

## NLTP final adoption

<b>Meeting Date</b>	31 August 2021
<b>ELT Sponsor</b>	Matthew Walker, General Manager Corporate Support
<b>Prepared By</b>	Howard Cattermole, Chief Financial Officer
<b>Legal Reviewer</b>	Conal Thompson, Senior Legal Counsel
<b>Version</b>	Final
<b>Date</b>	30 August 2021
<b>Pages</b>	8 + 7 Attachments

### Purpose

To seek approval of the 2021/24 National Land Transport Programme (NLTP).

### Recommendation

It is recommended the Board:

- **Adopt** the 2021-24 National Land Transport Programme (NLTP) set out in the Resource Centre subject to any non-material changes approved pursuant to the following delegation.
- **Delegate** to the Chief Executive authority to approve non-material changes to the NLTP and authorise publication of the final document.
- **Approve** the National Land Transport Fund (NLTF) investment targets and funding for continuous programmes, low cost low risk and other activities in the 2021-24 NLTP:

Activity Classes, NLTF (share \$m)	Approved funding on adoption			Investment Target (incl. approvals)	GPS 2021	
	Continuous programmes	Low cost low risk	Other activities		Lower range	Upper range
Public Transport Services	1,220	24		1,330	1,220	1,930
Public Transport Infrastructure	104	97		1,699	1,270	2,080
Walking & cycling improvements		165		618	290	550
Local Road Improvements		227		671	300	810
State Highway Improvements		54		2,640	2,400	3,250
Road to Zero	160	290		2,673	2,530	2,830
State Highway Maintenance	2,804			2,805	2,260	2,940
Local Road Maintenance	2,340			2,339	2,000	2,340
Investment Management			15	262	220	270
Rail Network (excl. Crown top-up)				360	360	510



Coastal Shipping				30	30	45
Total	6,627	857		15,427	12,880	17,555

- **Note** new improvement activities (other than low cost low risk programmes or those already approved by the Board) included as in the NLTP are not yet approved for funding. They will be subject to further assessment under Waka Kotahi's established processes before funding is confirmed.

## Strategic relevance

Adoption of the NLTP is a core statutory function of Waka Kotahi and is one of the primary means by which Waka Kotahi gives effect to the Government Policy Statement on Land Transport (GPS).

## Background

At the Board meeting on 19 August, NLTP adoption was deferred pending confirmation of possible Crown financing to supplement base NLTF revenue. Subsequently, joint Ministers (of Transport and Finance) have given in-principle endorsement to providing a \$2bn borrowing facility

s 9(2)(f)(iv) and s9(2)(g)(i)

As discussed at the 19 August Board meeting, in support of a borrowing facility, Waka Kotahi provided the Crown with details of how an additional investment of \$2bn could be deployed and allocated to activity classes in NLTP 21-24 to give effect to the GPS including Government Commitments such as ATAP (Attachment 1 refers<sup>2</sup>). In summary, the "investment gap" was defined based on the additional investment (NLTF share) necessary to encompass the next highest priority activities that were unaffordable under the original (pre-financing) revenue assumption plus other investments in ATAP and LGWM.

This paper is an update of the analysis and recommendations from the earlier August Board paper ("NLTP adoption" August 2021 refers) including revised investment targets and funding approvals. This paper identifies, by reference to headings in the earlier August Board paper, where the availability of additional Crown financing impacts the previous analysis and the final, recommended NLTP. This paper should otherwise be read alongside the previous paper.

## Key issues

### Crown borrowing

There is in-principle agreement to a \$2 billion borrowing facility with detailed terms and conditions to be finalised as soon as practical. s 9(2)(f)(iv) and s9(2)(g)(i)

The availability of additional NLTF funding from Crown financing during the 2021-24 NLTP period provides greater scope to advance the strategic priorities and associated outcomes of the GPS. Forecast investment will be greater than anticipated in the previous Board paper and will more fully meet the ambition of Regional Land Transport Programmes (RLTPs).

s 9(2)(f)(iv) and s9(2)(g)(i)

<sup>2</sup> Report to joint Ministers OC210673: Funding and Financing Options to Address Pressures on the National Land Transport Programme 2021 – 2024, 20 August 2021



## Activity class targets

The addition of up to \$2bn in financing gives the following revised investment targets:

Activity Class GPS 2021 (\$million)	GPS lower range	Discretionary allocation	19 August investment target	Additional financing	Final investment target <sup>3</sup>	GPS upper range
Public Transport Services	1,220	93	1,313	17	1,330	1,930
Public Transport Infrastructure	1,270		1,270	429	1,699	2,080
Walking and Cycling	290	30	320	298	618	550
LR Improvements	300		300	371	671	810
SH Improvements	2,400		2,400	240	2,640	3,250
Road to Zero	2,530		2,530	143	2,673	2,830
SH Maintenance	2,260	204	2,464	341	2,805	2,940
LR Maintenance	2,000	181	2,181	158	2,339	2,340
Investment Management	220	42	262	0	262	270
Rail (ex. Crown top-up)	360		360	0	360	510
Coastal shipping	30		30	0	30	45
<b>Total</b>	<b>12,880</b>	<b>550</b>	<b>13,430</b>	<b>1,997</b>	<b>15,427</b>	<b>17,555</b>
Est. regulatory "top-slice"			120			
Base revenue			13,550			

## COVID-19

The investment targets, and the revenue forecasts on which they are based, exclude any material impact from COVID lockdowns. Based on the lockdowns to date and likely extensions, to meet the investment targets will require additional Crown funding for: COVID related contractual claims; additional support for PT Services; and NLTF revenue top-up.

