

SECTION B

INVESTMENT SUMMARY



BUILDING THE BEST TRANSPORT FUTURE

SETTING TRANSPORT PRIORITIES

The Transport Agency has a broad land transport legislated responsibility: its job is to build an affordable, integrated, safe, responsive and sustainable land transport system in the public interest.

Determining the transport solutions that work best for New Zealand and New Zealanders takes a collective effort. Stakeholders from local communities right up to national policy makers have a part to play.

The Government Policy Statement on Land Transport (GPS) anchors the country's transport priorities — it outlines what's important for New Zealand transport today. The Transport Agency is tasked with giving effect to the investment priorities detailed in the policy statement. This involves combining and balancing local and regional short, medium and long-term priorities and ensuring investment activities are aligned to the Government Policy Statement.

The priorities of the Government Policy Statement on Land Transport 2015/16–2024/25 are economic growth and productivity, road safety and value for money. These priorities are used to guide the use of the National Land Transport Fund – the \$3 billion a year that the Transport Agency has stewardship over investing.

DEVELOPING A NATIONAL LAND TRANSPORT PROGRAMME THAT WORKS FOR NEW ZEALANDERS

The National Land Transport Programme comprises all the land transport activities that the Transport Agency anticipates possibly funding during the three-year period the programme covers. It is a point in time capture of current programme and project priorities and is a snapshot of the dynamic and continuous investment process.

The Government Policy Statement is the anchor for assessment and prioritisation of potential transport investment. Only those activities aligned to the current policy statement are eligible for inclusion in the National Land Transport Programme and ultimately for funding approval.

The National Land Transport Programme represents a snapshot of:

- committed funding for transport improvements from previous National Land Transport Programmes that are generally large scale and are work in progress that the Transport Agency is still funding
- continuous programmes the Transport Agency delivers every day, such as public transport and road maintenance
- upcoming activities the Transport Agency will consider for funding, which are developed collaboratively using the Government Policy Statement and Regional Land Transport Plans.

The Transport Agency takes several positions when considering and identifying the best mix of activities:

- maintain – staging growth to coincide with the currently available capacity on the network
- optimise – identifying opportunities to optimise the use of the existing network
- invest – considering investment in new infrastructure against affordability and realistic needs.

These are many-layered decisions, combining and aligning local, regional and national needs, while balancing shared immediate and long-term goals.

ASSESSING FUNDING PROPOSALS

While alignment to the Government Policy Statement is critical when assessing proposals for investment from the National Land Transport Fund, the Transport Agency also considers best value for money in more depth during the investment decision-making process.

The current Investment Assessment Framework used by the Transport Agency includes three criteria to assess whether a proposal is suitable for investment from the National Land Transport Fund:

- **strategic fit** – which looks at how well the problem or opportunity gives effect to the Government Policy Statement
- **effectiveness** – which assesses the solutions identified within the proposal
- **benefit-cost appraisal** – which looks at the costs against potential benefits of each proposal.

DELIVERING ON NEW ZEALAND'S TRANSPORT PRIORITIES

To determine the progress of delivering on transport investment priorities for New Zealand, the Transport Agency looks first to the broad Government Policy Statement's strategic priorities of economic growth and productivity, road safety and value for money. Then, to gain a deeper understanding, the Transport Agency looks at the short, medium and long-term results that are identified in the Government Policy Statement. The Transport Agency also looks at current investment as well as potential new investment within the National Land Transport Programme. Lastly, the Transport Agency looks at how and where local, regional and national strategies, plans and outcomes align with the Government Policy Statement.

Transport investments have long lead times and leave long legacies. It can take many years to reap the full rewards of transport investment. As such, to understand the performance of National Land Transport Fund investments the Transport Agency needs to show not only alignment to current Government Policy Statement priorities, but also the longer-term investment outcome story.

While there is still more work to do, progress was made in the past year, developing the reporting mechanisms to better understand the impact of National Land Transport Fund investment. Over time, the improving reporting systems will allow the Transport Agency to more accurately show how it responds to Government Policy Statement priorities, as well as giving consistency and continuity across multiple Government Policy Statements.

In this report, the performance of the Transport Agency's investment of the National Land Transport Fund is viewed through several lenses:

- outcomes specified in the Government Policy Statement, including:
 - how the National Land Transport Fund is invested to deliver on the priorities in the Government Policy Statement
 - the long-term impact of National Land Transport Fund investment on the transport system's performance
 - case studies for particular areas of focus in the Government Policy Statement, including innovation, new initiatives and research, in particular highlighting the intersection between physical infrastructure and the digital world
- use of the National Land Transport Fund – comparing expenditure against the planned funding allocation in the published National Land Transport Programme.

NATIONAL LAND TRANSPORT FUND INTO THE FUTURE

As part of the Transport Agency's refreshed strategy and move to a new operating model, the Transport Agency is changing the way it works together to deliver a safe, connected and easy transport system through the investment of the National Land Transport Fund.

Beginning in 2017/18, the Transport Agency will transform the way that it engages with investment partners, enhance its understanding of the impact from National Land Transport Fund investments and improve investment decision-making processes by:

- redesigning 2018-21 National Land Transport Programme development processes to improve how data and evidence are used to support decision making
- determining with partners a shared view of the evidence, information and data required for decision making
- developing a framework and model to assess partner and stakeholder perceptions of the Transport Agency's collaborative processes
- ensuring an increased focus on making the transport system more resilient, supporting housing development, using new technologies to improve the system's performance, and clarifying the National Land Transport Fund's contribution to reducing environmental harms
- developing a framework to effectively manage benefit realisation.

In addition, the Transport Agency's Investment Assessment Framework was redesigned in anticipation of the Government Policy Statement on Land Transport 2018/19-2027/28.

The redesigned Investment Assessment Framework will:

- increase the transparency within investment assessments of the alignment to Government Policy Statement results
- strengthen the role of the benefit and cost appraisal within investment assessments
- improve integration with the business case approach to ensure a wider range of options and interventions are considered, including non-transport interventions.

The Transport Agency is also streamlining the investment decision making, benefits capture and reporting processes for low cost and low risk activities that are less than \$1 million. This is an expansion of the streamlined approach that is currently only in place for minor improvements less than \$300,000.

These changes will make the investment process easier for the Transport Agency's partners by simplifying the assessments of their proposals. The changes are expected to extend to about 40 percent of all funding applications, which represent about 5 percent of the National Land Transport Programme's investment. The change will be trialled with select councils for the final year of the 2015-2018 National Land Transport Programme, with a potential full roll-out planned for the 2018-21 National Land Transport Programme.

The National Land Transport Fund is forecast to be in a strong position leading into the 2018-21 National Land Transport Programme.

DELIVERING ON THE CURRENT GOVERNMENT POLICY STATEMENT ON LAND TRANSPORT

When developing the 2015-18 National Land Transport Programme, the Transport Agency estimated the proportion of planned total expenditure (from the National Land Transport Fund, local government and the Crown) across three groups of outcomes that support the direction in the Government Policy Statement on Land Transport 2015/16-2024/25:

- ECONOMIC GROWTH AND PRODUCTIVITY
- ROAD SAFETY
- TRAVEL CHOICE, HEALTH, ENVIRONMENT AND RESILIENCE

At the same time, **value for money** is a key priority for delivering the best outcomes for New Zealand.

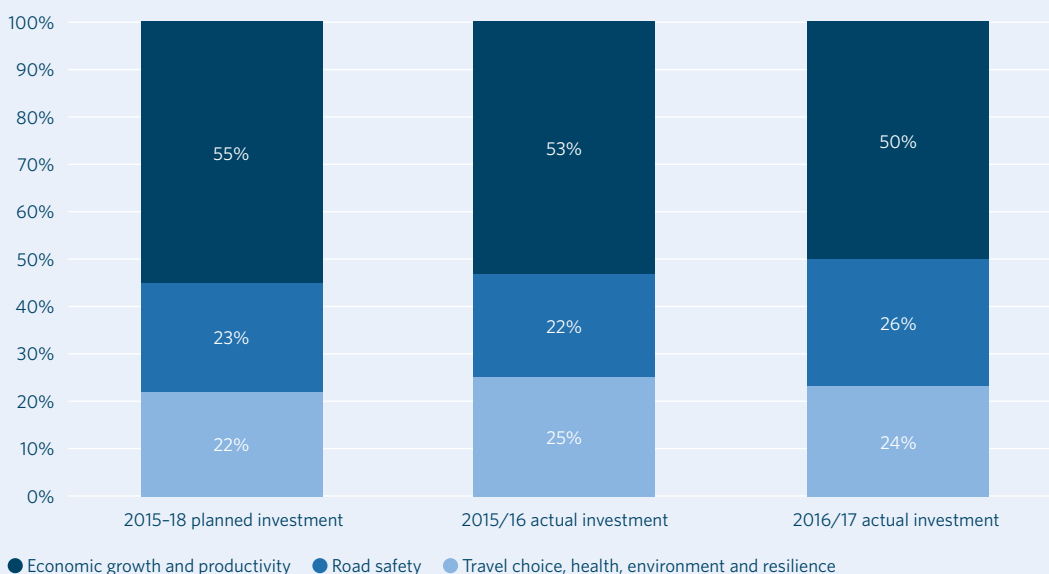
At the end of the second year of the 2015-18 National Land Transport Programme, the overall spend (\$6.7 billion) from the National Land Transport Fund was 3 percent below the planned amount when the programme was adopted in June 2015. By the completion of the 2015-18 National Land Transport Programme in June 2018, total investment is forecast to be 1 percent below the published amount.

In 2016/17, total investment for the National Land Transport Fund was \$3.4 billion, representing 97 percent of the published National Land Transport Programme. Of this investment, 50 percent went towards economic growth and productivity, 26 percent towards safety outcomes and 24 percent towards travel choice, health, and environment and resilience outcomes.

Revenue for the National Land Transport Fund during 2015/16 and 2016/17 was \$299 million higher than forecast in the published National Land Transport Programme. This is mostly due to increases in travel demand and freight movements, which have provided enough revenue to achieve the forecast investment levels and offset the decision to not adjust the fuel excise duty and road user charges rates in the final two years of the 2015-18 National Land Transport Programme.

The proportion of outcomes invested in during 2016/17 remains close to the published 2015-2018 National Land Transport Programme, despite the National Land Transport Fund expenditure variations. More detail on investments that have contributed to these outcomes is provided below and in the regional highlights (see pages 214 - 228).

FIGURE 1 - 2015-18 NATIONAL LAND TRANSPORT PROGRAMME PLANNED INVESTMENT AND ACTUAL INVESTMENT IN TARGETED OUTCOMES TO DATE



ECONOMIC GROWTH AND PRODUCTIVITY

The Government Policy Statement on Land Transport identifies the following long-term results for this strategic priority:

- Support economic growth and productivity through the provision of better access to markets, employment and business areas
- Support economic growth of regional New Zealand through provision of better access to markets

PERFORMANCE RESULTS: ECONOMIC GROWTH AND PRODUCTIVITY 2016/17

- The proportion of local roads available to high-productivity freight vehicles increased from 87 percent in 2015/16 to 95 percent in 2016/17, and the proportion of state highways available to high-productivity freight vehicles increased from 45 to 49 percent during the same period.
- Travel times on key state highways serving Auckland, Wellington and Christchurch remained the same during 2016/17 and the previous year. However, there was an aggregate decline in productivity of the state highways in major metropolitan area – Wellington maintained productivity levels, while Auckland and Christchurch both experienced declining productivity during 2016/17.
- Travel times generally improved on key local roads serving major metropolitan areas. Auckland maintained travel-time performance, while Wellington and Christchurch both experienced improved local road travel times.
- Surface condition of both state highways and local roads improved during 2016/17.

Approximately 50 percent of National Land Transport Programme expenditure in 2016/17 contributed to economic growth and productivity outcomes, slightly lower than the planned 55 percent for the three years of the 2015–18 National Land Transport Programme. A wide variety of transport activities support New Zealand's economic growth and productivity, in particular state highways and local roads, by providing access to markets, employment and business areas.

