APPENDICES

APPENDIX 1 – MILESTONES FOR CAPITAL PROJECTS

KAIKŌURA EARTHQUAKE RESPONSE

The Kaikōura Earthquake Response is the Transport Agency's work to restore State Highway 1 through North Canterbury and Marlborough after the November 2016 earthquake. Funding for reinstatement is provided by the Crown, while funding for any improvements is provided by the National Land Transport Fund.

This result is used to assess progress against significant activity 3.3 in *Connect and develop regions* (page 34).

FOCUS AREA	PROJECT	2017/18 MILESTONE	YEAR-END RESULT
Connect and develop regions	Kaikōura Earthquake Response	State Highway 1 reopened and fully functional with no traffic management	SUBSTANTIALLY ACHIEVED
	Following the reopening of State Highway 1 in December 2017, traffic management has been in place to ensure the controlled delivery of ongoing improvement and resilience work.		

An aggregate of the results for the Roads of National Significance, Auckland Transport Package, Accelerated Regional Roading Programme and Urban Cycleways Programme is used to assess progress against significant activity 2.5 in *Target rapid growth* (page 20) and significant activity 3.4 in *Connect and develop regions* (page 34).

ROADS OF NATIONAL SIGNIFICANCE

The Roads of National Significance are based around New Zealand's five largest population centres: Auckland, Hamilton, Tauranga, Wellington and Christchurch. Regional land use and transport studies have identified them as having strategically significant investment needs.

FOCUS AREA	PROJECT	2017/18 MILESTONE	YEAR-END RESULT
Target rapid growth	Pūhoi to Wellsford	Pūhoi to Warkworth construction under way	ACHIEVED
		Warkworth to Wellsford route protection	NOT ACHIEVED, BUT SOME PROGRESS MADE
	Warkworth to Wellsford route protection: The technical work to inform the route protection is progressing well. The pause on public consultation while the Government Policy Statement and National Land Transport process have occurred has resulted in a significant delay to timeframes.		
Target rapid growth	Western Ring Route	Lincoln to Westgate construction started	ACHIEVED

FOCUS AREA	PROJECT	2017/18 MILESTONE	YEAR-END RESULT
Target rapid growth	Waikato Expressway	Longswamp: Earthworks substantially complete and pavement under construction	ACHIEVED
		Rangiriri: Final asphalt surfacing placed	ACHIEVED
		Huntly Section: Earthworks substantially complete; pavement construction starts	ACHIEVED
		Hamilton Section: Earthworks substantially complete; pavement construction starts	NOT ACHIEVED, BUT SOME PROGRESS MADE
	Hamilton Section: Earthworks substantially complete; pavement construction starts: Cambridge Road offramp bridge substantially complete. Poor weather and saturated ground conditions in the two previous construction seasons resulted in significant delays and the loss of an earthworks season. We are now looking at opening the road almost a year later than originally planned, with a significant overrun of total outturn costs. The Alliance is being challenged to re-programme to finish the project by September 2020.		
Connect and develop regions	Wellington Northern Corridor	Ōtaki to Levin under design	NOT ACHIEVED
		Ngāūranga to Airport business case developed	SUBSTANTIALLY ACHIEVED
		Transmission Gully construction under way	ACHIEVED
		Peka Peka to Ōtaki construction under way	ACHIEVED
	Ōtaki to Levin under design: The indicative business case identifying a number of shortlisted options to the east of State Highway 1 was substantially completed and ready for further consultation. However, the need to align the Transport Agency Investment Proposal with the new Government Policy Statement has determined that a re-evaluation of the project scope against the policy statement's objectives is required. The re-evaluation will be undertaken and completed by November 2018. **Ngāūranga to Airport business case developed:** The Transport Agency Board will be updated in August on progress and the package should be finalised in September for the board's endorsement.		
Target rapid growth	Christchurch Motorways	Western Belfast Bypass open to traffic	ACHIEVED
		Russely Road complete and open to traffic	ACHIEVED

AUCKLAND TRANSPORT PACKAGE

The Auckland Transport Package is a programme of critical projects targeted for acceleration. Funding is from the National Land Transport Fund and is supported by borrowing from the Crown that will be repaid from the National Land Transport Fund.

FOCUS AREA	PROJECT	2017/18 MILESTONE	YEAR-END RESULT
Target rapid growth	Northern Corridor Improvements	Detailed design and construction under way	ACHIEVED
	Southern Corridor Improvements	Construction under way	ACHIEVED
	State Highway 20A to Airport	Landing drive intersection completed	SUBSTANTIALLY ACHIEVED
	The project is now complete with minor works and disestablishment to occur.		
	East West Connections	Full link consents granted; procurement under way (subject to consents granted)	SUBSTANTIALLY ACHIEVED
	The East West Link was successful in obtaining its approvals via the Board of Inquiry. The subsequent need to re-evaluate the project has meant that the delivery milestones for construction are no longer relevant.		

ACCELERATED REGIONAL ROADING PROGRAMME

The Accelerated Regional Roading Programme is a Crown-funded programme of regional state highway projects targeted for acceleration.