## Activity class funding

For the purposes of reporting against GPS funding ranges, consistent with prior periods, our approach is that borrowed funds are recognised as expenditure at the time of repayment (rather than disbursement of the borrowing proceeds for investment). This approach has not been formally accepted or agreed with Ministry of Transport<sup>4</sup>. Based on our current reporting approach, the investment target for Walking and Cycling does not exceed the GPS range on a "post-financing" basis (although it exceeds the GPS range on a "pre-financing" or disbursement basis).

s 9(2)(f)(iv) and s9(2)(g)(i)

## Rail Network Investment Programme (RNIP)

In July 2021, the GPS was amended to provide new funding ranges for the Rail activity class range reflecting additional "top up" funding the Crown agreed to provide to the NLTF for rail activities in Budget 2020/2021. The technical amendment increased the GPS ranges indicated above by

<sup>3</sup> Investment Target is all planned expenditure, including debt financed expenditure. For the purpose of assessing compliance with GPS minimum and maximum funding ranges, including for activity classes, debt financed expenditure is excluded.

<sup>4</sup> To date MoT has been comfortable with this "expenditure view" except where COVID debt was received to compensate for revenue reductions



\$834million (to \$1,194 lower and \$1,344 million upper) with the increase to be fully met by Crown funding.

### Allocation of financed investment

The allocation of additional financing to, and within, activity classes is summarised in Attachment 1.

Confirmation of the likely availability of an additional \$2 billion in financing came on 26 August.

s 9(2)(f)(iv) and s9(2)(g)(i)

. Before funding of any project or programme is confirmed, a decision must be made under s 20 of the LTMA. Prior to any s 20 decisions being made, an additional assessment against the criteria in the LTMA, including the projects consistency with the GPS, will be undertaken. In addition, if any significant issue is identified, the Board can consider making a variation to the NLTP.

As explained in the previous Board paper, the list of improvement activities for inclusion in the NLTP was prioritised using the Investment Prioritisation Method (IPM) followed by moderation with a number of exceptions applied. That prioritisation has been used to allocate the additional Crown financing to the next highest priority activities i.e. the investment threshold (of "affordable" investment) has been moved down the priority order for each activity class. The draft NLTP allowed for the possibility of additional funding or financing becoming available by identifying "possible" activities. The effect of the additional financing at an activity level is, primarily, to make "probable" those activities that were previously identified as "possible". Other ATAP and LGWM activities that were still below the revised threshold are also included as "probable".

Recognising the likelihood that some of the additional probable activities identified may be delayed, we have "over-programmed" the additional probable activities by ca. 15%. As a result, activities down to a priority ranking of IPM5 or 6<sup>5</sup> are now included as probable with the following exceptions:

- State Highway Improvements: only planning phases from IPM1-5 are classified as "probable". Additional phases at IPM1-5 are included as "possible".
- Walking and Cycling: only planning phases at IPM5 are classified as "probable". Remaining phases at IPM5 and all phases at IPM6 are classified as "possible".

Possible activities may be funded if there is additional revenue or, some of the programmes now included as "probable" are not fully delivered. If delivery is above the level we anticipate and/or there is significant input cost inflation we would need to manage the NLTP within available funding. This may include putting a hold on new funding approvals, slowing down major project implementation or seeking further funding or financing.

There are notable "activities" that remain excluded from NLTP 2021-24 viz.:

- State Highway and Local Road Maintenance funding to improve (rather than just maintain) service levels/condition;
- Auckland Transport Alignment Project (ATAP) "activities":
  - higher funding assistance rates (FAR) e.g. for rapid transit, rolling stock etc. that would require an additional \$222 million from the NLTF in 2021-24;
  - local road maintenance bids of \$83 million for enhancing service levels and;
  - unsupported PT services and improvement costs \$64million<sup>6</sup>.

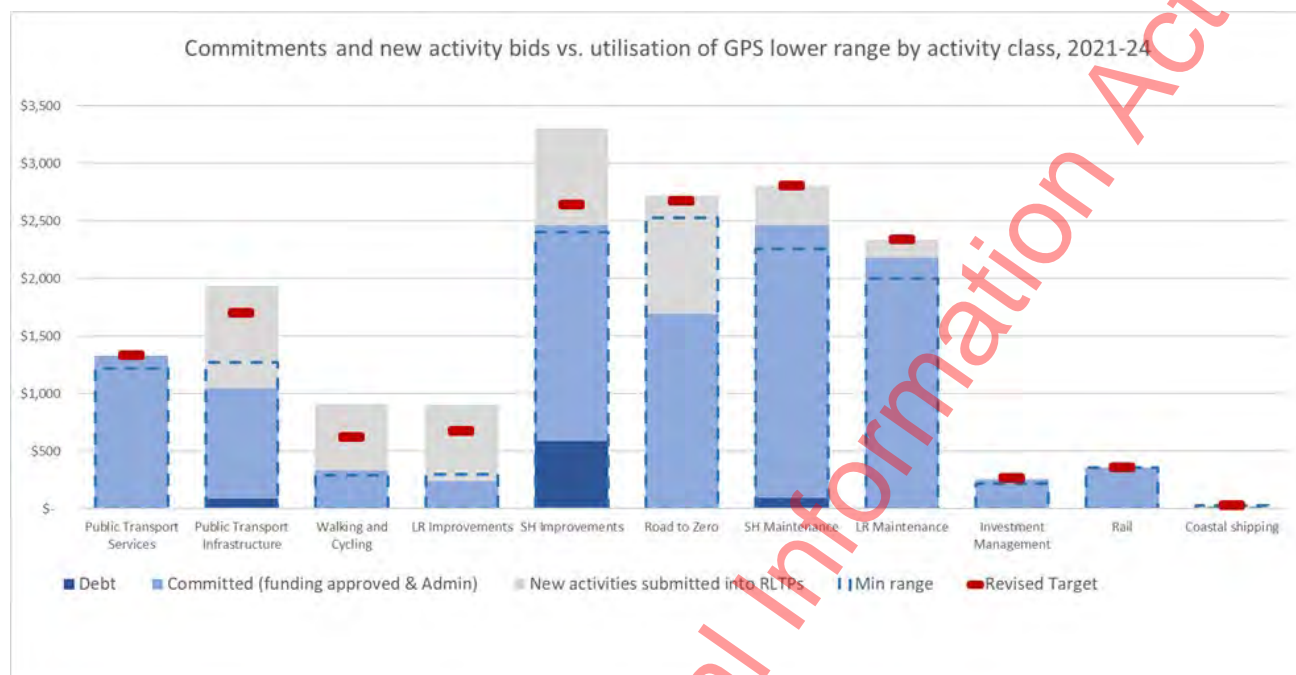
s 9(2)(f)(iv) and s9(2)(g)(i)