EXPENDITURE ON ECONOMIC PRODUCTIVITY AND GROWTH

Of those investments identified as having economic growth and productivity as a priority – most were invested in state highway improvements and maintenance for both state highways and local roads. Local road improvements expenditure at the end of 2016/17 was 29 percent below the published 2015–18 National Land Transport Programme. The overall outturn at the end of the 2015–18 National Land Transport Programme is expected to be \$45 million below the published programme, which was set at the minimum of the funding range in the Government Policy Statement.

ACTIVITY CLASS	2016/17 ECONOMIC GROWTH AND PRODUCTIVITY EXPENDITURE
Local road improvements	5.2%
Local road maintenance	16.0%
Public transport	11.1%
Regional improvements	2.1%
Road policing	2.1%
Road safety promotion	0.2%
State highway improvements	47.0%
State highway maintenance	15.9%
Walking and cycling improvements	0.4%

Highlights of investment in economic growth and productivity during 2016/17 include:

- Major progress towards completing improvements to Auckland's motorway and strategic roading network. This includes the much-needed motorway link between the city's centre and Auckland International Airport.
- Completing the Waterview Tunnel, which is a significant step in transforming the way people and freight move around Auckland growth and ensures greater reliability for travellers.
- Increasing maintenance investment by 30 percent in Northland to upgrade forestry roads, increasing productivity of the region.
- Opening the MacKays to Peka Peka Expressway to traffic – the first project in the Wellington Northern Corridor Road of National Significance programme to be completed.
- Starting construction on the Christchurch Southern Motorway and Northern Corridor projects: these two projects form part of the Christchurch Roads of National Significance programme and aimed to ease congestion, reduce travel times and improve safety on critical motorway routes.

CASE STUDY

UNEXPECTED RESULTS FROM INVESTMENT IN CENTRAL AUCKLAND

Every year, the Transport Agency conducts post-implementation reviews on a sample of completed projects or packages that received National Land Transport Fund investment. These reviews allow the Transport Agency to gain insight into the actual outcomes that National Land Transport Fund investments are achieving for New Zealand.

In October 2016, the Transport Agency reviewed the outcomes from a \$610 million bundle of National Land Transport Fund improvements on the northern and southern approaches to Auckland's Central Motorway Junction on State Highway 1. The Transport Agency found that the investment delivered significant performance improvements related to economic growth and productivity, including increased traffic volumes and throughput through central Auckland. However, travel times did not improve because increased traffic volumes offset the increased road capacity, which negated the investment to improve travel times.

While safety was not articulated as a key benefit during the project's planning stages, the Transport Agency's review showed that safety has significantly improved on that section of State Highway 1 as a result of the investment. Recorded crashes decreased by 45 percent when comparing a post-implementation period (April 2013 – July 2016) with crashes recorded in the five years before construction began.

ROAD SAFETY

The Government Policy Statement on Land Transport identifies the following long-term results for this strategic priority:

- Reduction of deaths and serious injuries

PERFORMANCE RESULTS: ROAD SAFETY 2016/17

- Deaths and serious injuries for 2016/17 (March year end) were 2,933, which is an increase of 445 from the previous year.

Approximately 26 percent of National Land Transport Fund expenditure contributed to road safety outcomes in 2016/17, slightly more than the planned 23 percent across the three years of the National Land Transport Programme. While this proportion is similar to the 2012–15 National Land Transport Programme, the larger amount of funding in the 2015–18 programme means that investments to improve road safety outcomes during the three years of the current programme will have increased by \$550 million. This investment remains critical to supporting a reduction in the number of deaths and serious injuries on roads as outlined in the Government Policy Statement.

Infrastructure improvements delivered by the Transport Agency and local authorities under the Safer Journeys Action Plan 2016–2020 continue to focus on creating safer roads and roadsides. These activities range from major roading projects such as the Waikato Expressway to urban intersection improvements and low-cost improvements such as rumble strips.

The ongoing maintenance of roads and their safety features is a high priority within state highway and local road maintenance programmes. Investment in cycling also aims to increase the safety of users through improved cycle networks, getting more people to ride bicycles more often and encouraging all road users to share the road.

The Road Policing Programme is a cornerstone of maintaining and improving road safety. Considerable efforts were made during the development of the 2015–18 National Land Transport Programme to ensure that the Road Policing Programme had a clear focus on reducing deaths and serious injuries from road crashes in a way that provides value for money. An example of this focus was exploring greater use of technology and innovative ways of working. In 2017/18, the Transport Agency will work with the New Zealand Police to develop the 2018–21 Road Policing Programme (for more details, see page 234).

Investment in road safety promotion focuses on improving road user behaviour through advertising, education and promotion. The Transport Agency continues to influence behaviour according to the Safe System approach, including safe speeds and safe road use.

EXPENDITURE ON ROAD SAFETY

Of investment identified as having safety as a priority, most was invested in road policing and state highway improvements.

ACTIVITY CLASS	2016/17 SAFETY EXPENDITURE
Local road improvements	3.1%
Local road maintenance	14.2%
Public transport	2.2%
Regional improvements	6.2%
Road policing	31.5%
Road safety promotion	3.3%
State highway improvements	25.7%
State highway maintenance	13.4%
Walking and cycling improvements	0.4%

Highlights of investment in road safety during 2016/17 include:

- Awarding the Dunedin one-way system separated cycle lane contract and starting construction of \$8 million of new cycle lanes. The separated cycle lane will improve cycle safety on the one-way system through the centre of Dunedin.
- Investment in State Highway 3 in Taranaki to improve safety at two of New Zealand's most high-risk intersections.
- Winning the Best International Award (the Tim Broadbent Prize) in November 2016 at the Institute of Practitioners in Advertising (IPA) Awards in London for the Mistakes national speed advertising campaign. The IPA Effectiveness Awards are widely considered to be the most rigorous effectiveness competition in the world, with entrants having to prove beyond reasonable doubt that their marketing communications campaign had a positive return on investment.
- Completing projects to deliver safer roads and roadsides on the Te Teko to Awakeri section of State Highway 30 and substantially completing projects on the State Highway 30 to Kawerau section of State Highway 34.

CASE STUDY

SUCCESSFUL SAFETY IMPROVEMENTS NEAR TAIHAPE

In November 2016, the Transport Agency conducted a post-implementation review to assess how well a \$13.6 million National Land Transport Fund investment near Taihape delivered on the benefits that it intended to achieve.

The Ohingaiti-Makohine road realignment aimed to improve safety outcomes by removing the steep, winding road on Makohine Hill that had been the site of several serious crashes. Other predicted benefits of the road realignment included improved travel times and reduced vehicle operating costs.

The review showed that, overall, the project was highly successful as safety outcomes in the areas improved. Crashes decreased from 42 between 2002 and the start of construction in early 2008, to seven between project completion in early 2010 and the end of 2015. Between these same periods, crashes resulting in injuries more than halved, from 10 to four.

However, the project was less successful in improving travel times and reducing operating costs. Travel times and average speeds improved initially, but those gains are starting to return to levels recorded before construction.

TRAVEL CHOICE, HEALTH, ENVIRONMENT AND RESILIENCE

The Government Policy Statement on Land Transport identifies the following long-term results for these objectives:

- Provide appropriate travel choices, particularly for people with limited access to a private vehicle
- Increased safe cycling through improvement of cycle networks
- Improved network resilience at the most critical points
- Mitigation of adverse environmental effects

PERFORMANCE RESULTS: TRAVEL CHOICE, HEALTH, ENVIRONMENT AND RESILIENCE 2016/17

- Five million more people used an urban transport service (bus, train or ferry) during 2016/17 compared with the previous year. However, productivity of public transport decreased during the year as costs increased for buses and trains (although decreased by ferries).
- The number of new kilometres of cycle lanes constructed doubled during 2016/17 compared with the previous year. This was due to the delivery of the Urban Cycleways Programme.

Approximately 24 percent of National Land Transport Fund expenditure for 2016/17 contributed to travel choice, health, environment and resilience outcomes. This was slightly more than the planned 22 percent for the three years of the 2015–18 National Land Transport Programme.

Investment in public transport continued to implement the Public Transport Operating Model, a framework for the provision of urban bus and ferry services. The model aims to provide a more competitive market place for public transport services and to optimise how services are delivered to maximise their effectiveness and efficiency.

Projects delivered under the walking and cycling improvements activity class are increasing healthy travel choices in urban areas by increasing and improving the number of walking and cycling facilities as well as making it safer for users.

Walking and cycling expenditure continues to grow and was 18 percent above the published National Land Transport Programme at the end of 2016/17, largely due to the growing impact of the Urban Cycleway Programme, which has accelerated the delivery of new cycling infrastructure with the addition of Crown funding.

Highlights of investment in travel choice, health, environment and resilience during 2016/17 include:

- Increasing investment to improve alternative routes following the closure of State Highway 1 after the November 2016 Kaikōura earthquake. Sections of the Picton to Christchurch Alternate Route in the Marlborough and Tasman Regions were made safer and more resilient for road users with an investment of \$23.7 million from the National Land Transport Fund.
- Responding to the Kaikōura earthquake through the North Canterbury Transport Infrastructure Recovery alliance. More than \$100 million was directed to the repair and reinstatement of roads damaged by the Kaikōura earthquake.
- Co-investing \$82 million with Auckland Council to deliver significant improvements to roads, public transport services, public transport stations, transport interchanges, walking routes and cycleways in the region.
- Investing in the Gisborne region towards developing and maintaining a resilient transport network. Roads in the region are a lifeline for the local communities, and their economy is dependent on the efficient movement of freight.
- Developing walking and cycling networks in Palmerston North and Whanganui to improve cycleways and shared paths for both urban centres as part of the Urban Cycleways Programme.

MITIGATING ADVERSE ENVIRONMENTAL EFFECTS FROM TRANSPORT

The Transport Agency has a responsibility to exhibit environmental responsibility. Improvements to the land transport system can have positive, as well as negative, effects on the environment. The Transport Agency minimises environmental harm in a variety of ways, including through making robust, evidence-based decisions that take account of environmental costs and benefits. The Transport Agency continually builds its evidence base to understand the impact of the transport network on the environment and mitigate the effects.

The Transport Agency mitigates the effects of climate change through investments in areas such as urban cycleways, the electrification of rail lines and effort to facilitate the uptake of electric vehicles. The Transport Agency also requires high-value state highway projects to complete a carbon footprint analysis in their design phase and provides an online tool that allows planners to estimate the carbon footprint of their project and identify methods to reduce emissions.

The Transport Agency's research programme recently investigated the conditions when storm water runoff is likely to cause adverse environmental effects. The screening tool for road runoff was revised and enhanced with provision to factor in the effects of traffic congestion and non-road pollution sources. It also has wider application to rivers, streams, coast lines and estuaries, as was demonstrated in a case study of the Te Awarua-o-Porirua Harbour and catchment.

The Transport Agency also issued new guidance to assist in public engagement on social and environmental issues and consultation began on new guidance to embed social and environmental assessments into the business case approach.

Each year, the Transport Agency holds more than 3,000 environmental permits related to operating and improving state highways, including for discharges to air, water and land. More than 50 live environmental management plans are in place at any given time.

The Transport Agency works alongside suppliers, key stakeholders and customer to provide strategic advice, research and support for transport-related natural environment, social, culture and heritage, health and urban design issues.

While all land transport activities are planned and delivered in a way that considers the surrounding environment and to mitigate adverse effects, improved environmental outcomes can also result from:

- investment in public transport
- freight productivity
- easing congestion and improving journey time predictability
- making cycling a safer and more attractive transport choice
- transport projects that make New Zealand's cities more accessible, safe and easy to live in.

