



# Draft Investment Prioritisation Method (IPM) 2024-27

Waka Kotahi has created the draft Investment Prioritisation Method for the 2024–27 National Land Transport Programme. It aims to give effect to the Government Policy Statement on land transport (GPS) 2024.

4 October 2023

Disclaimer: This version is based on the Draft GPS 2024 issued by the Minister of Transport on 17 August 2023. This document does not represent the policy of the Government or Waka Kotahi NZ Transport Agency.

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## Contents

DRAFT INVESTMENT PRIORITISATION METHOD (IPM) 2024-27 .....	1
<b>Overview of Investment Prioritisation Method .....</b>	<b>4</b>
<b>Requirements for prioritisation of the NLTP .....</b>	<b>4</b>
Core requirements for the NLTP .....	4
Inclusion of activities from previous NLTPs in the 2024–27 NLTP .....	6
<b>Draft GPS 2024 strategic direction .....</b>	<b>6</b>
<b>Factors for investment prioritisation .....</b>	<b>7</b>
GPS alignment .....	7
Scheduling .....	7
Efficiency .....	7
Programmes and packages .....	8
<b>Determining the priority ranking .....</b>	<b>8</b>
Prioritisation of continuous programmes .....	10
Prioritisation of low-cost, low-risk improvement programmes .....	12
Waka Kotahi may adjust prioritised programme .....	12
Definitions .....	13
<b>Appendix 1: Detailed guidance on the 3 factors .....</b>	<b>14</b>
GPS alignment rating .....	14
Scheduling rating .....	24
<b>Appendix 2: Definitions .....</b>	<b>27</b>
GPS alignment criteria .....	27
<b>Appendix 3: Waka Kotahi tools for calculating emissions .....</b>	<b>30</b>

## Overview of Investment Prioritisation Method

Waka Kotahi NZ Transport Agency (Waka Kotahi) is responsible for developing a 3-year National Land Transport Programme (NLTP) 2024–2027.

The Waka Kotahi Investment Prioritisation Method (IPM) is used to support Waka Kotahi to give effect to the Government Policy Statement (GPS) on land transport 2024 (GPS 2024) by prioritising activities into activity classes in the 2024–27 NLTP, and to confirm priority at the time a National Land Transport Fund (NLTF) investment decision is made.

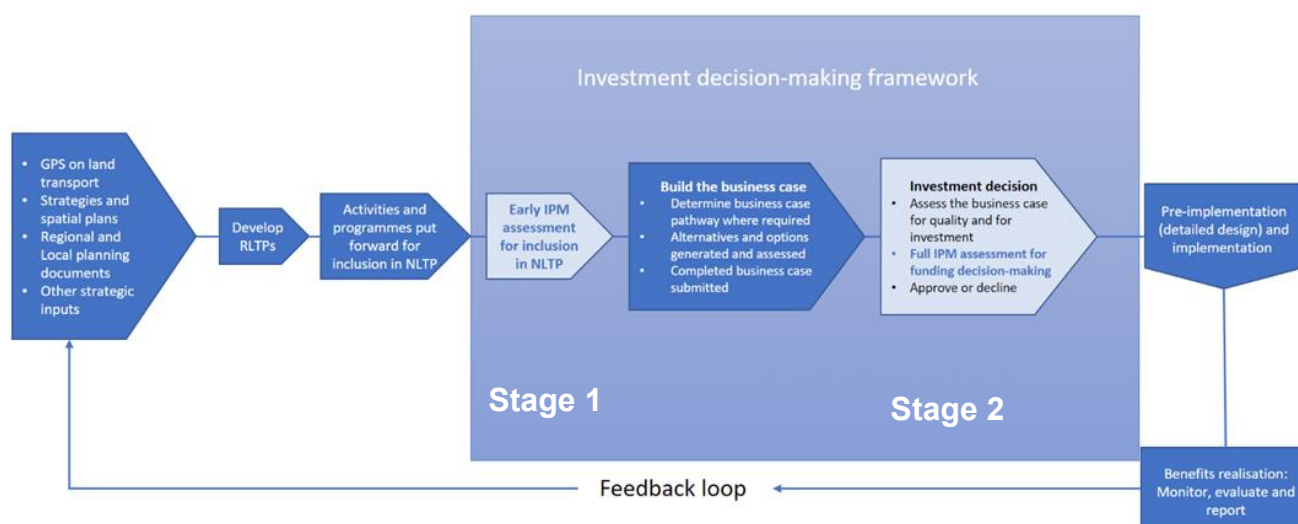
The IPM is applied at 2 stages in the investment decision-making process;

- **stage 1: NLTP inclusion decision:** when Waka Kotahi decides whether to include an activity or phase of an activity in the NLTP
- **stage 2: NLTF investment decision:** when Waka Kotahi decides whether to invest in an activity or phase of an activity.

The priority order for an activity is re-assessed at stage 2 based on the information put forward in the application to ensure that the activity's priority order remains above the investment threshold. The Waka Kotahi Board sets the investment threshold based on the funding available in each activity class and the priority order of all activities proposed. The reassessment confirms information about costs and benefits as well as the other factors that will have an impact on investment approval.

The diagram below highlights the 2 stages when the IPM is applied.

Diagram 1 application of the IPM in the investment decision-making framework



## Requirements for prioritisation of the NLTP

### Core requirements for the NLTP

Section 19B of the Land Transport Management Act 2003 (LTMA) sets out the 'Core Requirements' for Waka Kotahi in preparing the NLTP. Waka Kotahi must ensure the NLTP:

- gives effect to the GPS
- contributes to the purpose of the LTMA and
- takes into account any Regional Land Transport Plan (RLTP) as well as any National Energy Efficiency and Conservation Strategy (NEECS), relevant National Policy Statement (NPS), relevant Regional Policy Statement (RPS) or plans in force under the Resource Management Act 1991 (RMA).



The implications of these requirements, in relation to prioritisation of the NLTP, are outlined below.

### ***Giving effect to the GPS***

A key role of the IPM is to support Waka Kotahi to assess and prioritise phases of activities firstly for inclusion in the NLTP to ensure the NLTP gives effect to the GPS and secondly to ensure only activities that are consistent with the GPS are approved for NLTF funding. The IPM achieves this by providing a methodology and criteria to enable a nationally consistent approach to assessing and comparing all proposed activities to determine the best mix of activities for inclusion in the NLTP so that the NLTP reflects the GPS direction and expectations for NLTF funding. Waka Kotahi expects that all proposed activities and programmes of activities are optimised to deliver best value for money including by appropriately considering options across the full spectrum of the [intervention hierarchy](#).

### ***Contributing to the purpose of the LTMA***

The purpose of the LTMA is ‘to contribute to an effective, efficient, and safe land transport system in the public interest.’ Both the GPS and the NLTP are required to contribute to the purpose. To approve NLTF funding for an activity or a combination of activities (stage 2), the LTMA stipulates that Waka Kotahi must be satisfied that specified criteria are met, including that the proposal:

- is included in the NLTP<sup>1</sup>
- is consistent with the GPS (as outlined above)
- is efficient and effective
- has been assessed (to the extent practicable) against other land transport options and alternatives, and
- has complied with relevant consultation requirements under the LTMA 2003.

### ***Taking into account RLTPs, NEECS and relevant RMA policy documents***

Activities in RLTPs are taken into account in the IPM as follows:

- Except for nationally delivered activities and programmes of activities<sup>2</sup>, every activity (including state highway activities) in the 2024–27 NLTP must be part of an approved RLTP.
- The LTMA requires an RLTP to identify the order of priority of significant activities for the first 6 years of the RLTP. The IPM will be used to assess phases of activities put forward in those RLTPs for the 3 years of the 2024–27 NLTP.
- The RLTP priority order will be considered when determining an activity’s priority ranking and in distinguishing between activities with the same priority order in the 2024–27 NLTP when such activities are at the investment threshold for the activity class.
- When considering the prioritised 2024–27 NLTP, the Waka Kotahi Board may consider the extent to which activities and their priority, as determined in the relevant RLTPs, have been reflected in the IPM priority and whether an adjustment in the NLTP ranking to support inclusion in the NLTP is merited. The Board may also consider whether any activities that are not included in the NLTP are appropriate to recommend to the Minister of Transport for Crown funding.

