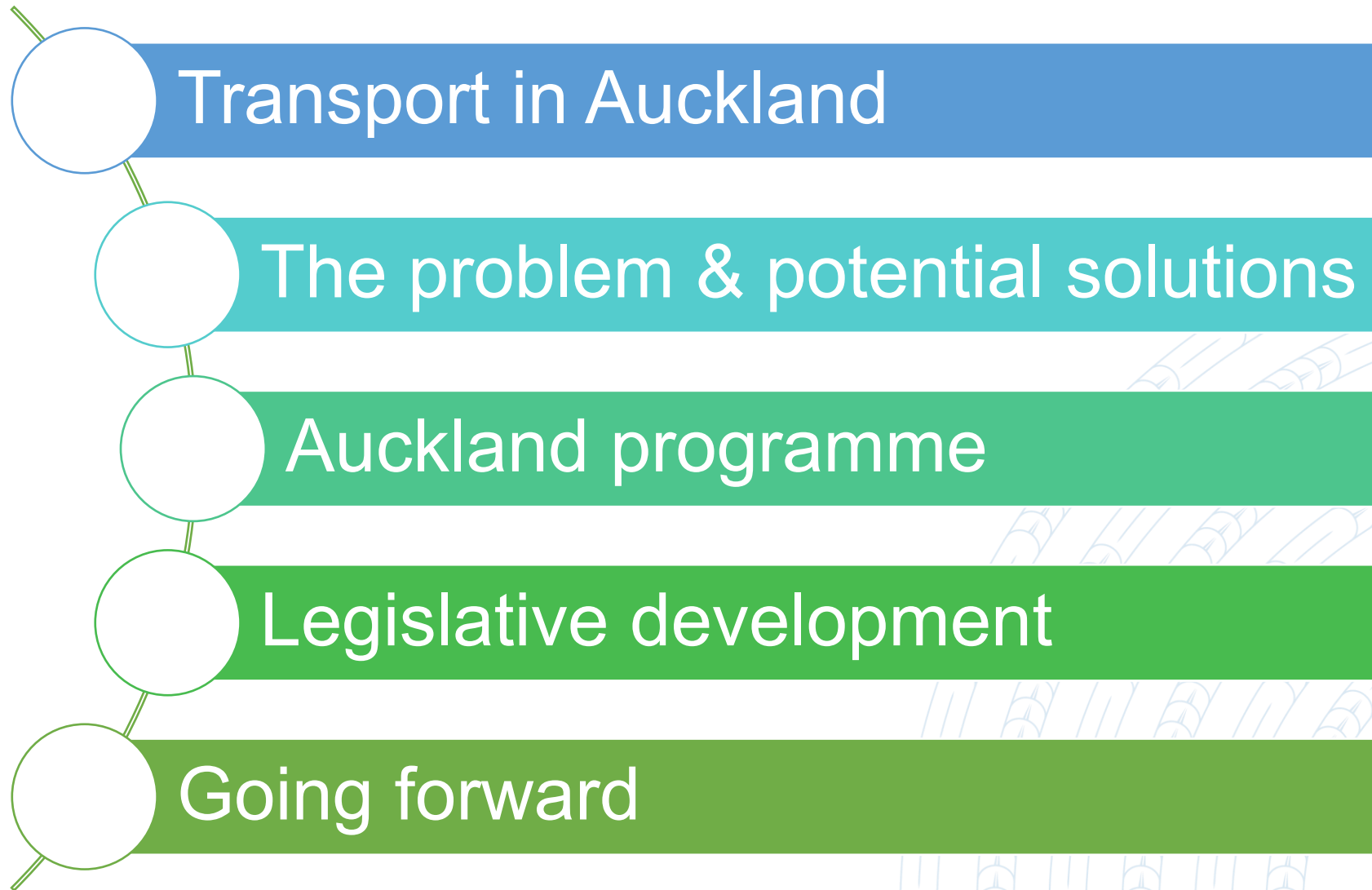




Time of Use Charging in Auckland

July 2025



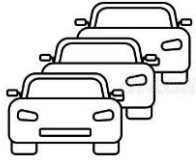


The problem & potential solutions



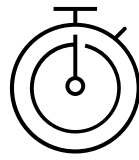
The problem

Congestion is already costing Auckland



29 million

hours stuck in congestion
per annum



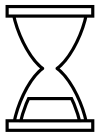
66 hours

delay per commuter
per annum



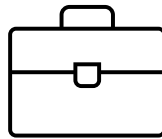
\$120 million

additional vehicle operating
costs per annum



\$1.9 billion

value of time lost in
congestion per annum



\$700 million

macro-economic
impact per annum
Lost productivity, reduced spending
and tax revenue



\$9 million

additional greenhouse gas
emission costs per annum
on top of other transport emissions



