

Board Paper	
Paper no:	13/12/0775
Meeting date:	13 December 2013
Prepared by:	David Silvester, National Manager Planning Bob Alkema, National Manager Investment
Recommended by:	Dave Brash, Group Manager Planning and Investment
Board function:	Setting sector and organisational direction
Subject:	2015-18 National Land Transport Programme: early planning and investment signals and programme focus

Purpose

- 1 To update you on our early planning and investment signals for Approved Organisations and the wider transport sector for the 2015-18 National Land Transport Programme (NLTP).

Recommendation

- 2 That the NZ Transport Agency Board **supports** the approach to early planning and investment signals for the 2015-18 NLTP for engagement with Approved Organisations and the wider transport sector.

Current situation

- 3 On 1 November 2013 you agreed to a programme for engagement on the development of the NLTP [paper 13/11/0762 refers]. The current paper is part of that process.
- 4 The next scheduled engagement is a workshop on 28 February 2014 about the next Government Policy Statement on Land Transport Funding (GPS).
- 5 Based on the direction of the current GPS and our statement of intent, we have developed early planning and investment signals for Approved Organisations and wider transport sector. We are engaging with the transport sector on these.
- 6 You have been provided with a copy of the signals but we are not asking to you agree to them yet. It is more prudent for you to note the challenges and support the approach, but not to formally endorse the signals until after the GPS is finalised.
- 7 The signals are designed to provide clear and early planning and investment signals to our partners, including:

- programme timeline: being clear about what needs to be done by when and aiming to make the process as efficient as possible for everyone
- location-based investment priorities: based on our evidence, providing clear and early communication of our investment priorities aligned to the GPS and our strategic direction by issues (such as safety and freight) and by location
- clarity of policies and tools: taking a whole-of-system and customer-focused approach to NLTP investment, we will be clear about our new and revised tools and processes to optimise investment decision-making.

This includes applying the One Network Road Classification and levels of service, the business case approach, the revised Funding Assistance Rates, the revised Economic Evaluation Manual, and the tools developed by the Road Efficiency Group. As some of this work is still being developed, or will not be embedded in time for this NLTP, we aim to be clear on our expectations about the degree to which it will be applied.

- 8 A successful and supported NLTP requires optimisation across outcomes, locations and working with the direction set by the GPS.
- 9 We are confident that the current and committed programme of NLTP investment is aligned to the GPS direction and the outcomes we are seeking. Based on trends in performance of safety and efficiency, we are also confident that it supports the delivery of these outcomes.
- 10 We expect the new GPS will continue this investment direction. Our key messages for our planning and investment signals will therefore continue to reinforce these outcomes. They will also emphasise areas that we want to focus attention on or where we want to increase the pace of change.

Key early planning and investment signals

- 11 We are looking for a programme of activities that contribute to the NLTP by being
- resilient, efficient, safe and responsible (that is, aligned to the GPS goals)
 - optimised: all NLTP investment programmes have been developed and optimised in the context of a whole-of-transport-system approach (one network for customers underpins everything we do). This includes the ‘transport intervention hierarchy’ which aims to maximise the value of existing investments. For example, ensuring the transport sector works together to put NLTP planning and investment in the context of other interventions such as land use planning, network management, land transport rule changes, and speed management.
 - focused on the priorities, underpinned by evidence. Detail of this is set out in the signals document. Attachment 1 outlines the key priority outcomes, continued in the signals document. The signals document provides our location-based priorities and measures for each outcome area. Additional evidence to support this is being developed down to a local authority level. This will include indicators to support discussions around efficiency, particularly for programmed activities such as maintenance, operations and renewals.
 - a focus on value for money, particularly through the activity management plan development aligned to the work of the Roading Efficiency Group work
 - an expectation that programme development at national, regional or local levels will be:
 - i. based on a clear strategic case for investment priorities aligned to the Business Case Approach
 - ii. developed in partnership with the wider transport sector, within and across region
 - iii. optimised (as above).

Key challenges for a successful NLTP

12 This table sets out the key factors for a successful NLTP, our confidence levels, risks, and areas of focus as we develop the NLTP.

Success factor	Are we on track? Risks	Required focus	Risk
Providing clarity in an uncertain policy environment	The challenge with the signals is to balance the need to give Approved Organisations clarity as early as possible against the need to avoid pre-empting the GPS and the results of the engagement process.	To be upfront in communications about possible policy changes. Regular updates as policy evolves.	
Outcome-based and focused	We are confident that the current and committed programme of the NLTP investment is aligned to the GPS direction and is delivering the desired outcomes. It is already focused on key priorities for investment. While aiming to maximise outcomes, we need to deliver a balanced NLTP and take into account: <ul style="list-style-type: none"> NLTF funding is already largely committed. This reduces the ability to shift the focus of investment. 	Strong signals on programmes to be outcome-focused and provide one network for customers. Strong signals on key outcomes sought by type and location (focused planning and investment). Strong signals on transport sector to work together to identify and focus on key priorities.	