FOCUS AREA	PROJECT	2017/18 MILESTONE	YEAR-END RESULT
Connect and develop regions	Kawarau Falls Bridge (Otago)	Construction complete and road open to traffic	ACHIEVED
	Mingha Bluff to Rough Creek Realignment (Canterbury)	Construction complete and road open to traffic	SUBSTANTIALLY ACHIEVED
	Road is complete and open to traffic, but significant areas need to be remediated due to construction issues.		
	Akerama Curves Realignment and Passing Lane (Northland)	Construction complete and road open to traffic	ACHIEVED
	Whirokino Trestle Bridge Replacement (Manawatū–Wanganui)	Construction under way	ACHIEVED
	Motu Bridge Replacement (Gisborne)	Construction complete and bridge open to traffic	ACHIEVED
	Opawa Bridge Replacement (Marlborough)	Construction started	NOT ACHIEVED
	Construction delayed due to budget issues. Additional funding now approved, contract negotiations are now complete, proposed construction starting at the beginning of September 2018.		
	Taramakau Road–Rail Bridge (West Coast)	Road–rail bridge complete	ACHIEVED
	Loop Road North to Smeatons Hill Safety Improvements (Northland)	Construction under way	NOT ACHIEVED
	During the year this project was incorporated into plans for a four-lane highway south of Whangarei. However, this four-lane project is now on hold pending a review of its strategic outcomes. Therefore, the Loop Road project has reverted to its original scope. Construction is expected to be under way in quarter 4 2018/19. Final reviews of pricing and optioneering are being completed to ensure the final scheme is properly informed by the business case. Access to all of the required property is a potential risk to schedule moving forward.		
	Mt Messenger and Awakino Gorge Corridor (Taranaki)	Consents lodged	ACHIEVED
	Mt Messenger Bypass	Consents lodged	ACHIEVED

FOCUS AREA	PROJECT	2017/18 MILESTONE	YEAR-END RESULT
Connect and develop regions	Awakino Tunnel Bypass (Taranaki)	Consents lodged	ACHIEVED
	Napier Port access package (Hawke's Bay)	Watchman – construction started	ACHIEVED
		Prebensen – construction started	NOT ACHIEVED
		Expressway – construction started	NOT ACHIEVED
	Prebensen – construction started: The design has now been completed, including design adjustments for safety improvements. The project is programmed to be completed within the summer construction season with a start in October/November 2018. **Expressway – construction started:** The design focus changed to median barriers, which has pushed the programme back. Construction is now expected to start in November 2018.		
	Nelson Southern Link	Project is under investigation and next steps are to be reviewed	DEFERRED TO ACCOMMODATE GPS
	The detailed business case is in the Transport Agency Investment Proposal awaiting confirmation to progress.		

URBAN CYCLEWAYS PROGRAMME

The Urban Cycleways Programme is a package of urban cycleway projects that the government is seeking to accelerate by providing Crown funding in addition to the contributions from the National Land Transport Fund and local authorities.

The following milestones are for the 10 projects in the Urban Cycleways Programme requiring the largest investment.

FOCUS AREA	PROJECT	2017/18 MILESTONE	YEAR-END RESULT
Target rapid growth	Auckland: City Centre Network	Ian McKinnon – construction complete	SUBSTANTIALLY ACHIEVED
		K Road – construction under way	NOT ACHIEVED, BUT SOME PROGRESS MADE
		Parnell Road – construction under way	NOT ACHIEVED, BUT SOME PROGRESS MADE
		Tamaki Drive – construction under way	ACHIEVED
		Victoria Street – construction under way	NOT ACHIEVED, BUT SOME PROGRESS MADE
		Westhaven – construction complete	NOT ACHIEVED, BUT SOME PROGRESS MADE

FOCUS AREA	PROJECT	2017/18 MILESTONE	YEAR-END RESULT
Target rapid growth	**Ian McKinnon** – construction is substantially complete. There have been some delays due to reconsidering the infrastructure design and separating the cycle lane and footpath, as well as wet weather that delayed earthworks. Auckland Transport is revising the project delivery plan. **K Road** – detailed design completed but the project is still experiencing delays and cost increases as a result of additional construction and design costs and increased stakeholder engagement. Construction start is forecast for the end of 2018. **Parnell Road** – construction has not yet commenced. Community consultation is ongoing. The project is experiencing a four-month delay for construction to commence, due to additional time for the preferred option development process and urban design timeframes and further stakeholder engagement. The estimated start is now January 2019. **Victoria Street** – detailed design and review is ongoing but due to quality assurance reviews and council engagement construction is not yet under way and the project timeline has been pushed out. Construction is expected to commence in August 2019. **Westhaven** – section 1 of this project has been completed. Stakeholder and community feedback resulted in the decision to progress section 2 as part of an integrated streetscape –cycleway project forming part of the impending America's Cup improvements. This has resulted in time delays. A preferred option has been confirmed but further investigation is to occur. Construction completion is estimated for 2019/20.		
	Auckland: Eastern Connections to City Centre	Construction of sections 2–3 under way	NOT ACHIEVED, BUT SOME PROGRESS MADE
	Construction is not yet under way on section 2 but has commenced on section 3. Section 2 construction has an estimated 18–19 month duration with geotech investigations and KiwiRail approvals still in progress. Construction on section 2 is expected to commence in March 2019.		
	Auckland: Western Connections to City Centre	Construction substantially complete	NOT ACHIEVED, BUT SOME PROGRESS MADE
	Community objections to some sections of this package and concerns with earlier designs not meeting safety requirements resulted in Auckland Transport re-scoping and redesigning a number of sections and re-engaging with the community. Public consultation and design is ongoing and project timelines have been extended. Construction is expected to be completed in 2020.		
	Auckland: links to public transport	Construction under way	ACHIEVED
	Melling to Petone	Construction substantially complete	NOT ACHIEVED, BUT SOME PROGRESS MADE