Potential solutions

More and more supply side improvements

Expand existing



Improve productivity



Build new



Change modes

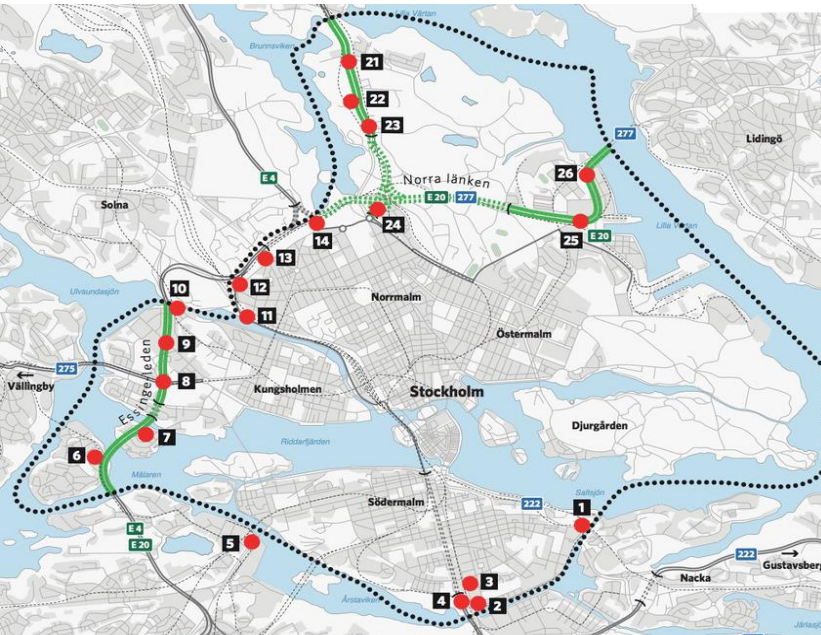


Alternative pathways



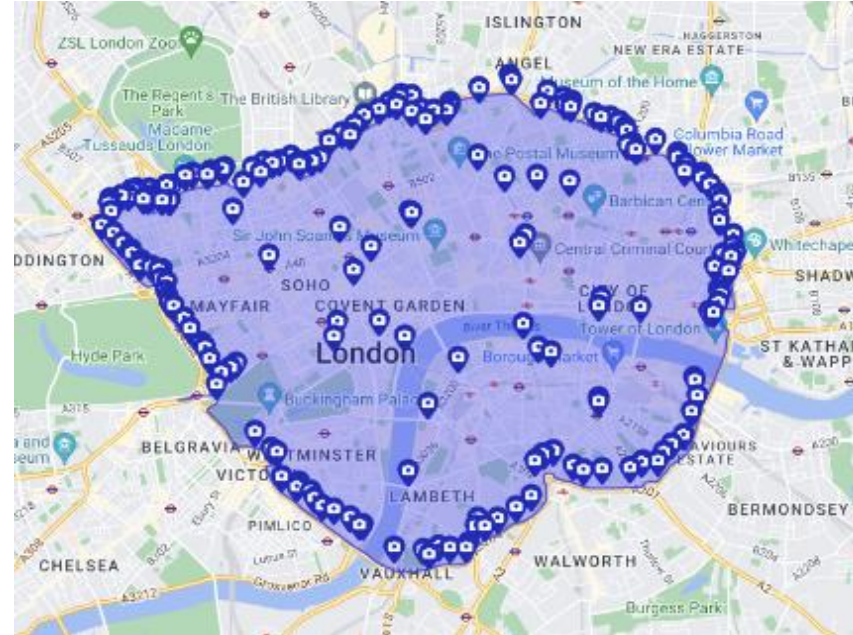
Potential solutions

Demand side intervention: congestion charging



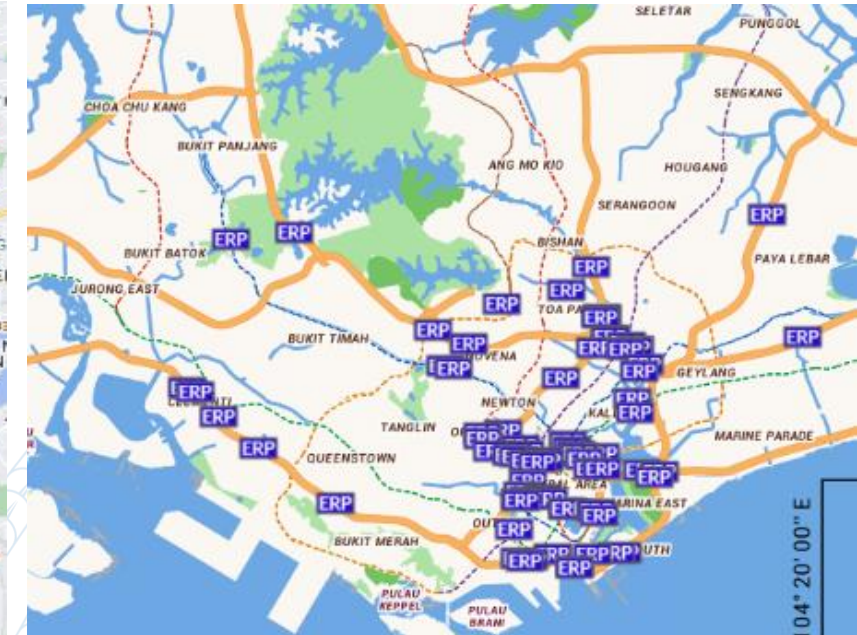
Cordon

*Stockholm, New York, Oslo,
Milan, Gothenberg, Abu Dhabi*



Area