The NEECS and RMA policy documents are also taken into account in RLTPs and in the application of the IPM through consideration of alignment with GPS strategic priorities of climate change, and sustainable urban and regional development, and as part of scheduling activities in the NLTP.

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<sup>1</sup> Or otherwise qualifies under s 20(4) if the activity is in the urgent interests of public safety or is necessary to effect immediate or temporary repair of damage caused by a sudden and unexpected event.

<sup>2</sup> Waka Kotahi develops programmes of activities that are delivered on a national basis rather than regionally through regional land transport plans. Examples of nationally delivered programmes include: the sector Research Programme, Innovation Fund and National Ticketing System (NTS).

## Inclusion of activities from previous NLTPs in the 2024–27 NLTP

Any activity phase already 'funding approved' prior to 1 July 2024 and being actively progressed will be treated as 'committed', i.e., the phase will not be required to be reviewed under the IPM for the 2024–27 NLTP and will be automatically included in the 2024–27 NLTP. An increase in cost or minor change in scope does not require the application of the IPM for 2024–27 but would need to meet other investment approval requirements.

However, where an activity phase has approved funding prior to 1 July 2024 (denoted as 'committed' in Transport Investment Online) and is not actively being progressed at the time Waka Kotahi is compiling the 2024–27 NLTP for Board adoption, Waka Kotahi may request the project owner to reassess the activity phase using the IPM for the 2024–27 NLTP. Waka Kotahi may consider revising or rescinding funding approval and the commitment status if there hasn't been progress on that phase and should the activity's priority lie below the investment threshold for the 2024–27 NLTP.

Activity phases included in previous NLTPs (for example denoted as 'probable or possible' in NLTP 2021–24 in Transport Investment Online) but which do not have funding approval, must be assessed based on the IPM for the 2024–27 NLTP if they wish to be considered for inclusion in the 2024–27 NLTP.

Activity phases put forward for the first time for inclusion in the 2024–27 NLTP must be assessed based on the IPM for the 2024–27 NLTP if they wish to be considered for inclusion in the 2024–27 NLTP.

## Draft GPS 2024 strategic direction

The draft GPS 2024 sets the following to guide decision makers on where and how to prioritise investment from the National Land Transport Fund (NLTF):

- strategic priorities
- objectives
- long, medium, and short-term outcomes
- ranges of funding to activity classes

The draft GPS 2024 does not determine the individual activities that will be funded from the NLTF, or how much funding any activity will receive. The role of Waka Kotahi is to give effect to the GPS including the activity class funding ranges, alongside its other LTMA obligations. Waka Kotahi achieves this by using the IPM to determine which proposals have a higher priority to receive NLTF funding within each activity class in accordance with the funding targets the GPS sets for each activity class.<sup>3</sup>

The draft GPS 2024 has six strategic priorities:

- Maintaining and operating the system
- Increasing resilience
- Reducing emissions
- Safety
- Sustainable urban and regional development
- Integrated freight system

These priorities will guide prioritisation and investment decisions of Waka Kotahi from 2024/25 to 2033/34.

The draft GPS 2024 also expects that, where appropriate, the development of the NLTP is informed by the Government's Strategic Investment Programme<sup>4</sup> and the following Government commitments:

- Road to Zero Strategy

<sup>3</sup> The GPS provides a funding range for each activity class. It also provides a maximum and a minimum level of expenditure for the NLTP for each year (subject to the ability to carry forward funds from the closing balance of the NLTF for a financial year to a future financial year), as well as an expenditure target for the NLTP for each year. Waka Kotahi must manage NLTF expenditure across the activity classes and within the funding ranges. This does not enable all activity classes to be funded to the upper limit. The Waka Kotahi Board sets investment targets for each activity class to guide the management of the NLTP within the NLTP target ranges.

<sup>4</sup> See pages 29–30 Draft GPS.

- New Zealand Rail Plan
- Auckland Transport Alignment Project programme (ATAP)
- Let's Get Wellington Moving programme (LGWM)
- Emissions Reduction Plan (ERP)
- National Adaptation Plan (NAP)
- Disability Action Plan
- Interregional public transport.

The draft GPS 2024 notes many of these programmes are expected to be supported by a mix of NLTF and direct Crown funding.

## Factors for investment prioritisation

The Investment Prioritisation Method for 2024–27 NLTP has three factors, namely:

- GPS alignment
- Scheduling
- Efficiency

Each of the factors is outlined below, with more detail in the Appendices.

### GPS alignment

GPS alignment indicates the alignment of a proposed activity with addressing the GPS strategic priorities and, at stage 2 (funding approval), how the activity contributes to achieving the GPS strategic priorities. (See Appendix 1).

To assist Waka Kotahi to decide whether to include an activity in the NLTP (stage 1), stage 1 provides a rating of how an activity aligns to the strategic priorities and is based on the qualitative information available about alignment with the strategic priorities. To assist Waka Kotahi in an investment decision (stage 2), stage 2 sets out the criteria to determine a rating based on how an activity contributes to the strategic priorities. It is based on quantitative information in a business case about contribution to strategic priorities and transport outcomes and is used for all activities at the investment approval stage, including those activities seeking investment approval at the time of NLTP adoption.

To the extent that information is available, all activities must be assessed for their potential quantitative impact on greenhouse gas emissions or light vehicle kilometres travelled at the prioritisation and funding approval stages (stages 1 and 2 respectively).

### Scheduling

Scheduling indicates whether the phase of a proposed activity should be included in the 2024–27 NLTP or a subsequent NLTP period.

The main criteria for scheduling are:

- a critical need to undertake this phase of the activity in the 2024–27 period
- timing of this activity in the 2024–27 period is required because of an interdependency of this activity with another committed activity or other elements of a package or programme.

Further information about these criteria is set out in Appendix 1.

### Efficiency

Efficiency indicates the extent of the contribution to outcomes relative to costs. Efficiency is determined by considering the whole of life costs and benefits primarily through cost-benefit analysis, present value analysis and cost performance benchmarking.

The efficiency factor looks at monetised impacts, generally using the Benefit-Cost Ratio (BCR). If non-monetised impacts are known at the stage 1 of prioritisation for inclusion in the NLTP, and those non-monetised impacts could be significant to affect the rating, then those non-monetised impacts may be

considered alongside the BCR. At stage 2, the investment approval, both monetised and non-monetised impacts are expected to be assessed through the business case approach.

Further information about efficiency is set out in Appendix 1.

## Programmes and packages

If a programme is proposed as one item for inclusion in the NLTP, the programme is assessed as a whole. The components within the programme are not required to have an individual priority assessment.

The assessment of the programme may identify components that, if assessed separately, might have a low or very low rating under any of the 3 factors. That may not affect the rating of the programme but may be considered by Waka Kotahi in determining the right-sizing of the programme for inclusion in the NLTP or for investment approval.

A package of activities is assessed as a whole because they are inter-dependent. If a package is proposed with components across multiple activity classes, each component is assigned the priority rating of the package.

## Determining the priority ranking

Investment prioritisation assigns a priority ranking to a phase of an activity which is used to determine the priority order in an activity class. A phase of an activity is assigned a priority ranking based on the combination of the above 3 prioritisation factors as set out in the investment prioritisation matrix (refer to Figure 3 below).

At stage 1 (NLTP inclusion), based on the amount of funding available for an activity class, activities with a priority ranking at or above the investment threshold in that activity class are included in the NLTP. The Waka Kotahi Board sets the investment threshold based on the funds available for each activity class, the NLTP as a whole and the priority order of all proposed activities in each activity class.