<sup>5</sup> Based on an Investment Prioritisation Methodology scale of 1 (highest) to 12 (lowest) priority

<sup>6</sup> Some of these costs might occur during the course of the 2021-24 NLTP. It will become clearer at the end of each year the actual impact COVID has played in reducing revenue, or the level at which AT are undertaking infrastructure renewals. If these costs eventuate and can be evidenced, the AO can submit a cost increase request

## Funding for new activities

The availability of borrowing from the Crown means that a great number of new improvement activities submitted in RLTPs are able to be considered for funding. The following graphic shows the updated investment targets compared to existing commitments and RLTP bids. Note: the depiction of maintenance bids is after our moderation and “right-sizing” and not as submitted.



## Key judgments and trade-offs in improvement activity classes

A number of judgements have been applied in developing the final NLTP. ATAP and LGWM activities proposed to progress in 2021-24 have been included even when below the investment threshold (assessed in accordance with the IPM) for other activities within the relevant activity class. This aligns with the GPS in enabling delivery on Government Commitments and ensures appropriate progress toward the long-term investment targets detailed in the GPS. The two other Government Commitments relate to Rail which is fully funded and Road to Zero (RtZ). RtZ has had a small increase in the number of probable activities based on additional financing. RtZ activities remain restricted due to the overall funding constraints and a ramp-up in funding in 2024-27 is likely required to achieve target outcomes e.g. the targeted reduction in deaths and serious injuries.

In low cost low risk (LCLR) activities, we have included a minimum of 50% of each AO's programme. This criterion is relevant for AOs whose LCLR programmes might otherwise have been excluded based only on the PM priority ranking. In previous NLTPs, LCLR programmes have been prioritised for full funding. In this NLTP we sought to prioritise individual activities within each programme (based on GPS alignment) but in practice this was difficult given the limited information available and resources to fully investigate multiple programmes in detail. Given this context, we think this approach strikes a reasonable balance.

The key trade-offs highlighted in the previous Board paper in Walking and Cycling and Public Transport Infrastructure are largely resolved by the additional investment. In Local Road Improvements the position is significantly improved, including through the approach to LCLR activities described above.

## State highway improvements and maintenance

Crown financing allows additional investment in both State Highway Maintenance and Improvements. However, in neither case is it seen as being optimal either to improve service levels/road condition or fully develop a pipeline of future improvements. Funding pressures are



likely to be more acute in State Highway Improvements than most other activity classes particularly if the cost of committed projects escalates.

### **Annual cash flow management**

The earlier paper signalled concerns with potential liquidity issues in 2021/22, given a front-loaded expenditure profile. This issue should be addressed by early execution of the financing for which the critical step is Cabinet approval of the supporting appropriations. We will seek to “front load” the profile of borrowing to match forecast expenditure.

COVID impacts will present an increasing cash flow risk, eroding cash reserves pending agreement to, and receipt of, Crown funding, offset by a slowdown in project activity and expenditure. Our primary mitigation is to push for the borrowing to be in place “as soon as practical” and without additional encumbrances being imposed on gaining access to funds. Board and/or Chief Executive communication to Treasury and the Ministry of Transport is planned to reinforce these points.

### **Nationally delivered activities (NDAs)**

Additional Crown financing will allow work on the National Ticketing Solution to continue to implementation. Most other NDAs will be subject to similar funding constraints as was the case in the draft NLTP with trade-offs required with other activities in the relevant activity classes.

### **Funding approvals included in the adopted NLTP**

On adoption, the NLTP involves significant funding approvals. The approvals are in addition to the ongoing funding of commitments that were approved prior to adoption and those selected activities approved by the Board in June 2021. The approvals on NLTP adoption comprise:

- finalisation of the indicative approvals for continuous programmes approved by the Board in May 2021. The key difference is the increase in road maintenance programmes based on the additional financing;
- low cost low risk programmes for which funding has increased, refer above; and
- Funding (\$15 million) for the sector research programme, part of the Investment Management activity class.

The approved amounts being sought on adoption are set out in the Board resolutions.

## **Programme Outcomes**

### **Alignment to GPS strategic priorities**

Waka Kotahi must, in preparing the NLTP, ensure that it gives effect to the GPS, including the strategic priorities. How this has been given effect to is set out in the NLTP and is summarised in Attachment 2. Note that this summary has been slightly updated from the version included in the previous Board paper.

