

# Emergency works policies review: proposed changes to work categories and investment policies

1 May 2024

Subject to consultation, the following changes will be published on the Planning and Investment Knowledge Base (PIKB) on 1 July 2024 along with accompanying links to templates, guidance, and processes. Emergency works FARs will not be changed until after the Board has considered them in September 2024. Further guidance is available on the webpage.

This document shows the wording changes we propose to make to:

- [Work category 141: emergency works](#)
- [Work category 140: minor works](#)
- [Uneconomic Transport Infrastructure Policy](#).

## Work category 141: emergency works

Current text for 2024–27	Changes proposed for 2024–27
<p><b>Introduction</b></p> <p>Work category 141 enables funding from the National Land Transport Fund (NLTF) in response to a defined, major, short-duration natural event (a qualifying event) that has reduced or will reduce customer levels of transport service significantly below those that existed prior to the event and results in unforeseen, significant expenditure.</p>	<p><b>Introduction</b></p> <p>Work category 141 enables funding from the National Land Transport Fund (NLTF) for response and recovery works to address the impact of major, short-duration, sudden events that cause urgent safety and access problems on part of the transport network and that result in unforeseen, significant expenditure.</p>
<p><b>Qualifying activities</b></p> <p>Work category 141 covers:</p> <ul style="list-style-type: none"> <li>• an immediate response for public safety or to provide vital access</li> <li>• reinstatement of customer levels of transport service</li> </ul> <p>in respect of infrastructure, facilities and services eligible for funding from the NLTF.</p> <p>Activities not eligible for emergency works funding are described under 'Exclusions' below.</p> <p>Work category 141 is available to the following activity classes:</p> <ul style="list-style-type: none"> <li>• local road maintenance</li> <li>• state highway maintenance</li> <li>• rail network.</li> </ul>	<p><b>Qualifying activities</b></p> <p>Work category 141 covers response works and recovery works relating to a qualifying event. This applies to transport infrastructure that is eligible for funding from the NLTF, including roading, public transport, walking and cycling infrastructure. 'Response' means the initial work necessary to re-open a road or other transport facility, where practicable, for safe use, albeit at a basic level of service, or to minimise risk of further damage. This includes:</p> <ul style="list-style-type: none"> <li>• site assessments and project set-up</li> <li>• debris clearance, temporary route reinstatement, emergency bridging installation (such as Bailey bridges etc), restoration of drainage, temporary site protection measures, and temporary site traffic management</li> <li>• minor or non-complex recovery that can be carried out in the short-term at low cost and is necessary for safety or temporary</li> </ul>

	<p>access, irrespective of future decisions on recovery</p> <ul style="list-style-type: none"> <li>• geotechnical and structural investigations, scoping, costing and planning for recovery.</li> </ul> <p>'Recovery' means the work to restore levels of service on a 'like for like' basis, or a reduced level of service.</p> <p>'Like for like' means the modern equivalent of the transport infrastructure, not necessarily of the same material type or structural form, that meets current design standards to restore level of service.</p> <p>'Current design standards' may include the following:</p> <ul style="list-style-type: none"> <li>• meeting non-avoidable engineering design requirements</li> <li>• meeting building consent and resources consent requirements of the relevant local and regional authority, such as meeting engineering resistance design standards for an earthquake</li> <li>• meeting engineering requirements to manage the risk and consequence of hazards impacting the design life for the structure and the transport network it services</li> <li>• improvements of a minor nature to restore level of service may be undertaken, such as altering the alignment of the infrastructure in a minor way.<sup>1</sup></li> </ul> <p>'Like for like' excludes improvements, such as an additional cycleway where there wasn't one previously, or an improvement in resilience.<sup>2</sup></p> <p>It is acknowledged that restoration of level of service on a 'like for like' basis may result in the infrastructure having a longer useful life than previously, due to the provision of new materials or a new structure.</p> <p>Work category 141 is available to the following activity classes:</p> <ul style="list-style-type: none"> <li>• local road operations</li> <li>• state highway operations</li> <li>• public transport infrastructure</li> <li>• waling and cycling</li> <li>• rail network.</li> </ul>
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<sup>1</sup> 'Like for like' is on the basis that the infrastructure is replaced in the same approximate location and includes the immediate approaches to the structure. This may include altering the alignment to allow off-line construction and/or improve safety and geometric performance of the structure in the network (approach lengths are limited to the distance necessary to safely transition to and from any new off-line alignment in accordance with the design parameters for the safe speed for the road classification).

<sup>2</sup> Organisations are encouraged to consider whether to apply for funding for improvements, noting that these are funded in a separate work category out of an improvement activity class.