At stage 2 (NLTF investment decision), the priority rating for activities is re-assessed based on the information put forward in the funding application to ensure that the activity's priority ranking remains above the investment threshold. The reassessment confirms information about costs and benefits as well as the other factors that impact on investment approval.



Figure 3: Investment Prioritisation Matrix

Proposed 2024–27 NLTP Priority Ranking					
GPS alignment	Scheduling	Efficiency			
		VL* (BCR<1)	L (BCR 1 - <3)	M (BCR 3 - <6)	H (BCR 6+) (PV of Costs for end-of-life replacement)
H	H	7	2	1	1
H	M	8	3	2	2
M	H	9	4	3	3
M	M	10	5	4	4
H	L	10	6	5	5
M	L	11	7	6	6
L	H/M/L	11	9	8	7
VL	H/M/L	12	10	8	8

\*Proposals that have a Very Low (BCR<1) Efficiency rating may be included in the 2024–27 NLTP and potentially be approved for investment by exception at the appropriate level of delegation, usually the Waka Kotahi Board.

## Prioritisation of continuous programmes

Activities prioritised as continuous programmes are the:

- public transport continuous programme including:
  - existing public transport services (which forms part of public transport services activity class and includes total mobility), and
  - maintenance (including renewals) of public transport facilities and infrastructure (which forms part of the public transport infrastructure activity class)
- local road maintenance programme (includes operations, maintenance, and renewal activities)
- state highways maintenance programme (includes operations, maintenance, and renewal activities)
- Road Safety Partnership Programme (includes road policing)
- road safety promotion programme
- the following components of the investment management activity class:
  - sector research programme
  - management of the funding allocation system and
  - RLTP planning and management.

Continuous programmes are approved for NLTF funding for the 3 years of the NLTP at the time the NLTP is adopted. This provides the sector and Waka Kotahi investment partners with certainty of funding continuity for the NLTP period.

Waka Kotahi expects to invest in all continuous programmes, but each needs to be right-sized to reflect available funding in the relevant activity class and the continuous programme priority needs to be considered in relation to any other activities within that activity class. On this basis, this IPM assigns each type of continuous programme with a ranking (as set out below) as the 'starting point' for prioritisation, reflecting the importance of such programmes to maintaining levels of service. Improvements in level of service are assessed outside of a continuous programme, as an improvement activity.

Continuous programmes are developed through application of continuous improvement practices, and ideally involve regular engagement with and feedback from Waka Kotahi on the merits of the supporting business case (usually the Activity Management Plan and/or Regional Public Transport Plan). These programmes are expected to achieve at least a high GPS alignment rating. Programmes that do not achieve a high GPS alignment rating, or contain elements that are not efficient or effective, will be the subject of additional scrutiny as part of the NLTP decision making and may have additional conditions of investment applied to the approved programme. Any other risks or issues may also be addressed through conditions attached to the investment decision.

### Public transport programme

A default rating profile of HHM, priority ranking order 1, is the starting point for maintaining public transport services.

Improvements in public transport services that are a step change to lift levels of service are assessed as an improvement activity using the prioritisation factors.

The assessment and rating of each continuous programme will be determined by accounting for:

- how well the proposed programme identifies, prioritises and proposes an optimised public transport services programme
- the quality of the Regional Public Transport Plan or activity management plan supporting the programme
- how well the programme identifies and plans to address any deficiencies in levels of service that align with and contribute to GPS strategic priorities
- performance of the programme over the previous NLTP period
- efficiency based on benchmarking across Approved Organisations in terms of the cost to deliver outcomes

- right-sizing the programme to fit within available funding in the activity class - (see right-sizing guidance - <https://nzta.govt.nz/resources/right-sizing-a-programme/>)

The rating profile and ranking will inform the scope and size of the programme for the investment decision.

### **Maintenance programme**

A default rating profile of HHM, priority ranking order 1, is the starting point for maintaining levels of service through road maintenance, operations, and renewals.

The assessment and rating of each continuous programme will be determined by accounting for:

- how well the proposed programme identifies, prioritises and proposes an optimised suite of activities to sustain the current level of service
- the quality of the activity management plan supporting the programme
- how well the programme identifies and plans to address any deficiencies in levels of service that align with and contribute to GPS strategic priorities
- performance of the programme over the previous NLTP period
- efficiency based on benchmarking across Approved Organisations in terms of the cost to deliver outcomes
- right-sizing the programme to fit within funding available in the activity class [link to right-sizing guidance].

The rating profile and ranking will inform the scope and size of the programme for the investment decision.

### **Road safety promotion**

A default rating profile of HHM, priority ranking order 1, is the starting point for the road safety promotion programme in the Safety activity class.

Many road safety promotion activities are low cost, low risk activities, that is below \$2 million, and therefore these are assessed as a low cost, low risk programme.

Road safety promotion programmes with activities above \$2 million are assessed and prioritised as a programme using the safety criteria.

### **Road Safety Partnership Programme (RSPP)**

The RSPP is included in the Safety activity class, pursuant to a process set out in section 18I to 18L of the LTMA.

The RSPP is made up of a base programme for the continuing road safety related police operations, and an improvements programme. The 2024–27 programme is developed in collaboration with Police and Te Manatū Waka and is assessed on its contribution to GPS safety outcomes prior to the Waka Kotahi Board recommending the programme and its funding to the Minister of Transport for approval.

### **Investment management**

For investment prioritisation, the investment management activity class is considered under its component parts (transport planning, sector research and investment and funding allocation system – IFAS), with each assessed and prioritised separately.

A default rating profile of HHM priority ranking order 1 is the starting point for the continuous programme activities (management of the funding allocation system, sector research and RLTP planning and management) in the activity class. Step change and new initiatives, i.e. other than funding of continuous programme activities (for example transport modelling, activity management planning improvements, programme business case development and digital/technology solutions), are assessed using the prioritisation factors, as relevant. For those activities that focus on system foundations and improvements to efficiency (where there may not be a direct connection with GPS priorities but do contribute to value for money or the Government's revenue functions), the assessment of priority may be based only on the scheduling and efficiency factors.

## Prioritisation of low-cost, low-risk improvement programmes

Low-cost, low-risk improvement (LCLR) programmes apply to local road improvements, state highway improvements, public transport and walking and cycling. The default rating profile of HHM, priority order 1 is the starting point for the LCLR programme in each activity class. Each LCLR programme is assessed following similar guidance for continuous programmes:

- assessment of the priority rating is made at the programme level, not at the individual activity level
- performance of the programme over the previous NLTP period
- efficiency based on benchmarking across Approved Organisations in terms of the cost to deliver outcomes
- quality of the activity management plan, regional public passenger transport plan (and any supporting plans for safety, cycling, walking, VKT reduction etc) supporting the programme
- in relation to scheduling requirements, any interdependencies, for example associated improvements/build back better opportunities, and capacity/capability to deliver
- right-sizing based on funding available in the activity class and the relative priority of a LCLR programme with other programmes and activities, which may involve removing activities that are considered to have low alignment, scheduling or efficiency, and to ensure the approved programme is affordable for the NLTF.

