

# 2021–24 NATIONAL LAND TRANSPORT PROGRAMME (NLTP)

## INVESTMENT SIGNALS – NOVEMBER 2020

### A successful 2021–24 NLTP:

- **delivers** on the Government's transport priorities
- **invests** in a multi-modal land transport system that is safer, more accessible, and that reduces harm to people and the environment
- **supports** the government's COVID-19 recovery programme
- **provides** the platform for future investment in the land transport system.

### Context – constraints and environment

- The government's strategic priorities in the Government Policy Statement on land transport 2021 (GPS) are safety, better travel options, improving freight connections and climate change.
- There will be an ongoing focus on maintaining the transport system at acceptable levels of service (our base), taking account of these strategic priorities. This will account for a large proportion of available revenue.
- New investment above this base will be strongly driven by the strategic priorities. The GPS 2021 also sets investment expectations for the four Government Commitment programmes:
  - Auckland Transport Alignment Project (ATAP)
  - Let's Get Wellington Moving (LGWM)
  - the Road to Zero safety strategy
  - the New Zealand Rail Plan.
- The GPS 2021 has set minimum expenditure targets for each activity class which, when summed, are close to the current forecast revenue for the National Land Transport Fund (NLTF) during 2021–24. The lower limits for all 11 activity classes require minimum expenditure of \$12.9 billion from a forecast revenue of \$13 billion.
- Forecast revenue is based on there being no further Alert Level 3 or 4 COVID-19 lockdowns. As with an NLTP, there are a number of challenges and we will need to juggle priorities to give effect to the GPS and deliver the best outcomes for New Zealand.
- More than 90% of anticipated revenue from the NLTF for the 2021–24 NLTP will be required to meet existing commitments for projects underway and for continuous programmes to maintain existing levels of service. Unless revenue is higher than forecast, there will be constraints on funding new improvement projects and investment in activity classes would be mostly around the lower limit in the GPS range.
- We recognise some activity classes, such as state highway and local road maintenance and public transport services are likely to require greater investment than the bottom of the activity class range.
- Activity classes where additional investment capacity is available are the new Public Transport Infrastructure, Coastal Shipping and Road to Zero activity classes - where forecast commitments is less than the lower range for each activity class.

- Funding at a higher point within the GPS 2021 activity class ranges would require additional revenue and we are working with the Ministry of Transport to identify what alternative revenue sources may be able to be accessed.
- Overall, investment in the land transport system across Crown funding, local share and the NLTF, is expected to increase from \$18.5 billion in 2018–21 to more than \$20.8 billion in 2021–24.
- There is a significant programme of work underway – the Government has already committed Crown funding to one of the largest ever land transport infrastructure programmes.

## Commitments – what’s already committed in the 2021–24 NLTP?

- More than 90% of anticipated revenue from the NLTF will be required to meet existing commitments for projects underway and for continuous programmes to maintain existing levels of service in the 2021–24 NLTP.
- We will need to prioritise projects to deliver on the GPS strategic priorities and investment expectations over and above these commitments – there will need to be trade-offs.

## Signals – our investment priorities

Our job, working with our investment and delivery partners, is to give effect to the GPS while taking into account Regional Land Transport Plans. This means optimising investment to deliver the results sought under the GPS strategic priorities.

- **Safety – developing a transport system where no-one is killed or seriously injured**
  - developing and implementing speed management plans throughout New Zealand
  - delivering infrastructure improvements and speed management at the highest risk areas of the state highway and local road network
  - increasing the emphasis on maintenance activities that deliver high safety outcomes
  - ensuring local road safety promotion aligns with the nationally delivered advertising and education programme
  - expanding the safety camera network and investing in road policing
- **Better travel options – providing people with better transport options to access social and economic opportunities**
  - delivering on the government commitments in the urban areas of Auckland and Wellington - investing in ATAP and LGWM
  - focusing on delivering mode shift in the other four high-growth urban areas, Queenstown, Christchurch, Hamilton and Tauranga
  - improving transport options for people who face barriers to access, e.g. those who are living in poverty or with disability.

- **Climate change – developing a low carbon transport system that supports emission reductions, while improving safety and inclusive access**
  - delivering on the government commitments in the urban areas of Auckland and Wellington – investing in ATAP and LGWM
  - managing demand – e.g. by prioritising shared and active modes at peak times, use of pricing tools, and through good urban form – to reduce greenhouse gas emissions
  - investing in active and shared modes – walking and cycling, public transport infrastructure and services, and other shared services – to get more people out of their cars
  - ensuring our investment accounts for climate change impacts (in relation to both mitigation and adaptation) when designing solutions
  - investing in measures that reduce the impacts of transport on people (from noise and air pollution) and the environment.
  - improving freight connections – improving freight connections for economic development
  - investing in the heavy rail network to enable KiwiRail to deliver the Rail Network Investment Programme
  - championing freight efficiency by ensuring our networks are reliable and resilient
  - researching options to increase the role of coastal shipping in supporting the efficient movement of freight.

## Developing Regional Land Transport Plans (RLTPs)

We'll look for RLTP programmes to:

- be outcomes-based, supported by clear investment objectives, benefit measures and metrics
- show a good understanding of how your performance is benchmarked against other councils
- indicate how you're applying a whole-of-system approach and making the most of the existing network
- show value for money
- align with investment priorities using the Business Case Approach
- be developed in partnership with the wider transport sector – within and across regions
- reflect iwi engagement/input.