### **Government commitments**

The GPS includes an expectation that Waka Kotahi will establish three-year investment targets for Government Commitments. The updated investment targets (i.e. estimated level of expenditure during the 2021-24 NLTP period)<sup>7</sup> are as follows, with a more detailed breakdown in Attachment 3:

---

<sup>7</sup> The level of forecast NLTP expenditure during the 2021-24 NLTP period is likely to be different to the level of funding that may be approved i.e. there is a level of over-programming and some approved expenditure will extend beyond the 2021-24 NLTP period.

Government commitment (\$m, NLTF share)		Target <sup>8</sup>	GPS expectations for NLTF contribution
Road to Zero		2,676	\$10 billion from the Fund (between 2021/22-2030/31)
New Zealand Rail Plan		1,711	\$1.2–\$1.7 billion from the Fund plus additional Crown contribution (between 2021/22 and 2030/31)
Let's Get Wellington Moving		120	\$3.8 billion from the Fund (from 2021/22-2041/42)
Auckland Transport Alignment Project	KiwiRail	142	\$16.3 billion from the Fund (from 2018/19-2027/28)
	AT	2,508	
	Waka Kotahi	1,510	
	Total	4,161	

### Regional funding distribution

The value and percentage of bids for NLTF funding from each approved organisation that are supported in the NLTP (including probable but excluding possible activities) is shown in Attachment 4. The level of support as a percentage of bids varies significantly between individual approved organisations (from 66% to 100%). The median level of bids supported is above 90%. This is a significant increase compared with the pre-financing situation.

A breakdown of funding by region, including a comparison with regional population, is included as Attachment 5.

### Waka Kotahi vs other approved organisations

With the additional financing, the share of funding to Waka Kotahi vs. approved organisations in the NLTP is \$8.6 billion (53%) vs. \$7.7 billion (47%). If NZUP funding to Waka Kotahi is included the share is \$11.1 billion (59%) vs \$7.7 billion (41%).

s 9(2)(f)(iv) and s9(2)(g)(i)

## Assurance and statutory compliance

### EY assurance review

Waka Kotahi has commissioned EY to complete an assurance review on the NLTP. The scope of this review is:

1. Legislative Compliance Assessment: to assess whether the NLTP development process and the draft NLTP met all legislative requirements set out in the Land Transport Management Act (LTMA), 2003. The review found that Waka Kotahi has either met legislative requirements or was 'on track' to meet them noting that, for some requirements, full compliance could only be confirmed once the NLTP is adopted.

<sup>8</sup> The targets are based on estimated spend for committed and probable activities after risk-adjustment i.e. the sum of planned spend prior to risk adjustment is higher than the target spend.



2. Data Assessment: to review the integrity and consistency of data between Transport Investment Online (TIO) which provides the source data, the NLTP board paper and the NLTP publication and communications materials. At the time EY submitted their draft report there were no material matters. EY is continuing this element of the review to ensure that these artefacts appropriately capture updated investment targets and allocations.

A final letter of comfort will be provided by EY prior to publication.

Redacted - Legal privilege, s 9(2)(h)

## NLTP publication and communication

The communication timeline has been revised to accommodate delayed adoption of the NLTP (Attachment 7 refers). The statutory requirement is to adopt the NLTP before 1 September. There is no statutory date for publication. Following Board adoption, publication is planned on 7 September to allow for any final edits to the NLTP document set out in the Resource Centre (to reflect any amendments made by the Board during the adoption decision and any other non-material changes) and allow pre-publication briefings to staff and other stakeholders.

A key communication issue is agreement on the "key messages" with respective Ministers' offices in respect of how the provision and deployment of the additional financing is described.

## Health & safety, customer/stakeholder & environmental impact

The LTMA and GPS require consideration of health and safety, the environment and the interests of the public and other stakeholders that are addressed elsewhere in this paper and the previous Board paper. The revised NLTP is now more likely to meet the aspirations of a majority of AOs and other stakeholders. Notwithstanding this, the late change in available funding and financing and its impact on the final NLTP compared to earlier indications of funding constraints, may not be positively received by some AOs.

## Supporting Information

Attachment 1	Investment opportunities in the NLTP 2021
Attachment 2	How the NLTP gives effect to the GPS
Attachment 3	Forecast Expenditure (NLTF share) on Government Commitments
Attachment 4	Support for Approved Organisation bids in the 2021-24 NLTP
Attachment 5	Support for RTC bids in the 2021-24 NLTP
Attachment 6	Redacted - Legal privilege, s 9(2)(h)
Attachment 7	2021-24 Communications Launch Plan