## Waka Kotahi may adjust prioritised programme

Before adopting the 2024–27 NLTP, Waka Kotahi may consider adjusting the prioritised programme that arises from the application of the IPM, to ensure that the NLTP (as a whole) meets the LTMA requirements. The following may inform that consideration:

- the impacts of the 2024–27 NLTP on the GPS strategic priorities (including that the NLTP contains a programme of activities that makes an appropriate contribution to delivery of the NAP and to the 2035 transport emissions reduction targets, within the available NLTF funding and the NLTP's scope of influence)
- activities that are potentially inconsistent with the ERP
- value for money of the whole NLTP, including consideration of activities that are assigned a very low efficiency rating
- the contribution to, or input from, Māori on prioritisation of activities for inclusion in the NLTP
- the contribution of the 2024–27 NLTP to the Government strategic investment programme
- the contribution of the 2024-27 NLTP to the Government commitments
- the extent to which the 2024-27 NLTP meets the land transport needs of different users
- any Crown funding decisions or allocations in relation to activities being considered in the 2024–27 NLTP
- right-size of an activity or programme in the 2024–27 period, including maximising opportunities to deliver improvement activities efficiently when undertaking maintenance and renewals
- the capacity and capability of the applicants and the sector to undertake an activity or programme of activities in an efficient manner
- the application of the intervention hierarchy in terms of the balance of the NLTP in planning, managing demand, making best use of existing system and new infrastructure and digital/technology solutions<sup>5</sup>
- Waka Kotahi's investment principles<sup>6</sup> and operating principles including exhibiting a sense of social and environmental responsibility, value for money, scrutiny principle etc<sup>7</sup>
- Te Tiriti o Waitangi obligations
- the extent to which RLTP priorities for activities and programmes of activities and their rankings are reflected in the NLTP

<sup>5</sup> See pages 38-39 Draft GPS

<sup>6</sup> Waka Kotahi Investment Principles are set out at: [2024 27 NLTP Investment Principles](#)

<sup>7</sup> Section 96 LTMA

- the distribution of activities across regions.

## Definitions

Appendix 2 contains definitions of terms used in the IPM.



## Appendix 1: Detailed guidance on the 3 factors

### GPS alignment rating

The investment prioritisation table for the GPS alignment factor below helps to determine the degree to which proposals align with the strategic priorities in the draft GPS 2024.

The draft GPS 2024 has 6 strategic priorities and encourages consideration of co-benefits arising from continuous programmes and improvement activities.

During stage 1 of the NLTP development an assessment of the GPS alignment rating for inclusion in the NLTP involves determining a rating of alignment in relation to each strategic priority that is relevant to the activity. Then an overall GPS alignment rating is determined for the activity, which may involve some judgement, considering the following:

- the rating for the strategic priority (or priorities) that the activity is targeting
- the potential cumulative alignment across multiple strategic priorities and
- if there is a very low rating for any strategic priority.

An assessment of the GPS alignment rating at the funding approval stage (stage 2) is similar to the above, but also considers the quantitative impacts to differentiate the contributions to strategic priorities.

Where quantitative information is unavailable to show the expected contribution to GPS strategic priorities, the stage 1 (qualitative) table should be used to describe the degree of alignment with the strategic priorities. Where quantitative information is available, or if the activity is at stage 2 (the funding approval), the staged 2 (quantitative) table should be used as evidence to support the contribution to the strategic priorities.

At both stages, an assessment<sup>8</sup> of the impacts on greenhouse gas emissions and light vehicle kilometres travelled is required. This information will assist Waka Kotahi to ensure that the adopted NLTP is consistent with the GPS direction for transport emissions reduction and is consistent with the 2035 transport emissions reduction targets, within the available NLTF funding and the NLTP's scope of influence. (See footnote to the Stage 1 GPS alignment criteria for guidance on this assessment).

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<sup>8</sup> For guidance on estimation of emissions refer to Appendix 3. VKT reduction impacts may be estimated through traffic models or the VKT Assessment Framework.

**Stage 1 (qualitative): for activities seeking NLTP inclusion**

Draft GPS strategic priority	VERY LOW	LOW	MEDIUM	HIGH
	A very low GPS alignment may be given if the activity doesn't meet the criteria for a higher rating. Examples are provided of instances where this may occur.	A low GPS alignment may be given if the activity addresses one or more of the following criteria:	A medium GPS alignment may be given if the activity addresses one or more of the following criteria:	A high GPS alignment may be given if the activity addresses one or more of the following criteria:
<b>Maintaining and operating the system</b>	Improvements that exceed appropriate level of service having regard to the One Network Framework.	Addresses a service level gap having regard to the One Network Framework for all classifications below those listed for a medium rating.	Addresses a service level gap having regard to the One Network Framework for urban connectors, transit corridors, or inter-regional connectors.	Addresses the immediate response and reinstatement of levels of service as a result of a damage from natural events.  Activity maintains level of service (for example the condition of the existing transport system across modes), including meeting current design standards (for example safety, universal access for people with a disability, technology).
<b>Increasing resilience</b>	Activity is inconsistent with the infrastructure objectives of the National Adaptation Plan.	Activity addresses a local or regional adaptation issue that is not a priority action for the infrastructure objectives in the National Adaptation Plan.  Activity will address a minor risk natural hazard.	Activity is consistent with supporting actions in the National Adaptation Plan.  Activity will address a moderate risk natural hazard.  Addresses a high-risk resilience gap or impediment to access on a regionally significant social and economic corridor.	Activity delivers a national planning activity to achieve the objectives for infrastructure in the National Adaptation Plan.  Activity will address a major or extreme risk natural hazard.  Activity will address a high-risk resilience gap on a nationally

Draft GPS strategic priority	VERY LOW	LOW	MEDIUM	HIGH
				important social and economic corridor.
<b>Reducing emissions</b>	Activity is inconsistent with the Emissions Reduction Plan transport chapter.	Activity is consistent with the National VKT reduction plan for non-Tier 1 or Tier 2 regions.  Addresses a significant localised shift in travel behaviour through operation of existing transport system.	Activity is consistent with an endorsed Tier 1 or Tier 2 VKT reduction programme. In the absence of an endorsed VKT reduction programme, the activity in a Tier 1 or Tier 2 region is consistent with the National VKT Reduction Plan.  Addresses a significant Tier 2 urban wide shift in travel behaviour through operation of existing transport system.	Addresses high priority mitigation shifts in urban areas: <ul style="list-style-type: none"> <li>• shape urban form to reduce the need to travel by car</li> <li>• address a significant reduction in VKT in a region</li> <li>• address a significant nationwide / Tier 1 shift in travel behaviour through operation of existing transport system.</li> </ul>
<b>Safety</b> Infrastructure	Activity doesn't adequately address safety requirements in the Safe System Approach or is inconsistent with the Road to Zero Strategy.	Addresses safety gaps with reference to One Network Framework.	Addresses safety issues in medium collective risk corridors or intersections. <ul style="list-style-type: none"> <li>• Implement safe and appropriate speeds across the network.</li> </ul>	Addresses safety issues in high collective risk corridors or intersections. <ul style="list-style-type: none"> <li>• Implementation of speed limit changes at schools. ***</li> </ul>
Non infrastructure			Supports behaviour change to improve road safety outcomes.	Is a key behaviour change component of the Road to Zero Action Plan to improve road safety outcomes.
<b>Sustainable urban and regional development</b>	Activity doesn't support integrated land use or an agreed spatial plan or is inconsistent with the	Addresses other gaps in access, having regard to the One Network Framework and	Addresses planning for multi-modal transport that integrates with agreed land use.	Addresses high priority access focussed issues required to achieve agreed integrated land use and multi-modal plans.

Draft GPS strategic priority	VERY LOW	LOW	MEDIUM	HIGH
	Government Policy Statement on Housing and Urban Development.	other relevant strategies or frameworks.		
<b>Integrated freight system</b>	Activity doesn't support efficient, reliable, resilient, multi-modal, and low-carbon freight connections or is inconsistent with the National Freight and Supply Chain Strategy or EV Charging Strategy.	Addresses an identified issue affecting service levels, including intermodal connections affecting the wider network. For example trials to reduce emissions or improve efficiency of freight route or supply chain or inter-modal freight movement.	Addresses a significant gap in service level for freight, in subregional intermodal connections, or affecting regionally significant freight route.	Addresses a significant gap in service level for freight in nationally significant intermodal connections or affecting a nationally significant freight route.

**Notes:**

This stage moderates the initial assessment of activities with limited information of their potential contribution to GPS strategic priorities by a qualitative assessment of the degree of alignment with those priorities. Activities that have quantitative information should be provided to assist with the assessment. Quantitative information on contribution to climate change is required for all activities. If investment approval is sought, then the stage 2 table should be applied in the assessment.