IMPROVING THE UNDERSTANDING OF RESILIENCE

Analysis of the road improvement activities in the 2015-18 National Land Transport Programme showed that while only 2 percent of projects targeted resilience as a primary outcome, 52 percent identified resilience as a secondary outcome.

During 2016/17, the Transport Agency made improvements to business continuity planning as well as to its emergency responses. These improvements will help ensure the Transport Agency is prepared and can keep critical functions and processes working during emergencies and unexpected events. The Transport Agency also increased the variety of tools, guidance and reference information used in business cases processes for improved network resilience.

The Transport Agency is working to improve its understanding of resilience of the transport network. The *Transport Agency's statement of performance expectations 2017/18* includes a key performance indicator based on the duration of closures on state highways. Over time, the intent is to better understand the impact of unplanned disruptions on customers and the acceptable frequency and duration of disruptions to customers.

While work is under way to develop better measures for resilience, insight can be gained into resilience performance by looking at National Land Transport Fund expenditure on emergency works. Emergency works expenditure increased substantially during 2016/17 and expenditure for the three years of the 2015-18 National Land Transport Programme position is forecast to be 12 percent above the published amount. Some of this is in line with the response to the 2015 Whanganui-Taranaki floods. However, the 2016 Kaikōura earthquake and heavy rain events in 2016/17 will push up expenditure across local roads and state highways during 2017/18.

CASE STUDY

INNOVATIVE THINKING SUPPORTS KAIKŌURA RECOVERY

The Transport Agency assisted the recovery of Kaikōura by co-facilitating and sponsoring the Kaikōura University Challenge in May 2017. The challenges faced in Kaikōura are significant and the restoration of State Highway 1 north of Kaikōura is a major undertaking. The Transport Agency explored the different opportunities that exist to ensure travellers are completing their journeys to Kaikōura with confidence while work on State Highway 1 continues.

The initiative brought teams of students into Kaikōura during three days to hear directly from the community the challenges faced and to design and test possible solutions to assist in the recovery of the community.

This initiative reflects the changing operating environment in which transport outcomes are no longer just about the physical infrastructure challenges, but the wider impact these challenges can have on a community as a whole. The Transport Agency is using innovative thinking and techniques from a variety of perspectives to improve outcomes for affected communities.

VALUE FOR MONEY

The Government Policy Statement on Land Transport identifies the following long-term results for this strategic priority:

- Delivery of the right infrastructure and services to the right level
- Improved returns from road maintenance and public transport
- Effective on-road enforcement of the road user charges regime
- Understand the benefits and costs associated with innovation and technology

Work is under way in the Transport Agency to better understand the value for money gained from National Land Transport Fund investment. However, insight can already be gained into value for money by looking at the expected benefit-cost ratio of National Land Transport Fund investment for new approvals in system improvements. The average benefit-cost ratio across National Land Transport Programme investment by number of new approvals across the programme has remained about 4 during the first two years of the 2015-18 National Land Transport Programme. For 2016/17 investments, those primarily relating to public transport had the highest benefit-cost ratio.

ACTIVITY CLASS	BENEFIT-COST RATIO 2015/16	BENEFIT-COST RATIO 2016/17	VARIANCE
State highway improvements	3.4	3.7	0.3
Local road improvements	4.9	5.3	0.4
Public transport	7.4	5.8	-1.6
Walking and cycling	4.3	4	-0.3
Regional improvements	2.4	2.9	0.5
Estimated return on investment across all new investments	4	4	0

ACTIVITY CLASS	TOTAL COST OF NEW APPROVALS	NUMBER OF NEW APPROVALS
Local road improvements	258,838,349	63
Public transport	111,198,894	14
Regional improvements	613,653,836	113
State highway improvements	243,147,787	61
Walking and cycling improvements	114,549,163	51
GRAND TOTAL	1,341,388,029	302

PHYSICAL INFRASTRUCTURE MEETS THE DIGITAL WORLD

The future of transport is rapidly changing and with it the needs and expectations of customers. The intersection of physical infrastructure and the digital world opens up new and exciting opportunities in the transport industry. The Transport Agency's culture of innovation aims to exploit these opportunities and improve outcomes for New Zealanders.

The Transport Agency needs to respond to shifting customer needs and ever evolving trends in the digital world by aligning its innovation strategies to ensure that emerging and game-changing technologies are able to be leveraged and embraced, creating better transport system outcomes for New Zealand and great journeys for customers.

The Transport Agency is seeking to innovate by creating connections between parts of the transport system that otherwise would have remained disparate and unconnected, thereby creating greater value through a connected journey for New Zealanders.

LEADING EDGE RESEARCH TO SUPPORT PLANNING AND INVESTMENT

Strategic and operational research supports sound system planning and investment and is a key component of the Government Policy Statement's investment management activity class. The Transport Agency conducts leading-edge research that contributes to the breadth and depth of transport sector business and to achieving sector outcomes.

For example, an investigation into allowing buses leaving bus stops to have priority over general traffic in urban areas identified and quantified the economic and other benefits that would likely arise from a legislation change. This report concluded that 'give way to buses' legislation provides a viable investment opportunity. The outcomes will aid a review of the existing regulatory setting and provide evidence-based inputs to compile a full business case.

Thirty-one research reports were published during 2016/17, addressing topics including economic analysis, environmental impacts, asset management, technology developments and safety.

CASE STUDY

ARTIFICIAL INTELLIGENCE TRIAL TO IMPROVE SAFETY ON THE DESERT ROAD

The Transport Agency adopted a trial and pilot approach to experiment with new technologies and is applying these in non-traditional settings. An example of this approach is using artificial intelligence software to provide weather-based road travel information along the State Highway 1 network. This initiative was rapidly prototyped, tested and refined in 2017 with the aim of warning travellers of the risk of ice forming along the Desert Road section of State Highway 1.

The use of artificial intelligence and real-time weather data allows the Transport Agency to create unique conversations with customers who intend to travel on the Desert Road, giving them insight into the conditions ahead. Customers will be able to make smart travel choices before they enter the Desert Road area, avoiding icy conditions and possible crashes or delays. The potential benefits of this trial and pilot approach include reducing the likelihood of deaths and serious injuries on state highways and increasing productivity on a key arterial route for freight vehicles.

THE 2015-18 NATIONAL LAND TRANSPORT PROGRAMME

2015-18 NATIONAL LAND TRANSPORT PROGRAMME

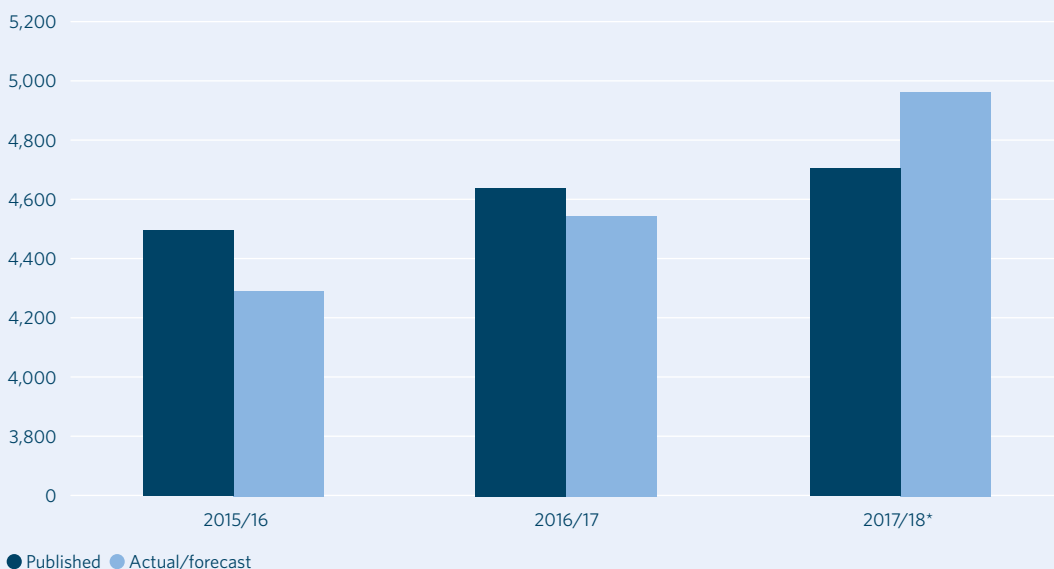
The 2015-18 National Land Transport Programme contains all land transport activities, including public transport, road maintenance, road improvements and walking and cycling activities that the Transport Agency expects to fund during the period.

The three-year programme represents \$13.9 billion of total investment in New Zealand’s land transport system. This total includes investment from the National Land Transport Fund, investment by local authorities and investment by the Government through Crown investments and loans.

Forecast expenditure for the 2015-18 National Land Transport Programme, which includes local and Crown funding, is forecast to reduce from \$13.9 billion in the published programme to \$13.6 billion. This is due to changes to the forecast expenditure between activity classes. For example, lower forecast expenditure on local roads reduces both the National Land Transport Fund and local funds used.

Forecast expenditure for the National Land Transport Fund during the 2015-18 National Land Transport Programme has fallen to \$10.4 billion, \$100 million below the \$10.5 billion shown in the published programme.

FIGURE 2 - 2015-18 NLTP: PUBLISHED VERSES ACTUAL/FORECAST



*The forecast 2017/18 expenditure excludes Crown funding for the Kaikōura Earthquake Response

USE OF THE NATIONAL LAND TRANSPORT FUND

At the end of the second year of the 2015–18 National Land Transport Programme, the overall investment of \$6.7 billion from the National Land Transport Fund was 3 percent below the planned amount when the programme was adopted in June 2015. By the end of the National Land Transport Programme in June 2018, total investment is forecast to be 1 percent below the published amount of \$13.9 billion.

Use of funds for state highway improvements during 2016/17 were 2 percent below the planned amount after two years, largely due to lower tender prices for large projects and delays to some projects. Investment at the end of the 2015–18 National Land Transport Programme is forecast to be 3 percent (\$108 million) below the published amount.

Expenditure for state highway maintenance remained below the planned amount after two years, reflecting lower input costs during 2015/16 and the continued deferral (where this was optimal) of road renewals. However, the percentage of state highways that will be due for renewal work is increasing and the level of spending in the published programme is expected to reduce in 2017/18.

Regional improvements is a new activity class for the 2015–18 National Land Transport Programme. It aims to progress regionally important transport infrastructure outside metropolitan areas. Expenditure increased during 2016/17 after a slow start up in 2015/16, but it is 47 percent below the planned amount after two years. Construction is expected to increase significantly in 2017/18, and forecast investment at the end of the National Land Transport Programme is expected to be close to the published total.

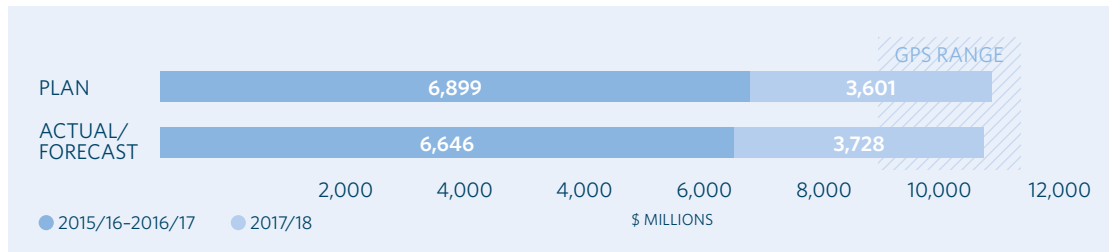
Local road improvements expenditure continued to track below the published amount in the 2015–18 National Land Transport Programme as several local authorities focused on other priorities.

The Government Policy Statement on Land Transport (GPS) 2015/16–2024/25 funding range for the walking and cycling activity class was adjusted by the Minister of Transport to accommodate an increase in expenditure driven by the Urban Cycleways Programme. At the end of 2016/17, investment in walking and cycling was 22 percent above the published amount and is forecast to be 45 percent above the published total by the end of the programme.