London

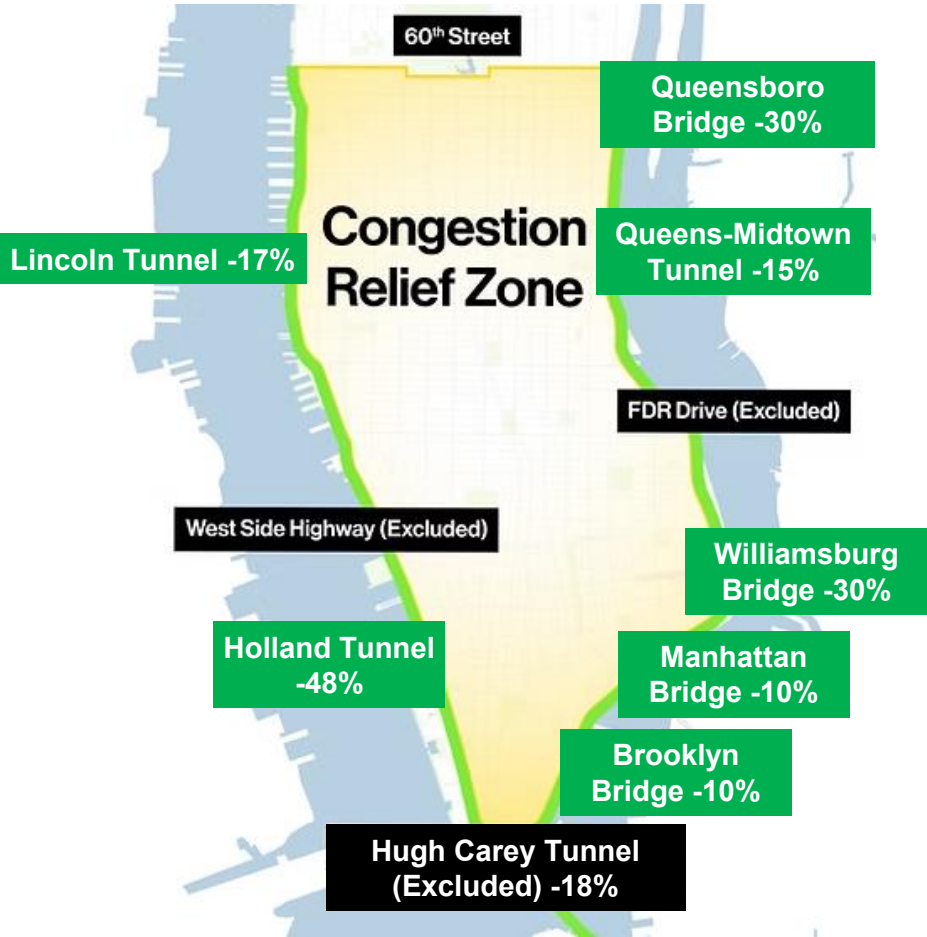


Corridor

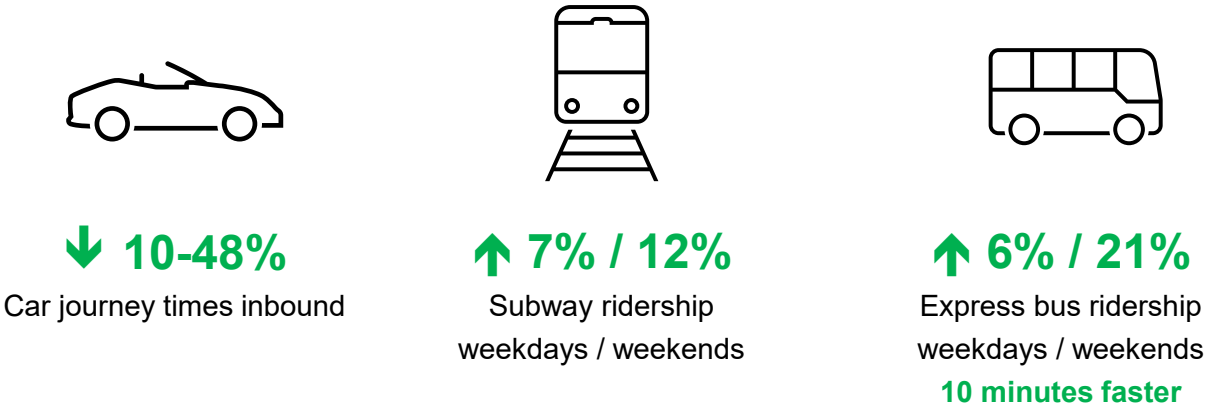
Singapore, Dubai

Potential solutions

New York: Congestion Relief Zone



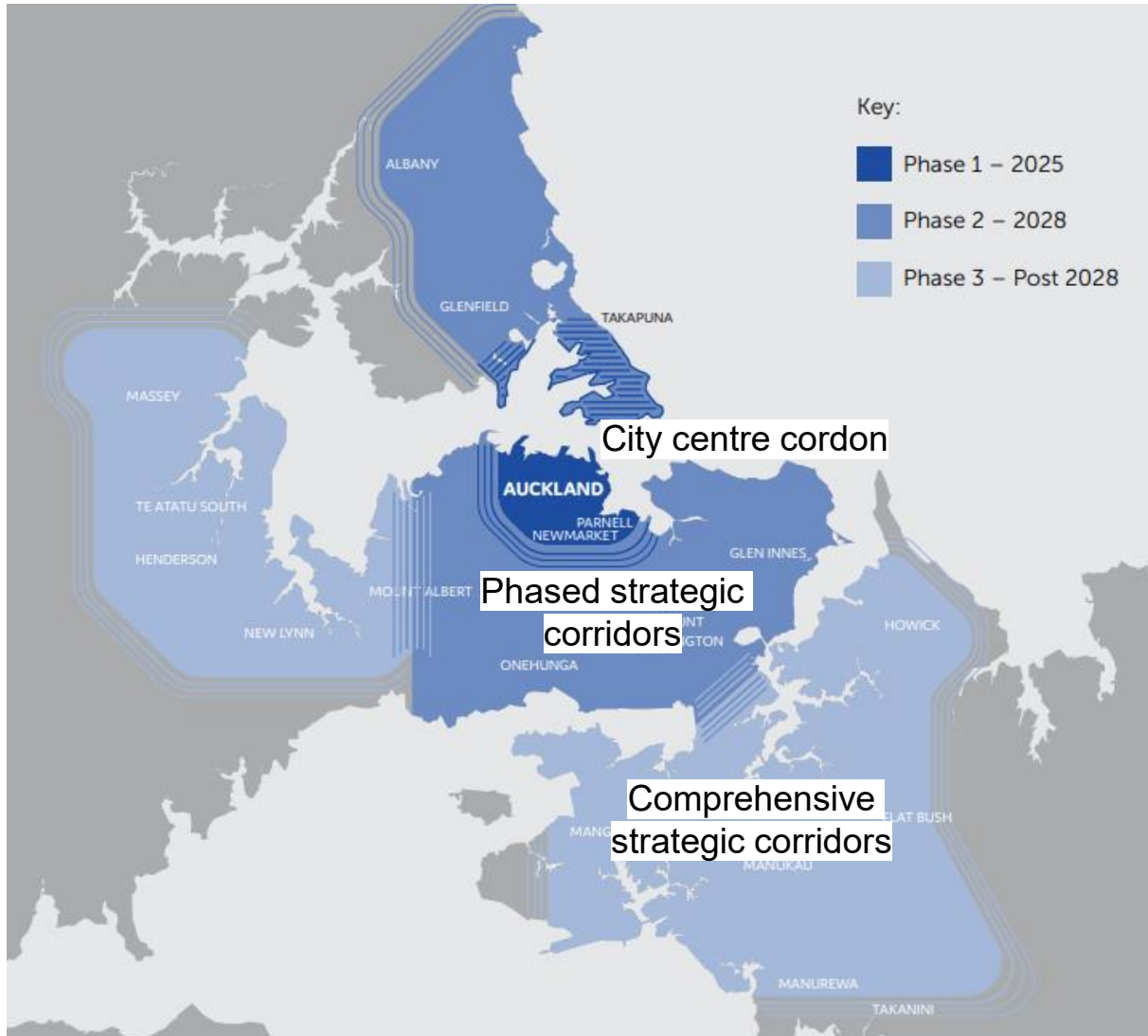
% improvement weekday inbound travel times



Auckland programme



The Congestion Question: cordon & corridors



- ✓ Unanimous support in Parliament Select Committee
- ✓ Proceed to drafting legislation