FOCUS AREA	PROJECT	2017/18 MILESTONE	YEAR-END RESULT
Target rapid growth	This section is being delivered by the Transport Agency. This is an off-road cycle path adjacent to State Highway 2 between Petone and Melling, with shared path connections linking the Petone railway station to the Hutt River Trail. Detailed design for the Petone to Melling section of the project is complete and consents have been approved. Construction of this section has been placed on hold while we undertake a cost review, following the initial outcomes of the construction tendering process. However, the current estimated cost for this section is between $21m and $26m. We expect to complete the review, which would include recommended next steps, within the next 3/4 months. This would align with the timing of final decisions on the preferred option for Ngauranga to Petone (N2P).		
	Rapanui–Shagrock Cycleway (Christchurch)	Construction substantially complete	ACHIEVED
	Heathcote Expressway (Christchurch)	Construction complete	SUBSTANTIALLY ACHIEVED
	Construction is substantially complete, but is continuing along MacKenzie Ave and Sheldon Street. Completion of section 1B – Charles to Tannery is delayed due inclement weather and design changes. Expected completion is now December 2018.		
	Papanui Parallel (Christchurch)	Construction complete	ACHIEVED
	Wellington eastern route package	Cobham Drive – construction substantially complete	NOT ACHIEVED, BUT SOME PROGRESS MADE
		Evans Bay to Oriental Bay – construction under way	NOT ACHIEVED, BUT SOME PROGRESS MADE
	Cobham Drive – construction has commenced and is expected to be complete by June 2019. Additional design work and procurement of contractors caused the initial delay. Evans Bay to Oriental Bay– construction is in design phase. More time was required to consider scope changes, which now include seawall construction and additional consenting approvals. Construction is expected to start by January 2019.		
Connect and develop regions	Dunedin SH1 One-Way Pair cycleway	Construction substantially complete	SUBSTANTIALLY ACHIEVED
	Presently 2.5km (40%) is substantially complete, with overall implementation 50 percent complete. Modifications and additional works are being developed to improve user friendliness, in particular around pedestrian safety, and accommodating the construction or the new hospital (which involves two significant blocks between the cycle lanes). Project completion is now expected by December 2018.		

APPENDIX 2 – TECHNICAL NOTES FOR NON-FINANCIAL MEASURES

FOCUS AREA KEY PERFORMANCE INDICATORS

Shape the land transport system

1. The *index of collaborative relationship process maturity* measures our maturity when it comes to the collaborative processes that support the development of the long-term view of the land transport system. This indicator allows us to understand how collaborative we are compared with best practice and where we can improve to collaborate with our partners more effectively. It is measured using the results of a survey designed to align with the international standard for collaborative business relationships (ISO, 2017 *ISO 44001:2017 Collaborative business relationships management system*, Geneva, International Organization for Standardization). The survey questions our employees about perceptions of the maturity of our collaborative processes.

Target rapid growth

2. The *index of network productivity* measures capacity utilisation of the road network in some of New Zealand's fastest-growing urban centres: Auckland, Wellington and Christchurch. Capacity utilisation is a measure of the extent to which the productive capacity of a road is being used. This indicator allows us to understand how the network is responding to demand and informs us where resources are best focused. It is measured using a methodology that compares the actual speed and flow of traffic with the optimal speed and flow of traffic on selected routes. These measures are aggregated on a volume-weighted basis to provide a network-level view of productivity.
3. The *proportion of the population within 500m walking distance of a frequent bus-stop or ferry terminal or within 1km of a frequent rapid transit stop* is a new network accessibility measure that currently focuses on Auckland, Wellington and Christchurch. It involves Geographic Information Systems analysis using isochrones. Frequency is defined as scheduled to be at least every 15 minutes (up to and including 15 minutes and 29 seconds) during the weekday peak (between 7:00am and 9:00am).
4. The *index of travel-time predictability* measures how reliable travel times are for customers who use the transport system in Auckland, Wellington and Christchurch but does not include public transport. This indicator allows us to monitor how our activities and projects are improving travel-time predictability for our customers. Travel time predictability for roads is calculated using a 'buffer time' method. The buffer time method represents the extra time that travellers must add or subtract to their average travel time when planning trips. Results are generated for Auckland, Wellington and Christchurch with an aggregated, volume-weighted result being provided across all three cities.

Connect and develop regions

5. The *index of network productivity* measures capacity utilisation of the road network on key interregional routes. Capacity utilisation is a measure of the extent to which the productive capacity of a road is being used. This indicator allows us to understand how the road network is responding to demand and informs us where resources are best focused. It is measured using a methodology that compares the actual speed and flow of traffic with the optimal speed and flow of traffic on selected routes. These measures are aggregated on a volume-weighted basis to provide a network-level view of productivity.
6. The *index of the number of people found driving without a valid driver licence* is a network accessibility measure. This indicator measures the number of people recorded not having a valid driver licence when stopped by police. It allows us to assess how accessible the transport system is for our customers because not having a valid driver licence is a barrier to accessing the economic and social opportunities that exist in rural areas.

7. The *index of travel-time predictability* measures how reliable travel times are for customers travelling by road on key interregional routes. This indicator allows us to monitor how our activities and projects are improving travel-time predictability for our customers. Travel-time predictability for road is calculated using a 'buffer time' method. The buffer time method represents the extra time that travellers must add or subtract to their average travel time when planning trips. Results are generated for key interregional routes with an aggregated, volume-weighted result being provided.
8. The *index of duration of observed closures on regional state highways (time taken to address road closures)* measures disruptions that affect traffic. These disruptions vary from adverse natural events to vehicle-related incidents. This indicator allows us to measure the impact of our activities on the resilience of the regional state highway network. It is measured by the total number of hours and minutes of rural road closures that result from unplanned disruptions that are not resolved within the 12-hour standard timeframe.