Significant gaps in service level:

Significant gaps in service level are considered from a national level of service perspective that is the gap in service level is or will severely impact on the desired performance of the New Zealand transport system over the GPS period. This will be informed by [Arataki](#) and Waka Kotahi's investment Plan, and the [One Network Framework levels of service](#).

The National VKT Plan is awaiting publication. In the interim Waka Kotahi has published the following guidance [Waka Kotahi- the Framework for urban programmes - less traffic, more choice: guidance to support council planning](#). The guidance will assist Tier 1 and 2 councils developing their VKT reduction programmes and draft activities for NLTP inclusion. The guidance will also assist Waka Kotahi's IPM assessment until such time as the National Plan is published. Waka Kotahi's ambition is to approve programmes of VKT reduction activities wherever possible to ensure well co-ordinated cost-effective implementation.

- High priority access focussed issues: These are regionally agreed high priority access issues (as set out in the relevant RLTP) that are necessary to address to achieve the GPS strategic priorities through supporting the regionally agreed integrated land-use (spatial plan) and multi-modal transport plan implementation.
- Resilience risk rating: Resilience may be considered for NLTP inclusion and investment either as an uplift in maintenance, operations and renewals deliverables or as a stand-alone activity as determined using the methodology set out in <https://www.nzta.govt.nz/assets/Highways-Information-Portal/Technical-disciplines/Resilience/nrpb/Appendix-G-of-the-National-Resilience-Programme-Business-Case.pdf> Table 3.5 is the source of the resulting rating resilience risk rating. Until such time as this table is updated to reflect the ONF classification, proponents should interpret the table from ONRC to the ONF prior to assessing the risk rating.
- Safety Risk assessment: Collective and personal risk rating is informed by outputs from Mega Maps and/or application of the High-Risk Rural Road and Intersection guides and validated by the Waka Kotahi Speed and Infrastructure team.
- Inconsistent with ERP: At stage 1 of the NLTP development, an activity may be assessed and flagged as being potentially inconsistent with the Emissions Reduction Plan (see guidance on investment decision-making in relation to the [Emissions Reduction Plan](#)) and the draft GPS expectations. Waka Kotahi may consider adjusting the priority ranking of activities that are `flagged` in order to ensure that the adopted NLTP as a whole is consistent with the GPS direction for transport emissions reduction and is consistent with the 2035 transport emissions reduction targets, within the available NLTF funding and the NLTP's scope of influence.



**Stage 2 (quantitative): for activities seeking investment approval**

Draft GPS strategic priorities	Benefit (BMF benefit cluster)	VERY LOW	LOW	MEDIUM	HIGH
<b>Maintaining and operating the system<sup>9</sup></b>	Impact on access to opportunities  Impact on social cost 1.1 and incidences of crashes 1.2	<ul style="list-style-type: none"> <li>Improvements that exceed appropriate levels of service having regard to the One Network Framework.</li> <li>Deterioration of levels of service below an acceptable standard.</li> </ul>	<ul style="list-style-type: none"> <li>Addresses an improvement in level of service.</li> <li>Trials for example the use of lower carbon materials, nature-based solutions</li> </ul>	<ul style="list-style-type: none"> <li>Addresses ancillary improvements in level of service or change in service that are required for resilience or climate change mitigation</li> </ul>	<ul style="list-style-type: none"> <li>Activity maintains the condition of the existing transport system at current levels, including meeting current design standards such as use by people with a disability, technology requirements, safety requirements, etc.</li> <li>Addresses the immediate response and reinstatement of levels of service as a result of damage from natural events</li> </ul>
<b>Increasing resilience</b>	Resilient to climate change	<ul style="list-style-type: none"> <li>Activity is inconsistent with the National Adaptation Plan and has low or higher likelihood of serious damage due to climate change.</li> </ul>	<ul style="list-style-type: none"> <li>Activity addresses a local or regional adaptation issue that is not a priority action or consistent with the National Adaptation plan.</li> </ul> <p>or</p> <ul style="list-style-type: none"> <li>Activity is the planning phase to address a minor risk natural hazard.</li> </ul> <p>or</p>	<ul style="list-style-type: none"> <li>Activity will address an implementation action in the National Adaptation Plan or Tiro Rangi.</li> </ul> <p>or</p> <ul style="list-style-type: none"> <li>Activity will resolve a major risk natural hazard.</li> </ul> <p>or</p> <ul style="list-style-type: none"> <li>Activity is the planning phase to address a moderate risk natural hazard.</li> </ul>	<ul style="list-style-type: none"> <li>Activity will address a planning action and/or priority adaptation implementation action identified in the National Adaptation Plan or Tiro Rangi.</li> </ul> <p>or</p> <ul style="list-style-type: none"> <li>Activity will resolve an extreme risk natural hazard.</li> </ul>

<sup>9</sup> Apply measures in an activity management plan or Regional Public Transport Plan to determine impact on levels of service.

Draft GPS strategic priorities	Benefit (BMF benefit cluster)	VERY LOW	LOW	MEDIUM	HIGH
			<ul style="list-style-type: none"> <li>Activity will resolve a moderate or minor risk natural hazard.</li> </ul>	or <ul style="list-style-type: none"> <li>Activity will resolve a major risk natural hazard.</li> </ul>	
<b>Reducing emissions</b>	Impact on greenhouse gas  Impact on light VKT relative to sub-national targets <sup>10</sup>	<ul style="list-style-type: none"> <li>Activity increases light VKT travelled and its contributions to other strategic priorities are insufficient to justify the increase in light VKT.</li> </ul>	<ul style="list-style-type: none"> <li>No impact on light VKT.</li> </ul>	<ul style="list-style-type: none"> <li>Up to 3% reduction in light VKT.</li> <li>Up to 5% reduction in CO<sub>2</sub> equivalent vehicle emissions total grams per kilometre per day by corridor (carriageway).</li> </ul>	<ul style="list-style-type: none"> <li>&gt; 4% reduction in light VKT.</li> <li>&gt; 6% reduction in CO<sub>2</sub> equivalent vehicle emissions total grams per kilometre per day by corridor (carriageway).</li> </ul>
	Impact of air emissions on health/Impact of noise	<ul style="list-style-type: none"> <li>Increase in (local) population exposed to elevated concentrations of land transport-related air pollution (NO<sub>2</sub>).</li> <li>Increase in local population exposed to excessive traffic noise level.</li> </ul>	<ul style="list-style-type: none"> <li>Up to 5% reduction of (local) population exposed to elevated concentrations of land transport-related air pollution (NO<sub>2</sub>).</li> <li>&gt; 5% reduction in local population exposed to excessive traffic noise level.</li> </ul>	<ul style="list-style-type: none"> <li>6% to 10% reduction of (local) population exposed to elevated concentrations of land transport-related air pollution (NO<sub>2</sub>).</li> <li>6% to 10% reduction in local population exposed to excessive traffic noise level.</li> </ul>	<ul style="list-style-type: none"> <li>Up to 15% reduction of (local) population exposed to elevated concentrations of land transport-related air pollution (NO<sub>2</sub>).</li> <li>&gt; 11% reduction in local population exposed to excessive traffic noise level.</li> </ul>
<b>Safety</b>	Impact on social cost 1.1 and incidences of crashes 1.2	<ul style="list-style-type: none"> <li>Activity could result in an increase in death and serious injuries.</li> </ul>	<ul style="list-style-type: none"> <li>Target low-medium or greater collective risk corridors and/or intersections to achieve a death and serious injuries</li> </ul>	<ul style="list-style-type: none"> <li>Target medium or greater collective risk corridors or intersections to achieve a death and serious injuries reduction of 25-39% over a 5-year period.</li> </ul>	<ul style="list-style-type: none"> <li>Target medium-high or high collective risk corridors or intersections to achieve a death and serious injuries reduction of &gt;40% over a 5-year period.</li> </ul>

<sup>10</sup> The percentage reductions in each of these ratings are to be reviewed upon the Ministry of Transport's release of the VKT reduction targets for each region. The % reduction is the potential contribution to the reduction target for light VKT by 2035.

