

Subject	2018–21 National Land Transport Programme development – release of criteria for footpath maintenance and extension of enhanced FAR for road lighting LED conversion.
Circulation	Asset Managers (all approved organisations) System Design and Delivery (NZ Transport Agency – state highways) EECA Local Government New Zealand (LGNZ) EquiP SOLGM and EMANZ Electricity Networks Association Electricity Authority Electricity retailers (c/o Electricity Authority) Electrical Engineers Association Lighting Council of New Zealand The Illuminating Engineering Society of Australia & NZ (IESANZ) ACENZ Office of the Auditor General
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Purpose

This general circular sets out how the NZ Transport Agency (the Transport Agency) intends to work with road controlling authorities (RCAs) to respond to two points that have resulted from the development of the 2018–21 National Land Transport Programme (NLTP):

1. A change signalled in the draft Government Policy Statement on land transport 2018/19 –2027/28 (GPS). The GPS ‘supports investment in funding for maintenance and renewal of walking and cycling infrastructure’¹. The Transport Agency response to increased and expanded funding for walking and cycling activities is set out below.
2. An extension to the targeted enhanced funding assistance rate of 85% for expenditure on LED streetlight replacement programmes to 30 June 2021.

Transport Agency footpath maintenance investment policy

Background to new policy for footpath maintenance

¹ Draft Government Policy on Land Transport 2018/19 -27/28; para 93

The Government is expected to release the final GPS by 30 June. The Transport Agency's draft Investment Assessment Framework (IAF) sets out how it intends to give effect to the GPS in decision making for funding in the 2018–21 NLTP. The IAF will remain in draft until the GPS is finalised.

The draft IAF advises:

- maintenance of footpaths and cycleways is **included** within the road maintenance activity class and therefore covered by its assessment criteria
- footpath maintenance can be **included** within local road maintenance programmes.

The Transport Agency Board at its 20 April 2018 meeting approved new policy for investment in footpath maintenance and renewal activities. The proposed policy is subject to the final GPS confirming the inclusion of footpath maintenance within the Road Maintenance activity classes. The policy detail and instructions for updating maintenance programme requests for the 2018–21 NLTP to include footpath maintenance are set out below.

New Work Category (WC) and funding policy: WC 125 footpath maintenance

The new footpath maintenance policy has been released through the Planning and Investment Knowledge base (PIKB) at: [Work Category 125](#). A copy is attached to this general circular.

Process to request funding assistance for footpath maintenance in the 2018 – 21 NLTP

The Transport Agency's Transport Investment Online portal (TIO) has been updated to enable approved organisations to submit their programme request for WC 125. Please submit your funding request as soon as possible but not later than **30 June 2018**.

The Transport Agency will follow the process for indicative allocations for the wider maintenance programme for each approved organisation, but with some differences including a reduced time scale.

As funding requests and supporting information are received from approved organisations, Transport Agency investment advisors will assess each request and provide early feedback to them on the merits of the request. Approved organisations will have the opportunity to respond to the Transport Agency's initial assessment and provide further information regarding the funding request where necessary.

This process will in turn inform national moderation of the footpath request in parallel with final moderation of all maintenance requests and recommendations for approval in the NLTP.

Supporting information required

The Transport Agency requires all investment through the NLTP to be supported by a robust business case. The assessment of the footpath maintenance component of an approved organisation's programme will be on the same basis as the wider maintenance programme as set out in PIKB under [assessment of road maintenance programmes](#).

The Transport Agency expects the approved organisation's Activity Management Plan (AMP) will be the primary source of information supporting requests for footpath maintenance investment for the 2018–21 NLTP. Please discuss with your investment advisor whether your AMP is sufficiently detailed and robust to support your request.

Investment in footpath maintenance – the effect on indicative allocations for maintenance programmes

The Transport Agency Board has provisionally allocated up to \$120 million National Land Transport Fund share for footpath maintenance investment in the 2018 – 21 NLTP. The provision is an estimate only, modelled from very high level information sourced from a sample of approved organisations on their forecast level of expenditure. It takes account of the overall demand for funding within the maintenance activity class and across the NLTP.

Decisions of funding for WC 125 will be incorporated in the final decision on maintenance investment for each approved organisation. Subject to the final GPS priorities and funding ranges, our expectation is that investment in WC 125 will be additional to the final approval for the wider maintenance programme. This in turn will be based on the indicative allocations already advised to each approved organisation.

Combined WC for maintenance and renewals

For ease of implementation for the 2018–21 NLTP (including adapting TIO) the initial approach of a single WC is the most pragmatic for the Transport Agency. For future NLTPs it is possible that a separate WC for renewals will be implemented into both PIKB and within TIO.

Customer levels of service/performance measures used to manage footpath investment

As noted above, the AMP will be assumed as the starting point for discussions on WC 125 requests, both in terms of scope and levels of service.

