buyers and sellers” to discuss case studies, exchange views and improve their understanding of each other’s perspective.

Feedback from the seminars has been analysed and was generally positive, with many useful suggestions being made. RCAs and consultants appreciated hearing the viewpoints of contractors, who made up one third of the attendees.

One recurring theme was the need for further detailed guidance, perhaps in the form of training courses, on specific

applications of CPP such as quality price trade-off (QPTO). Some questioned the wisdom of widespread use of the lowest price conforming (LPC) tender method in preference to the weighted attribute method (WAM) or QPTO.

One consultant expressed the view that WAM is the stepping stone to QPTO and that the WAM process should be fine-tuned with a view to expanding it to QPTO, rather than leaning towards the LPC evaluation method.

The detailed feedback will be presented to Transfund’s CPP Working Group, which will use the information as input to further strategic development of the CPPs and guidelines on best practice.

As well as further enhancement of the procedures themselves, the working group will consider what future training would be helpful for those involved in the request for tender, tender preparation and tender evaluation processes, in order to ensure that they are fair and give the best outcome for road users. Additional industry feedback is welcomed.

A full list of the seminar attendees is available to anyone looking for an evaluation team member. Please address any enquiries or further comments to Bernie Cuttance at Transfund, phone (04) 495 3273 or e-mail bernie.cuttance@transfund.govt.nz

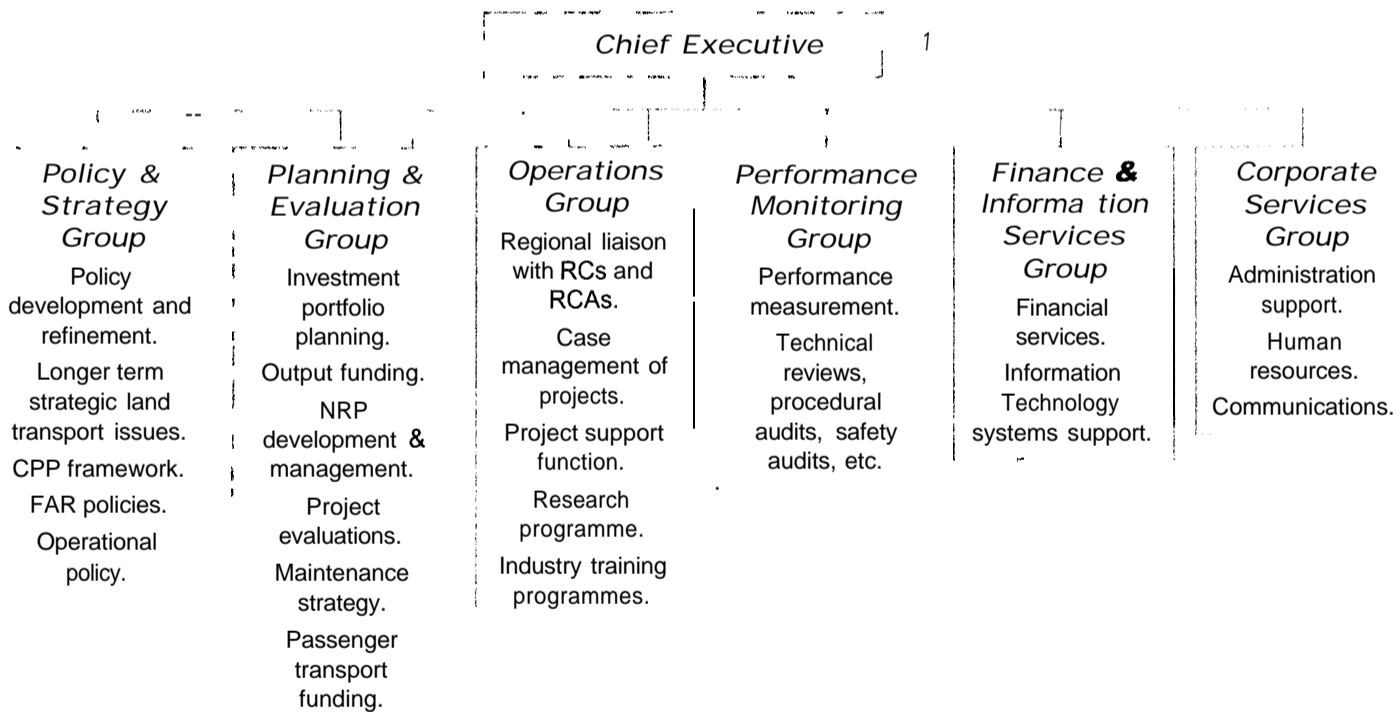
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transport, performance measures, and maintenance strategy. These teams, drawn from across Transfund’s internal groups, will play a key role in generating and testing ideas, and solving specific issues, in the areas nominated.