Align with major improvements



North-west
busway stage 1
2024



City Rail Link
2026



Eastern busway
2027

Electric ferries
2025-

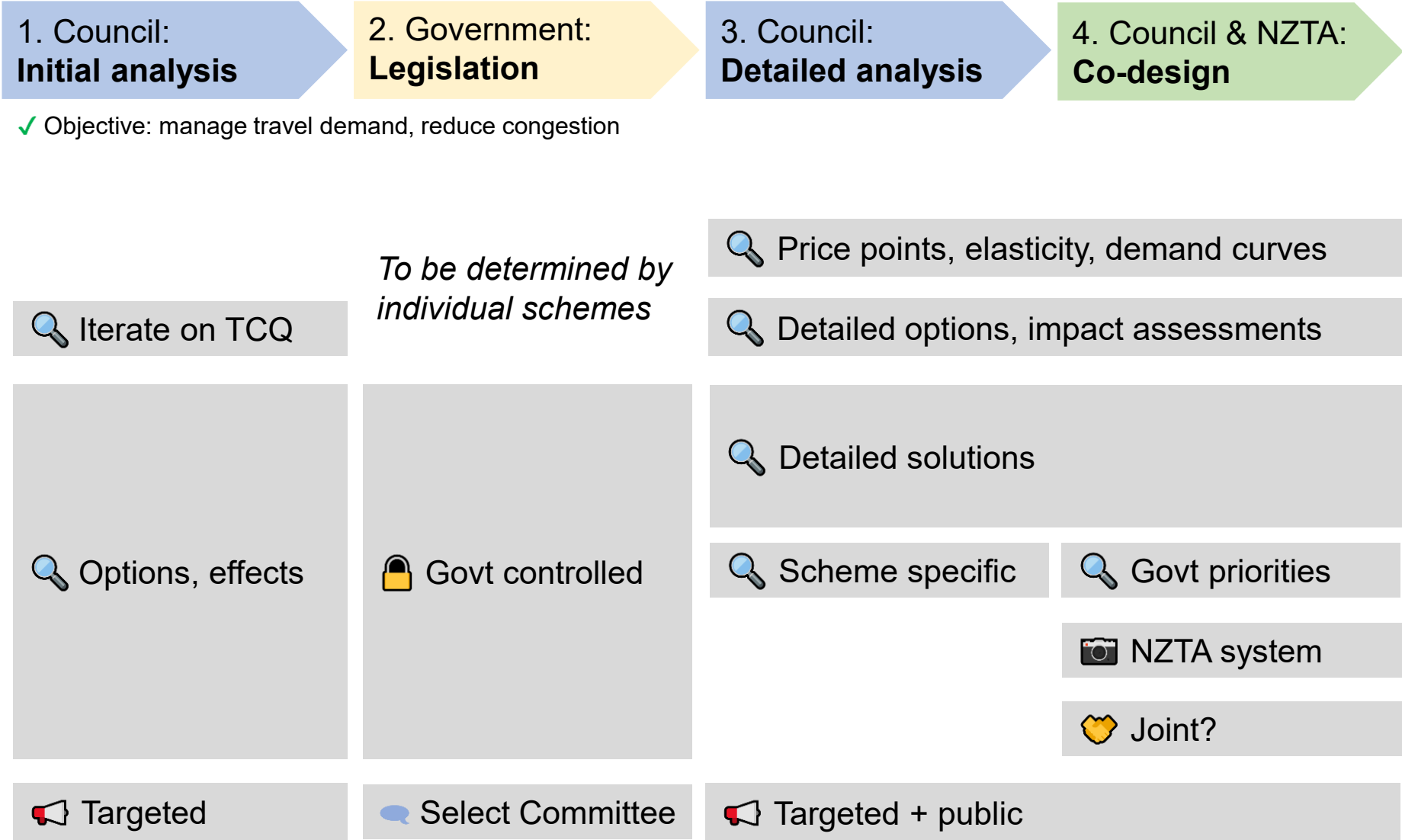


City centre bus plan
2026-30



Time of Use Charging
TBC

Council is ahead of the curve



Core scheme

Charging tariff

Charging location

Complementary measures

Targeted mitigations

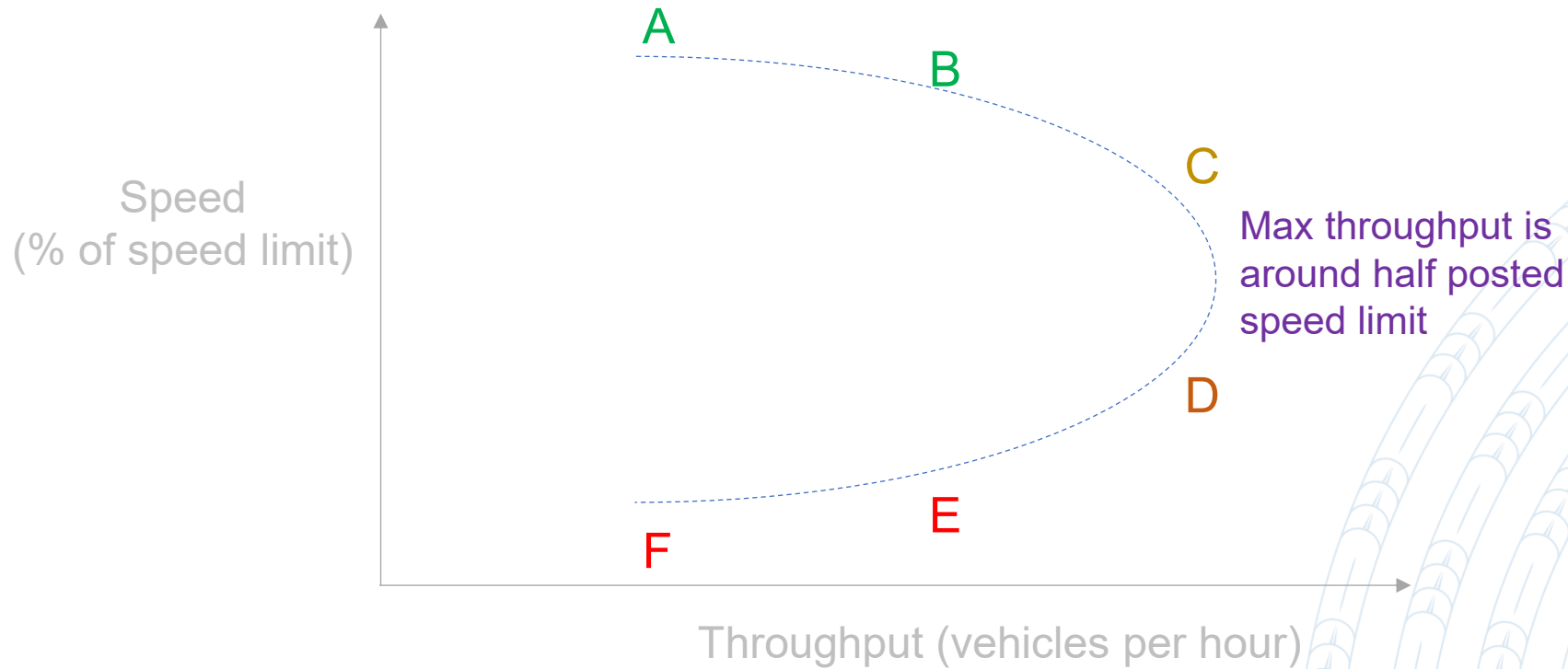
Revenue policy

Technology

Governance

Engagement

Goal: Maximise throughput



Goal & policy settings

Objective

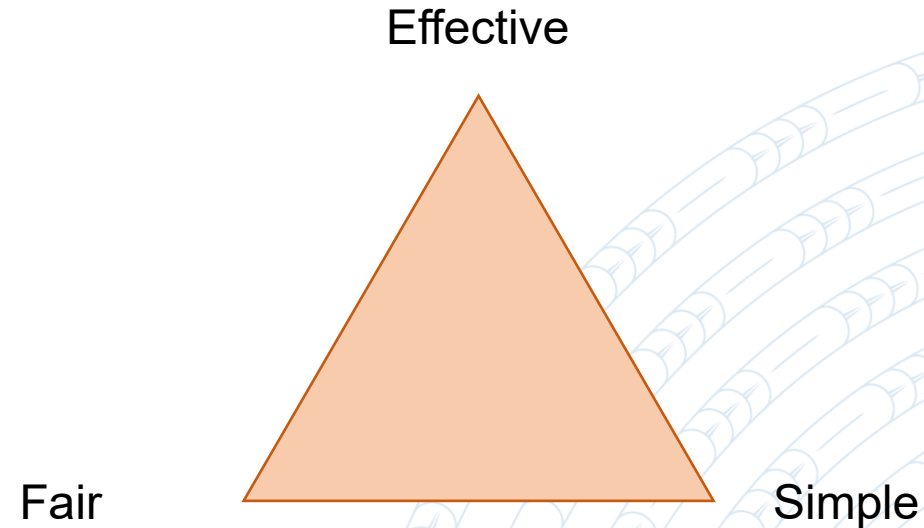
- **Congestion reduction**

Secondary outcomes

- Environmental
- Economic
- Social
- Net revenue

Feasibility

- Social
- Political
- Technical



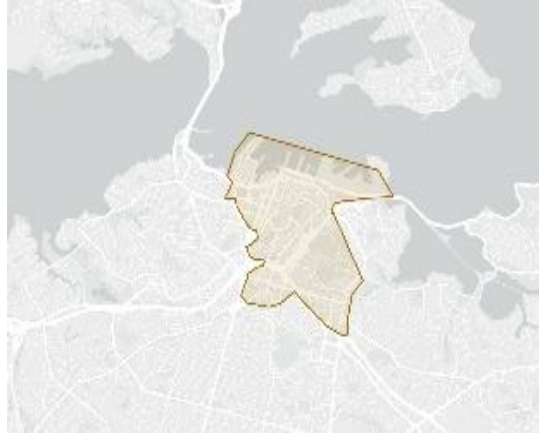
Findings

Six options for further analysis

1a: City centre cordon



1c: City centre and fringe



2c: Isthmus double cordon



3b: Core Motorways



3c: Core Motorways + City Centre