	<p>You can discuss with us (NZ Transport Agency Waka Kotahi (NZTA) as investor) whether other potential activities not listed above might also be eligible for inclusion in this work category.</p>
<p><b>Qualifying events</b></p> <p>Events that qualify for NLTF funding as emergency works will:</p> <ul style="list-style-type: none"> <li>• be of unusually large magnitude or severity for the particular area in which they occur (as a guide, they would be expected to have an annual return period greater than 1 in 10 years)</li> <li>• originate from natural, short-duration triggering events, including very high intensity rainfall, severe wind, severe drought in government declared drought areas, or seismic events</li> <li>• have reduced, or will reduce within a 12-month period, levels of transport service significantly below those that existed prior to the event</li> <li>• involve a total cost of \$100,000 or more per event per approved organisation or NZ Transport Agency Waka Kotahi (NZTA; for its own activities in the region)</li> <li>• be clearly defined, named and described, with a separate funding application required for each event.</li> </ul>	<p><b>Qualifying event</b></p> <p>An event that qualifies for NLTF funding as emergency works will:</p> <ul style="list-style-type: none"> <li>• be of unusually large magnitude or severity for the area in which they occur (as a guide, it would be expected to have an annual return period greater than 1 in 20 years)</li> <li>• originate from a short-duration triggering event, including very high intensity rainfall, severe wind, fire or seismic event that causes damage to transport infrastructure or facilities</li> <li>• have reduced, or will reduce within a 12-month period, levels of transport service below those that existed prior to the event</li> <li>• involve a total cost of \$100,000 or more per event per approved organisation or NZTA (for its own activities in the region)</li> <li>• be clearly defined, named, and described, with a separate funding application required for each event.</li> </ul>
<p><b>Exclusions</b></p> <p>Work category 141 excludes:</p> <ul style="list-style-type: none"> <li>• minor events of less than \$100,000 total cost – these are funded from within the approved organisation's and NZTA (for its own activities in the region) approved maintenance programme under work category 140</li> <li>• the effects of scour, degradation, aggradation and land movements that have accumulated over time</li> <li>• costs of damage or deficiencies from land movements that have not been triggered by a specific event</li> <li>• the repair of any damage to work under construction, including within the post-construction maintenance period – this is a charge to the activity under construction and is expected to be covered by the supplier's insurance</li> <li>• any damage that is the result of a human intervention or incident, for example caused by a vehicle crash or operational activity</li> </ul>	<p><b>Exclusions</b></p> <p>Work category 141 excludes:</p> <ul style="list-style-type: none"> <li>• minor events of less than \$100,000 total cost – these are funded from within the approved organisation's and NZTA (for its own activities in the region) approved maintenance programme under work category 140: minor works</li> <li>• the effects of scour, degradation, aggradation and land movements that have accumulated over time</li> <li>• costs of damage or deficiencies from land movements that have not been triggered by a specific event</li> <li>• the repair of any damage to work under construction, including within the post-construction maintenance period – this is a charge to the activity under construction and is expected to be covered by the supplier's insurance</li> <li>• any damage that is the result of a human intervention or incident, for example caused by a vehicle crash or operational activity</li> </ul>