## Resource centre

Document 1	Draft NLTP
Document 2	Activity class lists



# Attachment 1

## Investment opportunities in the NLTP 2021 to deliver Government priorities and commitments

Activity class	Investment opportunity (\$m)	Key projects or outcomes likely to be delivered through additional investment
Public Transport Services	17	Progress the National Mode Shift Campaign to support delivery of mode shift objectives.
Public Transport Infrastructure	429	<p>\$214 million to implement the National Ticketing Solution, including funding for local authorities' transitional costs to joining the scheme.</p> <p><b>ATAP</b></p> <ul style="list-style-type: none"> <li>• \$57 million to progress the Connected Communities programme six priority corridors</li> <li>• \$39 million for City Centre to Mangere and North-western rapid transit implementation</li> <li>• \$9 million to progress business cases to support growth projects such as Middlemore Station</li> </ul> <p><b>LGWM</b></p> <ul style="list-style-type: none"> <li>• \$94 million to progress rapid transit from detailed business case through to implementation start.</li> </ul>
Walking and Cycling	298	<p><b>ATAP</b></p> <ul style="list-style-type: none"> <li>• \$143 million to complete the Urban Cycleway projects including the final stage of Glen Innes to Tamaki) and progressing projects in Henderson, Mangere East, Manakau and Meadowbank-Koimarama.</li> </ul> <p><b>Mode shift centres</b></p> <ul style="list-style-type: none"> <li>• \$27 million in Wellington (Accelerated Cycleways Programme), Porirua (Access Kenepuru and Eastern Porirua Regeneration) and Hutt Valley (Riverlink)</li> <li>• \$28 million in Tauranga (Primary routes package)</li> <li>• \$10 million in Hamilton (Eastern Pathways connections)</li> <li>• \$35 million in low cost low risk projects across these centres.</li> </ul> <p><b>Regional</b></p> <ul style="list-style-type: none"> <li>• \$9 million in Northland (Mangawhai and Tikipunga Shared Path)</li> <li>• \$9 million in Manawatu (River Bridge, Ashurst Cycle /Walkway)</li> <li>• \$13 million for the Dunedin Urban Cycleways programme</li> <li>• \$25 million for low cost low risk projects across regions.</li> </ul>
Local Road Improvements	371	<p>Investments are critical to support government housing and urban growth outcomes as part of integrated land use and transport planning. Many of these projects are necessary to fully realise the benefits of other NLTP projects or other Crown investments.</p> <p><b>ATAP</b></p> <ul style="list-style-type: none"> <li>• \$57 million to progress improvements on Glenvar Road and East Coast Road</li> <li>• Network optimisation</li> </ul>

Activity class	Investment opportunity (\$m)	Key projects or outcomes likely to be delivered through additional investment
		<ul style="list-style-type: none"> <li>Supporting growth activities such as Transport Networks for Growth South.</li> <li>Lake Road corridor improvements, Hill Street intersection</li> </ul> <b>High growth areas</b> <ul style="list-style-type: none"> <li>\$43 million in Porirua (Access Kenepuru and Eastern Porirua Regeneration) and Hutt City (Riverlink – linked to NZUP)</li> <li>\$90 million in Bay of Plenty region projects linked to Urban Form Transport Initiatives (UFTI) for example Western Corridor Management, Tauriko West)</li> <li>\$15 million in Dunedin (Sharpening Future Dunedin Transport).</li> </ul> <p>Funding to also progress high GPS-aligned low cost low risk programmes across New Zealand.</p>
State Highway Improvements	240	<b>ATAP</b> <ul style="list-style-type: none"> <li>\$98 million to progress State Highway 18 Squadron Drive (supports growth), State Highway 16 Grafton Gully/Port Access improvements, and key optimisation on the State Highway network (linked to local road network optimisation).</li> </ul> <b>LGWM</b> <ul style="list-style-type: none"> <li>\$56 million to support Strategic Highway implementation (for example, property acquisition)</li> </ul> <b>Other</b> <ul style="list-style-type: none"> <li>\$5 million to develop business cases for UFTI activities (for example State Highway 29 Tauriko/Cambridge early works and State Highway 2 Hewletts Road).</li> <li>\$26 million to support Wellington and Picton Port Access improvements to support Crown's investment in new Cook Strait ferries.</li> <li>\$18 million to develop nine business cases for priority resilience projects in the South Island.</li> </ul>
Road to Zero	143	<ul style="list-style-type: none"> <li>Progressing seven additional priority projects on the state highway network in Northland, Bay of Plenty, Hawkes Bay, Manawatu, Canterbury and Otago</li> <li>Progressing two additional priority projects on the local road network in Waikato and Canterbury.</li> </ul>
State Highway Maintenance	341	<ul style="list-style-type: none"> <li>Maintains current levels of service on the state highway network</li> </ul>
Local Road Maintenance	158	<ul style="list-style-type: none"> <li>Maintains current levels of service on the local road network</li> </ul>
<b>Total</b>	<b>1,997</b>	



# Attachment 2

## How the NLTP gives effect to the GPS

- 1 Waka Kotahi must, in preparing the NLTP, ensure that it gives effect to the GPS on land transport. An assessment of how the NLTP complies with the requirement of s 19B of the Act is included in the draft NLTP.<sup>10</sup>
- 2 Waka Kotahi has reviewed the NLTP against the strategic priorities, primary outcomes and guidance on delivering those outcomes in the GPS in the context of the activity class framework included in the GPS that is intended to give effect to those priorities and results. Waka Kotahi has also reviewed the NLTP against the principles for investing, the government commitments and the statement of ministerial expectations.
- 3 A significant feature of the NLTP 2021-2024 is that there is limited funding from usual revenue streams for new investment to advance the strategic priorities and associated outcomes. This reflects:
  - 3.1 that the lower range of the activity classes in GPS2021 are set close to the forecast inflows into the NLTF. That means that once the minimum spend for each activity class is met there are only limited funds left to invest above those lower ranges across the entire programme; and
  - 3.2 within activity classes a substantial proportion of forecast inflows to the NLTF must be spent on existing commitments, being spending on activities that were approved prior to development of this NLTP (and which must be included in the NLTP).<sup>11</sup>
- 4 s 9(2)(f)(iv) and s9(2)(g)(i)  
This does not, however, affect the need to achieve minimum expenditure for activity classes from land transport revenue.
- 5 Within those constraints, the NLTP gives effect to the GPS as follows:
  - 5.1 in accordance with the GPS, the NLTP anticipates investment in each activity class to at least the minimum of the expenditure range identified in the GPS. Spending to the minimum of each expenditure range is consistent with achieving the priorities and results in the GPS because funding is divided in to activity classes as a means of achieving the results specified in GPS 2021;<sup>12</sup>
  - 5.2 within activity classes, new activities for which it is anticipated funding will be provided have been initially prioritised for inclusion in the NLTP in accordance with the Waka Kotahi Investment Prioritisation Method (IPM). The IPM includes as a factor in its prioritisation alignment with GPS priorities and the extent of contribution to a GPS priority;
  - 5.3 a moderation process has been applied to the results of the IPM to ensure the mix of activities for new investment achieves the best balance between GPS priorities and results, in particular taking into account the government commitments (ATAP, LGWM, Road to Zero) as well as government targets for GHG emissions reductions;
- 6 Where choices have had to be made either within activity classes, or when investing above minimum activity class levels, Waka Kotahi has exercised its discretion to achieve what it considers is the appropriate balance between different GPS priorities and results in the context of the purpose of the LTMA to contribute to an effective, efficient, and safe land transport system in the public interest.