Keep people safe

9. The *index of deaths and serious injuries* measures the number of people killed or seriously injured on New Zealand's road and rail systems. This indicator provides us with information about whether our activities are reducing the physical harms to those interacting with and using the transport system. The number of people killed or seriously injured on the road includes people driving, cycling and walking. The number of people killed or seriously injured on our rail system includes those who travel by rail and those who interact with the rail system, such as people who work on it and people who attempt to cross it, either on foot or in a vehicle, at designated rail crossings.
10. The *index of energy efficiency of transport* measures fossil fuel consumption by motor vehicles using the road. An increase in energy efficiency has a positive effect on transport-related emissions, including carbon dioxide, which harms people and the surrounding environment. This indicator allows us to monitor the effect of our regulatory activities targeted at improving energy efficiency and reducing transport-related emissions. It is measured by the total amount of vehicle kilometres travelled by all vehicles (including electric vehicles) divided by the total amount of petrol and diesel consumed in New Zealand.

Improve customer experiences

11. The *index of customer service quality* measures how satisfied customers are when accessing and using the transport system. This indicator allows us to better understand the experience customers have when interacting with us. It is measured by surveying customers to determine their level of satisfaction when transacting with us and when using the state highway network.

Deliver connected journeys

12. The *index of digital solutions service quality (satisfaction with digital solutions)* is a new measure of customer satisfaction using digital information available for travel advice and journey planning. It measures the proportion of customers who positively rated the information they used. Digital solutions include those provided directly by the Transport Agency and by other providers using Transport Agency data.

Achieve organisational excellence

13. The *index of Performance Improvement Framework assessment ratings (efficiency)* measures our organisational efficiency. This indicator allows us to understand how well we use our resources (people, relationships, information technology, and business practices and tools) against the government Performance Improvement Framework. It is measured by assessing and scoring various elements of organisational efficiency identified in the Performance Improvement Framework. These scores are then aggregated into a single score. Scoring is based on a formal assessment from the State Services Commission.
14. The *index of value-for-money maturity* measures our maturity in achieving value for money within and across our core activities. This indicator allows us to understand where we need to improve as an organisation to get the best value for every dollar spent. More mature organisational value-for-money practices are essential to meet the challenges in our operating environment. It is measured by assessing and scoring four elements of value for money – economy, efficiency, effectiveness and equity – and then aggregating them into a single score.

Transform the Transport Agency

15. The *index of Performance Improvement Framework assessment ratings (effectiveness)* measures our organisational effectiveness. This indicator allows us to understand how effective we are at delivering our core activities against the government Performance Improvement Framework. It is measured by assessing and scoring various elements of organisational effectiveness identified in the Performance Improvement Framework. These scores are then aggregated into a single score. Scoring is based on a formal assessment from the State Services Commission.
16. The *index of organisational culture* measures staff perceptions of our organisational culture. This indicator allows us to understand where we need to invest and to plan our resources to build our desired way of working (our DNA). It is measured using the results of a staff survey of organisational culture. The survey asks teams to rate our performance against a set of factors deemed crucial to organisational success, including internal culture and leadership.

OUTPUT CLASS PERFORMANCE MEASURES

Output classes that support our Shape the land transport system focus area

Investment management

Scope: Managing, monitoring and advising transport sector stakeholders on the allocation of national land transport funds, developing plans for improving the transport network and systems, and developing transport sector capability and research, as authorised under section 9(3) and (4) of the Land Transport Management Act 2003.

17. The *total cost of the management of the funding allocation system* is the Transport Agency service delivery cost for this output less the cost of crash analysis system business activity that is not part of the management funding allocation system.
18. The *% of activities that are delivered to agreed standards and timeframes (investment management)* is an aggregate of two measures to monitor the quality and efficiency of investment approval and decision activities. All components of the measure have targets of 100%. Aggregation to the overall result is based on weighted volume of activity across the components in the given year.

19. The *% of operational assurance activities completed* is an aggregate of two specific dimensions: investment audit programme and benefits realisation programme completed on time. Operational assurance activities assess the performance of approved organisations in relation to activities approved by the Transport Agency and the operation of the land transport disbursement accounts of approved organisations under section 95(1)(e) of the Land Transport Management Act 2003. The aggregated result is the average of the two components of the measure. Reporting against this measure is based on the latest assurance programme approved by the Audit, Risk and Assurance Committee.
20. The *% of activities that are delivered to agreed standards and timeframes (transport planning)* measures the proportion of transport planning activities by the Transport Agency and by approved organisations that are delivering to forecast programme and cost targets. Activities primarily include programme business case development, activity management planning improvement and transport model development. Performance against forecast cost and projected milestones are averaged to form a snapshot view of performance for the year.
21. The *% of activities that are delivered to agreed standards and timeframes (sector research)* is a measure that compares planned time, cost and quality of research investment with actual performance. All aspects have targets of 100 percent and contribute equally to the overall result. It is a measure of the effectiveness of the Transport Agency as a programme manager.
22. The *average number of days taken to deliver* is determined by how long it takes, on average, to process and approve funding of a new National Land Transport Programme activity. Days to funding approval is defined as the number of working days from the date of receipt to the date the approval was recorded in Transport Investment Online.
23. The *% customer satisfaction* demonstrates the percentage of approved organisations' stakeholders (regional, local and unitary authorities, the Department of Conservation, Auckland Transport and the Waitangi National Trust) that were satisfied with the relationship between their organisation and the Transport Agency. This is measured through an independently conducted survey.

Road user charges collection, investigation and enforcement

Scope: Collection and refund of road user charges (RUC) and the investigation and enforcement of evasion of RUC.

24. The *% of transactions completed online* is the proportion of light and heavy vehicle road user charges (RUC) licences purchased online over the total number of RUC licences purchased. Online refers to transactions via industry agents, Direct Connect, Transport Agency Transact website, e-RUC and automatic tellers.
25. The *number of products/services delivered or processed* includes light and heavy vehicle RUC licence purchases and off-road RUC rebate claims. This is an aggregate figure showing a total of assessment, enforcement and refund activities.