Success factor	Are we on track? Risks	Required focus	Risk
	<ul style="list-style-type: none"> • activity classes may constrain ability to focus on greatest outcomes or focus on the key outcomes sought • by value, safety is the biggest network issue. Our current and committed programme tends to be more focused on network efficiency. However this is balanced by other interventions such as road policing and education. • we have to prioritise across the programmes that are put forward. 	<p>Will be supported by assessment framework and new tools to model outcomes trade-offs.</p> <p>Strong Transport Agency focus on short-term priorities of optimising existing network capacity, more efficient freight movement, safety and speed management, maintenance and operations, and customer focus.</p>	
Optimised	<p>The process for identifying and prioritising NLTP investment is robust and we are confident that this leads to a largely optimised NLTP programme.</p> <p>We work proactively with local authorities and the Police to deliver an integrated planning approach. This means that activities coming from supported strategies are generally optimised.</p>	<p>Strong signals on transport sector to work together to identify and focus on key priorities and optimise programmes.</p> <p>Strong signals on increased focus on activity management planning to drive value for money.</p>	

Success factor	Are we on track? Risks	Required focus	Risk
	<p>However transport planning optimisation could be improved and land use planning decisions do not always reinforce an integrated approach.</p> <p>There is room for improvement in how the transport sector works together to identify priorities and then develop optimal programmes across all interventions to deliver outcomes.</p> <p>Activity management planning could also be improved to ensure an optimised approach to programmed activities.</p>	<p>Introduction of new tools and policies like the One Network Road Classification the Business Case Approach, and Network Operating planning will over time lead to improved focus on priorities and programme optimisation.</p> <p>Optimisation will need to be a cross our focus areas.</p>	
<p>Supported and understood by our partners and key stakeholders and an effective, efficient development process that minimises churn</p>	<p>For NLTP development to be supported, it will need to tell a clear planning and investment story and balance investment by both outcome and location.</p> <p>We are focused on delivering this approach, learning lessons from the last NLTP where we did not provide our planning and investment priorities early enough.</p> <p>This will include early and ongoing communications and engagement with the transport sector on the NLTP development.</p>	<p>Early, clear planning and investment signals delivered in time to help shape programmes and ensure no surprises.</p> <p>Joined up Transport Agency communications and engagement approach.</p> <p>Aim of developing a balanced programme.</p>	

- 13 Based on the assessment above, areas of increased focus for NLTP development will relate to optimising the programme. In particular:
- collaborative programme development working across the Transport Agency and transport sector
 - efficient and focused activity management planning, working with the Road Efficiency Group
 - network optimisation through ensuring all interventions are considered
 - working with the transport sector to tell a clear story around how the NLTP planning and investment has been optimised.
- 14 To support the success of planning and investment signals, we have developed an engagement and communications programme. It involves developing core information with supporting collateral for regional staff and national programme managers to customise to their needs. Senior staff will use a relationship-led approach to advocate for national transport priorities while considering the impact decisions will have on our partners.
- 15 This communication is underway. We will refine signals as policy emerges and once the GPS is finalised (refer NLTP timetable in Board paper 13/11/0762).
- 16 To support this, and based on the analysis of the scale of network issues, it would be useful to continue working with the Ministry of Transport to ensure the new GPS supports this approach. Provided that is the case, we are confident that we are on track for the development of a successful NLTP.

Attachment

- 17 There is one attachment:
- Key priority outcomes

Key priority outcomes

Enduring outcomes

The enduring outcomes the Transport Agency is looking to invest in will be to deliver a transport network that is increasingly effective, resilient, efficient, and safe and responsible.

Effective transport

Our key priorities for investment in an effective network are to safely move people and goods to support economic growth and productivity. Our particular short term focus is on making the most of urban network capacity and improving freight supply chain efficiency including moving more freight on fewer trucks.

Moving people and goods – improving network capacity

- Top priority will be given to investments that include operational and minor improvements on network productivity, especially in the three main centres. Other key priorities are:
- Activities and improvements that meet one or more of the following criteria:
 - been prioritised and tested through network operating plans in main urban areas
 - reviewing public transport networks to ensure they are fit for purpose and delivering value for money.
 - placing greater focus on optimising urban networks through co-ordination of all modes including walking, cycling, and public transport
- Completing the roads of national significance projects and associated activities.
- Key stakeholders in Auckland to align the projects signalled by government for possible acceleration. This should be done using a one network approach that integrates with land use, manages impacts across the network and modes, and can be funded by all parties. The proposed projects are:
 - AMETI and the East-West Link
 - SH1 /Upper Harbour Highway interchange and upgrade, Greville Road interchange and Northern Busway improvements
 - Widening the Southern Motorway from Manukau to Papakura
 - Upgrading SH20A (north of the airport) to motorway standard
 - Additional Waitemata Harbour Crossing (planning and route protection)
 - City Rail Link and bus access improvements (planning and route protection)
 - City centre bus access and service improvements (within the 2015-18 GPS).
- Programmes to assist the Canterbury recovery. This includes investment in routine maintenance, operations and renewals, through the reinstatement of horizontal infrastructure damaged during the earthquakes and in network improvements to support economic recovery such as CBD redevelopment and key recovery projects.

More freight on fewer trucks

Key priorities for NLTP investment are likely to include (but may not be limited to):

- Adding or extending high value HPMV routes (and strengthening of structures on the strategic network).
- Investigating a second tranche of HPMV routes. This needs to be coordinated across the state highway and local road networks to ensure that 'first' and 'last' miles are covered, and connections to strategic rail heads and fuel storage sites are included.
- Work to deliver the 50MAX programme.
- Targeting investment towards:
 - routes that deliver significant economic value (particularly through the movement of export goods) and where the current level of service is misaligned to fit for purpose customer levels of service
 - resilience issues on key freight routes that pose a threat to freight reaching port (or other strategic destination).

Network resilience

Particular priorities will be:

- high impact events that impact on large numbers of network users and economic productivity
- through application of the One Network Road Classification, clarifying the lifeline functions of transport corridors and where these can be compromised by disruptive events, including outlying communities.

Efficient transport

Efficient transport will be an ongoing focus for the Transport Agency, in particular providing value-for-money in relation to road maintenance and operations.

Safe transport

A safe transport network will be an ongoing focus. In the shorter term we have a particular focus on safe speeds, especially around high risk intersections and high risk rural roads to reduce deaths and serious injuries.