

# Draft Investment Assessment Framework for the 2018-21 National Land Transport Programme

## Frequently asked questions

16 April 2018

The questions and answers provided here are targeted at specific audience groups who are involved in developing or reviewing investment proposals for 2018-21 National Land Transport Programme 2018-21 (NLTP) inclusion.

We will expand on these questions over time and will also provide detailed information on the NZ Transport Agency's Planning and Investment Knowledge Base (PIKB). Initial updates to the PIKB will be undertaken by 30 April 2018 and will continue to be updated until the GPS is adopted in June 2018.

## GENERAL IDM/IAF QUESTIONS

### 1. What is the draft Investment Assessment Framework (IAF) and what is it used for?

The draft IAF is developed by the Transport Agency to reflect and help give effect to the Government's transport priorities in the draft Government Policy Statement on land transport (GPS).

The Transport Agency uses the IAF to assess and prioritise projects and programmes for inclusion in the NLTP. It helps approved organisations to understand how their projects will be prioritised under the draft GPS and to frame-up Regional Land Transport Plans (RLTPs).

### 2. How does the IAF fit within the Transport Agency's investment decision making system?

The IAF forms part of the Transport Agency's investment decision making system (IDM). The Transport Agency, with its partners and stakeholders, plans and makes decisions about transport solutions through the IDM that give effect to the transport priorities signalled within the GPS.

The IDM is used to determine whether investment proposals form part of the NLTP and receive approval for funding from the National Land Transport Fund (NLTF).

### 3. Why is the IAF being reviewed and updated?

The IAF has been reviewed and updated in response to changes signalled in the draft GPS which include revised priorities, objectives and results as well as changes to funding ranges.

### 4. Why is the IAF only a draft?

As the IAF gives effect to the GPS, it will remain in draft until the Minister of Transport issues a final GPS, by the end of June 2018.

The Transport Agency is seeking sector feedback on the draft IAF by 18 May 2018, and will consider this in its final version to be approved by 30 June 2018.

### 5. What has changed in the IAF?

The draft IAF reflects changes to the Government's transport priorities in the draft GPS, and includes criteria for new activity classes of rapid transit and transitional rail, as well as the expanded activity class for road safety promotion and demand management.

The changes do not affect the following decisions that were made to the IDM system last year following its review:

- Implementing a two factor assessment profile.
- Addition of very high results alignment and cost-benefit appraisal.
- Placing greater emphasis on the business case approach (that requires all investment proposals to have a strategic case as a starting point for inclusion in the NLTP).

- Increase in the cost threshold for low-cost low-risk improvement proposals to \$1m.
- Inclusion of a programme support factor for improvement activities.

## 6. How do I use the draft IAF to assess proposals already submitted for inclusion in the current 2018-21 RLTPs?

While approved organisations are not obliged to reassess their proposals, the Transport Agency encourages them to do so to ensure these are consistent with the draft GPS.

Regional Transport Committees (RTCs) are also encouraged to apply the draft IAF in their prioritisation of proposals. Again, they are not obliged to do so, and may use their own prioritisation framework. There is an obligation to ensure that an RLTP is consistent with the GPS. This means that there should be clear alignment between regional and national GPS priorities. The Transport Agency will assess and provide feedback on alignment.

If approved organisations are unable to reassess their proposals for inclusion in RLTPs before submission by 30 June 2018, then an opportunity does exist to reassess proposals as they are brought forward for funding consideration. Also new proposals may be developed and considered through an application to vary the RLTP, and consequently the NLTP, which can be done at any stage within the three-year period of the NLTP.

The Transport Agency will work closely with approved organisations and RTCs to explore the opportunities the draft GPS presents in bringing forward other programmes of work for NLTP funding in 2018-21, and where a variation may be required.

## 7. When will the draft IAF need to be applied?

Any new activities submitted for funding in the NLTP will need to be assessed under the new draft IAF. This includes programmed activities such as road maintenance and existing public transport services.

For approved organisations, any activity approved in a previous NLTP period and continuing into the next NLTP does not require reassessment under the new IAF.

The Transport Agency will work with approved organisations to define information requirements for their activity proposals.

## 8. What are we seeking feedback on?

The Transport Agency is seeking feedback on the draft IAF, particularly on the revised results alignment criteria, specifically if these appropriately align with the outcomes and results sought in the GPS. We are also seeking specific feedback on the potential options for assessing safety improvement proposals including the current cost-benefit appraisal.

The feedback period is open until 18 May 2018.

## 9. When do we expect to make decisions on the options for evaluating safety improvement proposals?

After 18 May when the draft IAF feedback period closes, the Transport Agency will consider feedback it has received on the potential options for safety investment proposals. We will also continue working on potential options during the feedback period. An appropriate and timely approach will be adopted in the final IAF to ensure that the NLTP gives effect to the GPS priorities.

Over 2018 the Transport Agency will investigate the effectiveness of its current evaluation practices and provide the outcomes for consideration in the second stage GPS, and will engage with the sector on this process. The timing of the second stage GPS has not yet been announced by government.

# PUBLIC TRANSPORT ACTIVITIES

## 10. Why is there a transitional rail activity class?

The Transport Agency currently funds a range of 'above track' rail improvements and services, including:

- rail stations and interchanges
- rolling stock (train units)
- service operations
- renewal and maintenance of rolling stock and stations
- track access charges to cover costs of maintaining and renewing 'below track' infrastructure.

The transitional rail activity class is an interim solution to enable funding of 'below track' rail public transport improvement projects, such as ballast, track laying, and electrification.

Rail as part of the NLTF-funded land transport system will be addressed through the second stage GPS proposed for 2019/20.

## 11. What is rapid transit?

Rapid transit is the movement of large numbers of passengers on dedicated key high-growth urban corridors in Auckland, Wellington and Christchurch, using rail or busways.

## 12. How are customer levels of service for public transport defined?

Levels of service for public transport services refer to a range of service expectations eg an outline of the routes, service frequency and these must be captured in Regional Public Transport Plans. Investment proposals to improve levels of service, apart from moderate increases in expenditure, are treated as improvement activities under the NLTP and are scrutinised to ensure an appropriate level of service is provided.

The Transport Agency has drafted **guidelines** for public transport infrastructure, and is actively engaged in considering the wider public transport infrastructure levels of service and guidelines.

## WALKING AND CYCLING ACTIVITIES

### 13. How are customer levels of service for walking and cycling defined?

A national classification system for walking and cycling doesn't currently exist. In the absence of defined levels of service framework for walking and cycling, the defaults are:

- *Cycle network guidance - planning and design*
- *Pedestrian planning and design guide.*

The Austroads level of service tool is used to define appropriate levels of service. We may expect approved organisations to use Austroads when developing their network operation plan.



For further information on the draft IAF or any NLTP related query please email [nltp@nzta.govt.nz](mailto:nltp@nzta.govt.nz)