Refund of fuel excise duty

Scope: Receipt and processing of applications for and the refunding of fuel excise duty.

26. The *average number of days taken to deliver* is determined by how long it takes, on average, to process and approve fuel excise duty (FED) refunds. Days to deliver refers to the number of working days between the date of application to the date of approval recorded in the FED database system. It does not include days when the application is put on hold waiting for customer response.
27. The *number of products/services delivered or processed* is the number of FED refund applications processed or delivered for the reporting period. This does not include account management and maintenance activities. The volume of applications is based on the processing date.

Output classes that support our Target rapid growth focus area

State highway improvements

Scope: Capital works for new infrastructure for state highways as authorised by section 9(3) and (4) of the Land Transport Management Act 2003.

28. The *% of activities that are delivered to agreed standards and timeframes* compares time, cost and quality of large, block and property acquisition programmes (at the time that construction commenced). It is a measure of the effectiveness of the Transport Agency as a project manager. Within each programme, time, cost and quality are equally weighted with targets of over 90 percent. Aggregation to the overall result is based on weighted programme expenditure across the components in the given year.
29. The *productivity of the state highway network* in major metropolitan areas indicator measures lane capacity utilisation (network productivity) of the urban network. Productivity is measured in terms of the product of speed and flow compared with road lane optimal vehicle throughput. It demonstrates how effectively the current road network and operational management activities handle peak demand for vehicle movement. This indicator provides information to help deliver on our priority of making the most of urban network capacity. The higher the productivity percentage value, the more productive the road network is due to both speed and flow being maintained near maximum values (that is, near free-flow speed and capacity respectively). The lower the productivity percentage value, the less productive the road network is due to either or both low traffic flow and speed. It is noted that low productivity may also occur in scenarios of low demand, so may not be due to poor network performance. This indicator is a utilisation asset performance measure under Cabinet Office Circular CO 15(5).

State highway maintenance

Scope: Activities that manage, maintain and operate state highway infrastructure as authorised under section 9(3) and (4) of the Land Transport Management Act 2003.

30. The *% of activities that are delivered to agreed standards and timeframes* presents the physical achievement of maintenance and renewal activities against baseline. It is a measure to keep track of the delivery of physical performance targets. The single component aspect of this measure examines the proportion of state highway maintenance and renewal work completed compared with the planned kilometres and budget.
31. *Safe stopping: % of network meeting surface texture standards* reflects efficiency in meeting surface texture standards (to ensure safe stopping) as per sector research. Maintenance of the state highway focuses on ensuring skid resistance (to ensure safe stopping). Minimum acceptable levels of skid resistance are set in relation to the road environment. The annual programme of reseals (surface renewals) is driven, in part, by the need to maintain network skid resistance.
32. *Network resilience: % of rutting >20mm over state highway network* is the proportion of rutting (long shallow channels generally found in wheel paths) above the 20mm threshold over the length of the state highway network. Rutting in the road surface is one of the key indicators of the health of the underlying pavement and the need for pavement renewal. Ruts often also hold water, so lower skid resistance. This indicator is a condition asset performance measure under Cabinet Office Circular CO 15(5).
33. *Safe stopping: % of travel on network above skid threshold* reflects efficiency in meeting surface texture standards (to ensure safe stopping) as per sector research. Minimum acceptable levels of skid resistance are set in relation to the road environment. The annual programme of reseals (surface renewals) is driven in part by the need to improve skid resistance. This indicator is a functionality asset performance measure under Cabinet Office Circular CO 15(5).

34. *Smooth ride: % of travel on network classed as smooth* is the proportion of travel (proportion of vehicles kilometres travelled on the network surveyed) that occurs on pavements smoother than a nominated surface texture standard over the length of the network surveyed. This indicator is a functionality asset performance measure under Cabinet Office Circular CO 15(5).
35. The *% availability of state highway network* is expressed as the sum of all unscheduled road closure incidences (both urban and rural) that have a significant impact on road users addressed within standard timeframes (that is, urban under 2 hours; rural under 12 hours) and protocol over the total number of road closure incidences. This indicator is a functionality asset performance measure under Cabinet Office Circular CO 15(5).
36. The *% customer satisfaction* reflects the proportion of the public satisfied with the availability of network information and the overall rating of the state highways in New Zealand. It is sourced from several customer surveys. These are a computer-aided telephone interviewing design survey with quotas set for target audiences according to age, race, sex and residential region (prescribed numbers are set for each to ensure balance and fairness).

Walking and cycling

Scope: New and improved walking and cycling infrastructure for transport purposes, as authorised under section 9(3) and (4) of the Land Transport Management Act 2003.

37. The *network kilometres of cycle lanes* measures the total length of new cycle lanes added to the network as well as existing cycle lanes where cycling infrastructure improvements were made. It does not include new cycle lanes and improvements that are part of a roading project outside the walking and cycling activity class. Information is provided by local authorities.
38. The *% increase in cycling trip legs per person across Auckland, Wellington and Christchurch* reflects the number of annual trips made by bike as measured in the annual Household Travel Survey conducted by the Ministry of Transport.

Public transport

Scope: Renewal and improvement of infrastructure to support public transport and non-commercial public transport services are authorised under section 9(3) and (4) of the Land Transport Management Act 2003. Non-commercial public transport services, as authorised under section 9(3) and (4) of the Land Transport Management Act 2003.