The overall effect of the restructuring on full time equivalent staff numbers will be an increase from the present 46 to 52. (This compares with a prospective staff complement of around 62 at the

Foundation for Research, Science & Technology, a comparable funding agency).

The positions of Planning & Evaluation Manager and several other new positions are being advertised in mid-July in the New Zealand Herald, Wellington Evening Post, The Dominion, and on the Internet at www.nzjobs.co.nz/govt. (Details are also available from Trish Bell at Greene Hanson, phone 04 80 1-82 12). Appointments will be made progressively from mid-August onwards.



\$940 million ⁶ National Roothing Programme launched

Transfund announced its 2000/2001 National Roothing Programme (NRP), totalling \$940 million, at a function in Wellington on 15 June. In spite of this also being the day the Labour Government delivered its first Budget the Minister of Transport, the Hon Mark Gosche, and MPs with an interest in transport joined around 90 industry leaders at the launch.

This year's NRP is just \$10 million higher than the 1999/2000 allocation, but meets all RCAs' and regional councils' requests for funding that fulfil Transfund's criteria. Funding for passenger transport has increased by \$9.4 million to \$52.5 million, and for minor safety projects by \$7.06 million to \$18.31 million.



Ineke Brockie of Deloitte Touche Tohmatsu in conversation with Transfund NRP Manager Murray Riley.



Above: Transfund chairman Michael Gross with Wellington Regional Council chairman Stuart Macaskill.

Left: Transfund board member Helen Anderson and Mr Reg Barrett of the Land Transport Safety Authority.



At the NRP launch, from left to right, Transfund chairman Michael Gross, Minister of Transport the Hon Mark Gosche, and Transfund chief executive Martin Gummer.

The number of construction projects to be funded in the coming year shows a marked increase – up by around 200 to approximately 530 projects – with fewer large projects and more small ones, particularly local roading projects. An allocation of \$98 million has been included for construction projects in the pipeline that may meet Transfund criteria during the year.

Due to strong revenue projections and expenditure efficiencies, particularly in the maintenance area, Transfund will this year fund projects with a benefit/cost ratio above 3.0, which will allow a number of roading projects to progress more rapidly.

Passenger transport

The programme includes \$5.1 million for patronage funding of some regional councils to provide incentives for increased usage of passenger transport services. Patronage funding is based on passenger numbers using a service.

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Transfund chief executive Martin Gummer announcing details of the 2000/2001 National Roding Programme in Wellington last month.

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Addressing industry personnel present at the function, Mr Gosche indicated that these changes could see the amount of money available for public transport double over the next three years.

"I also plan to review the way public transport is funded and managed," he said. "This will be associated with work on other possible changes to road safety and the road management system."

Greater efficiencies

Transfund chairman Michael Gross pointed out that funding projects with benefit/cost ratios above 3.0 would enable priorities such as the four-laning of SH1 from Mercer to

8
south of Ohinewai to be considered as one or two contiguous projects, rather than five separate exercises. This would speed up the work and allow more cost effective contracts to be let.

He also referred to the challenges ahead, such as the changes emanating from the Major Projects Review and Transfund's work on user benefits. "These changes will put pressure not only on Transfund but also on our partners, as we seek sector understanding and agreement."

Copies of the full 2000/2001 NRP have been distributed to all RCAs, regional councils and other industry members. Additional copies may be obtained by contacting Tessa Woodham at Transfund phone 04 473-0220 or email reception@transfund.govt.nz

2000/2001 NRP Update

At the beginning of July funding for new NRP projects to the value of \$2.1 million was approved at the first review meeting for 2000/2001. They included \$1.2 million for the Josephville Hill realignment on SH6 (Southland) and \$688,000 for seal widening on SH1 between One Tree Point and Marsden Point (Northland).