Draft GPS strategic priorities	Benefit (BMF benefit cluster)	VERY LOW	LOW	MEDIUM	HIGH
			<p>reduction of 5-24% over a 5-year period.</p> <ul style="list-style-type: none"> <li>Proposal addresses DSIs in an area of Low Concern (Communities at Risk Register – All deaths and serious casualties table).</li> </ul>	<ul style="list-style-type: none"> <li>Implement safe and appropriate speeds across the network.</li> <li>Proposal addresses DSIs in an area of Medium Concern (Communities at Risk Register – All deaths and serious casualties table).</li> <li>Investment to support routine behaviour change activities (for example perceptions of safety or road safety promotion) to improve road safety outcomes.</li> </ul>	<ul style="list-style-type: none"> <li>Implementation of speed limit changes at schools***</li> <li>Proposal addresses DSIs in an area of High Concern (Communities at Risk Register – All deaths and serious casualties table).</li> <li>The programme or activity is a key behaviour change component of the Road to Zero Action Plan to improve road safety outcomes.</li> </ul>
<b>Sustainable urban and regional development</b>	Impact on mode choice 10.2	<ul style="list-style-type: none"> <li>Increase in private passenger vehicle (or driver) trips from other modes* to private passenger vehicle-based trips.</li> </ul>	<ul style="list-style-type: none"> <li>Up to 3% reduction in the mode share of private passenger vehicle (or vehicle driver) trips resulting from diversion to other modes*</li> </ul>	<ul style="list-style-type: none"> <li>3-6% reduction in the mode share of private passenger vehicle (or vehicle driver) trips -resulting from diversions to other modes*</li> </ul>	<ul style="list-style-type: none"> <li>&gt;6% reduction in the mode share of private passenger vehicle (or vehicle driver) trips resulting from diversions to other modes*</li> </ul>
<b>Sustainable urban and regional development</b>  Criteria for individual activities where not part of an endorsed	Impact on access to opportunities	<ul style="list-style-type: none"> <li>Reduction in number of jobs accessed within 45 minutes by a given mode or modes (public transport, walking, cycling, driving) in morning peak.</li> <li>Reduction in proportion of population within 15 minutes access of social opportunity (namely primary or secondary</li> </ul>	<ul style="list-style-type: none"> <li>Up to 4% increase in number of jobs accessed within 45 minutes by a given mode or modes (public transport, walking, cycling, driving) in morning peak.</li> <li>Up to 4% increase in proportion of population within 15 minutes access of social opportunity (namely primary or secondary</li> </ul>	<ul style="list-style-type: none"> <li>4-7% increase in number of jobs accessed within 45 minutes by a given mode or modes (public transport, walking, cycling, driving) in the morning peak.</li> <li>4-7% increase in proportion of population within 15 minutes access of social opportunity (namely primary or secondary education, GP</li> </ul>	<ul style="list-style-type: none"> <li>&gt;7% increase in number of jobs accessed within 45 minutes by a given mode or modes (public transport, walking, cycling, driving) in the morning peak.</li> <li>&gt;7% increase in proportion of population within 15 minutes access of social opportunity (namely primary or secondary education, GP</li> </ul>

Draft GPS strategic priorities	Benefit (BMF benefit cluster)	VERY LOW	LOW	MEDIUM	HIGH
VKT reduction programme		<p>education, GP surgery or supermarkets) by a given mode or modes (public transport, walking, cycling, driving) in the morning peak.</p> <ul style="list-style-type: none"> <li>Reduction in percentage of the population living within 500m of a bus stop or 1km from a rail or bus rapid transit station where service frequency is ≤30 minutes per hour.</li> </ul>	<p>education, GP surgery or supermarkets) by a given mode or modes (public transport, walking, cycling, driving) in the morning peak.</p> <ul style="list-style-type: none"> <li>Up to 5% increase in percentage of the population living within 500m of a bus stop or 1km from a rail or bus rapid transit station where service frequency is ≤30 minutes per hour.</li> <li>New walking/cycling link forms part of rural area network.</li> </ul>	<p>surgery or supermarkets) by a given mode or modes (public transport, walking, cycling, driving) in the morning peak.</p> <ul style="list-style-type: none"> <li>5-10% increase in percentage of the population living within 500m of a bus stop or 1km from a rail or bus rapid transit station where service frequency is ≤30 minutes per hour.</li> <li>New walking/cycling link forms part of non-Tier 1 or 2 urban area network.</li> </ul>	<p>surgery or supermarkets) by a given mode or modes (public transport, walking, cycling, driving) in the morning peak.</p> <ul style="list-style-type: none"> <li>&gt;10% increase in percentage of the population living within 500m of a bus stop or 1km from a rail or bus rapid transit station where service frequency is ≤30 minutes per hour.</li> <li>New walking/cycling link forms part of a tier 1 or 2 AO urban area network.</li> <li>Investment in specialised services to support accessibility (for example Total Mobility)</li> </ul>
Integrated freight system	Impact on mode choice	<ul style="list-style-type: none"> <li>Reduction in freight mode share by rail or coastal shipping.</li> </ul>	<ul style="list-style-type: none"> <li>Up to 3% increase in freight mode share by rail or coastal shipping.</li> </ul>	<ul style="list-style-type: none"> <li>3 to 6% increase in freight mode share by rail or coastal shipping.</li> </ul>	<ul style="list-style-type: none"> <li>&gt;6% increase in freight mode share by rail or coastal shipping.</li> </ul>
	Impact on network productivity and utilisation	<ul style="list-style-type: none"> <li>Decrease in predictability (reduction in variability) of travel time for freight on priority freight routes.</li> <li>For rail – a decrease in freight trains arrived on time (that is within 30 minutes of scheduled arrival) except if required</li> </ul>	<ul style="list-style-type: none"> <li>5-10% improvement in predictability (reduction in variability) of travel time for freight on priority freight routes.</li> <li>For rail - up to 10% increase in freight trains arrived on time (that is within 30</li> </ul>	<ul style="list-style-type: none"> <li>10-30% improvement in predictability (reduction in variability) of travel time for freight on priority freight routes.</li> <li>For rail 10-20% increase in freight trains arrived on time (that is within 30 minutes of scheduled arrival).</li> </ul>	<ul style="list-style-type: none"> <li>&gt;30% improvement in predictability (reduction in variability) of travel time for freight on priority freight routes</li> <li>For rail &gt;20% increase in freight trains arrived on time (that is within 30 minutes of scheduled arrival).</li> </ul>

Draft GPS strategic priorities	Benefit (BMF benefit cluster)	VERY LOW	LOW	MEDIUM	HIGH
		as part of track maintenance or renewals. <ul style="list-style-type: none"> <li>Decrease in level of service on a locally significant freight corridor.</li> </ul>	minutes of scheduled arrival). <ul style="list-style-type: none"> <li>Improvement in level of service on a locally significant freight corridor.</li> </ul>	<ul style="list-style-type: none"> <li>Up to 5% improvement in level of service at intermodal freight connections or on regionally or nationally significant freight corridor.</li> </ul>	<ul style="list-style-type: none"> <li>&gt;5% improvement in level of service at intermodal freight connections or on a nationally significant freight corridor.</li> </ul>

\*Other modes include walk, cycle, public transport, micro-mobility and need for the trip being eliminated (for example working from home, ordering online).

\*\*Low concern has been created for the IPM and is defined in Appendix 2.

\*\*\*School speed limit changes referred to in the table as per the priorities in the Land Transport Rule setting of speed limits 2022.

Safety related % changes are to be assessed as the impact on achieving the % DSI reduction aspirations of the Road to Zero programme to 2030 measured on a 3-yearly basis for the network under consideration.

