



Auckland Matters

The AA's Auckland infrastructure issues newsletter

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GUIDING LIFE'S JOURNEYS FOR OVER 110 YEARS.

New Zealand Automobile Association



ISSUE 7: CONGESTION CHARGING

From the policy team



This edition of Auckland Matters looks at the issue of congestion charging, and follows recent calls by the Auckland Transport Alignment

Project (ATAP) – an initiative aimed at developing a joint local-central transport strategy for Auckland – for a congestion charging scheme to be considered in Auckland in the future.

Talk of congestion charging in Auckland is nothing new. What *is* new is the emerging consensus of support among officials and thought-leaders for the theory and principles behind it.

Like others, we now want to see more research done to determine whether and how an Auckland congestion charging system could work in the real world.

All the same, we'd caution the Government and the Council not to lose sight of just how complex and controversial congestion charging is. Plenty of cities around the world talk about it but very few have implemented it – and none in car-oriented, low-density cities like Auckland.

Officials are taking a big step just by opening the door to congestion charging. To make sure it's not a step too far, they'll need to tune into public sentiment more closely than ever.

Barney Irvine

Principal Advisor- Infrastructure

Introduction: tentative support

Auckland AA Members are ready to begin a serious conversation about congestion charging, but they're not yet ready to sign up to it.

While there's support among Auckland AA Members for some of the underlying principles of congestion charging, this is offset by deep-seated scepticism and doubt, and it wouldn't take much for tentative support to turn into definitive rejection.

If officials hope for the public to join them on the journey towards congestion charging, they'll need to remain committed to a gradual policy development programme and keep the benefits to people's mobility front and centre.

Congestion charging basics

There's a tendency to lump congestion charging and other road pricing schemes under the catch-all heading "tolls", but not all tolls are the same.

What Charging people extra to drive on congested roads, in order to encourage commuters to change when, how and where they travel and "spread the peak."

Why? The focus is demand management – that is, getting motorists to change driving behaviour – not raising extra revenue. So it's a far cry from the motorway toll proposed by Auckland Council last year (which was first and foremost a revenue tool). In an ideal world, a reduction in demand will mean a reduction in the need for infrastructure spending, and therefore lower costs for motorists.

How? Can be applied through an area charge (such as a CBD cordon) or as part of a charge covering the whole network.

Where? A handful of global examples are commonly cited:



ATAP's 'Variable Network Pricing' scheme

The mooted ATAP scheme – Variable Network Pricing – would apply to the whole of the Auckland network. Instead of fuel excise, motorists would be charged for every kilometre they drive, with the charge increasing on congested roads.

Motorists' movements would be recorded through GPS-based tracking devices installed in cars.

The intention would be to significantly reduce

congestion, and do so in a revenue neutral way – people travelling on busy roads/ at busy times would pay more; people travelling on quiet roads would pay less; but the overall revenue generated would be the same or less as what's generated by fuel excise.

ATAP's focus for the time being is on doing the groundwork – implementation would be at least a decade away.

What our Auckland Members are telling us

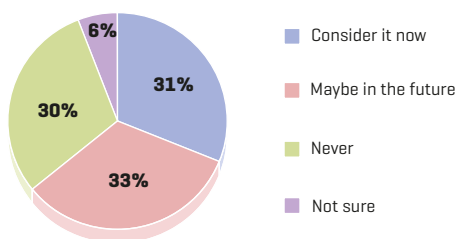
Between March and May this year, we sought feedback from Auckland AA Members on congestion charging, as part of a wider survey on road pricing. We received over 1300 responses, and here's what we learned:

1 Principles of congestion charging resonate...

At a principle level, Auckland AA Members support the idea of congestion charging, and recognise the logic behind priced and non-priced demand management tools.

Around two-thirds say they're open to congestion charging, either now or in the future.

Should the Government consider charging tolls on congested roads to encourage people to avoid them at busy times?



2 ...as long as benefits visible

But people need to have a clear sense that congestion charging will deliver direct benefits to motorists and value for money.