Further details are available on request from NRP Manager Murray Riley, direct dial 04 495-3263.

CPP non-compliance was "administrative error"

At its June meeting the Transfund Board requested that details of a recent CPP non-compliance issue be published as a matter of record.

The issue arose when Transit New Zealand and the Marlborough District Council made arrangements to combine the maintenance of State highways and local roads into two large contracts. Application was made to Transfund in December 1999 to vary the existing contract termination dates to allow for the introduction of new contracts.

Extensions to several contracts were needed in order to harmonise contract end dates and allow amalgamation of contracts into larger, more efficient, contract packages.

The Board approved the CPP variation as the legislative tests of efficiency, safety, encouraging competition etc. were met. Transfund is always keen to encourage smart purchasing as long as statutory requirements are complied with.

Contract had expired

However, it was also noted by the Board that one of Transit's contracts with Works Civil Construction had actually expired on 30th September 1999 and therefore may not comply with the CPP. The Board agreed to seek legal advice on the matter.

Transfund lawyers have since advised that the non-compliance was considered to be an "administrative error" and was neither

"material" nor "significant". There is no suggestion that any party has been disadvantaged by the error.

For the benefit of the industry, Transfund requests that all RCAs and contractors note the following points:

- The CPPs are a statutory requirement. New CPPs and variations to existing CPPs require Transfund approval. Their purpose is to encourage competition but not stifle innovation or efficiency.
- Transfund is always prepared to discuss possible variations to the CPPs that will allow smarter purchasing while still complying with statutory requirements, but needs to be involved early if difficulties like the ones that arose here are to be avoided.
- CPP requirements have to be met and correcting administrative, or any other, errors will still involve Transfund and the RCA in time and expense.
- Transfund is required to take these matters seriously because they involve statutory requirements.

Transfund also notes that the innovative way in which Transit has restructured contracts in the Marlborough District to achieve a common expiry date has enabled performance-based contracts to be introduced cost effectively with a uniform commencement date. Transfund concurs with Transit's view that the new contracts are likely to produce significant savings.

Talking Points

Transfund places a strong emphasis on consultations with industry stakeholders in all matters affecting its funding policies. Some of the policy initiatives on which we're currently consulting are:

Issue	Parties involved	Status/Timing	Transfund contact
Implementation of recommendations arising from the Review of Major Projects	RCA's, consultants, contractors and other industry groups	Amended recommendations now approved. Over the next month Transfund will communicate with all sectors on implementation.	Peter Wright 04-495 3270
Evaluation of Passenger Transport funding options (patronage funding, FAR, capital infrastructure etc)	Steering Group and Technical Working Group both consisting of major RCS, PT operators, MoT & Transfund	Scheduled for week of 17 July to discuss consultant's interim reports.	Jayne Gale 04 495-7604
Other passenger transport issues	Passenger Transport Advisory Group (PTAG)	PTAG meeting end of September (TBA) to discuss PT funding policy before the October board meeting.	Glenn McGregor 04 495-3262
Review of benefit parameters used in Transfund's project evaluation procedures	RCA's, RCs, AA, Road Transport Forum, MoT	Industry steering group currently being formed. Consultation on-going through RCA forum. Industry consultation and workshops targeted for June/July 2001. Bulletins will update key stakeholders on progress periodically.	Ian Melsom 04 495-3266
Cost sharing agreements for local road / State highway connection	Territorial authorities and Transit	Consultation to be completed mid July. Policy due in August	Murray Riley 04-495 3263

\$2.5 million for research

Transfund will spend a total of \$2.5 million on research in the 2000/2001 financial year.

The research programme, approved at the June meeting of the Transfund Board, covers five topic areas. Projects relating to road asset management account for 51% of the total allocation, while other topics are natural hazard risk management, safety, environmental effects, and travel behaviour. A total of 61 proposals for research were received.

The allocation of \$2.5 million comprises \$1.55 million of projects recommended by the Research Strategy Group (RSG) for 2000/2001, including

newly approved stages of continuing 1999/2000 projects and an allowance of \$200,000 for travel behaviour projects.