The spatial or geographical boundaries of the activity/combination of activities as set out in the business case is the basis for measurement of all metrics.

Sustainable urban and regional development: No specific criteria are included for this priority. GPS 24 notes that for rural and regional NZ this will be delivered through investment in:

- maintaining networks at the required level of service, and ensuring development is resilient to current and future effects of climate change. Criteria for these aspects are those provided for the maintaining and operating the system and resilience strategic priorities.
- Inter-regional public transport – Draft GPS 24 proposes this will be managed in a similar way to Coastal Shipping that is as a contestable fund. As such it will not be prioritised through the IPM.



## Scheduling rating

The following table sets out the criteria for the scheduling rating for a phase of an activity.

SCHEDULING				
	VERY LOW	LOW	MEDIUM	HIGH
Criticality	<ul style="list-style-type: none"> <li>Timing of phase is in a subsequent NLTP period.</li> <li>Low Consequence</li> </ul>	<ul style="list-style-type: none"> <li>Minor adverse consequences would arise in terms of outcomes (measured using benefits framework) or financial impact if the phase of the activity is not undertaken during the 2024-27 period.</li> </ul>	<ul style="list-style-type: none"> <li>Moderate adverse consequences would arise in terms of outcomes (measured using benefits framework) or financial impact if the phase of the activity is not undertaken during the 2024-27 NLTP.</li> </ul>	<ul style="list-style-type: none"> <li>Significant adverse consequences would arise in terms of outcomes (measured using benefits framework) or financial impact if the phase of the activity is not undertaken during the 2024-27 period.</li> <li>There is a legal requirement to undertake the phase during the 2024-27 period.</li> </ul>
Interdependency <sup>11</sup>	<ul style="list-style-type: none"> <li>Dependency is with an activity that is phased to occur in a subsequent NLTP period; or</li> <li>Another activity or non-transport investment (for example connecting transport infrastructure or service) is dependent on this phase of the activity being undertaken in the 2024-27 NLTP period <b>and</b> non-delivery of that phase in the 2024-27 NLTP period would have a negligible impact on realising the benefits of the interdependent activity.</li> </ul>	<ul style="list-style-type: none"> <li>Another activity or non-transport investment (for example connecting transport infrastructure or service) is dependent on this phase of the activity being undertaken in the 2024-27 NLTP period <b>and</b> non-delivery of that phase in the 2024-27 NLTP period would have a moderate impact on realising the benefits of the interdependent activity.</li> </ul>	<ul style="list-style-type: none"> <li>Another activity or non-transport investment (for example connecting transport infrastructure or service) is dependent on this phase of the activity being undertaken in the 2024-27 NLTP period <b>and</b> non-delivery of that phase in the 2024-27 NLTP period would have a significant impact on realising the benefits of the interdependent activity.</li> </ul>	<ul style="list-style-type: none"> <li>Another significant activity or non-transport investment (for example housing development) is dependent on this phase of the activity being undertaken in the 2024-27 NLTP period <b>and</b> non-delivery of that phase in the 2024-27 NLTP period would have a significant impact on realising the benefits of the interdependent activity</li> </ul>

<sup>11</sup> Interdependency rating would not apply to an independent activity.

The scheduling rating is determined by the criticality and interdependency criteria.

Criticality indicates the level of consequences that would arise if the phase of the activity isn't undertaken in the 2024–27 period. This is a measure of the significance of the phase of the activity role as part of the transport system, and the degree of impact to users, particularly due to availability (or not) of alternatives. For example a high safety risk would result and/or a legal obligation would not be met.

Interdependency indicates that another activity depends on this phase of an activity. This is a measure of the degree to which the activity is necessary to unlock the benefits of another related or integrated investment. The other investment may be part of the same transport programme or package, or a major housing or industrial development or international event.

An independent activity would have no rating in relation to interdependency.

**The criticality ranking for network interruptions** is informed by the methodology set out in <https://www.nzta.govt.nz/assets/Highways-Information-Portal/Technical-disciplines/Resilience/nrpb/Appendix-G-of-the-National-Resilience-Programme-Business-Case.pdf>; tables 3.3 to 3.5. and should be moderated by knowledge of frequency of actual events and their impacts.

High schedule rating for legal reasons is for those activities that approved organisations and Waka Kotahi (for its own activities) have a statutory obligation to respond to in the 24-27 NLTP; they are either a rule, statute or regulation e.g. the Land Transport Rule: [Setting of Speed Limits 2022](#) requirement for school speed zone implementation by 2027.

A package of activities is assessed as a whole because they are inter-dependent. If a package is proposed with components across multiple activity classes, each component is assigned the priority rating of the package. Therefore, it isn't necessary to assess the interdependency rating of each component of a package.

## Efficiency rating

The ratings for efficiency are as follows:

- High (BCR > 6.0) / PV of Costs (where an asset is at end of life and is being replaced with like-for-like)
- Medium (BCR 3 – < 6.0)
- Low (BCR 1.0 – < 3.0)
- Very Low (BCR < 1)

### Efficiency rating for continuous programmes

For road maintenance and public transport services programmes, efficiency is assessed based on benchmarked performance against an organisation's peer group.

For maintenance operations and renewals continuous programmes, the default Medium efficiency rating may be adjusted through benchmarking cost effectiveness (sourced from the Te Ringa Maimoa Insights tool) as follows:

Low: costs are > than 10% above the average cost efficiency for peer group  
 Medium: costs are within 10% of the average cost efficiency for peer group  
 High: costs are > than 10% below the average cost efficiency for peer group or PV

### Efficiency rating for all other activities

To ensure consistency across activities, wider economic benefits (WEBs) should not be applied as part of the BCR for prioritisation in the NLTP.

If non-monetised impacts are known at stage 1 - the prioritisation for inclusion in the NLTP and those impacts could be significant to affect the rating, then they may be considered alongside the BCR. At the funding stage, both monetised and non-monetised impacts are expected to be assessed through the Business Case Approach.

At stage 1 for the prioritisation during the NLTP development when a proposed activity does not yet have a calculated BCR, the indicative efficiency rating (IER) tool can be used to calculate an indicative efficiency rating for the activity. The IER tool provides a high-level estimate of monetised costs and benefits for infrastructure activities.

The IER tool provides a consistent, simple method for calculating an indicative efficiency rating that can be applied across all modes and incorporates a range of typical benefits by outcome sought and by mode. Sufficient evidence must be provided to support the rating.

The BCR for standard safety interventions (SSI) in the SSI toolkit may be used if a BCR has not been calculated for the SSI. If a SSI has a BCR less than 1, a low efficiency rating may be used where it is shown that the SSI is the right solution and is a necessary part of the Speed and Infrastructure Programme.

An activity that has a Very Low (BCR<1) Efficiency rating may be Low if it is a necessary part of a programme which has an overall BCR above 1. However, funding approval for these activities is by exception at the appropriate level of delegation usually the Waka Kotahi Board.

For some activities, for example to replace a facility or technology at the end of its life, the Present Value (PV) of Costs (previously called PV End of Life) method may be used instead of a BCR. The PV of Costs applies where an asset is at end of life and the analysis demonstrates a positive PV for the replacement on a like-for-like basis.

## Appendix 2: Definitions

Several words are used in this document that have specific meaning in the context of the Investment Prioritisation Method and the three factors GPS Alignment, Scheduling, and Efficiency. We provide here an overview of key definitions, and you can find a comprehensive list of definitions on our Planning and Investment Knowledge Base.

### GPS alignment criteria

Where feasible, Measures are drawn from the benefits framework, particularly those with centralised data available. The [Land Transport Benefits Framework Manual](#) provides a definition of the benefit, its measure(s), and identifies what data is available through storymaps or megamaps.

