

## **Urgent decision: Franklin Local Board**

18 April 2018

Nina Siers  
Relationship Manager

### **Re: Franklin Local Board Feedback on the Land Transport Management (Regional Fuel Tax) Amendment Bill**

#### **1. Subject**

The Finance and Expenditure Select Committee is consulting on the Land Transport Management (Regional Fuel Tax) Amendment Bill 2018. A council submission on the Bill is being presented to the Governing Body for approval on 19 April. The deadline for submissions to the Finance and Expenditure Select Committee is 20 April 2018.

#### **2. Background**

Auckland Council sought this legislation to enable the council to seek funding for specific transport-related projects, which would otherwise be delayed or not funded. The Bill proposes to amend the Land Transport Management Act to enable regional councils to establish a regional fuel tax. The bill sets out a process for regional councils to establish a regional fuel tax, initially available to the Auckland region, followed by other regions from 1 January 2021. The Bill would allow funds raised in Auckland to be spent only in Auckland.

The council has carried out preliminary consultation on a regional fuel tax of 10 cents per litre (plus GST) to be used to raise more funding for transport projects and services generally. A separate consultation process will be undertaken on the Regional Land Transport Plan (RLTP), and a specific proposal to use the regional fuel tax to pay for an identified programme of transport projects.

Local boards have been asked whether they wish to provide input or their own submission on the technical matters that are the subject of the enabling Bill, in addition to their input on the LTP and RLTP. For local board views to be appended to the council submission, these will need to be provided by 18 April for tabling at the Governing Body meeting.

#### **3. Reason for urgency**

Due to the closing date for submissions being 20 April 2018, this decision is required before the local board's next scheduled business meeting on 24 April 2018.

#### **4. Recommendation**

Staff recommend that Franklin Local Board approve the following feedback for inclusion in Auckland Council's submission on the Land Transport Management (Regional Fuel Tax) Amendment Bill 2018.

Franklin Local Board provides the following feedback to the Governing Body on the Land Transport Management (Regional Fuel Tax) Amendment Bill 2018, for inclusion in the Auckland Council submission to the parliamentary select committee:

- a) Franklin local board supports the introduction of a mechanism to fund transport infrastructure programmes that would otherwise be delayed or not funded;
- b) Franklin local board is not convinced that a regional fuel tax is an appropriate long-term mechanism to fund transport infrastructure programmes, as it is considered to be a blunt instrument that will place an undue burden on residents of rural areas, where there is limited transport choice and where there are less likely to be transport projects included in the funded programmes;
- c) Notwithstanding the above concerns, if a regional fuel tax is introduced in the Auckland region, it should be as a temporary measure leading into the development of a congestion charging mechanism;
- d) Part of the tax revenue gained should be applied to the development of infrastructure to enable congestion charging;
- e) The tax and the projects funded through it should be reviewed in three years (a maximum ten-year duration is not supported).

Authorised for release:



Signed by Nina Siers  
Relationship Manager, Franklin Local Board

Date: 18 April 2018

Signatories



Angela Fulljames  
Chairperson, Franklin Local Board

Date: 18 April 2018



Andy Baker  
Deputy Chairperson, Franklin Local Board

Date: 18 April 2018