39. The *fare revenue as a % of expenditure* is based on local and national direct operating expenditure and not total expenditure. It excludes rail operationalised capital costs.
40. The *productivity (costs per passenger kilometre) where available by bus, train and ferry* indicator examines the costs of public transport provision (bus, train and ferry) by passenger use. The indicator's overall desired trend over the period of the National Land Transport Programme is for reduced costs per passenger kilometre across the public transport modes of bus, train and ferry.

Administration of SuperGold cardholders' scheme and enhanced public transport concessions for SuperGold cardholders

Scope: Administration of the scheme to provide enhanced public transport concessions for SuperGold cardholders.

41. The *% of activities that are delivered to agreed standards and timeframes* is a measure of our speed of processing and approving SuperGold claims to regional councils. The component measure is the average number of days taken to process claims received from regional councils. Days to process is defined as the difference between the date the payment was made and the date the claim was submitted or recorded in the Transport Information Online or Land Transport Programme website by the regional council. Claims are received, validated and paid electronically.

Output classes that support our Connect and develop regions focus area

Local road improvements

Scope: Management and delivery of improvement of local roads as authorised under section 9(3) and (4) of the Land Transport Management Act 2003.

Local road maintenance

Scope: Management and delivery of renewals to the existing local road infrastructure as authorised under section 9(3) and (4) of the Land Transport Management Act 2003.

Regional improvements

Scope: Planning and investing in regionally important state highway and local road projects outside the main metropolitan areas.

Road tolling

Scope: Collection of road tolling charges and enforcement activities to recover road tolling payment evasion.

42. *Unit transaction cost* is the direct unit cost of delivering a toll service. Cost excludes write-offs, bad debts and administration fees from toll payment notices. Future target ranges have remained consistent despite the forecast increase in tolling volumes as there is ongoing system investment to manage the increased volume and complexity associated with the introduction of additional toll roads (Tauranga Eastern Link and Takitimu Drive).

Output classes that support our Keep people safe focus area

Road safety promotion

Scope: Promote safe and economic use of land transport networks and services under section 9 of the Land Transport Management Act 2003.

43. The *% of activities that are delivered to agreed standards and timeframes* is a measure of timeliness and effectiveness in delivering road safety education, advertising and promotion. Components of this measure look at the percentage of road safety education and advertising campaigns completed on time and the percentage of education and promotion programmes that meet forecast participation rates. All components have a 100% target and contribute equally to the overall result.
44. The *% of road safety advertising campaigns that meet or exceed their agreed success criteria* is a measure based on the success of road safety advertising campaigns. It is a composite measure reflecting the number and breadth of the advertising campaigns used, the varied media in which they are presented (including online), and the different aspects of the campaigns that are measured (including likeability, relevance, message takeout, likelihood to change attitude and prompted recall). These measures are collected from independently conducted surveys, media and website reporting.

Licencing and regulatory compliance

Scope: Purchase of land transport regulatory implementation services, specialist land transport enforcement services and licensing services, including driver licensing.

45. *Unit transaction cost* measures the direct unit cost of delivering a driver licence or driver testing transaction or service as well as the warrants of fitness (WoF) and certificates of fitness (CoF).
46. The *% of transactions completed online* is the proportion of practical test bookings and rescheduled test bookings completed through the Transport Agency Transact website divided by the total number of test bookings completed for motor vehicle and motorcycle licences.

47. The *% accuracy of registers* is a measure of the data input accuracy of the driver licence register based on monthly audit checks from a random sample of 100 callers and a selection of agents' work processed against what is written on the form and recorded in the register. The measure reflects the average of the audit results.
48. The *% of operational assurance activities completed* is an aggregate of three specific dimensions: operational assurance activities (for example, audits) of driver testing officers and course providers, transport operators, and certifying agents completed against planned. Aggregation is based on the weighted volume of activity in the given year.
49. The *% of activities that are delivered to agreed standards and timeframes* is an aggregate of five specific dimensions: audit activities of driver testing officers and course providers, transport operators, certifying agents, rail licence holders, and completion rates against official correspondence standards. All components of the measure have targets of at least 90 percent. Aggregation to the overall result is based on weighted volume of activity across the components in the given year.
50. The *number of products and services delivered or processed* includes WoF, CoF, new and renewed driver licences, issuing of driver and transport operator testing services, certification review, border inspection, overdimension permits, and drug and alcohol assessments funded.

Motor vehicle registry

Scope: Registration and licensing of motor vehicles, the collection and refund of motor vehicle registration and licensing revenue, and the operation of the motor vehicle register.

51. The *% of transactions completed online* is the proportion of annual motor vehicle licensing (including reversals), new registrations and register maintenance actions (including vehicle licensing exemptions, change of ownership (buyer), change of ownership (seller), change of name or address, registered person name and address) purchased over the Transport Agency Transact website, Direct Connect and via an industry agent divided by the total number of motor vehicle registrations.
52. The *% accuracy of register* reflects the accuracy of the information entered into the motor vehicle registry. Data verification activities are focused on confirming vehicle attributes (vehicle ownership and address information) in the motor vehicle registry. It combines the result of regular audit checks by regional staff and unverified owner and address information returns.
53. The *% customer satisfaction* reflects the proportion of motor vehicle register customers who state that it requires little effort to relicense their motor vehicle. It is sourced from an independently conducted (Research New Zealand) survey.

APPENDIX 3 – APPROPRIATION MEASURES

The Transport Agency is required to provide year-end performance information on appropriations that it is funded for. Measures marked with an asterisk (*) are also measures under our output classes (reported on pages 11–65).
Note: PLA = permanent legislative authority.