3e: Targeted motorway hotspots



No decisions on options have been made by Auckland Council.

Options are not final and may evolve following further analysis and engagement.

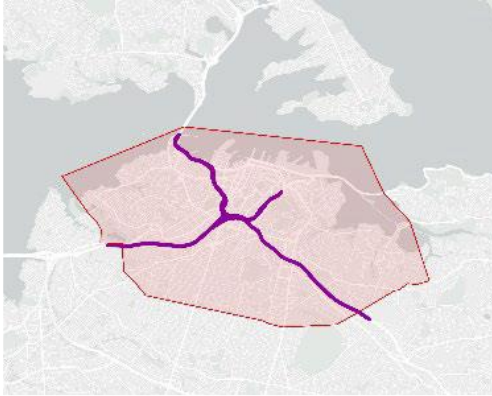
Findings

Seven options not being taken further

1b: City Centre cordon + motorways



2a: Inner Isthmus + motorways



2b: Inner Isthmus excl motorways



3a: Extensive Motorways



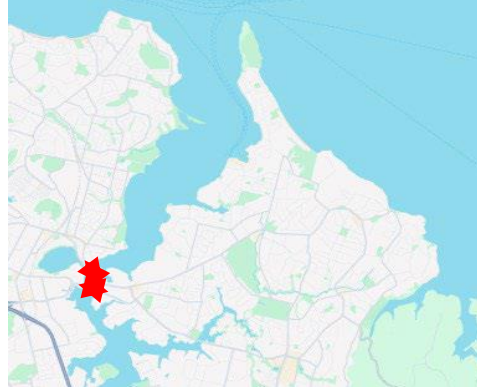
3d: Limited isthmus hotspots



3f: Lake Road link charge



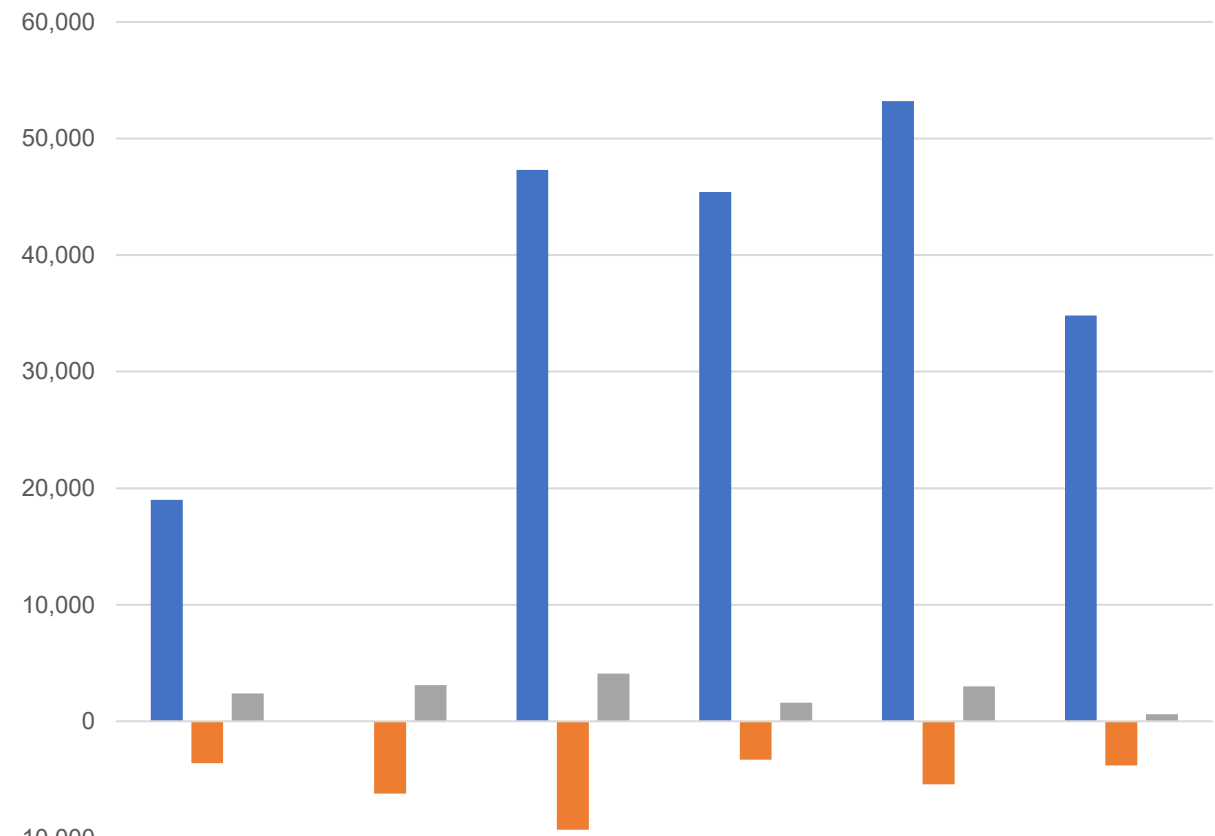
3g: Tāmaki River Bridges link charge



1b was unnecessary given its close similarity to 3c
2a, 2b, 3a and 3d created impacts that would be challenging to mitigate
3f, 3g were developed to test the trial concept

Findings

Regional changes in traffic patterns



Smaller city centre schemes (1a, 1c) charge fewer trips, but still reduce peak vehicle demand and help shift to public transport.