The GPS signals a need ‘to improve the One Network Road Classification (ONRC) in terms of its provision for walking, cycling and public transport in urban areas’². The Transport Agency will work with the Road Efficiency Group (REG) to develop customer levels of service performance measures and guidance to be added to the current suite of ONRC Measures. Through the REG programme there will be an opportunity for all interested parties to have input into developing a consistent approach to manage customer levels of service for walking.

Extension of enhanced Financial Assistance rate for LED road lighting conversion programmes

At its meeting on 20 April 2018 the Transport Agency Board approved an extension to the targeted enhanced funding assistance rate (FAR) of 85% for expenditure on LED road lighting conversion programmes from 30 June 2018 to 30 June 2021.

To be eligible for the above 85% FAR during the period of the 2018–21 NLTP, an LED conversion programme must have been approved by the Transport Agency.

Summary

The impact of the decision to offer an 85% FAR for approved LED conversion programmes for the 2018–21 three year NLTP period is summarised as follows:

1. This general circular (No 18/02) does not alter any of the basic requirements for approval of an LED conversion programme set out in general circular No 15/01 *Accelerated renewal road lighting LED conversion programmes* other than to state that the FAR for a Transport Agency approved programme, for the period of the 2018–21 NLTP, will be 85%.
2. General circulars No 15/01 and 17/03 *Increased funding assistance for accelerated renewal road lighting LED conversion programmes* will not apply after 30 June 2018. Both will be replaced by a new general circular to be entitled *Accelerated renewal road lighting LED conversion programmes - 2018-21 NLTP* which will be published by 30 June 2018.
3. Only LED conversion activity that is part of a Transport Agency approved LED conversion programme, approved as an activity in work category 324 *Road improvements*, will be eligible for the 85% FAR during the period of the 2018–21 NLTP.
4. The FAR for an LED conversion programme approved but not completed before 30 June 2018, and which the Transport Agency has agreed will be rolled forward as an approved activity into the 2018–21 NLTP, will continue at the current 85%. The details for managing the end of year reconciliation will be

² Draft Government Policy on Land Transport 2018/19 -27/28; para 144

advised shortly through a separate General Circular. Please advise as early as possible what the most likely end of year out-turn is for your current approved programme and make the necessary adjustments in TIO.

5. Any approved organisation that has planned to convert road lighting to LED, at any time during the three year 2018–21 NLTP period, and currently intends to treat that activity as *Traffic services renewals* (work category 222) is advised to work with the Transport Agency to have the activity approved as an LED conversion programme, to be funded as a *Road improvement* (work category 324) at an 85% FAR. Any LED conversion activity completed before the above changes are made will be treated as renewal and funded at Normal FAR. Approved organisations that wish to now change work categories, and FAR, for their LED conversion activity should work with Transport Agency staff to make the appropriate changes in TIO, including changes to their funding assistance requests, in anticipation of having their LED conversion programme approved and funded, not as a *traffic services renewal* but as a *road improvement* activity at an 85% FAR.
6. This enhanced FAR offer of 85% for approved LED conversion programmes will end on 30 June 2021. This cut-off will apply to all costs. Approved organisations need to particularly note that to be eligible for the 85% FAR the cost of equipment supply (including luminaire supply) will only be eligible for the 85% FAR if the equipment has been installed on or before 30 June 2021.

Attachments

There is one attachment to this general circular: new work category WC 125 Footpath maintenance

Enquiries

For enquiries relating to this circular please contact your local Transport Agency System Management Planning and Investment Advisor or email nltp@nzta.govt.nz

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New Work Category 125 Footpath Maintenance

INTRODUCTION

This work category provides for the maintenance and renewal of public footpaths and facilities associated with public footpaths, such as pedestrian network connections, including stairs, alleyways and off-road connections.

QUALIFYING ACTIVITIES

Examples of qualifying activities include, but may not be limited to:

- footpath patching and pothole repairs
- maintenance of associated facilities including signs, lighting, and hand rails/guard rails
- footpath renewals, such as resurfacing or reconstruction.

Other potential activities that are not in the above list should be discussed with the Transport Agency for eligibility.

EXCLUSIONS

This work category excludes:

- footpaths and facilities used for recreational purposes which are not eligible for funding assistance eg paths which do not connect to the wider footpath network
- footpaths and facilities that are not in public ownership or to which the public does not have full access at all times of the day, eg footpaths in parks that are closed to the public at night
- maintenance of shared pedestrian cycling paths and facilities – these are funded under Work category 124: Cycle path maintenance
- vegetation control, mowing of berms, and sweeping – these are funded under Work category 121: Environmental maintenance
- construction/implementation of new or improved shared pedestrian and cycle paths and walking facilities – these are funded under Work category 451: Walking facilities, and Work category 452: Cycling facilities.

FUNDING ASSISTANCE RATE

The usual funding assistance rate is:

- the approved organisation's [normal FAR](#),
- the approved organisation's [special purpose roads maintenance FAR](#), or
- 100% for the Transport Agency for agreed activities on the state highway network

APPLYING FOR FUNDING APPROVAL

Applications for funding approval should be made through the maintenance module in TIO.