<ul style="list-style-type: none"> <li>• improvements associated with permanent reinstatement – these should be assessed and prioritised as improvement activities, separate from the emergency works funding application and, if approved, funded from the appropriate improvement activity class and work category</li> <li>• costs to respond to damage that may be caused by qualifying events but the activities are not eligible for funding from the NLTF, for example aesthetic treatments on berms, shoulders, medians and traffic islands.</li> </ul>	<ul style="list-style-type: none"> <li>• improvements beyond ‘like for like’ – these must be assessed and prioritised as improvement activities, and, if approved, funded from the appropriate work category and improvement activity class</li> <li>• costs to respond to damage that may be caused by qualifying events but the activities are not eligible for funding from the NLTF, for example aesthetic treatments on berms, shoulders, medians and traffic islands</li> </ul>
<p><b>Difference between emergency works and resilience improvements</b></p> <p>Emergency works respond to damage or deficiencies caused by defined, out of the ordinary, natural events.</p> <p>Resilience improvements (formerly preventive maintenance) provide for non-routine work required to protect the serviceability of roads and cycleways from damage, and to minimise the threat of road closure arising from natural phenomena. The activity is not connected to a defined event – these are funded under work category 357.</p> <p><a href="#">Work category 357: resilience improvements</a></p>	<p><b>Difference between emergency works and resilience improvements</b></p> <p>Emergency works respond to damage or deficiencies caused by defined, out of the ordinary, sudden events.</p> <p>Resilience improvements (formerly preventive maintenance) is non-routine work to eliminate or reduce the risk of damage to transport infrastructure or interruptions to level of service including from an emergency event.</p> <p>Resilience improvements are eligible for funding under work category 357: resilience improvements out of an improvement activity class at normal FAR.</p> <p><a href="#">Work category 357: resilience improvements</a></p>
	<p><b>Options for recovery</b></p> <p>We require that options for recovery will be considered and assessed for efficiency and effectiveness.</p> <p>In relation to uneconomic transport infrastructure, the requirements of the uneconomic transport infrastructure policy must be met.</p> <p>Uneconomic Transport Infrastructure Policy (webpage yet to come)</p>
<p><b>Conditions of funding</b></p> <p>General conditions of funding that apply to emergency works:</p> <ul style="list-style-type: none"> <li>• The NZTA Uneconomic Transport Infrastructure Policy will be applied to all investment decisions for permanent reinstatement of transport infrastructure that is considered uneconomic. If a facility is determined to be uneconomic under the policy, we may decide not to co-invest, in part or in full, in its reinstatement.</li> </ul>	<p><b>Conditions of funding</b></p> <p>General conditions of funding that apply to emergency works:</p> <ul style="list-style-type: none"> <li>• The approved organisation, or NZTA (for its own activities), will ensure its procurement procedures comply with requirements of section 25 of the Land Transport Management Act 2003.</li> <li>• The approved organisation, or NZTA (for its own activities), will ensure that its records of costs relating to emergency</li> </ul>

<p>Uneconomic Transport Infrastructure Policy (webpage yet to come)</p> <ul style="list-style-type: none"> <li>• Permanent reinstatement to restore levels of transport service is subject to the procurement procedure requirements in section 25 of the LTMA.</li> <li>• While the NZTA emergency works policy is to reinstate levels of service on a like-for-like basis, we may, where the One Network Framework (ONF) service level is lower than existed previously, decide to co-invest to achieve the appropriate ONF level of service rather than the full reinstatement of service levels. Where the ONF points to a higher level of service than existed prior to the event being appropriate, the increase in service level should be justified and approved as an improvement activity, funded under the appropriate improvement activity class and work category.</li> </ul> <p>One Network Framework (ONF)</p> <ul style="list-style-type: none"> <li>• Approval of emergency works funding presumes applicants have applied sound asset management practice and have maintained any assets damaged by a qualifying event to a reasonable standard, taking into account the age and original construction standard of the assets. Where we consider that the damaged assets have not been maintained to a reasonable standard, or that the damage could have been mitigated by reasonable cost preventive interventions, we may decide to decline or reduce the total cost for approval of the emergency works funding application.</li> </ul>	<p>works are kept accurately to support claims and can demonstrate the allocation of costs to response, recovery and any improvements.</p> <p>Particular conditions relating to the enhanced funding assistance rate for emergency works (to apply from 1 July 2025):</p> <ul style="list-style-type: none"> <li>• the organisation’s activity management plan has considered, in advance of the emergency event, which parts of the network are prioritised to restore levels of service and which parts of the network may require consideration of different level of service or alternatives to recovery; and</li> <li>• after an emergency event, genuine discussions with funders and affected communities occur for those parts of the network where consideration of different level of service or alternatives to recovery is appropriate.</li> </ul>
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## Work category 140: minor works

Current text for 2024–27	Changes proposed for 2024–27
<p><b>Introduction</b></p> <p>Work category 140 enables funding from the National Land Transport Fund (NLTF) for the response to minor, short-duration, natural events that reduce service levels on part of the transport network.</p>	<p><b>Introduction</b></p> <p>Work category 140 enables funding from the National Land Transport Fund (NLTF) for response and recovery addressing minor, short-duration, sudden events that cause urgent safety and access problems on part of the transport network.</p>
<p><b>Qualifying activities</b></p> <p>Work category 140 is available to the following activity classes:</p> <ul style="list-style-type: none"> <li>• local road maintenance</li> <li>• state highway maintenance.</li> </ul> <p><a href="#">Local road and state highway maintenance</a></p>	<p><b>Qualifying activities</b></p> <p>Work category 140 is available to the following activity classes:</p> <ul style="list-style-type: none"> <li>• local road operations</li> <li>• walking and cycling</li> <li>• public transport infrastructure</li> </ul>