As soon as respondents perceive congestion charging as just a means to punish people for car use or they get a sense that it will fail to alter the congestion status quo, support dissipates.

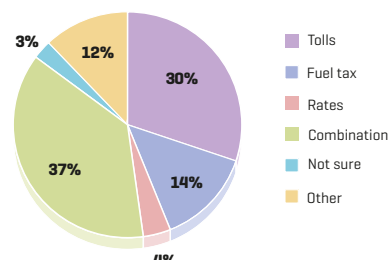
"I object to paying a toll for a road that is essentially a car park."

- AA Member

3 Paying more to get more

There is a broad willingness to pay (at least a little) more to deliver game-changing transport projects. Tolls, particularly tolls on new infrastructure (which is what Auckland AA Members typically understand "tolls" to mean), remain the most popular funding option.

If Aucklanders had to pay more towards infrastructure projects, how would you rather pay?



4 Tolls on existing roads remain problematic

Yet tolls on existing roads – which would be necessary under any congestion charging scheme – do not sit nearly as well.

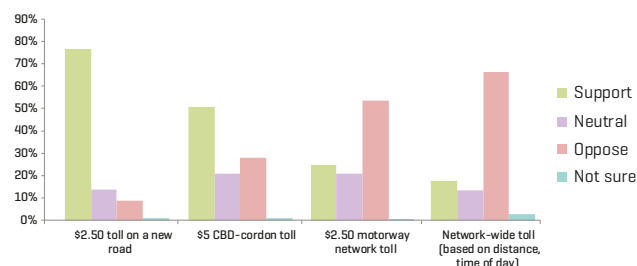
Despite the stated openness to congestion charging, there is widespread discomfort with the idea of paying to use roads people consider they've already paid for.

"Tolling roads that are already built and paid for is theft."

- AA Member

Hence, when Auckland AA Members consider different charging schemes (at face value, at least), support plummets as the coverage of the scheme increases, with a network-wide scheme – along the lines of the ATAP proposal – the least favoured option.

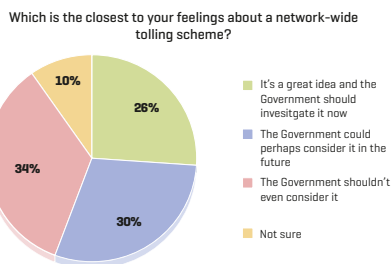
How do you feel about the following tolling schemes?



5 Once explained, network-wide charging more palatable

However, once the rationale of a network-wide charge – in terms of congestion relief and revenue neutrality – is explained, the support profile changes significantly.

Over a quarter say a network-wide scheme, with fuel excise replaced by a distance-based charge and higher charges for driving on congested roads, should be implemented now, while another 30% say it could be considered in the future.



6 Fairness a major concern

Both solicited and unsolicited, respondents expressed deep-seated concerns about the equity impacts of congestion charging.

Around two-thirds of respondents – similar to the proportion expressing in-principle support for congestion charging – said they would be “very concerned” or “somewhat concerned” by the potential for new charges to affect some people disproportionately (on account of where they live, work or travel) and for some to be unable to afford them.

"Toll infrastructure costs money to put in, causes resentment and accentuates a two-tier society."

- AA Member

Others expressed a lack of confidence in the transport planning process, and resented paying more when the money might not be well spent.

"The Government and Council are very good at throwing money at schemes that don't work."

- AA Member

7 Little scope for switch to PT

Auckland AA Members indicate minimal willingness or ability to switch to public transport (PT), walking or cycling under a congestion charging scheme. Even if faced with a \$5 toll and twice as much congestion as they face now, more than two-thirds say they'd continue driving.

Why? Typically, respondents point out that they need their cars during the day for work or personal activities and/or that no viable PT alternative exists.

"People don't drive around Auckland just for fun, they do it because they have to. Punishing them for that is morally indefensible."