Emergency works expenditure increased in 2016/17 as a result of the Kaikōura earthquake and high-intensity rainfall events throughout the country. The Minister of Transport adjusted the Government Policy Statement funding range for the local road maintenance activity class to accommodate the increase in cost.

Below are the investments made from the National Land Transport Fund for the year to 30 June 2017 against the planned level of funds allocation in the published 2015–18 National Land Transport Programme. These figures do not account for National Land Transport Programme funds contributed by local authorities or other sources, including Crown grants and loans. However, repayment of Crown loans is included in the figures below. Additionally, the figures take a cash perspective on the use of funds and exclude non-cash items such as depreciation and book-value movements.

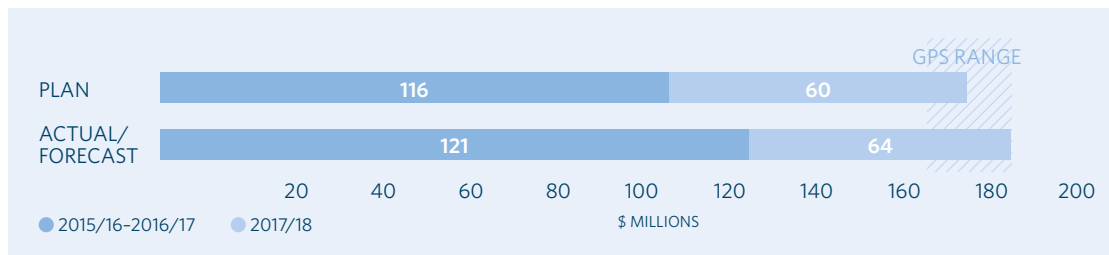
OVERALL USE OF THE FUND



Overall expenditure at the end of 2016/17 was 97 percent of the amount published in the National Land Transport Programme. By the end of the 2015-18 National Land Transport Programme, expenditure is expected to be within 1 percent of the published programme. Increased travel demand and more freight movements have provided the revenue to achieve the forecast investment levels and offset the decision to not increase fuel excise duty and road user charges rates during the final two years of the 2015-18 National Land Transport Programme.

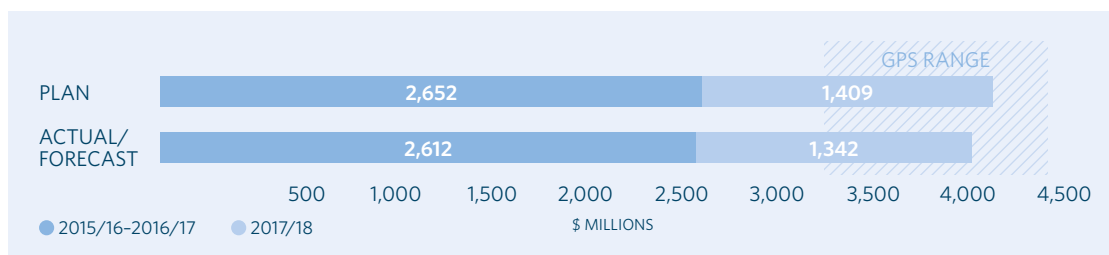
USE OF THE FUND BY ACTIVITY CLASS

Investment management



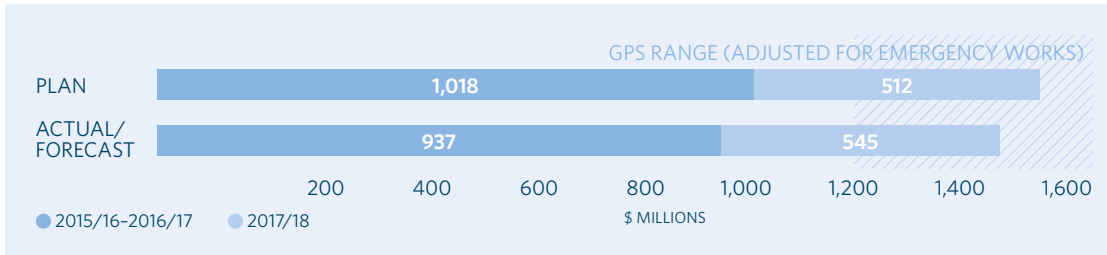
Expenditure in investment management was 4 percent above the amount published in the National Land Transport Programme at the end of 2016/17, mostly due to increased investment in transport planning. The increase reflects the resources being directed to planning to accommodate increased Auckland growth, develop interregional programme business cases and continue to progress Road Efficiency Group work to improve activity management planning. The Minister of Transport has increased the Government Policy Statement funding range by \$5 million to accommodate work required to implement the all-of-government New Zealand Business Number initiative. The total 2015-18 National Land Transport Programme investment is forecast to be 5 percent above the published amount and at the very top of the Government Policy Statement funding range.

State highway improvements



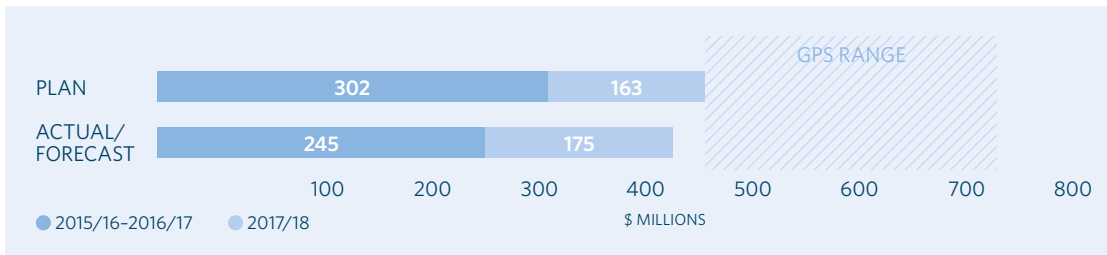
State highway improvements expenditure at the end of 2016/17 was 3 percent below the amount published in the National Land Transport Programme. This reflects lower tender prices for some major projects and slower delivery in some cases. The forecast for the balance of the National Land Transport Programme is \$107 million lower than the published amount due to the limited availability of projects that are ready for construction.

State highway maintenance (excluding emergency works)



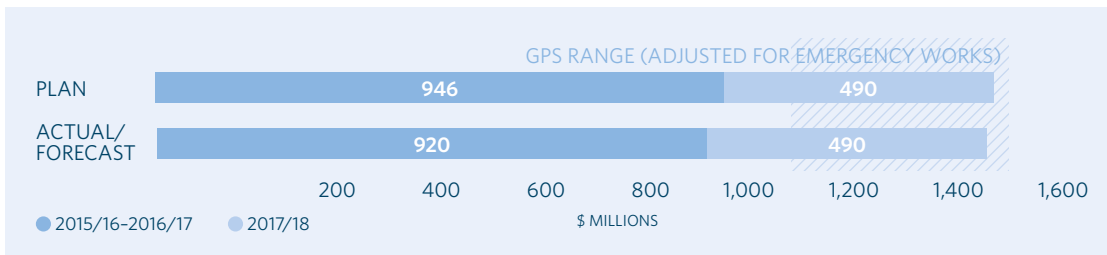
Expenditure on state highway maintenance at the end of 2016/17 was 8 percent below the amount published in the 2015-18 National Land Transport Programme. This was largely the result of the optimised timing of high-cost renewal activities, efficiencies gained through the network operating contracts and lower input costs. Expenditure is expected to increase in 2017/18 above the published amount in the National Land Transport Programme as a higher percentage of the network requires renewal. Approximately \$48 million of the savings from 2015/16 should carry through to the end of the National Land Transport Programme period.

Local road improvements



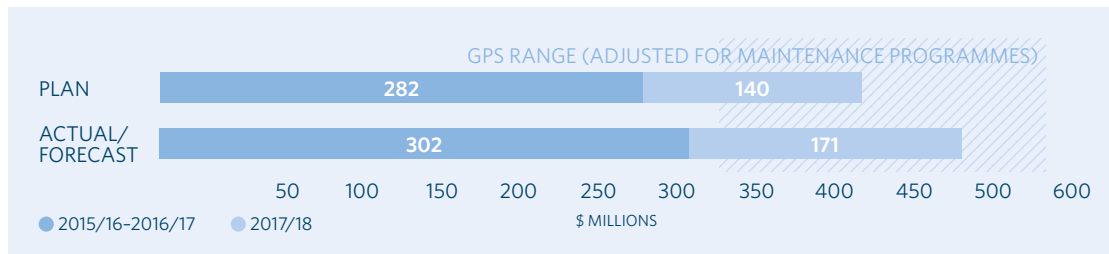
Local road improvements expenditure at the end of 2016/17 was 29 percent below the amount published in the 2015-18 National Land Transport Programme. This reflects local government focusing on other priorities, eg three waters infrastructure. The forecast for 2017/18 shows some ground being made up from acceleration of the LED street-lighting programme and improvement projects in Canterbury in response to the Kaikōura earthquake. Despite this, the overall investment at the end of the 2015-18 National Land Transport Programme is expected to be \$45 million below the published amount, which was set at the Government Policy Statement range minimum.

Local road maintenance (excluding emergency works)



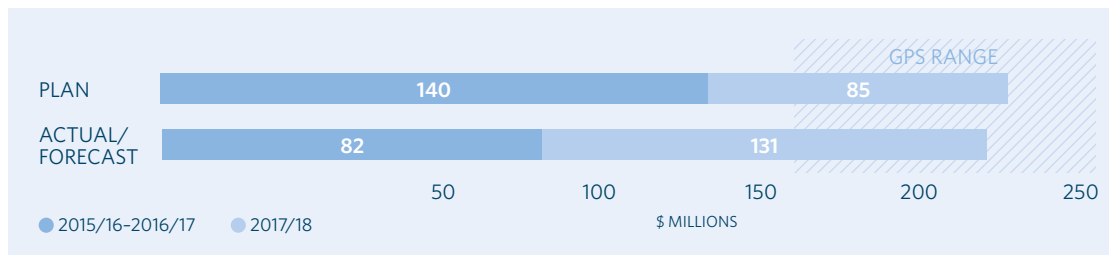
Expenditure on local road maintenance was 3 percent below the amount published in the National Land Transport Programme, reflecting lower input costs and some programme optimisation. Savings in 2015/16 are expected to carry through to the end of the National Land Transport Programme.

Emergency works on state highways and local roads



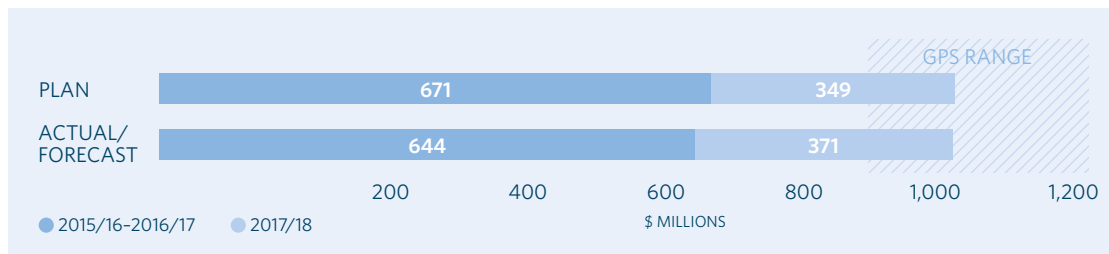
Emergency works expenditure increased substantially during 2016/17, and the National Land Transport Programme position at the end of the period is forecast to be 12 percent above the published amount. Some of this is in line with the increase expected for the response to the 2015 Whanganui-Taranaki floods. However, the 2016 Kaikōura earthquake and heavy rain events in 2016/17 will further increase expected expenditure during 2017/18 across local roads and state highways.