<sup>9</sup> LTMA, s 19B(a)(iii).

<sup>10</sup> As required by s 19C(b).

<sup>11</sup> Section 19C(d).

<sup>12</sup> GPS 2021 at [113].

- 7 An analysis of the programme was undertaken using the Climate Assessment Tool for Investment (CATI) which at a high level applies 3 different labels to activities – potential to reduce emissions, potential to maintain emissions, and potential to increase emissions. This indicated that more activities and investment dollars were being prioritised to activities with the potential to decrease emissions than to activities with the potential to increase emissions. The CATI has not been able to be applied to the full NLTP as revised after Crown financing was confirmed.
- 8 In relation to the climate change strategic priority and results, our assessment indicates that the NLTP will contribute to emissions reduction to the extent possible within the relevant constraints, being:
- 8.1 the GPS result of reduced greenhouse gas emissions being a result required over a ten-year time-frame (by 2031);
- 8.2 the transport component of the Government's Emissions Reduction Plan (with which all investment decisions will need to be consistent) is still under development;
- 8.3 achieving emissions reduction in the transport system over the medium to long term (and in particular any reductions required by the forthcoming Emissions Reduction Plan) will require significantly increased funding in future NLTPs;
- 8.4 the transition to a low carbon transport system will require a combined effort from government, businesses, and communities, as acknowledged in the GPS;<sup>13</sup>
- 8.5 as noted above, a substantial proportion of the NLTF must be spent on existing commitments and maintaining existing service levels and
- 8.6 Waka Kotahi is also obliged to give effect to other GPS priorities.
- 9 Viewed in light of these factors, the NLTP gives effect to the climate change priority, within the context of GPS 2021 as a whole, through:
- 9.1 its investment in activities with the potential to decrease emissions;
- 9.2 its investment in activity classes that have climate co-benefits (including public transport services, public transport infrastructure, and walking and cycling improvements); and
- 9.3 its investment in the public transport services, public transport infrastructure and walking and cycling improvements activity classes including through the use of debt financing that allows, in the case of the walking and cycling improvements activity class, effective investment above the maximum range in the GPS.



## Attachment 3

### Forecast Expenditure (NLTF share) on Government Commitments

The breakdown below shows how the target expenditure for each of the commitments is built up across the activity classes.

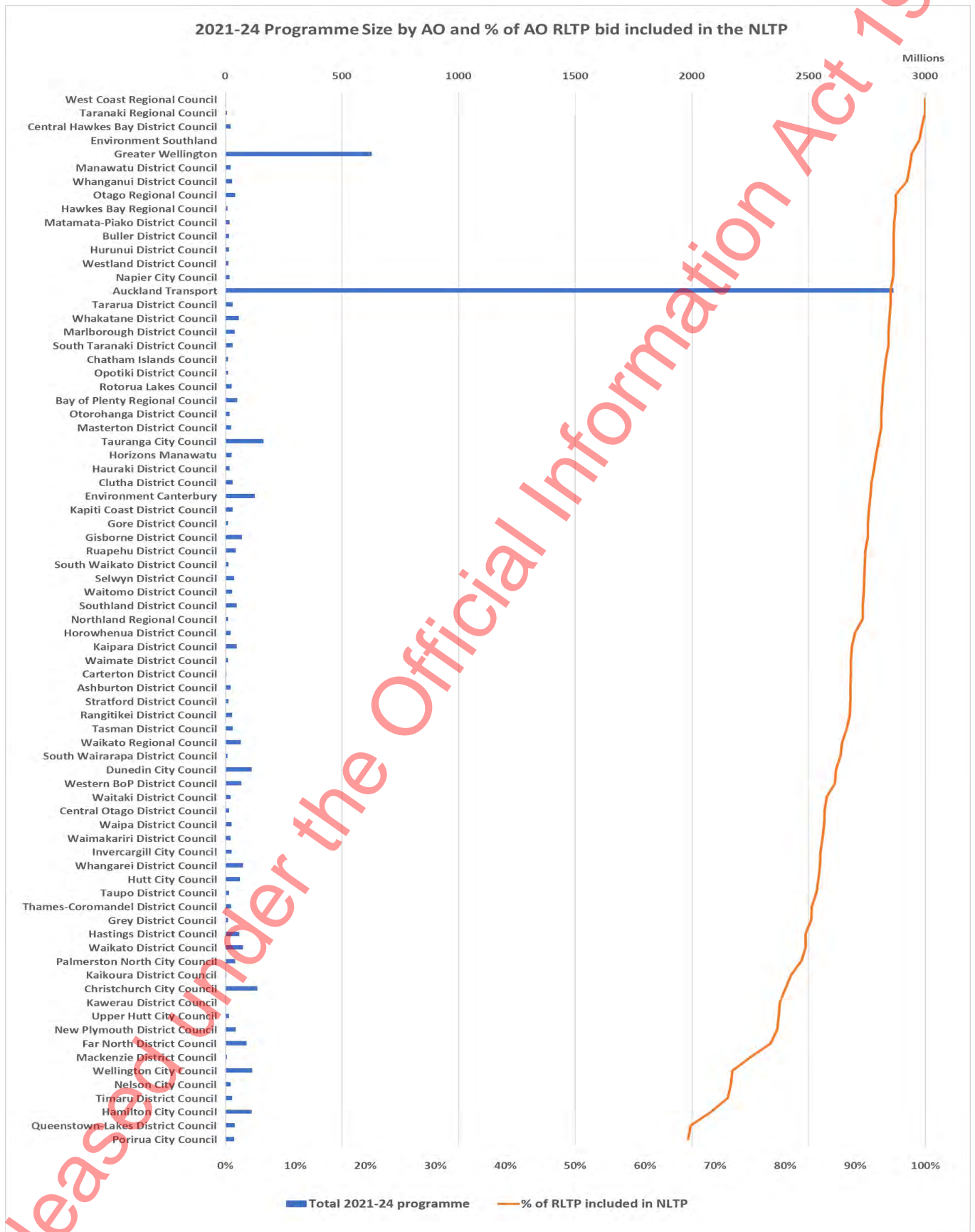
These are included for Board information only and not sub-targets for publication (i.e. only the aggregate target for each government commitment will be published).