Almost \$700,000 has been allocated for committed projects from 1999/2000 and 1998/99, and \$248,000 for administration and publication of research findings, including the cost of publishing Transearch.

The Board also approved additional funding of \$355,000 (over and above the "base case" programme) for seven projects recommended by the RSG – five on road asset management topics, one on safety, and one on environmental effects.

Transfund recently requested research topics from the industry under the travel behaviour

heading, and received 21 suggestions. A technical subcommittee ranked these and Transfund then selected six topics for research. These will be tendered out in accordance with the proposal of the Research Strategy Group, approved at the February Board meeting, to allocate funds to a project-based tendering trial

Notice Board

Moving on

Chris Olsen, Programme & Funding Manager since Transfund's establishment in 1996, is leaving this month to take up the position of Chief Executive of the Pavement & Bitumen Contractors' Association, based in Wellington.

Chris has been a key member of Transfund's management team. In addition to his core responsibilities of developing and managing the National Roding Programme, he has led several major innovations to Transfund's policies and procedures, and served on a variety of project teams.

We wish him well and look forward to a continuing association with him in his new role.

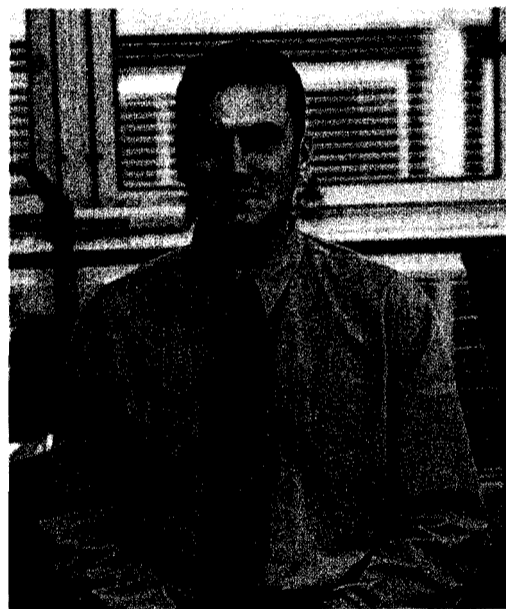
Central Region Manager **Bob Alkema** has been appointed Acting Programme & Funding Manager pending appointments to the newly created positions of Planning & Evaluation Manager and Operations Manager (see separate article on Transfund's revised organisational structure).

Moving up

Following Nick Allison's recent resignation, Transfund is pleased to announce the appointment of **Andrew Body** to succeed him as Policy & Strategy Manager.

Andrew obtained a Bachelor of Management Studies with 1st Class Honours at Waikato University in 1995. He then joined the Ministry of Transport as a commercial policy adviser, moving to Transfund in February 1998 as a policy analyst. Recently Andrew has been closely involved with several new initiatives including patronage funding of passenger transport services and a feasibility study into the proposed new Transport Information System.

Andrew Body, Manager of Policy & Strategy.



Advance notice – Workshops on Passenger Transport Funding Policy

Transfund is seeking input from interested parties on the proposed options for introducing a passenger transport funding policy based on patronage levels. Workshops are planned to explain these options, as follows:

Wellington Monday 4th September

Christchurch Wednesday 6th September

Auckland Friday 8th September.

Further details will be provided in the next issue of Transfund News. If you are interested in attending or want further information please contact Julie Booker at Transfund, direct dial 04 916-4299, *email julie.booker@transfund.govt.nz*

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TranSafe

A safety newsletter published by Transfund New Zealand



June 2000, Issue 3

Predicting crashes before they happen

Last year Transfund revised the way in which safety benefits of road improvements are evaluated. The new accident analysis procedures focus on measuring the crash potential of a site, based on statistical data for comparable sites and new information on typical crash rates.

