



<b>Subject</b>	Planning, Programming and Funding Manual (PPFM1), First edition, Amendment 1.
<b>Circulation</b>	All registered holders of the NZ Transport Agency's Planning, programming and funding manual, approved organisations and regional transport committees (RTCs)
<b>Circulated by</b>	Dave Brash – General Manager Regional Planning and Programmes
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## Purpose

To announce the release of amendment 1 to the first edition of the NZ Transport Agency's Planning, Programming and Funding Manual (PPFM) relating to the assessment and prioritisation of activities that arise from the amended Government Policy Statement for Land Transport Funding and the NZTA's Investment and Revenue Strategy. These changes apply to the delivery of the National Land Transport Programme (NLTP) from 1 July 2009.

## Background

The PPFM, first edition, amendment 0 was based on the first Government Policy Statement (GPS) that was issued in August 2008. Since the PPFM was published the strategic environment has changed, and a new GPS ([www.transport.govt.nz/Documents/Final-GPS-May-09.pdf](http://www.transport.govt.nz/Documents/Final-GPS-May-09.pdf)) was released on 19 May 2009.

The NZTA has adopted its first Investment and Revenue Strategy in response to the new GPS. The first part of the strategy deals with how the NZTA allocates land transport funding through the NLTP. It provides a direct link between the GPS and the NLTP and will demonstrate how the NLTP gives effect to the GPS.

## Key changes to the PPFM

The changes are primarily confined to the assessment and prioritisation procedures and processes contained in the PPFM that have been revised to give effect to the new GPS. These changes have been adopted by the NZTA Board for the delivery of the 2009/12 NLTP.

### Assessment and prioritisation

The most significant change to the assessment framework is the replacement of the 'seriousness and urgency' assessment factor with 'strategic fit'. The GPS impacts are given emphasis through the 'strategic fit' factor.

The 'effectiveness' assessment factor has been revised as the new GPS replaces targets with impacts. The 'effectiveness' assessment now considers the contribution of the proposed solution to achieving the impacts identified in the 'strategic fit' assessment and to the purpose of the Land Transport Management Act and the five New Zealand Transport Strategy objectives.

The 'economic efficiency' assessment factor remains as a measure of how efficiently resources are used. This will continue to be assessed through the benefit cost ratio for improvements and cost effectiveness for maintenance, operations and public transport services. These changes are contained in Chapter G.

Prioritisation places greater weight on the economic efficiency factor. Greatest weight is placed on 'strategic fit', followed by 'economic efficiency' and then 'effectiveness'. Changes to the prioritisation are contained in Chapter D3.5.

#### **Funding sources**

Changes have been made to the allocation of regionally distributed funds (R funds). In the past R funds were allocated after N funds. Now the allocation of R funds will be made on a national priority basis first before allocating N funds. Regions with C funds will have funding allocated according to the intent described in the Land Transport Management Act. These changes are incorporated into section D3.5.

#### **Supplementary funding**

The treatment of supplementary funding has been clarified and specific provision made with respect to public transport. This clarification has been included in sections A2.6 and F5.10.

## **Application of the amendment**

The GPS came into effect on 1 July 2009 and the NZTA has used the revised assessment and prioritisation framework contained in the PPFM amendment 1 from 1 July 2009 for the delivery of the NLTP.

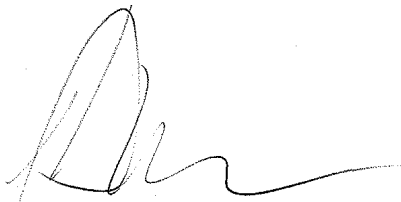
There may be further refinement of the assessment and prioritisation framework during the 2009/12 NLTP to give better effect to the GPS and any subsequent GPS.

## **Availability of the PPFM amendment 1**

The amendment is available for download from the NZTA website (<http://www.landtransport.govt.nz/funding/ppfm/index.html>) in PDF format. The PDF copy should always be referenced for the most current source of information. The HTML version will updated on both the NZTA and Smartmovez websites. The NZTA encourages feedback from users of the PPFM which can be directed to [ppfm@nzta.govt.nz](mailto:ppfm@nzta.govt.nz).

## **Your actions**

- Go to the NZTA website (<http://www.landtransport.govt.nz/funding/ppfm/index.html>) to download and print copies of the PPFM amendment 1.
- Please amend your copy of the PPFM with the downloaded amendment.



**Dave Brash**

General Manager Regional Planning and Programmes