\$m, NLTF share		IM	LRM	LRI	PTS	RtZ	PTI	Rail	W&C	SHI	SHM	Aggregate Target
Road to Zero						2,676						2,676
New Zealand Rail Plan (NZRP)	RNIP						144	1,200				1,344
	Ex TR				2		365					367
	NZRP Total				2		508	1,200				1,711
Let's Get Wellington Moving							98		18	3		120
Auckland Transport Alignment Project	KiwiRail						124	18				142
	AT	6	479	322	714	127	727		132			2,508
	Waka Kotahi	7				48	92		30	770	565	1,510
	ATAP Total	13	479	322	714	175	943	18	162	770	565	4,161

Note: Figures may not add due to rounding

## Attachment 4

### Support for Approved Organisation bids in the 2021-24 NLTP





## Attachment 5

### Support for RTC bids in the 2021-24 NLTP<sup>14</sup>

All FIGURES ARE NLTF "RAW", i.e. not risk adjusted  
ALL FIGURES ARE IN NLTF \$millions

Region	Population by AO (June 2020 Stats NZ)	Total 2018-21 programme (across programmes & improvements)	2021-24 RLTP bid	2021-24 Continuous Programmes - allocation	Improvements included in 2021- 24 NLTP (commitments & probable)	LCLR - approved funding	Total 2021-24 programme	% of RLTP included in NLTP	Proportion 2021- 24 programme vs 2018-21 programme	RTC - What goes to the region	% of population in the region	Difference of population % to regional %
Northland	194600	357.3	553.7	262.8	168.9	58.4	490.1	89%	137%	4%	4%	0%
Auckland	1717500	4888.5	4737.6	1714.6	2629.0	246.1	4589.6	97%	94%	35%	34%	2%
Bay of Plenty	337300	619.5	894.5	335.9	363.3	77.2	776.4	87%	125%	6%	7%	-1%
Waikato	496700	1320.2	1366.3	620.4	482.5	99.1	1202.1	88%	91%	9%	10%	0%
Manawatu/Whanganui	254300	507.1	1019.6	255.0	525.2	60.5	840.7	82%	166%	6%	5%	1%
Gisborne	50700	159.8	168.9	119.1	13.2	10.7	143.0	85%	90%	1%	1%	0%
Hawkes Bay	178600	246.9	314.1	160.2	65.7	40.7	266.6	85%	108%	2%	4%	-1%
Taranaki	124600	174.5	398.2	127.7	217.3	31.2	376.2	94%	216%	3%	2%	0%
Wellington	542000	1446.2	2507.0	616.6	1612.9	84.6	2314.1	92%	160%	18%	11%	7%
Tasman	56400	70.3	72.1	49.5	0.7	10.2	60.4	84%	86%	0%	1%	-1%
Marlborough	50200	89.0	102.1	62.2	23.7	5.3	91.2	89%	102%	1%	1%	0%
Nelson	54600	50.2	78.6	41.5	6.9	15.2	63.6	81%	127%	0%	1%	-1%
Canterbury	645900	1208.8	933.1	511.4	257.6	49.7	818.6	88%	68%	6%	13%	-6%
West Coast	32400	152.6	187.2	126.4	30.8	11.2	168.3	90%	110%	1%	1%	1%
Otago	245300	513.2	586.2	302.2	172.5	47.7	522.3	89%	102%	4%	5%	-1%
Southland	102600	182.9	235.8	183.5	24.2	8.1	215.8	91%	118%	2%	2%	0%
Chatham Islands	760	12.2	12.5	10.0	0.0	1.8	11.8	94%	97%	0%	0%	0%
National	0	3437.6	3220.8	2733.7	750.5	0.0	3484.2	108%	101%	n/a	n/a	n/a
<b>Total</b>	<b>5084460</b>	<b>15436.5</b>	<b>17388.4</b>	<b>8232.6</b>	<b>7345.0</b>	<b>857.4</b>	<b>16435.0</b>			<b>100%</b>	<b>100%</b>	

Continuous programmes in the table above include the Road Safety Partnership Programme (RSP) and Rail Network Investment Plan (RNIP) that have been approved previously. As a result, the total continuous programme allocation differs from the continuous programme approvals sought as part of NLTP adoption.