In the past, a road needed a history of crashes to qualify for funding for safety improvement work. Transfund's accident analysis procedures are mainly based on measuring the crash history of a site and comparing this with typical crash rates for similar sites around the country. Possible solutions are then identified and the potential savings resulting from each option

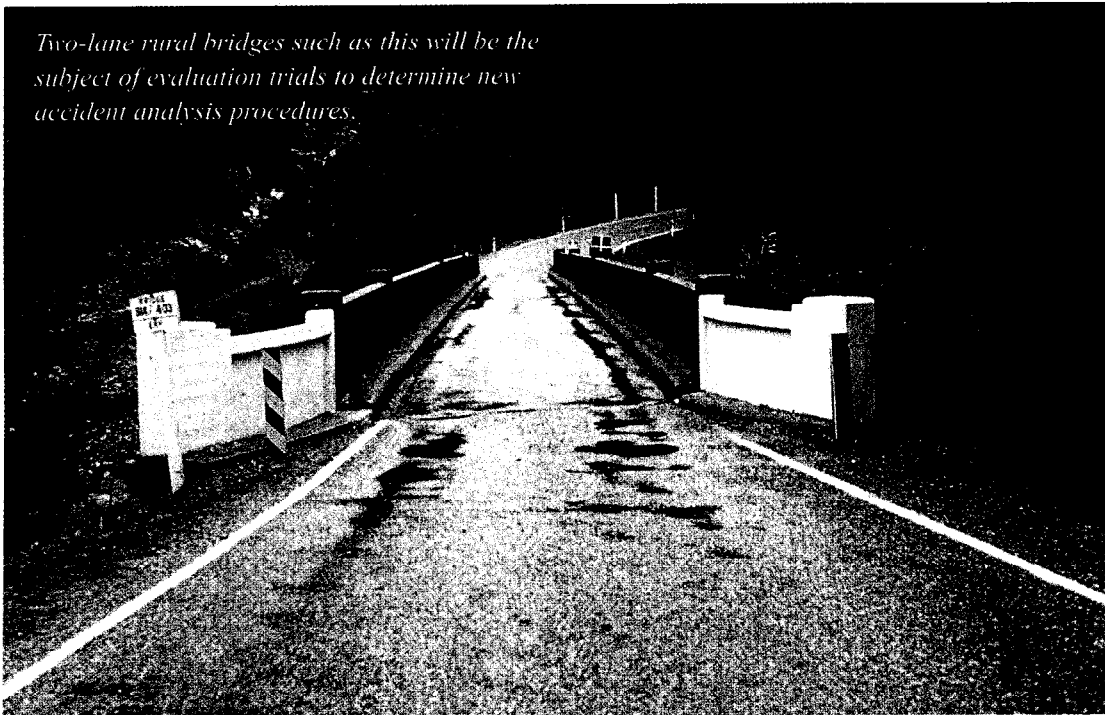
calculated. The weakness of this historical approach is that, generally, a number of crashes have to happen at a site before road improvements can be justified.

"Now, for some projects, it's no longer a case of 'waiting for accidents to happen'. We've moved part of the way towards trying to anticipate the inherent potential for crashes at particular sites, rather than waiting until they occur before improvements can be justified", says Transfund chief executive Martin Gummer.

"If we had the ability to see into the future we'd improve higher-risk sites before crashes occurred. The new accident analysis procedures aim to help us do this. They're forward looking rather than taking a purely historical perspective."

continued on page 2

Two-lane rural bridges such as this will be the subject of evaluation trials to determine new accident analysis procedures.



CONTENTS

- Predicting crashes before they happen
- Temporary speed limits poorly managed
- Better planning can reduce road crashes

continued from page 1

Procedures being trialled

The revised procedures are being phased in gradually. Currently, they are being trialled on projects involving bridges on two-lane rural roads, and narrow seal and shoulder widths, and will be used by road controlling authorities alongside existing procedures to evaluate which roads most need safety improvements.

Safety benefits are one of the key components of the benefit/cost (B/C) ratio used by Transfund to decide whether a project qualifies for funding. Transfund estimates that its investment in road improvement works this year will deliver more than \$600 million in safety benefits over the next 25 years.

“Safety is an essential component of everything we fund”, says Transfund policy analyst Ian Melsom. “Using cost benefit analysis enables consistent comparison between projects so that they can be ranked in order of priority on a national basis. By applying consistent,

uniform procedures, we aim to make the best use of limited resources and target funding to where it is needed most.”