	<ul style="list-style-type: none"> <li>state highway maintenance.</li> </ul>
<p><b>Examples of qualifying activities</b></p> <p>Examples of qualifying activities include, but may not be limited to:</p> <ul style="list-style-type: none"> <li>any activities that would otherwise qualify as emergency works under work category 141 except that the total cost of the works is less than \$100,000 per event per approved organisation or NZ Transport Agency Waka Kotahi (NZTA; for its own activities in the region) – these include but are not limited to: <ul style="list-style-type: none"> <li>removal of rocks and slip material from roads, public footpaths and cycleways that have resulted from minor events</li> <li>repairs to road, public footpaths and cycleway surfaces in response to minor events</li> <li>reinstatement of network facilities damaged as a result of a minor event.</li> </ul> </li> </ul> <p>You can discuss with us (NZTA as investor) whether other potential activities not listed above might also be eligible for inclusion in this work category.</p>	<p><b>Examples of qualifying activities</b></p> <p>Examples of qualifying activities include, but may not be limited to:</p> <ul style="list-style-type: none"> <li>any activities that would otherwise qualify as emergency works under work category 141: emergency work, except that the total cost of the response and recovery works is less than \$100,000 per event per approved organisation or New Zealand Transport Agency Waka Kotahi (NZTA) (for its own activities in the region) – these include but are not limited to: <ul style="list-style-type: none"> <li>removal of rocks and slip material from roads, public footpaths and cycleways that have resulted from minor events</li> <li>repairs to road, public footpaths and cycleway surfaces in response to minor events</li> <li>restoration of network facilities damaged as a result of a minor event.</li> </ul> </li> </ul> <p>You can discuss with us (NZTA as investor) whether other potential activities not listed above might also be eligible for inclusion in this work category.</p>

## Uneconomic Transport Infrastructure Policy

Current text for 2021-24	Changes proposed for 2024–27
<p><b>Purpose</b></p> <p>This policy applies to activities that will renew, reinstate, upgrade or replace uneconomic transport infrastructure with new transport infrastructure.</p>	<p><b>Purpose</b></p> <p>This policy is to ensure investment decisions are well-informed by a range of options, comply with all legislative and national settings, and assist investment decision-making on uneconomic transport infrastructure.</p>
<p><b>Definitions</b></p> <p>Uneconomic activities meet the following two criteria:</p> <ul style="list-style-type: none"> <li>a ‘very low’ efficiency rating (benefit–cost ratio (BCR) &lt; 1.0 or net present value (NPV) &lt; 0)</li> <li>a total cost of more than \$2 million.</li> </ul>	<p><b>Definitions</b></p> <p>‘Uneconomic’ means a proposed investment with a ‘very low’ efficiency rating (benefit–cost ratio (BCR) &lt; 1, or net present value (NPV) &lt; 0).</p> <p>Note, ‘uneconomic’ in this context only means the monetised benefits do not exceed the monetised costs; this does not necessarily mean the proposed investment is not worthwhile or good value for money once non-monetised and/or social benefits are considered.</p>