Regional improvements



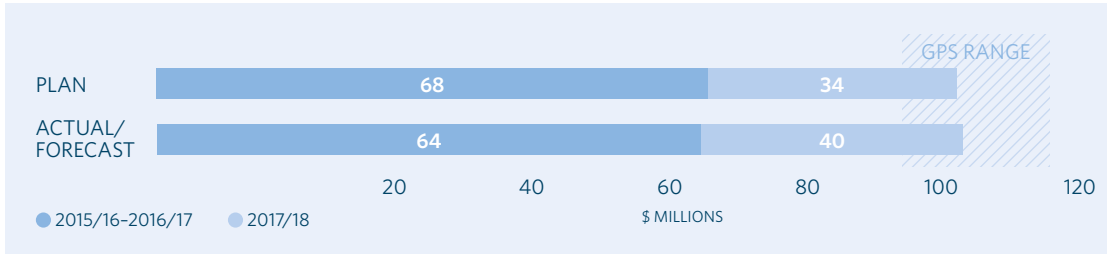
Regional improvements is a new activity class in the 2015-18 National Land Transport Programme, all of which is planned to be delivered on state highways. Delivery got off to a slow start and was still ramping up in 2016/17, with the year’s expenditure 33 percent below the published National Land Transport Programme. A substantial increase is forecast in 2017/18, reflecting the number of projects that are developed, ready for construction and approved for funding. The aim continues to be to invest the \$225 million planned for in the 2015-18 National Land Transport Programme, although this will be a challenge.

Public transport



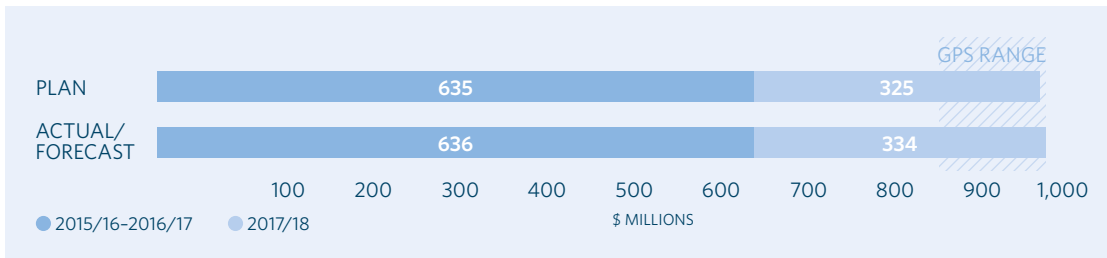
At the end of 2016/17, public transport investment was 4 percent below the amount published in the National Land Transport Programme. Public transport services expenditure was 2 percent below the planned amount, while infrastructure and Transport Agency investment was 19 percent below (compared with 33 percent below in 2015/16). Expenditure in 2017/18 is expected to increase, particularly for infrastructure and technology investment, and investment at the end of the National Land Transport Programme will be very close to the published amount.

Road safety promotion



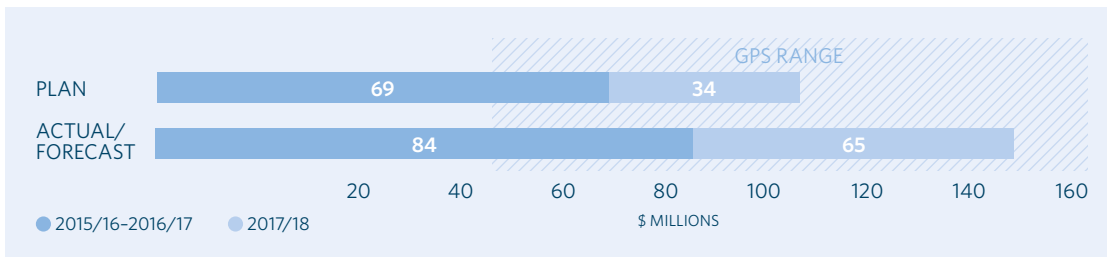
Expenditure in road safety promotion at the end of 2016/17 was 6 percent below the amount published in the National Land Transport Programme, an improvement on 2015/16 when it was 11 percent below. The increase in expenditure is expected to continue through 2017/18 and the total 2015-18 National Land Transport Programme investment is forecast to be slightly above the published amount.

Road policing



Expenditure on road policing was close to the amount published in the National Land Transport Programme at the end of 2016/17, and investment at the end of 2015-18 National Land Transport Programme is forecast to be \$10 million above the published amount of \$960 million. The increase in funding allocation was approved to retain key road policing functions, such as heavy vehicle inspections.

Walking and cycling improvements



Walking and cycling expenditure continued its strong performance in 2016/17, and was 22 percent above the amount published in the National Land Transport Programme. This was largely due to the growing impact of Urban Cycleways Programme, where Crown funding leverages National Land Transport Funding, as well as strong 2015/16 state highway delivery. This year, the Minister of Transport adjusted the upper end of the Government Policy Statement three-year funding range to accommodate the forecast total expenditure, which is expected to be 45 percent above the published amount by the end of the 2015-18 National Land Transport Programme.

LOOKING AHEAD

Revenue forecast

Revenue for the National Land Transport Fund during 2015/16 and 2016/17 was \$299 million higher than forecast in the published National Land Transport Programme. This results from:

- legal rulings made in 2015/16 on tax payable on bio-additives and oil pipeline slops
- customers purchasing vehicle licences for longer periods in 2015/16 due to reductions in Accident Compensation Corporation levies
- continued increases in travel volumes, including freight, leading to higher fuel consumption and more income from road user charges.

Revenue for the 2015-18 National Land Transport Programme is forecast to be \$358 million higher than the published figure.

Expenditure forecast

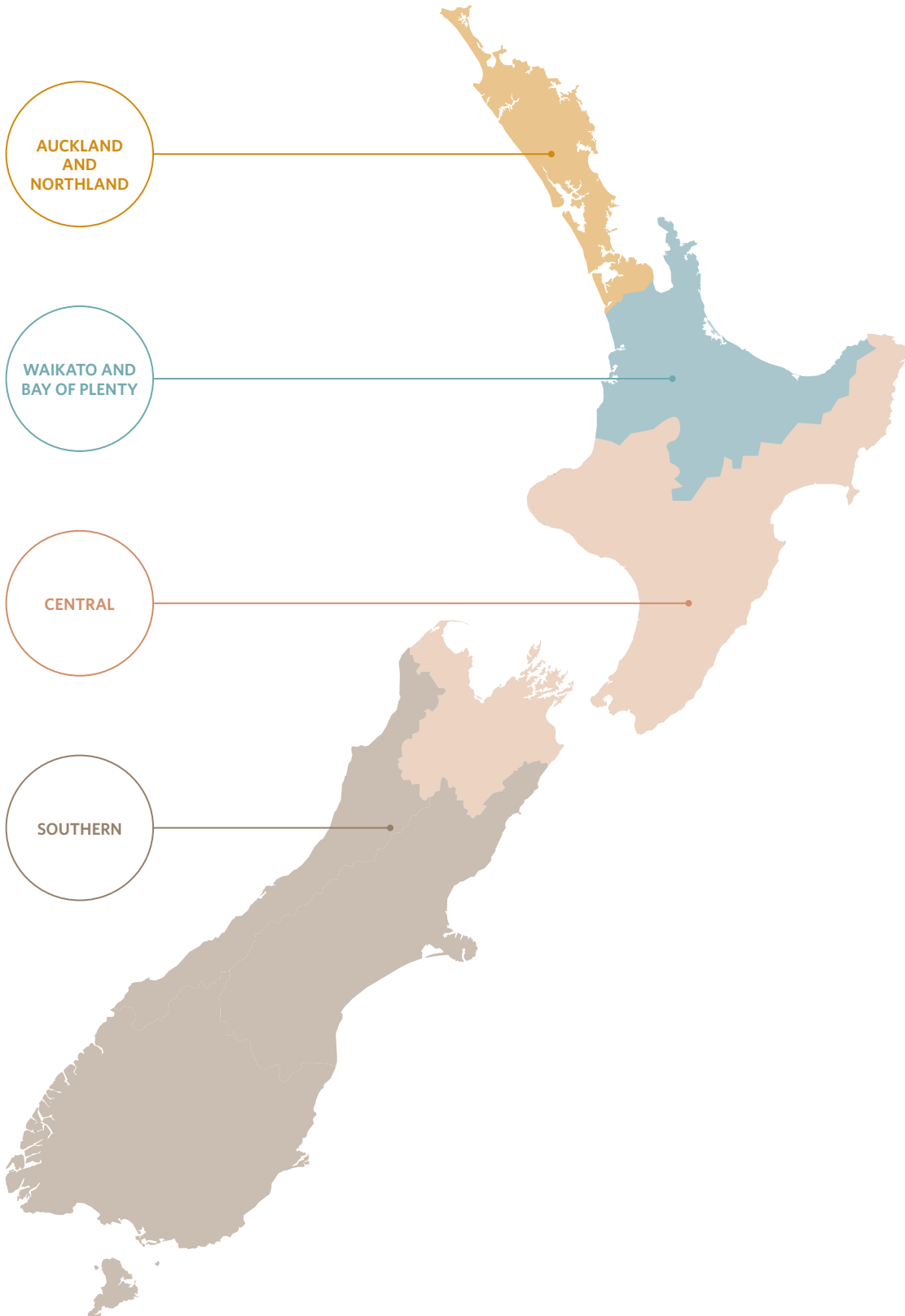
Forecast expenditure for the National Land Transport Fund during the 2015-18 National Land Transport Programme has fallen to \$10.4 billion, \$100 million below the \$10.5 billion shown in the published programme. Forecast expenditure for the National Land Transport Programme, which includes local and Crown funding, is forecast to reduce from \$13.9 billion in the published programme to \$13.6 billion. This is due to changes to the forecast expenditure between activity classes. For example, lower forecast expenditure on local roads reduces both the National Land Transport Fund and local funds used.

The National Land Transport Fund short-term debt facility, which is in place to assist the Transport Agency to manage short-term cash flows, was not required in 2017 because of the higher than planned revenue and lower than planned expenditure. The National Land Transport Programme forecast implies that the debt facility will not be required for 2018.

The National Land Transport Fund is forecast to be in a quite strong surplus position leading into the 2018-21 National Land Transport Programme. A substantial increase in investment to respond to Auckland and other high-growth urban pressures and to encourage regional economic development is expected to utilise surplus funds by 2021/22.

REGIONAL HIGHLIGHTS

The National Land Transport Fund made targeted investments across New Zealand through the 2015-18 National Land Transport Programme.



AUCKLAND AND NORTHLAND

The Transport Agency's Auckland and Northland region covers the top of the North Island – everything north of the Bombay Hills.



NORTHLAND

WHERE 2015-18 INVESTMENT IS FOCUSED

The 2015-18 National Land Transport Programme's investment in Northland is focused on contributing to the region's economic growth, improving transport network resilience and accessibility, and improving road safety performance, as well as growing public transport and encouraging cycling and walking.

This investment includes:

- delivering work and future plans to improve the journey between Auckland and Northland to deliver more predictable journey times and to address ongoing safety issues
- maintaining a resilient network that can reliably provide for the transport needs of Northlanders during regular severe weather events, which continues to be a priority for the region
- increasing investment significantly in road maintenance across state highway and local road networks, in line with national standards and levels of service.

THIS YEAR'S INVESTMENT HIGHLIGHTS

Completing two improvement projects to State Highway 1 in Whāngārei: State Highway 1 was expanded to four lanes between Selwyn Avenue and State Highway 14 to improve traffic flow and the safety of travellers. The roundabout at Kensington Road was also completed to allow vehicles travelling north to continue without stopping, ensuring traffic flows effectively and minimising potential road noise by heavy transport vehicles stopping on the hill approaching the intersection.

Improving local road intersections: improvements were made to the Mill Road and Nixon Road intersection as well as the Kamo Road and Nixon Road intersection. Both of these improvements were made to enhance safety and efficiency.

Completing improvements to State Highway 1 Brynderwyn Hills: the existing road was widened and realigned and a median wire rope barrier was installed to improve safety for travellers on this section of the state highway

Increasing maintenance investment 30 percent: this investment upgraded forestry roads, increasing productivity of the region.