30k = 5% of all AM vehicle trips

Motorway schemes (3b, 3c, 3e) achieve shift to public transport and trip reduction, but charge more trips.

As at 2026 with CRL open, using a consistent charge across all options.

■ Vehicles that pay a charge	19,000	0	47,300	45,400	53,200	34,800
■ Reduction in vehicle trips	-3,600	-6,200	-9,300	-3,300	-5,400	-3,800
■ Public transport demand passenger number change	2,400	3,100	4,100	1,600	3,000	600

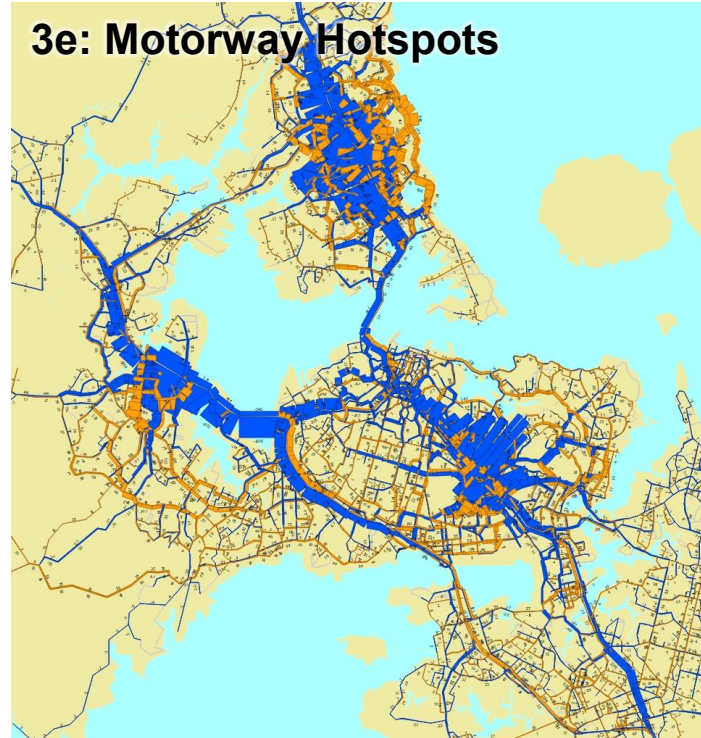
Re-routing & diversion

Change in trip volumes

1a: City Centre Cordon



3e: Motorway Hotspots



Change in trips  Increase  Decrease

Limited traffic diversion onto the Central Motorway Junction, but still enough to create new areas of congestion.

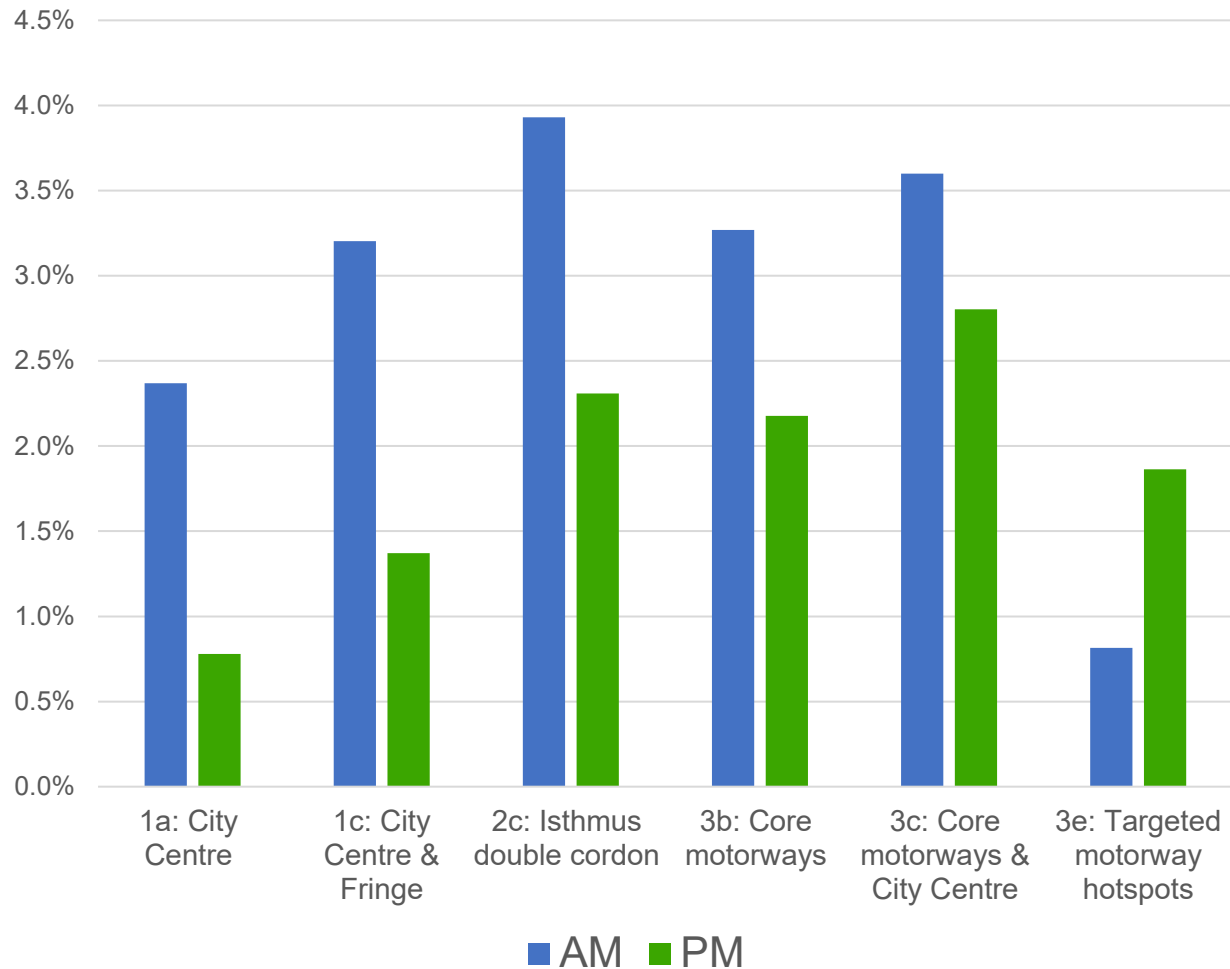
Charging single locations on the motorway network can see more traffic and slower speeds on arterials, although overall speeds still improve significantly.