<p><b>Policy statement</b></p> <p>For activities with a total cost of less than \$2 million, please refer to the guidance for low-cost, low-risk programmes.</p> <p>Low-cost, low-risk programme development for the 2021-24 NLTP [PDF, 167 KB]</p> <p>Where an investment decision relating to the renewal, reinstatement, upgrading of transport infrastructure, or replacement with new transport infrastructure, is determined to be uneconomic, we (Waka Kotah NZ Transport Agency as investor) require a range of options (including alternatives to providing an infrastructure solution) to be considered and presented with a robust assessment of social, cultural, economic and environmental impacts (including non-monetised impacts).</p> <p>An assessment will consider a range of factors including legislative requirements, national settings (including any relevant national adaptation plan, Waka Kotahi adaptation plan and regional adaptation plan), social impacts (including distribution of impacts), non-monetised benefits/costs, risk analysis, relative priority of the proposed investment at the regional and national level and a balance of the needs of current and future generations.</p> <p>Proposals above a total cost of \$2 million to renew, reinstate, upgrade or replace with new transport infrastructure determined to be uneconomic, will be referred to the Waka Kotahi Board for an investment decision, unless the existence of non-monetised impacts means that overall benefits exceed costs.</p> <p>We encourage approved organisations and Waka Kotahi (for its own activities) to seek advice from a Waka Kotahi investment advisor when applying for funding. For situations where the BCR is not applicable, for example like-for-like bridge replacements, the cost–benefit appraisal should use least whole-of-life economic cost. The Waka Kotahi Board will consider proposals on a case-by-case basis.</p>	<p><b>Policy statement</b></p> <p>This policy applies to all land transport activities including roads, bridges, public transport, walking and cycling infrastructure, but excluding rail infrastructure, that seek to renew, reinstate, upgrade, downgrade or replace uneconomic transport infrastructure at a total cost of more than \$2 million.</p> <p>Activities with a total cost of less than or equal to \$2 million must instead refer to the guidance for low-cost, low-risk programmes.</p> <p><a href="#">Low-cost, low-risk programme development for the 2021-24 NLTP [PDF, 167 KB]</a></p> <p>Funding decisions related to uneconomic transport infrastructure without significant non-monetised benefits and/or social impacts must be made by an appropriate level of delegation, usually the NZTA Board. Decisions must demonstrate consideration of s 20 and s 96 of the Land Transport Management Act 2003. Approval may be for a different level of service (for example higher or lower weight and/or speed restrictions) or type of access (for example a ford versus a bridge).</p> <p>The costs of investigations or business cases are eligible for inclusion in the National Land Transport Programme (NLTP) and funding, whether or not they relate to uneconomic transport infrastructure. However, the policy application process outlined in this policy must be followed for any subsequent phase costs to be included in the NLTP and approved for funding.</p> <p>Any portion of the costs funded by an alternative source (that is, other than an approved organisation or the National Land Transport Fund (NLTF)) will not be eligible for NLTF funding.</p> <p>This policy is guided by the One Network Framework in terms of road function, but discretion remains to select an appropriate level of service to reflect the uneconomic nature of the transport infrastructure.</p> <p>For situations where the BCR is not applicable, for example like-for-like bridge replacements, the cost–benefit appraisal should use least whole-of-life economic cost. Approved organisations and NZTA (for its own activities) must also apply the decision tree shown in the simplified procedure SP2 in the NZTA <i>Monetised benefits and costs manual</i>, ‘Decision chart for bridge replacements on low volume roads’, to guide selection of the</p>
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	<p>preferred option for bridge replacements on low volume roads.</p> <p><a href="#">Monetised benefits and costs manual</a></p>
<p>Weight and/or speed restrictions on transport infrastructure</p> <p>Weight and/or speed restrictions on transport infrastructure, where these are shown to be the best option, should be imposed and/or continued</p>	[Deleted)
<p>Options to be considered for bridge replacements on low volume roads</p> <p>We expect approved organisations and Waka Kotahi (for its own activities) to apply the decision tree shown in the simplified procedure SP2 in the <i>Waka Kotahi Monetised benefits and costs manual</i>, decision chart for bridge replacements on low volume roads, to guide selection of the preferred option for bridge replacements on low volume roads.</p>	[Deleted, as incorporated above.]
<p><b>Policy application process</b></p>	<p><b>Policy application process</b></p> <p><b>Step 1: Determine eligibility for this policy</b></p> <p>The proposed transport infrastructure must meet the definition of uneconomic as defined in this policy and have a total cost of more than \$2 million. An appropriate level of cost–benefit analysis (CBA) is required to complete this step.</p> <p><b>Step 2: Consider alternative forms of funding</b></p> <p>The proposal must provide sufficient evidence that, if applicable, alternative forms of funding, whether from other central government sources or elsewhere, have been explored, and provide justification for why they are ineligible, insufficient and/or unsuitable.</p> <p><b>Step 3: Consider a range of options</b></p> <p>The proposal must consider a range of options including, but not limited to, reduced levels of service, alterations of transport infrastructure, alternatives to infrastructure solutions and, where appropriate, community-led retreat.</p> <p><b>Step 4: Community engagement</b></p>



	<p>Where practicable, community views must be canvassed via a level of community engagement commensurate with the scale of funding sought (for example, analysis of previous reports or iwi/hapū management plans, direct surveys, interviews, public meetings, etc).</p> <p><b>Step 5: Assessment of non-monetised benefits and social impacts</b></p> <p>The non-monetised benefits and social impacts of the proposed infrastructure must be assessed to a degree of robustness commensurate with the scale of funding sought. The elements of this assessment may include but are not limited to: access, impacts on Māori<sup>3</sup>, social cohesion, cultural connection to land, and distributional impacts.</p> <p><b>Step 6: Refer funding decision if necessary</b></p> <p>If steps 1–5 have been completed adequately, and an NZTA investment advisor does not believe the non-monetised benefits and/or social impacts identified are significant enough that the investment can be considered efficient and effective, the proposal must be referred to the appropriate level of delegation, usually the NZTA Board, for an investment decision.</p>
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<sup>3</sup> These may include consideration of consider iwi/Māori access to ancestral lands, marae, papakāinga and other sites of significance.