Starting construction of the Kamo cycleway: the route was designed to provide safer access to centrally located Whāngārei schools and to connect residential areas north of the city with the Whāngārei central business district, Auckland University Campus and key recreational areas such as Kensington Park.

THIS YEAR'S NATIONAL LAND TRANSPORT FUND INVESTMENT

ACTIVITY CLASS	2016/17 ACTUAL \$000
Northland total	99,919
State highway improvements	18,808
State highway maintenance	24,678
Local road improvements	6,398
Local road maintenance	36,448
Regional improvements	10,821
Public transport	904
Road safety promotion, investment management and walking and cycling	1,863

AUCKLAND

WHERE 2015-18 INVESTMENT IS FOCUSED

The 2015-18 National Land Transport Programme's investment in Auckland focuses on supporting the region's complex transport network to handle the demands of special housing areas, freight, general road traffic, public transport, as well as cycling.

This investment includes:

- critical investment in the expansion of the region's rapid transit network, in particular the new busway between Panmure and Botany, as part of the multimodal Auckland Manukau Eastern Transport Initiative
- major steps towards completing the region's motorway and strategic roading network, including the Waterview link to complete the Western Ring Route Road of National Significance, the new East-West Link between State Highway 1 and State Highway 20 (delivered under the Accelerated Auckland Transport Programme), and the much-needed motorway link between the central business district and Auckland International Airport
- in partnership with Auckland Transport, delivering further key elements of the region's strategic cycling network that aim to significantly grow this active transport mode
- Transport Agency and Auckland Council co-investment of a further \$82 million in the Auckland Manukau Eastern Transport Initiative for Auckland Transport to deliver significant improvements to roads, public transport services, public transport stations, transport interchanges, walking routes and cycleways.



THIS YEAR'S INVESTMENT HIGHLIGHTS

Completing the Waterview Tunnel section of the Western Ring Route Road of National Significance:

the Waterview Tunnel was completed in time to be opened to traffic on 2 July 2017. The tunnel provides more connections for Auckland's transport system and creates additional motorway capacity, which will help free up local roads. It is a significant step in transforming the way people and freight move around Auckland and ensures greater reliability for travellers.

Making substantial progress on the State Highway 20A to Airport project: this project separates local road and suburban traffic from motorway traffic, making it easier and more reliable to travel to and from the airport. The noise walls feature art reflecting Māori cultural heritage, which provides an enhanced sense of place for the community and increases knowledge of cultural heritage for visitors.

Beginning consultation and investigations for the Auckland Manukau Eastern Transport Initiative Eastern Busway:

In February 2017, the Panmure to Pakuranga busway section of the Eastern Busway was opened for public consultation. In May 2017, investigations commenced to finalise the location of underground services along sections of Pakuranga Road between Panmure Bridge and Ti Rakau Drive. The busway will provide travellers with better transport choices and free up the roads for freight and business traffic.

Delivering Te Ara Mua Future Streets project: the project involved changing some of the roads and connections in Māngere Central and introducing activities to promote walking and cycling. This made local trips across Māngere Central safer and easier, while offering a selection of healthy transport choices.

THIS YEAR'S NATIONAL LAND TRANSPORT FUND INVESTMENT

ACTIVITY CLASS	2016/17 ACTUAL \$000
Auckland total	909,158
State highway improvements	387,723
State highway maintenance	110,707
Local road improvements	68,148
Local road maintenance	108,820
Regional improvements	-
Public transport	207,680
Road safety promotion, investment management and walking and cycling	26,079

WAIKATO AND BAY OF PLENTY REGION

The Waikato and Bay of Plenty region reaches from the bottom of the Bombay Hills to the Desert Road summit, from just south of Mokau in the west, through the Waioeka Gorge near Opotiki, and midway along the Taupō-Napier Road.

WAIKATO

WHERE 2015-18 INVESTMENT IS FOCUSED

The 2015-18 National Land Transport Programme's investment in Waikato is targeted to support significant residential growth, new industrial development and jobs, while also ensuring efficient freight movement and access to markets across New Zealand, as well as the export ports of Tauranga and Auckland.

This investment includes:

- continued investment in the Auckland to Tauranga via Hamilton journey, including completing and opening more sections of the Waikato Expressway Road of National Significance and completing the Hamilton Ring Road, with forecast travel-time savings of up to 23 minutes, as well as improved safety for customers on the journey
- expected safety improvements to State Highway 1 between Cambridge and Paerere (intersection of State Highways 1 and 29)
- working with partners and stakeholders, including the New Zealand Police to improve road safety for motorists for the Pōkeno to Tauranga via Waihi key journey improving high-risk intersections such as State Highways 3 and 21 south of Hamilton near the airport
- under the Government's Accelerated Regional Transport Programme, improving resilience and safety outcomes through the Awakino Gorge.

THIS YEAR'S INVESTMENT HIGHLIGHTS

Continuing progress on the Waikato Expressway: the expressway project will enable considerable opportunity for economic development and is expected to save at least 23 minutes of journey time between Tirau and the Bombay Hills. Work began on the Hamilton section and construction continued on the Huntly, Rangiriri and Longswamp sections. Planning work has started on upgrading State Highway 1 between the completed Cambridge section and State Highway 29.

Starting state highway safety improvements: several safety initiatives began, including improvements on State Highway 3 between Hamilton and Te Awamutu, State Highway 37 (Waitomo Caves) and State Highway 23 from Hamilton to Raglan. Good progress was also made improving safety on State Highway 1B east of Hamilton and State Highway 3 south to Awakino – an essential freight route to the Taranaki region.

Confirming investment for State Highway 2 Pōkeno to Mangatarata: improvements to this 32km section of highway during the next 10 years will improve road safety, provide more reliable journey times and support growth in the east Waikato and Coromandel areas. Planning activities and property acquisitions to enable construction are under way.

Continuing to develop the State Highway 1-State Highway 29 business case: this business case identifies the long-term transport network required to support the key journey between the Bay of Plenty, Waikato and the wider upper North Island. Similar business cases are also being developed on State Highway 1 Cambridge to Paerere, Paerere to Taupō and Taupō to Waiouru. The business cases are being developed in collaboration with industry interest groups, iwi, councils and the community.

THIS YEAR'S NATIONAL LAND TRANSPORT FUND INVESTMENT

ACTIVITY CLASS	2016/17 ACTUAL \$000
Waikato total	444,406
State highway improvements	277,243
State highway maintenance	67,021
Local road improvements	6,235
Local road maintenance	58,000
Regional improvements	19,439
Public transport	8,660
Road safety promotion, investment management and walking and cycling	7,807



BAY OF PLENTY

WHERE 2015-18 INVESTMENT IS FOCUSED

The 2015-18 National Land Transport Programme's investment in the Bay of Plenty is targeted to support significant residential growth and new industrial land development and jobs while also ensuring efficient freight movement and access to the Port of Tauranga.

This investment includes:

- increasing investment in urban cycling and walking to address safety issues and to get more people to cycle or walk
- working with stakeholders in Tauranga to extend the public transport network and transition urban school bus services into an integrated network to reduce congestion and maintain journey time reliability
- continuing to invest in the Tauranga to Auckland via the Waikato key journey, introducing electronic tolling to Takitimu Drive Toll Road and investigating how to make the journey easier through areas such as Tauriko and onto the State Highway 29 regional part of the journey
- furthering safety improvements to the Tauranga to Auckland via the Waikato key journey and the Pōkeno and Tauranga via Waihi key journey to prevent deaths and serious injuries
- investigating how the road and rail networks can complement each other, the scale and shape of future freight in the Bay of Plenty, and the local growth pressures on the outskirts of Tauranga.



THIS YEAR'S INVESTMENT HIGHLIGHTS

Improving State Highway 2 Waihi to Tauranga: during the next 10 years and beyond, activities will improve road safety, provide more reliable journey times and support growth along this corridor. Progress was made on the development of the Tauranga Northern Link design, as well as key intersection and corridor improvements. A review also added a bypass of Katikati township to the programme of work.

Delivering improvements for Rotorua: construction of the State Highway 5 Hemo Road intersection and development of detailed solutions for eastern State Highway 30 Te Ngae Road and central State Highway 5 Amohau Street corridors continued. The work supports local growth, regional economic development and city centre revitalisation.

Continuing intersection improvements: construction continued on key intersection improvements, including the Maungatapu Underpass, Baypark to Bayfair, and the State Highway 2 Minden Road intersection. These activities support local growth and access to the Port of Tauranga and increase safety.

Improving safety: projects to deliver safer roads and roadsides were delivered on the Te Teko to Awakeri section of State Highway 30 and largely completed on the State Highway 30 to Kawerau section of State Highway 34. Progress was also made developing business cases, including for the Wainui Road to Opotiki section of State Highway 2.

Investing in cycling infrastructure: investment in the Rotorua and Tauranga urban cycling networks continued with a focus on delivering key missing links in the cycleways. The first stages of the Omokoroa to Tauranga cycleway, which will improve travel choice and safety, was delivered.

THIS YEAR'S NATIONAL LAND TRANSPORT FUND INVESTMENT

ACTIVITY CLASS	2016/17 ACTUAL \$000
Bay of Plenty total	165,688
State highway improvements	79,074
State highway maintenance	38,655
Local road improvements	4,975
Local road maintenance	29,869
Regional improvements	2,864
Public transport	6,539
Road safety promotion, investment management and walking and cycling	3,712

CENTRAL REGION

The Central region stretches up from the top of the South Island (Nelson, Tasman and Marlborough) to the southern and central North Island, reaching across Taranaki, Manawatū-Whanganui and Wellington to the Hawke's Bay and Gisborne.

GISBORNE

WHERE 2015-18 INVESTMENT IS FOCUSED

The 2015-18 National Land Transport Programme's investment in Gisborne is focused on developing and maintaining a resilient transport network. Roads in the region are a lifeline for the local population and enable the efficient movement of freight, on which the economy depends.

This investment includes:

- an estimated investment of \$5 million in cycling and walking, including \$1.3 million from the Urban Cycleways Fund
- funding from the Government's Accelerated Regional Transport Programme for the construction of additional passing opportunities on State Highway 35 at Panikau Hill and Wallis Hill to increase safety and traffic flows
- investigation of the replacement of the single-lane Motu Bridge on State Highway 2 (also funded by the Government's Accelerated Regional Transport Programme)
- improvements to bridges to allow an additional 20 kilometres of high productivity motor vehicles routes, enabling more freight to be carried on fewer trucks.

THIS YEAR'S INVESTMENT HIGHLIGHTS

Concluding the Eastland Port Access Project detailed business case investigations: this project targets efficiency improvements for freight accessing Eastland Port from State Highway 35 into Hirini Street.

Preparing for construction of State Highway 2 Motu Bridge replacement: this safety and resilience project, delivered from the Accelerated Regional Transport Programme, will replace the existing one-lane bridge with a new two-lane bridge and improve the road alignment for the approaches to the bridge. The new bridge is expected to be completed late 2017, with the project completed early in 2018.

Delivering the Community Driver Mentor and Community Learner Driver Programmes: these programmes are supported by local authorities and help remove the barriers some young people face in economically deprived situations when trying to get their restricted driver licence. The programmes aim to enable these young people to learn safe driving habits, become safer on the road and drive legally.

Concluding property negotiations and consenting for the Wainui Cycleway: the project will provide 10.65 kilometres of cycleway to extend an existing facility from Wainui through Kaiti and into Gisborne's central business district. It will connect with employment areas and schools in the central business district and provide local road links to schools in the area adjacent to the route.