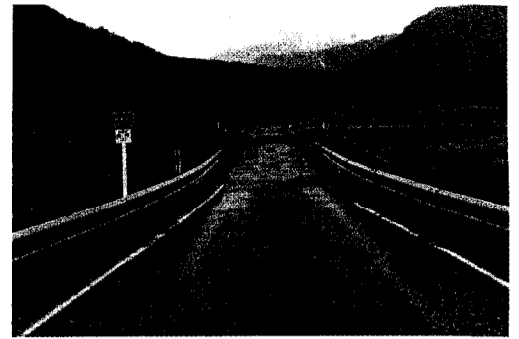
The new crash analysis procedures are an additional tool that allows Transfund to predict – and hopefully avoid – crashes, especially where information from historical records is skimpy.

While improvements to many of the country’s accident black spots have already been addressed, Transfund believes it is time to look at other areas that warrant attention. The new procedures will mean that hazardous sites with low traffic volumes, such as narrow bridges in rural areas – previously out of reach of funding dollars – could now qualify for funding.

While driver behaviour is a key factor in car crashes, the roading infrastructure has a part to play and Transfund believes the new crash analysis procedures will help reduce the contribution the physical infrastructure makes to those crashes.

The new approach will be particularly important for those parts of the network likely to experience traffic growth. Increased traffic can often

increase the risk of crashes at inherently difficult sites with no previous history of serious crashes.



Narrow bridge over Camerons Creek, SI 16, recently widened to improve safety

Temporary speed limits poorly managed

Recent surveys, including the audits of temporary traffic management in several regions, have all indicated that the use of temporary speed limits is being poorly managed. Deficiencies identified include the installation of inappropriate temporary speed limits, signage for temporary limits, and associated positive traffic management.



Although this road is closed, you can apparently drive at 100kph! (Sign should be covered)

Road user compliance is also unsatisfactory, but an improvement in driver behaviour cannot be expected until the standard of installations improves. Transfund believes it is up to the roading industry to make the first move.

It is important to recognise that temporary speed limits cannot function satisfactorily in isolation. They must be supported by appropriate complementary arrangements, so that the limit being applied forms part of a complete traffic management system that fills the project needs and protects the road user.

This system should ensure that signs are accompanied by some form of physical control that emphasises and reinforces the need for the speed limit and encourages the road user to comply with the limit.

Transfund recommends that personnel responsible for applying temporary speed limits should undertake training in temporary traffic management.

Legal requirements

There are important legal implications regarding temporary speed limits that need to be recognised. The various standards — Transit New Zealand specification G1, the “Working on the Road” booklet, and the Code of Practice for Working on High Capacity Highways — all give guidelines on the specific

13

requirements for these aspects. These generally reflect the legal requirements of the Traffic Regulations and include:

Authorisation: All temporary speed limits must be authorised by the delegated representative of the road controlling authority (RCA). If limits are applied over sections of road covered by more than one RCA, then both RCAs must give authority for the speed limit being applied.

Traffic Management Plans: All work related activities on legal roads must have a traffic management plan covering each activity, and the plan must have been accepted or approved by an authorised representative of the RCA. The plan should detail the exact requirements for location of each and every speed limit sign and all positive traffic management measures for the activity in question.

Recording: All temporary speed limits placed must be documented individually. These records must be retained by the responsible RCA for a minimum of two years following removal of the limit.

Signs: Correct selection and placement of signs is vital, and should be in accordance with one of the three

standards mentioned above (as appropriate for the road in question).

Placement of signs

The following gives general guidance on the placement of signs:

- Signs denoting the start point of the speed limit should be placed on the left side of the road as a minimum. Some roads require signs on both sides.
- Signs reinstating the permanent speed limit must also be placed on the left side, facing traffic, at the point where traffic leaves the designated area.
- All side roads entering the controlled area must receive similar signs denoting the temporary speed limit and signs reinstating the permanent speed limit.
- All permanent speed limit signs not relevant while the temporary limit is in operation must be covered so that the sign is not visible to road users.
- All temporary speed limit signs must be fitted with a "Temporary" supplementary plate.
- Orange diamond-shaped warning signs should NOT be fitted with these plates as they are already deemed to be temporary signs under the Traffic Regulations.
- Intermediate speed limit signs are required on the left side of the road at no more than 400 metre intervals wherever the speed limit length exceeds 400 metres.