APPROPRIATION AND ASSESSMENT OF PERFORMANCE	FINAL BUDGETED STANDARD	2017/18 ACTUAL
Fuel excise duty refund administration	Within 20 working days	23.4 days
* Average number of days taken to receive all fuel excise duty claims, audit, process and pay fuel excise duty refunds		
The average days to deliver fuel excise duty refunds was above target due to a 14 percent increase in the number of applications.		
Crash analysis	10 days	10 days
Average number of days taken to enter fatal crash reports (from date of receipt) into the Crash Analysis System		
Licensing activities	1,800–2,000	1,087
Number of drug or alcohol assessments funded[1]		
There was no operational change this year. The result represents fewer funding requests received by the Transport Agency. Alcohol interlocks may in future affect this measure as this is an alternative to a drug and alcohol assessment.		
Ministerial servicing by the Transport Agency[2]	100%	88%
% of requests completed within specified timeframes – ministerial correspondence		
The ministerial correspondence standard was not met due to a significant increase in volumes received primarily in the third and fourth quarters. This is an area of focus for the next reporting period.		
% of requests completed within specified timeframes – parliamentary questions	100%	99%
% of requests completed within specified timeframes – Official Information Act requests	100%	99%
National Land Transport Programme (PLA) – investment management	Less than 1%	0.91%
* Total cost of managing the funding allocation system as a % of National Land Transport Programme expenditure		

[1] This is a component of the licensing and regulatory compliance output class measure *number of products/services delivered/processed*.
[2] The measures under this appropriation are components of the licensing and regulatory compliance output class measure *% activities that are delivered to agreed standards and timeframes*.

	APPROPRIATION AND ASSESSMENT OF PERFORMANCE	FINAL BUDGETED STANDARD	2017/18 ACTUAL
	National Land Transport Programme (PLA) – road safety promotion	75% or greater	87%
*	% of national road safety advertising campaigns that meet or exceed their agreed success criteria		
	National Land Transport Programme (PLA) – local road network improvements	87% or greater	95%
*	% of approved organisations signed up to the 50MAX network		
	National Land Transport Programme (PLA) – state highways road network – improvements	Auckland: 62% Wellington: 63% Christchurch: 35%	Auckland: 59% Wellington: 60% Christchurch: 34%
*	Productivity of the state highway network in major metropolitan areas (Auckland, Wellington and Christchurch – morning peak)		
	Productivity measures how much of the capacity of the urban road network is being used by comparing the actual speed and flow of traffic with the optimal speed and flow of traffic. Overall, targets in Auckland, Wellington and Christchurch were not met. Productivity in Auckland remained at 59 percent. In Wellington, productivity decreased due to increased traffic leading to the Basin Reserve and Mt Victoria Tunnel and through Ngāūranga Gorge due to roadworks. Productivity also decreased between Paekakariki and Pukerua Bay and on State Highway 2 in Upper Hutt around Moonshine Road. In Christchurch, while productivity was slightly below target, travel speed in several locations increased, particularly along State Highways 1 and 74 in the vicinity of the new Belfast Bypass and north of the Lyttelton Tunnel.		
*	% of state highways available to HPMVs	45% or greater	62%
	National Land Transport Programme (PLA) – local road network – maintenance	97% or greater	98%
*	Surface condition of the sealed network (100-CI) (average of index for the whole of the network)		
*	Pavement integrity of the sealed network (100-PII) (average of index for the whole of the network)	94% or greater	94%
*	Smooth ride: % of travel on smooth roads	86% or greater	87%
*	Local road maintenance cost per lane km expenditure by road classification[3]	$3,000 or less (in real terms)	$3,095 (in real terms)

[3] It has not been possible to assess cost by road classification. The cost of maintenance is recorded through 23 work categories. While some of the work categories can readily be assigned to sections of road, many types of work do not readily link to road class. For example, costs such as for lighting or measuring road roughness are managed at a network level. While there is a long-term intention to assess cost by road class, several changes to management processes and accounting systems are needed before the long-term intention can be met. We will continue reporting road maintenance costs on an aggregated kilometre cost basis until data becomes available on a functional classification basis.

	APPROPRIATION AND ASSESSMENT OF PERFORMANCE	FINAL BUDGETED STANDARD	2017/18 ACTUAL
	This measure is calculated by dividing the amount spent on the maintenance of local roads by the total number of kilometres in the network. Many local authorities completed more maintenance work this year, because they delivered less than planned last year and because of wet weather, which increased the total cost and the cost per lane kilometre.		
	National Land Transport Programme (PLA) state highways road network – maintenance	Greater than 90%	90%
*	% of activities that are delivered to agreed standards and timeframes		
*	Smooth ride: % of travel on smooth roads	98% or greater	99%
*	State highway maintenance cost per lane km expenditure by road classification[4]	$19,000–$21,400 (in real terms)	$21,452 (in real terms)
	This measure is calculated by dividing the amount spent on the maintenance of state highways by the total number of kilometres in the network. Because we worked on more kilometres of maintenance this year, the total cost and the cost per lane kilometre are higher. Increased renewals accounts for $2,800 of the increased cost per kilometre. A further $1,800 per kilometre arose from work on the alternative and inland route required as a result of the Kaikōura earthquake. The first full year of maintenance costs for the Waterview Tunnel accounts for $400 per kilometre. Costs per lane kilometre are above target largely due to higher than expected maintenance and operations required in response to the Kaikōura earthquake.		
	National Land Transport Programme (PLA) – public transport services	148 million or greater	158 million
*	Number of passengers using urban public transport services (bus, train and ferry)		
*	Fare revenue as a % of total expenditure	Greater than 48%	45.2%
	Fare revenue as a % of total expenditure (the farebox recovery ratio) was lower than expected because total fare revenue remained largely unchanged from last year while total operating costs increased. Fare revenue increased by 3 percent across the Greater Wellington public transport network and 6 percent across small and medium sized public transport networks, but this was offset by a 1 percent decrease in Auckland and an 11 percent decrease in Christchurch.		
	National Land Transport Programme (PLA) – walking and cycling – active modes of transport	New measure	79.3km[5]
*	Network kilometres of cycle lanes		
	National Land Transport Programme (PLA) – new infrastructure for and renewal of state highways	90%	86%
*	% of activities that are delivered to agreed standards and timeframes		