- *Traffic diversion occurs with all schemes as some drivers seek to avoid the charge.*
- *Diversion creates new areas of congestion, but overall travel speeds still improve.*
- *Charging choke points or cordons sees less diversion.*
- *Where there are alternative routes, traffic will swap from motorways to arterials and vice versa.*
- *Future complementary measures will reduce diversion impact*

Findings

Regional speed impacts

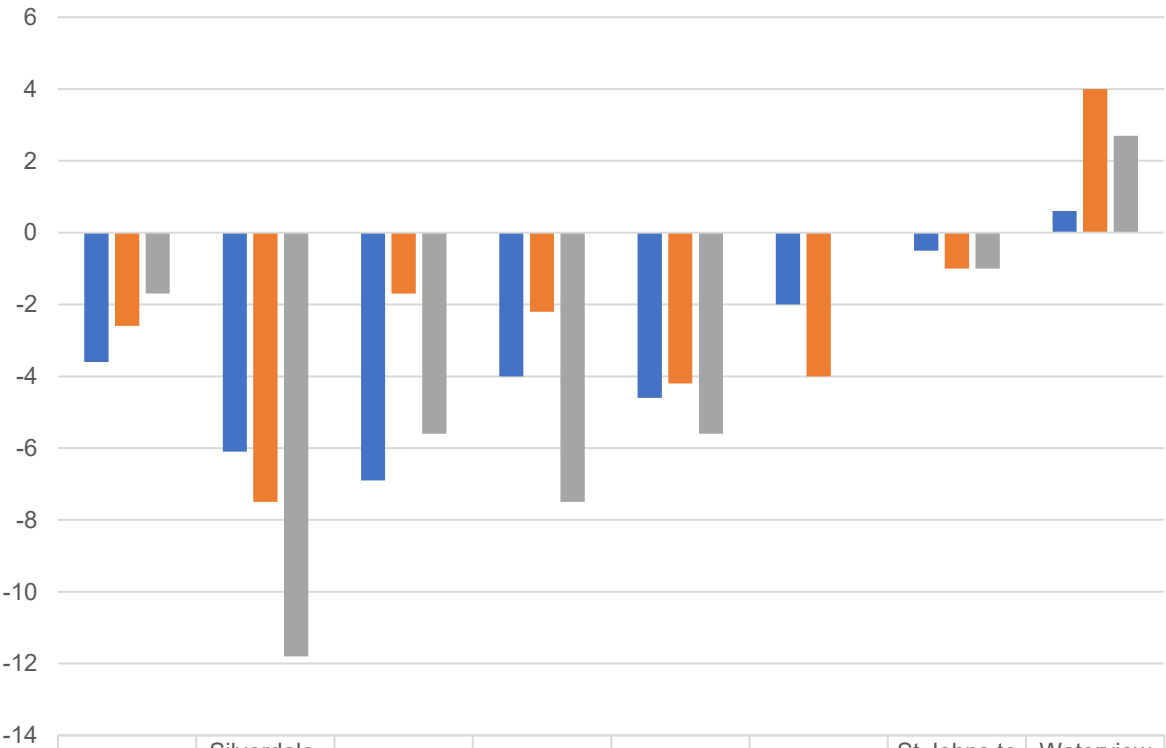
Percentage increase in regional average peak period speed



- All options enhance average regional vehicle speeds
- Change in speed reflects local network conditions in the charge area
 - Not necessarily related to number of vehicles removed from the peak periods
- Change appears modest at regional level, but disguises larger localised benefits
- Total daily peak period travel time saving ranges between 4,800 and 12,200 hours
- As a comparison, morning peak regional average speeds are forecast to decrease by 6% 2016 and 2051 (without ToUC)

Localised time savings

Change in travel time for selected trips with TOUC options



- Vehicles that pay the charge get faster trips, with savings of up to 12 minutes identified
- Additional small time savings occur across a wide range of trips outside the charged area
- Traffic diversion can mean a delay for some trips outside of the charged area
- Trip reliability will also improve
- Comparison: Transmission Gully (estimated cost of \$1.25 billion) was estimated to save 10 minutes for trips from Kapiti to Wellington.

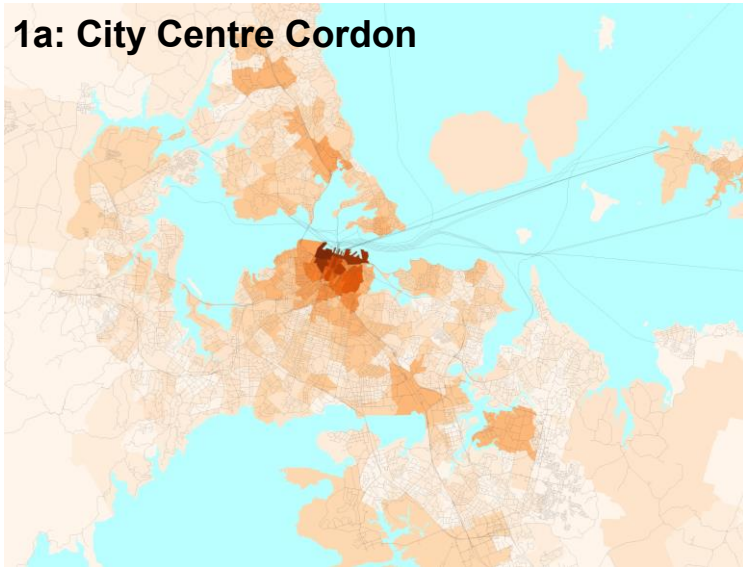
■ 1C: City centre & fringe	-3.6	-6.1	-6.9	-4	-4.6	-2	-0.5	0.6
■ 2C: Inner isthmus double cordon	-2.6	-7.5	-1.7	-2.2	-4.2	-4	-1	4
■ 3C: Core mways & city centre	-1.7	-11.8	-5.6	-7.5	-5.6	0	-1	2.7