It is encouraging to note in the Auckland Motorway network, the industry has begun to achieve a reasonable standard.

The outcome has been that Police have regained confidence in the industry, and have started to enforce temporary speed limits through the use of speed cameras. As a result, road users are starting to get the message that speeding through properly installed arrangements on these roads is not acceptable.

All RCAs would be well advised to take note of the above guidelines, so that safety can be improved throughout the entire network.



This sign should have a "temporary" plate below the speed limit.



Well placed speed restriction signs on both sides of the road



"Works end" sign correctly placed on both sides of the road



Whiteboard behind "New Seal" sign enhances visibility



The 30kph sign should be on the left, and the 50 sign should be covered



One lane closed due to works, but no temporary speed limit in place

Better planning **can reduce** road crashes

A recently completed Transfund Report (No RA 97/6285) evaluated the concerns consistently raised by road controlling authorities (RCAs) during Transfund safety audits, that poorly planned new developments are the cause of a number of road crashes.

The scoping study, carried out on behalf of Transfund by Montgomery Watson, identified a number of situations and examples of where poor planning has led to avoidable road crashes. They include:

- inappropriate "cross road" configurations – a right/left stagger is the preferred layout
- sealing roads on their pre-existing alignment, thereby increasing the speed environment but maintaining the existing substandard geometry
- continuing piecemeal expansion of residential or rural residential subdivision with inadequate provision of a "distributor network"
- a series of one-off accesses along a length of highway that, when combined, create a difficult and less safe driving environment
- the intensification in later years of a subdivision initially designed to minimum standards
- development remote from arterial routes resulting in traffic generation that exceeds the safe design capacity of intersections linking to the arterial system
- major developments of large generators of traffic – e.g. multi-storey car parks, shopping malls/precincts, stadia – with poor access to the roading network
- poor access to specific remote locations along narrow winding

roads – e.g., landfills, golf courses, regional parks.

The study concluded that the present statutory framework provides planning authorities and RCAs with all the powers necessary to minimise road safety risks arising from new developments.

Enabling legislation

District plans prepared under the Resource Management Act provide the main legislative authority for any measures required.

While RCAs are not empowered to regulate under this Act, they may make representations on plan provisions and consent applications in the same way as anyone else.

The study found that there are variations between local bodies in the desire and willingness to regulate to manage the effects of land uses and subdivisional development effects on arterial roads.

The report suggests that RCAs should review relevant district plans and identify any aspects that are deficient in dealing with road safety, with a view to achieving eventual "retrofitting" by plan change. For their part, local bodies should develop appropriate and effective mechanisms for evaluation of resource consent applications and project audits, having regard to road safety considerations.

Where safety is likely to be an issue, local authorities should encourage safety auditing at the time significant land development projects and activities are proposed. They should ensure that audits are carried out *prior* to consents being granted, so that appropriate changes can be made as conditions of consent.

Anyone wishing to obtain a copy of the report should contact Dr Ian Appleton,

Safety Audit Manager, Transfund New Zealand phone 04 495-3271, email: ian.appleton@transfund.govt.nz

In the course of producing the report referred to in this article, the consultants studied a number of District Plans to ascertain what provisions were made for minimising road safety risks. Extracts from their comments included:

Plan No 1

There **is** adequate provision for consideration of the **point** at which a new access adjoins an existing road, though the plan's provisions lack in several other areas. There is no consideration of the traffic safety effects in any of the individual zone provisions, other than for non-rural activities occurring in the rural zone. No provision **is** made for the **appropriate** design for a sub-division% internal roads. The only consideration of what effect new or upgraded roads may have on the overall network is that they have to be compatible with the existing district hierarchy. This does not extend to a consideration of what effect they **will** actually have on the roading network, but merely **that** they **must** be of a similar standard (eg. final surface and lighting).

Plan No 2

This plan sets out a robust framework in which traffic safety can be considered.

Plan No 3

The sub-division provisions of the plan include several means by which the consideration of traffic safety can be incorporated into the processing of subdivision applications.

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