GPS Priority	Name	Benefit measure #	Description	Comment on data availability
<b>Safety</b>	Collective risk (crash density)	1.1.1	Average annual fatal and serious injury crashes per kilometre of road section.	Collective risk identified for corridors and intersections throughout NZ
	Deaths and serious injuries	1.1.3	From geospatial point 'a' to geospatial point 'b', the number of deaths and serious injuries resulting from land transport-related crashes in the last year.	Identified for corridors and intersections throughout NZ
	Communities at Risk		See below	
<b>Reducing emissions</b>	Impact on mode choice	10.2.10	Percent of transport users by mode pedestrians, cyclists, and motor vehicles by vehicle class.  Definition of "other modes" – see below.	Available by meshblock (Census 2018) or MOT NZ Household Travel Survey by region or major urban area
	Impact on greenhouse gas	8.1.1	CO <sub>2</sub> vehicle emissions total grams per kilometre per day by carriageway id #	Modelled for each 0.2 square km – emissions rates calculated using vehicle emission prediction model (VEPM)
	Impact on air and noise/vibration	3.2.1  3.3.1	Annual concentration of NO <sub>2</sub> in µg/m <sup>3</sup> and average annual vehicle emissions.  Number of people exposed to noise levels (measured in dB Laeq(24h))	Partial monitoring data available.  Regional data only – extrapolate for corridor

GPS Priority	Name	Benefit measure #	Description	Comment on data availability
<b>Sustainable urban and regional development</b>	Impact on access to opportunities Access to jobs	5.2.6	Number of jobs accessed within 45 minutes by a given mode or modes (public transport, walking, cycling, driving) in morning peak	Measure uses the centroid of each NZ meshblock (48,000) as its origin and jobs as the destination
	Access to social opportunities	10.3.1	Proportion of population living within 15 minutes travel threshold of key social opportunities (including education, health care, supermarkets) by different modes (walking, cycling, public transport, private motor vehicle) in the morning peak	
	Access to frequent PT services	10.2.7	Access to public transport (within 500m of stop with transport that runs every 30 minutes)  Access to high frequency public transport (within 500m of stop with transport that runs every 15 minutes)	Based on morning peak period – partial centralised data available
	Impact on mode choice	10.2.3	Spatial coverage – cycle lanes and paths	
<b>Integrated freight system</b>	Impact on network productivity and utilisation	5.2.1 5.2.2 5.2.3	Spatial Coverage – freight Freight mode share – value Freight mode share weight	

### Communities at Risk

The [Communities at Risk Register 2021](#) has been developed by Waka Kotahi to identify communities of road users that are over-represented in terms of road safety risk. The register highlights personal risk to road users by ranking communities by local authority area based on the Safer Journeys areas of concern.

The ratings are to be drawn from the 'All deaths and serious casualties' table in the most recent version of the Communities at Risk register. The definition of the levels of concerns is as follows:

- **High concern** is assigned to communities with personal risk profiles greater than one standard deviation from the mean (1 STDEV).
- **Medium concern** is assigned to communities with personal risk profiles greater than half a standard deviation from the mean and below one standard deviation (0.5 STDEV).
- **Low concern** is assigned to communities with personal risk profiles not captured above.

Standard deviation is a descriptive statistic that is used to understand the distribution of a dataset. It is often reported in combination with the mean (or average), giving context to that statistic. Specifically, a standard deviation refers to how much scores in a dataset tend to spread-out from the mean. If the distribution is normal then 68% of TAs, in this case, will lie within 1 STDEV of the mean. Knowing this assists with identifying where there is a concern.

## Other modes

'Other modes' in the context of Better Travel Options supports mode shift for trips in urban centres from private vehicles to more energy-efficient, low-cost and healthier modes like walking, cycling, public transport, and using micro-mobility devices such as e-scooters, e-skateboards and e-bikes. Other modes also include removing the need to make a trip at all, by providing a digital alternative (for example internet-based doctor's appointments or e-learning).

## Programme

A "programme" means a defined group of land transport activities.

This is intended as a broad definition as it is recognised that there are many ways that activities can be grouped by:

- location (for example local authority boundary, region, national)
- theme (for example public transport, optimisation)
- activity class (for example walking and cycling)
- outcome (for example safety, resilience)
- a logical connection (for example a group of activities in a programme business case).

Examples of a programme include:

- cycleways programme
- safe infrastructure programme
- optimisation programme
- coastal shipping
- innovating streets
- a programme may contain individual activities and packages within it.

A programme may be delivered by multiple organisations, may extend across multiple activity classes, and span across different start dates.

## Package

A "package" means a group of activities that are inter-dependent activities.

"Inter-dependent" means that it is necessary for all of the activities to be delivered to optimise the expected outcomes that is if an activity within the package is not delivered, then it would reduce the effectiveness of the remaining activities within the package.

**Urban areas:** Tier 1 and Tier 2 urban areas refers to the urban environment and relevant local authorities as set out in the National Policy Statement on Urban Development 2022.

## Alternative routes or modes

Viable alternative routes or modes to the corridor or section of the corridor should consider the length and travel time of the detour mode or route, whether it has capacity for the additional demand and whether all known users are able to use the route or mode. This is particularly important for lifelines routes and/or routes for access to and for emergency services. As a general rule, Waka Kotahi accepts detours as viable on alternative routes or modes that add less than two hours of travel compared to the original route or mode.

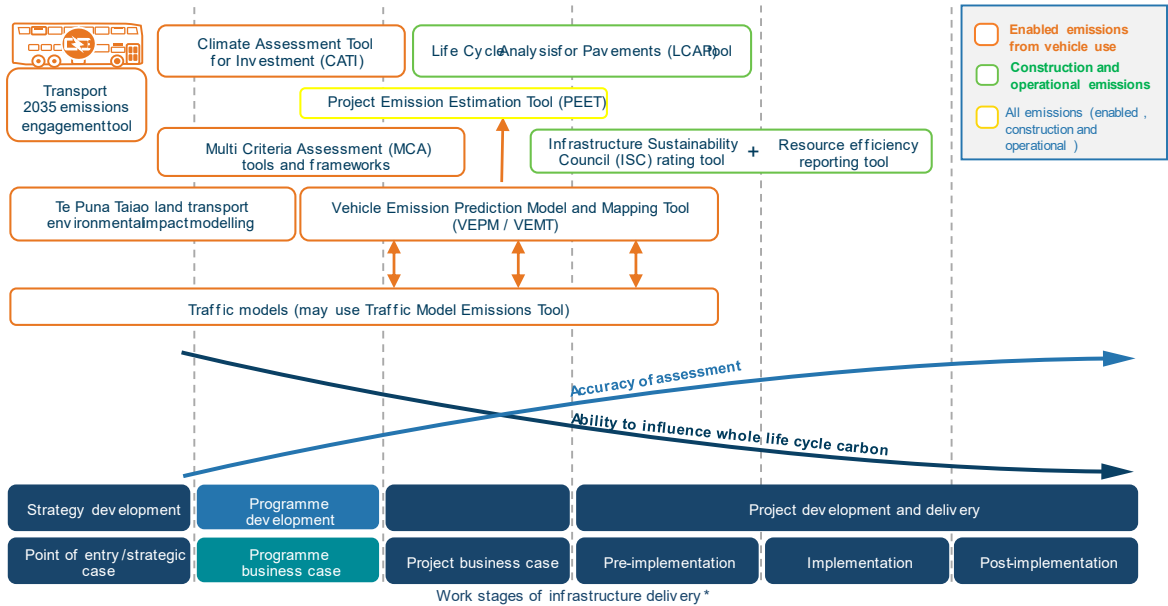


# Appendix 3: Waka Kotahi tools for calculating emissions

Waka Kotahi has made available tools and guidance for assessing and modelling transport emissions at <https://www.nzta.govt.nz/roads-and-rail/highways-information-portal/technical-disciplines/environment-and-sustainability-in-our-operations/environmental-technical-areas/climate-change/climate-change-mitigation/>

The below schematic shows where each of the above tools are best applied:

## Waka Kotahi tools (for calculating emissions)



Jul23



\*Source: PAS 2080:2018 Carbon management in infrastructure