[4] This measure aspires to capture cost per lane kilometre expenditure by road classification. However, it has not been possible to assess cost by road classification. The cost of maintenance is recorded through 23 work categories. While some of the work categories can readily be assigned to sections of road, many types of work do not readily link to road class. For example, costs such as for lighting or measuring road roughness are managed at a network level. While there is a long-term intention to assess cost by road class, several changes to management processes and accounting systems are needed before the long-term intention can be met. We will continue reporting road maintenance costs on an aggregated kilometre cost basis until data becomes available on a functional classification basis.

[5] This includes 61.8km from the Urban Cycleways Programme.

APPROPRIATION AND ASSESSMENT OF PERFORMANCE	FINAL BUDGETED STANDARD	2017/18 ACTUAL
The delivery of activities to agreed standards and timeframes was below target, primarily due to delays to the construction phase of some projects. Many of these projects were hampered by poor spring and summer weather conditions. This was particularly an issue for major earthworks throughout the country (for example, the Hamilton section of the Waikato Expressway, where poor weather and saturated ground conditions in two consecutive construction seasons has resulted in significant delays and the loss of an earthworks season). There were also some delays to the start of new projects, mainly due to the change in government and the need to align the Transport Agency Investment Proposal with the new Government Policy Statement, which required a re-evaluation of some projects' scope against the statement's objectives (for example, Warkworth to Wellsford, East West Link and Ōtaki to Levin). The re-evaluation will be undertaken and completed by December 2018. Progressing through the early phases (planning, designing and consenting) of projects continued to present challenges and remains an important focus.		
Road user charges investigation and enforcement Number of products/services delivered or processed (investigations and audits).[6] This includes both light and heavy vehicle road user charges investigation and enforcement activities (Road User Charges Act 2012)	23,000–26,000	26,505
Road user charges refunds Number of products/services delivered or processed (refunds applications processed)[5]	680,000–720,000	938,590
SuperGold card – administration of the public transport concessions scheme * Average number of working days taken to process and pay claims received from local authorities	20 days	16.4 days
SuperGold card – public transport concessions for cardholders Regional councils will implement enhanced public transport concessions for SuperGold Cardholders	100%	100%
Urban cycleways – local routes % of activities that are delivered to agreed standards and timeframe – % of expenditure to agreed purpose	100%	100%

[6] This is a component of the road user charges collection, investigation and enforcement output class measure *number of products/services delivered/processed*.

APPROPRIATION AND ASSESSMENT OF PERFORMANCE	FINAL BUDGETED STANDARD	2017/18 ACTUAL
Auckland Transport Package loan	100%	100%
The loan will be drawn down for the purposes and on the terms agreed between the Transport Agency and the Minister of Transport		
National Land Transport Programme (PLA) – new infrastructure for and renewal of state highways	90%	81%
% of state highway programme completed (construction phase)[7]		
There were delays to the construction phase of some projects mainly because of poor spring and summer weather conditions. This was particularly an issue for major earthworks throughout the country (for example, the Hamilton section of the Waikato Expressway, where poor weather and saturated ground conditions in two consecutive construction seasons has resulted in significant delays and the loss of an earthworks season).		
National Land Transport Fund borrowing facility for short-term advances	100%	100%
The loan will be drawn down for the purposes and on the terms agreed between the Transport Agency and the Minister of Transport		
Regional state highways	90%	87%
* % of activities delivered to standards and timeframes		
All three of the large (over $5 million) projects planned for completion in 2017/18 were completed (State Highway 14 Hospital Road intersection improvement (Northland), State Highway 3: Ohaupo to Te Awamutu (Waikato), and high productivity motor vehicles tranche 2: State Highway 24 Matamata to State Highway 29 Intersection (Waikato)).		
However, of the 11 small (under $5 million) projects planned for completion in 2017/18, only three were completed (State Highway 11: Airfield to Lily Pond (Northland), high productivity motor vehicles tranche 2: State Highway 24 Matamata to State Highway 29 intersection (Waikato), and State Highway 1 State Highway 62 Spring Creek Intersection roundabout (Marlborough)).		
Several projects will be completed during the first few months of 2018/19, including high productivity motor vehicles tranche 2: State Highway 26/State Highway 2 Hamilton to Paeroa (Waikato) and State Highway 6 High St/Marlborough St intersection (West Coast).		
Some projects were delayed following input from stakeholders and Safe System experts, which identified that scope changes (for example, State Highway 1B: Taupiri to Gordonton) or more investigation of the public transport components (for example, Grant Rd to Kawarau Falls Bridge Improvements) was needed.		
Reinstatement of the South Island transport corridors	New measure	Achieved
State Highway 1 between Picton and Christchurch open with restrictions by 31 December 2017		
State Highway 1 between Picton and Christchurch reopened and fully functional with no traffic management by 30 June 2018	New measure	Not achieved
Following the reopening of State Highway 1 in December 2017, traffic management has been in place to ensure the controlled delivery of ongoing improvement and resilience work.		
Urban cycleways – Crown assets	New measure	100%
% of activities that are delivered to agreed standards and timeframe – % of expenditure to agreed purpose		

[7] This is a component of the state highway improvements output class measure *% of activities that are delivered to agreed standards and timeframes*.