THIS YEAR'S NATIONAL LAND TRANSPORT FUND INVESTMENT

ACTIVITY CLASS	2016/17 ACTUAL \$000
Gisborne total	32,324
State highway improvements	3,082
State highway maintenance	10,852
Local road improvements	1,691
Local road maintenance	15,316
Regional improvements	821
Public transport	295
Road safety promotion, investment management and walking and cycling	268



HAWKE'S BAY

WHERE 2015-18 INVESTMENT IS FOCUSED

The Hawke's Bay region is experiencing a prolonged period of economic growth. Significant investment from the 2015-18 National Land Transport Programme is being made across the transport network to support increased demand, particularly from freight. This investment includes:

- investment of \$13 million to sustain and grow public transport patronage and enhance existing services
- investment in promoting cycling is an expected \$9 million, including \$2.9 million from the Urban Cycleways Fund
- planned investment of \$22 million for regionally significant transport corridors to improve resilience and safety, increase freight efficiency within the region, and strengthen interregional journeys between the Hawke's Bay and neighbouring regions
- investigating opportunities to improve access to Napier Port, in recognition of its expanding use, as part of the Government's Accelerated Regional Transport Programme.



THIS YEAR'S INVESTMENT HIGHLIGHTS

Improving the safety and efficiency for freight connections to the Napier Port: progress was made on three key roading improvements identified in the Napier Port Access business case, some of which are part of the Accelerated Regional Transport Programme. Construction started on the State Highway 2 Watchman Road intersection, with investigations and design progressing on the Prebensen Drive-Hyderabad Road intersection and State Highway 50-State Highway 2 expressway safety improvements. These initiatives will improve access for freight and enhance supply chain efficiency while reducing the risk of deaths and serious injuries.

Starting construction of State Highway 2 Watchman Road intersection upgrades: this is a new roundabout at the intersection of State Highway 2, State Highway 2B and Watchman Road that will improve safety and efficiency on the strategic route to the port and Hawke's Bay airport. The intersections are ranked in the top 10 dangerous intersections in New Zealand. The project is expected to be completed in the middle of 2018.

Developing options to improve the journey on State Highway 38 between Wairoa and Rotorua: in collaboration with Whakatāne and Wairoa District Councils and Ngāi Tūhoe, progress was made on a business case looking at possible improvements to enhance tourism and improve resilience.

Making progress on the construction of the Whakatū Arterial Link: this will improve access for freight and enhance supply chain efficiency, while reducing the risk of deaths and serious injuries. The link provides opportunities for integration between road, rail, the freight distribution centre (inland port at Whakatū) and coastal shipping. The project is well under way with the recent opening of the new Whakatū Arterial roundabout on State Highway 2. Work on the new link road connecting to the roundabout is continuing.

THIS YEAR'S NATIONAL LAND TRANSPORT FUND INVESTMENT

ACTIVITY CLASS	2016/17 ACTUAL \$000
Hawke's Bay total	61,002
State highway improvements	3,873
State highway maintenance	13,116
Local road improvements	6,040
Local road maintenance	24,613
Regional improvements	8,875
Public transport	1,901
Road safety promotion, investment management and walking and cycling	2,584

TARANAKI



WHERE 2015-18 INVESTMENT IS FOCUSED

Investment in the Taranaki region from the 2015-18 National Land Transport Programme focuses on freight efficiency, route resilience, interregional connectivity, road maintenance and public transport.

This investment includes:

- expected investment of \$9 million in public transport to further encourage growth in the use of public transport
- investment of \$2 million in cycling and walking, including \$147,000 from the Urban Cycleways Fund
- improvements to State Highway 3 to improve safety at two of New Zealand's highest-risk intersections
- under the Government's Accelerated Regional Transport Programme, investigating how to improve State Highway 3 between New Plymouth and Hamilton (Mount Messenger to Awakino Gorge), and completing the State Highway 3 Normanby Overbridge Project so it is suitable for high productivity motor vehicles and to improve safety and journey time reliability
- investment of \$8.5 million along the interregional state highways to safeguard the regional economy by ensuring the freight transport links with the rest of New Zealand are safe and resilient.

THIS YEAR'S INVESTMENT HIGHLIGHTS

Making progress on the State Highway 3 Awakino Gorge to Mount Messenger Programme

investigations: this route is a strategic link between Hamilton and New Plymouth. Options are being developed to upgrade and create bypasses for sections to improve safety, resilience, route availability and travel times. Some of this programme is being delivered by the Accelerated Regional Transport Programme.

Completing the State Highway 3 Normanby Bridge realignment: This project improves freight efficiency by enabling high productivity motor vehicle movements, while also improving safety and journey time reliability. This project was delivered by the Accelerated Regional Transport Programme.

Investigating safety on key sections of strategic road network: several investigations are under way to target safety issues across the region, including State Highway 45 Oakura, State Highway 3 Bell Block to Waitara and State Highway 3 New Plymouth to Hawera. While safety is the primary driver for these investigations, efficiency and resilience improvements will also be considered.

Reinstating State Highway 3 and State Highway 43: significant remedial work was required at various sites on State Highway 3 and State Highway 43 following a major storm in 2015. Completion of this work restored normal access for communities and improved route resilience and travel times.

Completing improvements for high productivity motor vehicles: bridges are being strengthened to complete the State Highway 3 Hawera to Whanganui high productivity motor vehicle route. Completion of the route will help improve regional freight efficiency.

Making progress on upgrades to cycling facilities on Coronation Ave: this project will provide significant safety improvements by providing a safe off-road route to cycle to New Plymouth's central business district.

THIS YEAR'S NATIONAL LAND TRANSPORT FUND INVESTMENT

ACTIVITY CLASS	2016/17 ACTUAL \$000
Taranaki total	40,225
State highway improvements	4,333
State highway maintenance	14,040
Local road improvements	3,761
Local road maintenance	15,781
Regional improvements	414
Public transport	1,461
Road safety promotion, investment management and walking and cycling	436

MANAWATŪ-WHANGANUI



WHERE 2015-18 INVESTMENT IS FOCUSED

Investment in the Manawatū-Whanganui region from the 2015-18 National Land Transport Programme focuses on developing and maintaining a resilient transport network that supports an economy heavily reliant on its role as a distribution hub and getting produce to market.

This investment includes:

- \$19.3 million planned investment in public transport
- \$7 million investment in cycling and walking, including \$4.3 million of Urban Cycleways funding, which includes a walking-cycling bridge over the Manawatū River and completion of Mountains to River 'Great Ride'
- improvements to State Highway 1 targeted towards reducing travel time
- \$2.5 billion investment in the Wellington Roads of National Significance that will deliver travel-time savings of up to 40 minutes between Levin and Wellington Airport
- \$21 million planned investment on State Highway 2 between Woodville and Hawke's Bay to increase freight efficiency while helping to keep road users safe
- under the Accelerated Regional Transport Programme, proposed replacement of the State Highway 1 Whirokino Trestle Bridge to reduce freight costs
- investigating new passing opportunities on State Highway 1 between Foxton and Waiouru to improve journey times, while enhancing safety and easing driver frustration on a nationally strategic state highway.

THIS YEAR'S INVESTMENT HIGHLIGHTS

Investing in emergency works in the Manawatū Gorge: the closure of the gorge in April 2017 required significant investment in the emergency response and remedial work within the gorge, as well as additional maintenance on the Saddle Road alternative route.

Starting preparatory construction on the State Highway 1 Whirokino Trestle and Manawatū River

Bridge project: this project will replace bridges to improve safety, resilience and efficiency, as well as allow high productivity motor vehicles to use the route. The State Highway 1 Whirokino Trestle Bridge is part of the Accelerated Regional Transport Programme.

Completing construction of State Highway 2 Whakaruatapu Stream Bridge replacement and

Otamaraho Curves passing lane extension: these projects will help increase freight efficiency and help keep road users safe.

Developing walking and cycling networks in Palmerston North and Whanganui: work continued to develop and improve cycleways and shared paths for both urban centres as part of the Urban Cycleways Programme. In Palmerston North, this includes a new bridge across the Manawatū River, connecting the city with Massey University and Linton Army Camp.

THIS YEAR'S NATIONAL LAND TRANSPORT FUND INVESTMENT

ACTIVITY CLASS	2016/17 ACTUAL \$000
Manawatū-Whanganui total	119,008
State highway improvements	11,076
State highway maintenance	30,801
Local road improvements	7,064
Local road maintenance	55,694
Regional improvements	9,872
Public transport	3,008
Road safety promotion, investment management and walking and cycling	1,493

WELLINGTON



WHERE 2015-18 INVESTMENT IS FOCUSED

Investment in the Wellington region from the 2015-18 National Land Transport Programme focuses on improving travel-time reliability in the city's commuter peak travel times, enabling the development of a multimodal network and supporting a safe and resilient network for freight and commuters.

This investment includes:

- investment of \$456 million in public transport to encourage continued patronage growth
- expected investment of \$49 million in cycling and walking, including \$22 million from the Urban Cycleways Fund
- construction of the Wellington Northern Corridor on State Highway 1, a Road of National Significance, to increase resilience, journey reliability and safety for commuters and freight
- construction of the Mackays to Peka Peka section of the Wellington Northern Corridor Road of National Significance, forecast to improve average journey times by 3.5 minutes and improve safety
- new routes at Transmission Gully and, potentially, Petone to Grenada are expected to significantly improve the resilience of the overall network, by providing alternative routes and more capacity
- continued work to resolve outstanding issues for transport between the Ngāūranga Gorge interchange and Wellington Airport.

THIS YEAR'S INVESTMENT HIGHLIGHTS

Opening the MacKays to Peka Peka Expressway to traffic: this 18 kilometre four-lane expressway redirects State Highway 1 along the Kāpiti Coast. It is the first project in the Wellington Northern Corridor Road of National Significance programme to be completed. The new route separates local and state highway traffic to enable safer, shorter and more reliable journeys along the Kāpiti Coast.

Continuing investment in the Wellington Northern Corridor Road of National Significance programme: this includes Transmission Gully, Peka Peka to Ōtaki and Ōtaki to north of Levin (in the Manawatū-Whanganui region). Completion of the Wellington Northern Corridor will significantly improve resilience, reliability, safety and journey times for customers.

Making progress on investigations and design work to improve east-west links: this includes the Petone-Grenada Link Road investigations and State Highway 58 safety improvements. Improving these links will improve regional resilience, route availability, route choice and travel times.

Continuing investment in walking and cycling networks in main urban centres: this includes the Wellington to Hutt Valley Walking and Cycling Link, together with projects in Kāpiti District, Hutt City, Upper Hutt City and Porirua. Completing routes within and between urban centres will improve safety and provide travel choices for commuters and recreational users.

Investing in the delivery of the public transport transformation programme: this includes the ongoing implementation of the Public Transport Operating Model, integrated ticketing and planning for the introduction of a new bus fleet and services.

THIS YEAR'S NATIONAL LAND TRANSPORT FUND INVESTMENT

ACTIVITY CLASS	2016/17 ACTUAL \$000
Wellington total	404,758
State highway improvements	223,185
State highway maintenance	59,520
Local road improvements	7,468
Local road maintenance	36,975
Regional improvements	-
Public transport	70,897
Road safety promotion, investment management and walking and cycling	6,712

TOP OF THE SOUTH



WHERE 2015-18 INVESTMENT IS FOCUSED

The 2015-18 National Land Transport Programme's investment in the Top of the South focuses on maintaining efficiency of key freight routes, addressing route resilience challenges, investing in cycling and public transport and helping to fund the costs of maintenance, operations and renewals.

This investment includes:

- through the Accelerated Regional Transport Programme, investigating a replacement for the Ōpāwa Bridge in Marlborough to remove the pinch point on State Highway 1 enabling better access for high productivity motor vehicles
- further investment to enable 50MAX and high productivity motor vehicle access to forestry plantations in the Northbank and Waihōpai areas
- work to address a pinch point for cyclists in the Gentle Annie pass on State Highway 6 in Nelson, which, when completed will deliver 3.5 metre-wide lanes and 1.5 metre shoulders for motorists and cyclist travelling in both directions
- continued investment in Nelson's walking and cycling programme of improvements, including investigations into Rocks Road and Tāhunanui
- expected investment of \$1 million investment in cycling and walking in Blenheim, including \$710,000 from the Urban Cycleways Fund.