- AA Member

There is a strong belief among Auckland AA Members that any new road user charges must go hand-in-hand with significant improvements in PT.

"It's no good forcing people to use something that isn't effective across the entire city. Don't penalise me when you can't offer a suitable alternative."

- AA Member

8 Changes to routes/travel times more likely

Behaviour change by drivers is far more likely to occur through altering routes and departure times.

Responding to hypothetical charging scenarios, Auckland AA Members typically say they'd simply pay the toll and continue to drive, though many say they'd avoid the toll by driving on free routes or travelling earlier or later.

How would you respond to a \$2 peak-hour toll on the following roads



9 Would it really work?

Under an area (rather than network-wide) charging scheme, the diversion of traffic onto free roads could help to spread peak demand on the busiest roads. But it could also lead to un-tolled sections of the arterial network being over-loaded.

This possibility is top of mind for Auckland AA Members, leading many to question whether congestion charging would actually work.

"Many people would just avoid these toll roads altogether and create congestion in other areas."

- AA Member

10 Privacy not a deal breaker

In general, respondents were split on their feelings about a third party (whether a government agency or a company) having access to information on where and when they travel, with one-third not at all concerned, one-third a little concerned, and one-third very concerned.

Older respondents tended to be less concerned about loss of privacy, while respondents in general were more comfortable with the Government accessing their private travel information than a commercial provider.

Recommendations

Here are our recommendations for policy-makers, both within and beyond the ATAP process:

1 Stay the gradual course

Where congestion charging and other road pricing schemes have successfully been implemented around the world, they've typically been preceded by a lengthy public engagement process. The Oregon Department for Transport, for instance, spent 10 years building stakeholder support before trialling a distance-based charging scheme.

When the officials move too far too fast, there's a risk of congestion charging not just being rejected by the public, but becoming politically toxic for the long term.

The incremental programme set out by ATAP is therefore completely appropriate, and must not be compromised.

2 Focus on benefits

Throughout the public engagement process, there must be an unrelenting focus on what congestion charging would mean for motorists in terms of benefits.

Ultimately, securing public support for congestion charging would come down to being able to demonstrate two things: that it will deliver improvements in travel times; and that, society-wide, it will result in no additional costs – and maybe even reduced costs.

If it became apparent that these outcomes couldn't be delivered, it'd be time to re-think the approach.

3 Build understanding through trials

To support ATAP's research programme, we'd like to see a focus on real-world, 'fail-fast' road pricing trials, both to increase public awareness and to learn from the public about how any new scheme would need to be structured to gain support.

One option would be a practical trial of a universal charging system in Auckland, along the lines of a trial recently carried out in Melbourne. This would entail installing tracking devices in the vehicles of a volunteer sample of Auckland road users, and monitoring their behaviour in response to new price incentives.

A trial conversion of a bus lane into an express lane should also be considered. Express lanes are widely used in North America, and entail general traffic paying a toll to access bus/carpooling lanes. The toll rises or falls based on demand, and under a trial could be set high enough to ensure bus movements aren't constrained.



4 Develop existing tools

The journey towards congestion charging should also involve developing existing pricing and demand management tools. In particular, if officials envisage some form of network-wide charging in the future, more emphasis should be put on the fact that New Zealand already has a globally recognised framework for it in the form of RUC/ eRUC.

A necessary precursor to network-wide charging would surely be to make a success of this framework, and increase eRUC's penetration of the diesel fleet from a current, paltry 14%.

It'd also make sense to start rolling out in Auckland some of the features of the Wellington Smart Motorway, in particular variable speeds to maximise throughput.

5 Dedicated road pricing unit

Out of the ATAP process, we would like to see a specific unit established to oversee road pricing policy development, to ensure the process maintains momentum and to avoid public sentiment pitfalls.

The unit could be a multi-agency initiative, including personnel with both technical backgrounds and softer skills (strategic communications, in particular).

For more information contact:

Barney Irvine
Principal Advisor – Infrastructure
T. +64 9 966 8608
M. +64 27 839 9309