<sup>14</sup> Total 2021-24 RLTP bid uses State Highway maintenance and Road Safety Promotion allocations as a surrogate for bid details

Redacted - Legal privilege, s 9(2)(h)

Released under the Official Information Act 1982



Redacted - Legal privilege, s 9(2)(h)

Released under the Official Information Act 1982

Redacted - Legal privilege, s 9(2)(h)

Released under the Official Information Act 1982



Redacted - Legal privilege, s 9(2)(h)

Released under the Official Information Act 1982

Redacted - Legal privilege, s 9(2)(h)

Released under the Official Information Act 1982



Redacted - Legal privilege, s 9(2)(h)

Released under the Official Information Act 1982

# Attachment 7

## NLTP Launch Communications and Engagement Plan

### Introduction

The 2021-24 National Land Transport Programme (NLTP) will be adopted by 31 August 2021. This plan covers the key communications and engagement activities that will occur between now and the release of the NLTP publication, with associated timings, as known at this stage

The plan focuses on:

- our engagement with our co-investment partners from now until the release of the NLTP
- our internal communications plan to ensure our staff are aware of our funding proposals from the release of indicative allocations through to final NLTP
- our communications with other key stakeholders and partners during this process
- our plan to publicly launch the 2021-24 NLTP – with opportunities for Ministerial involvement

### Communication objectives

The communication objectives are:

- to ensure we are open and transparent in our communications with our co-investment partners, taking time to explain our decision-making
- to ensure identify early and prioritise direct conversations with the most affected RTCs, councils and sectors to ensure they understand how we have made decisions and the next steps with their projects
- where feasible, we hold face-to-face meetings promptly, helping our co-investment partners to better understand the outcomes and look to future opportunities
- to ensure our staff are equipped with the right messaging and tools to have the right conversations around the release of the 2021-24 NLTP
- to ensure we respond to questions/issues quickly and consistently
- to ensure our other key stakeholders and partners are provided with an early heads-up about the release of the 2021-24 NLTP and key messages/fact sheets to assist with member/media inquiries
- to ensure media are provided with a comprehensive briefing and information pack to better understand the NLTP process and next steps.

### Channels and tactics

**Note** that a live call with AO representatives hosted by the Chief Executive is planned having been postponed earlier in the month. A revised date for the live call has yet to be confirmed.

Date	Internal / Waka Kotahi	External
27 August		<ul style="list-style-type: none"><li>• CE email to local government CEs and GMs advising of new adoption date and funding update</li></ul>
Week beginning 30 August	<ul style="list-style-type: none"><li>• Council plans finalised for DRRs conversations</li></ul>	
Week beginning 30 August	<ul style="list-style-type: none"><li>• Information packs are finalised for staff, including key messages and FAQs – to be made available post-launch</li></ul>	<ul style="list-style-type: none"><li>• DRRs schedule meetings with council executives for 7 and 8 September</li><li>• ELT members schedule meetings with key partners for 7 September, including Road Transport Forum Heavy Haulage Association Automobile Association LGNZ - CE and Chair Civil Contractors Association</li></ul>
31 August	<ul style="list-style-type: none"><li>• 2021-24 NLTP adopted by Board</li></ul>	

Date	Internal / Waka Kotahi	External
Post 31 August Board meeting	<ul style="list-style-type: none"> <li>Information briefing sessions held for key staff, including DRRs, Partnership &amp; Investment, Investment Advisory, and System Management teams</li> <li>Media packs finalised</li> </ul>	<ul style="list-style-type: none"> <li>Emails prepared for all RTCs and AOs to be sent on launch day</li> </ul>
Tuesday 7 September (date to be confirmed)	<ul style="list-style-type: none"> <li>Launch event in Chews Lane Board room or Zoom events depending on COVID alert levels</li> <li>Email from Waka Kotahi CE to staff, including PDF of NLTP on morning of launch</li> <li>Key messages and FAQs made available on intranet</li> <li>Supporting material available on ONRAMP</li> </ul>	<ul style="list-style-type: none"> <li>Launch event in Chews Lane Board room or Zoom events depending on COVID alert levels</li> <li>Partners fully briefed pre-launch</li> <li>Media packs available</li> <li>Tailored media releases for each region, highlighting forecast investment by region – the projects and how much being invested</li> <li>Thematic media releases on safety, better travel options, improving freight connections, and climate change and other topics as identified as being relevant</li> <li>Regional fact sheets on NLTP outcomes available</li> <li>Email from CE to all key stakeholders, including: <ul style="list-style-type: none"> <li>CAN/Bike Auckland</li> <li>Living Streets Aotearoa</li> <li>NZ Walking Access</li> </ul> </li> <li>Ongoing presentations to RTC meetings</li> <li>Two to three week social media campaign begins to promoting investment and partnerships nationally, looking ahead, and linked to GPS outcomes</li> <li>Updated information available on NZTA website, including PDF of NLTP</li> </ul>
From week beginning 13 September	<ul style="list-style-type: none"> <li>Check in with key staff for additional materia / support for co-investment partner meetings</li> </ul>	<ul style="list-style-type: none"> <li>Targeted articles in magazines such as Contractor, NZ Construction, AA Directions, LGNZ magazine, NZ Trucking, etc.</li> </ul>