THIS YEAR'S INVESTMENT HIGHLIGHTS

Increasing maintenance investments to improve alternative routes following the closure of State Highway 1 after the November 2016 Kaikōura earthquake: a total of \$23.7 million from the National Land Transport Fund was invested in the Marlborough and Tasman Region sections of the Picton to Christchurch Alternate Route to make it safer and more resilient for road users. A further \$18.5 million of improvements were funded from the Government's Kaikōura earthquake recovery fund.

Completing detailed design for the State Highway 1 Opawa Bridge replacement: construction of a new two-lane bridge will start in 2017/18, and the existing bridge will be retained and used for a walking and cycling bridge. The new bridge, delivered as part of the Accelerated Regional Transport Programme, will remove a pinch point on State Highway 1 and enable better access for high productivity motor vehicles.

Completing the initial business case for State Highway 1 Picton-Christchurch: this route is a nationally strategic route and carries a significant amount of freight. Initial investigations identified a package of safety, resilience, efficiency and access proposals for the route that require further consideration. This resulted in the start of pre-implementation work for realignment at Weld Pass to improve safety.

Making progress on the construction of the State Highway 6 Rai Saddle improvements: this project aims to reduce the number and severity of crashes.

THIS YEAR'S NATIONAL LAND TRANSPORT FUND INVESTMENT

ACTIVITY CLASS	2016/17 ACTUAL \$000
Top of the South total	90,413
State highway improvements	22,800
State highway maintenance	41,879
Local road improvements	1,498
Local road maintenance	16,697
Regional improvements	5,189
Public transport	865
Road safety promotion, investment management and walking and cycling	1,486

SOUTHERN REGION

The Southern region is the largest of the Transport Agency's four regions, embracing all of the South Island except Nelson, Tasman and Marlborough.

CANTERBURY*

WHERE 2015-18 INVESTMENT IS FOCUSED

The 2015-18 National Land Transport Programme's investment in Canterbury will continue to target completing earthquake recovery work and making significant progress developing Christchurch motorways.

This investment includes:

- planned investment of \$137 million in public transport
- expected investment of \$65 million in cycling and walking, including \$19.9 million from the Urban Cycleways Fund
- \$700 million in new roads and network improvements, including \$490 million to deliver network efficiency and safety improvements to substantially complete the Transport Agency's Christchurch motorways projects
- \$310 million allocated for the maintenance, operation and renewal of local roads
- \$150 million for the maintenance, operation and renewal of state highways
- \$50-65 million for the Christchurch City Council's \$80 million project to re-open Sumner Road to the Lyttelton Port of Christchurch
- under the Accelerated Regional Transport Programme, \$22 million towards realigning State Highway 73 from Mingha Bluff to Rough Creek through Arthur's Pass National Park to improve safety and build greater resilience through the alpine pass.

THIS YEAR'S INVESTMENT HIGHLIGHTS

Responding to the Kaikōura earthquake: through the North Canterbury Transport Infrastructure Recovery alliance, more than \$100 million was directed to the repair and reinstatement of roads damaged by the Kaikōura earthquake in November 2016. In addition, support was provided to the Hurunui and Kaikōura District Councils' recovery programme to repair the damage to their local road networks, including a significant investment into the Inland Kaikōura Road.

Delivering safety and strengthening improvements along the alternate state highway route from Picton to Christchurch: this route is functioning as the main state highway connection from Picton to Christchurch while work continues to restore State Highway 1. It was crucial to improve the route so that it could operate as a safe alternative for travellers and cope with the demands of increased freight movements.

Starting construction on the Christchurch Southern Motorway Stage 2 and Northern Corridor projects: these two projects form part of the Christchurch Roads of National Significance programme aimed at easing congestion, reducing travel times and improving safety on critical motorway routes. Construction also continued to upgrade the Christchurch Western Corridor to provide access to Christchurch Airport.

Finishing the Stronger Christchurch Infrastructure Rebuild Team Roading Repair Programme: this was a significant milestone in the recovery from the Christchurch earthquakes. Progress continued on the Sumner Road reinstatement project to restore this important alternate access to Lyttelton Port.

THIS YEAR'S NATIONAL LAND TRANSPORT FUND INVESTMENT

ACTIVITY CLASS	2016/17 ACTUAL \$000
Canterbury total	470,766
State highway improvements	214,512
State highway maintenance	75,508
Local road improvements	14,587
Local road maintenance	129,925
Regional improvements	988
Public transport	23,230
Road safety promotion, investment management and walking and cycling	12,016

* In 2016/17, investment from the National Land Transport Fund for the Chatham Islands totalled \$3.223 million. This was primarily for local road maintenance (\$3.114 million) and local road improvements (\$0.96 million). There was also \$0.13 million for road safety promotion, investment management and walking and cycling.



WEST COAST



WHERE 2015-18 INVESTMENT IS FOCUSED

The 2015-18 National Land Transport Programme's investment in the West Coast focuses on safety, travel-time reliability and route resilience, particularly for freight and tourists.

This investment includes:

- \$25 million to maintain state highways and local roads and \$2.2 million to support the response to emergency events during the year, including Jackson Bay Road slip repairs and Buller River rock armouring
- the Safe System Signature Programme's Visiting Drivers Project, which is focused on the Otago, Southland and Westland regions.

THIS YEAR'S INVESTMENT HIGHLIGHTS

Advancing the Visiting Drivers Project: the Safe System Signature Programme's Visiting Drivers Project was established to improve road safety outcomes for visiting drivers, while maintaining New Zealand's reputation as an attractive and safe tourist destination. A detailed business case for state highway improvements was completed and resulted in side protection barriers, additional signage and delineation improvements on State Highway 6. A detailed business case for safety improvements on Whitcombe Valley Road to the Hokitika Gorge was also completed on the local road network.

Starting construction for the State Highway 6 Taramakau Road Rail Bridge replacement: as part of the Accelerated Regional Transport Programme, construction started in December 2016 with major earthworks on either side of the site of the new bridge in preparation for the new approaches. This project will provide significant safety and travel-time improvements for travellers.

Making progress on network resilience projects: this includes work on river protection and rockfall mitigation measures to reduce vulnerability and associated disruptions of road closures for interregional trips. Designs for other high priority sites on state highways were also progressed.

Completing the detailed business case for the replacement of the Ahaura River Bridge: this project is part of the National Bridge Replacement Programme and is on State Highway 7 immediately south of the Ahaura township.

Designing slow vehicle bays: to improve safety and improve the journey experience on State Highways 6, 7 and 73, slow vehicle bays were designed in readiness for implementation in the summer construction season.

Working in partnership on the West Coast Regional Economic Development Action Plan: this initiative was launched in June 2017 and took a co-investment approach for projects, including the Franz Josef Township Natural Hazards Options Assessment and the Northern Link Road Strategic Business Case.

THIS YEAR'S NATIONAL LAND TRANSPORT FUND INVESTMENT

ACTIVITY CLASS	2016/17 ACTUAL \$000
West Coast total	45,316
State highway improvements	3,807
State highway maintenance	20,965
Local road improvements	568
Local road maintenance	9,232
Regional improvements	10,434
Public transport	104
Road safety promotion, investment management and walking and cycling	206

OTAGO



WHERE 2015-18 INVESTMENT IS FOCUSED

The 2015-18 National Land Transport Programme's investment in Otago focuses on safety, travel-time reliability and route resilience, particularly for freight and tourists.

This investment includes:

- \$36 million proposed for co-investment with the Otago Regional Council in public transport
- \$10 million expected total cycling and walking investment with Dunedin City Council, including
- \$3.5 million of Urban Cycleways funding
- finishing more of Dunedin City Council's Harrington Point to Dunedin sea-level rise mitigation and improvements to safety, walking and cycling on key tourist and commuter routes
- completing the final stage of the Transport Agency's State Highway 88 shared cycling and walking path between Dunedin and Port Chalmers
- projects to improve safety, including \$40-45 million of safety improvements on State Highway 1 between Anderson's Bay Road and Lookout Point in Dunedin
- the Visiting Drivers Safety Signature project, which focused on the Otago, Southland and Westland regions
- \$745 million for highway and local road maintenance, operations and renewals
- a new two-lane bridge at Kawarau Falls, at Frankton on State Highway 6, as part of the Accelerated Regional Transport Programme.

THIS YEAR'S INVESTMENT HIGHLIGHTS

Completing improvements to the Glenda Drive intersection in Queenstown and local road links:

these improvements provide improved road capacity, access and safety for existing and new commercial activities for Wakatipu Basin by downgrading the existing state highway roundabout and allowing for only left turns into Glenda Drive from State Highway 6.

Completing the Nuggets Road seal extension project: this is part of the Southern Penguin Scenic Journey in the Catlins. This high-priority tourist route was sealed to improve visitor experience, safety and accessibility.

Awarding the Dunedin one-way system separated cycle lane contract and starting construction of \$8 million of new cycle lanes: the separated cycle lane will improve cycle safety on the one-way system through the centre of Dunedin.

Making progress on the Visiting Drivers project in Otago: the state highway improvements component is in its implementation stage and signage, barrier, and road marking upgrades were completed. The local road network is also being reviewed for opportunities.

Progressing construction of the new \$22 million Kawarau Falls Bridge: the bridge will facilitate two-way traffic across the Kawarau River, improving journey time reliability and providing safer and more efficient movement of freight and people south of Queenstown.

THIS YEAR'S NATIONAL LAND TRANSPORT FUND INVESTMENT

ACTIVITY CLASS	2016/17 ACTUAL \$000
Otago total	87,250
State highway improvements	1,912
State highway maintenance	27,793
Local road improvements	10,288
Local road maintenance	34,411
Regional improvements	3,888
Public transport	6,076
Road safety promotion, investment management and walking and cycling	2,882

SOUTHLAND

WHERE 2015-18 INVESTMENT IS FOCUSED

The 2015-18 National Land Transport Programme's investment in Southland focuses on safety, travel-time reliability and route resilience, particularly for freight and tourists.

This investment includes:

- \$47 million for highway and local road maintenance, operations and renewals
- \$4 million for regional council joint procurement of public transport ticketing in Otago and Southland to provide improved public transport planning and a wider variety of fare products to increase patronage
- the Visiting Drivers Safety Signature project, which focuses on the Otago, Southland and Westland regions.

THIS YEAR'S INVESTMENT HIGHLIGHTS

Progressing the design of the Edendale State Highway 1 bypass: an investment of \$12 million will improve access to the local dairy plant and improve safety for the local community. State Highway 1 to the northwest of Edendale will be realigned and a roundabout constructed close to the southern end of the new alignment. The tender for this project is expected to occur in the middle of 2017/18.

Implementing the Southland Network Outcomes Contract: this was the first year of the contract and the efficiencies of having a single performance-based contract to manage and maintain Southland's road network began to be evident.

Progressing the detailed business case for the State Highway 1 Elles Road Roundabout: this intersection will be developed with a \$2.3 million roundabout proposal. The roundabout will improve safety and network efficiency and is linked to future industrial development on sites adjacent to the intersection.

Making progress on the Visiting Drivers project in Southland: improvements were completed including signage upgrades, road realignment, intersection improvements and traffic/pedestrian improvements at Falls Creek and the Divide (access to the Routeburn Track). The programme will improve road safety for visiting drivers, while maintaining New Zealand's reputation as an attractive and safe tourist destination.

Reviewing Invercargill's bus network: this will make the routes more direct and improve the experience for customers.

THIS YEAR'S NATIONAL LAND TRANSPORT FUND INVESTMENT

ACTIVITY CLASS	2016/17 ACTUAL \$000
Southland total	39,219
State highway improvements	1,036
State highway maintenance	15,543
Local road improvements	1,489
Local road maintenance	18,597
Regional improvements	1,256
Public transport	982
Road safety promotion, investment management and walking and cycling	316