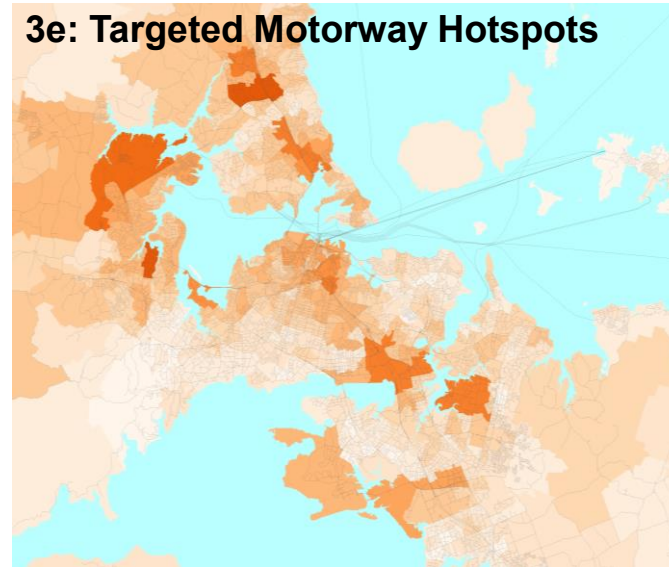
Impacts on people & jobs

% of low-income people charged

1a: City Centre Cordon



3e: Targeted Motorway Hotspots



Affected trips

0%

5%

- *There are different impacts on social and economic outcomes depending on the location and size of the scheme. This will likely effect perceptions of fairness and social licence.*
- *Smaller scheme options have fewer impacts on people that could require mitigation.*
- *Larger options impact a greater number of geographically dispersed lower-income travellers. Making the provision of good public transport alternatives more challenging.*
- *More Māori are charged under option 3b, the fewest are charged under option 1a. This reflects where Māori live and travel to.*
- *Most options improve freight journey times*

Findings

Lessons for policy choices

One network approach: motorways, local roads & public transport

- Additional PT capacity required
- Diversion can be high e.g. motorway-only schemes shift traffic to local streets
- Motorway through-journeys may be harder to replace with public transport

Increasing the size of charging zone:

- ✓ Improve congestion over a wider area
- ✗ Social licence, perceived fairness, distributional issues
- ✗ Local economy risks
- ✗ Diminishing returns

Social licence will be key

- ✓ Mitigations, complementary measures
- ✓ Revenue allocation across a number of projects benefiting those impacted by charge



Legislation



Function & Process

Land Transport
Management (Time of
Use Charging)
Amendment Bill

Dec 2024
**First draft
released**

Apr 2025
**Open for
feedback**

Sep 2025
**Select
Committee
report; Govt
considers
feedback**

Late 2025
**Second draft &
enactment**

- Enabling only; required for any scheme to be implemented
- Applies nationwide, but includes Auckland-specific clauses

Government control vs Council involvement

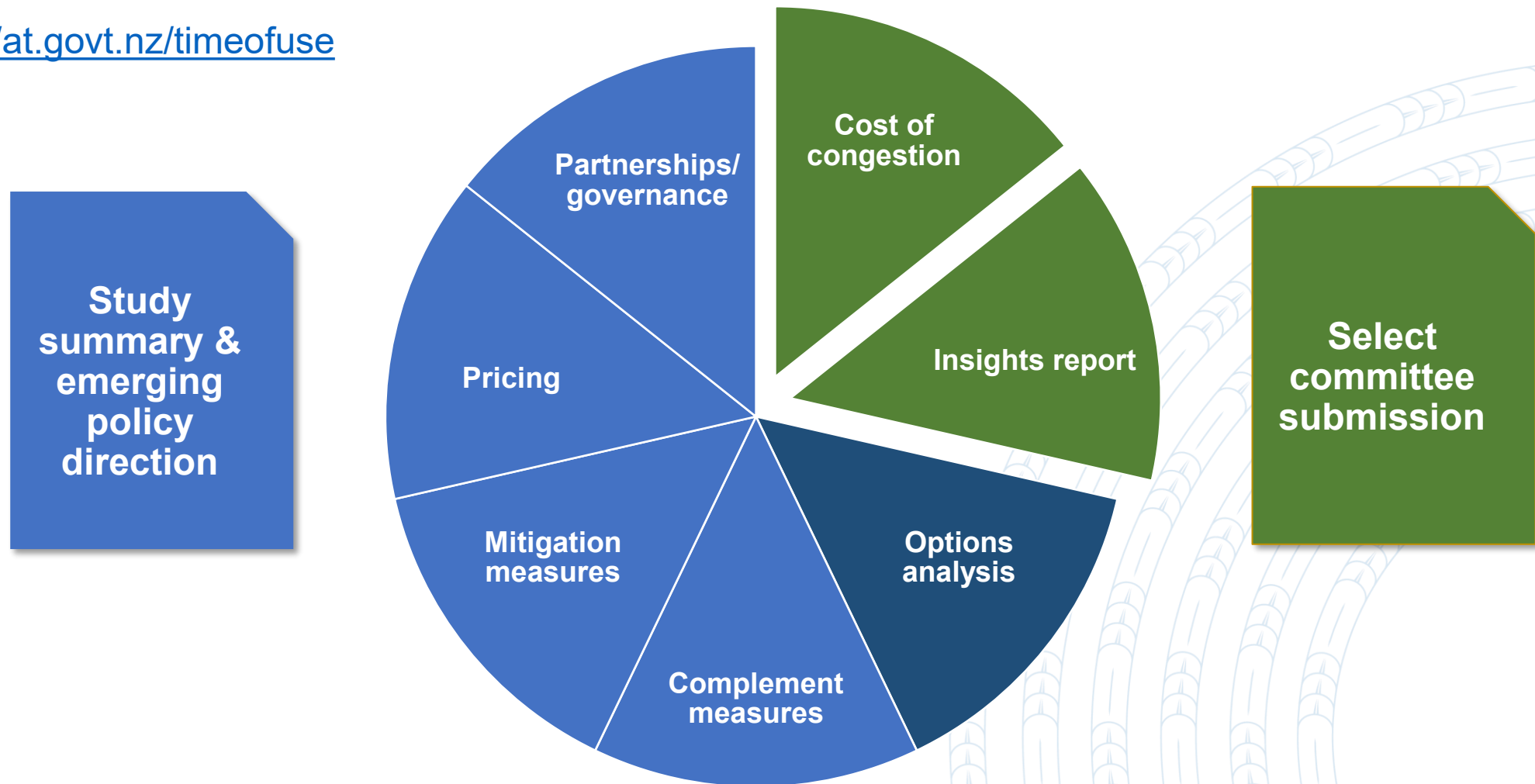
Subject	First draft of legislation	Council response
Proposing a scheme	• Council may propose, but scheme board develops into a final plan. • Minister may also propose a scheme.	▪ Agree, as long as Council has approval rights
Approving a scheme	• Minister of Transport sole approval rights	▪ Council must have approval rights
Governance	• Overseen by scheme board • 50/50 Council and NZTA, but NZTA has chair and casting vote	▪ Consensus voting or independent chair
Revenue policy	• Establishment costs and operational costs • Surplus allocation agreed between Minister and Council	▪ Must include funding for complementary measures (e.g. public transport) ▪ Surplus must benefit those impacted by the charge
Mitigations	• No ability to consider mitigations or exemptions • Emergency vehicles are only type exempt	▪ Must allow consideration of mitigations ▪ Exempt local bus services

Going forward



Public release of interim findings

<https://at.govt.nz/timeofuse>



Work with government

