MIN-3951 INVESTMENT IN STATE HIGHWAY AND LOCAL ROAD MAINTENANCE

1 September 2022

This note provides the Associate Minister of Transport with an overview of investment in the maintenance of state highways and local roads over the past five years, as well as maintenance renewals (pavement rehabilitation and resurfacing) by length (lane km) for state highways, and by area (m^2) for local roads.

Background

1. The National Land Transport Programme (NLTP) is a three-year programme that sets out how Waka Kotahi NZ Transport Agency, together with its partners, invests in National Land Transport Funding, aligned to the Government Policy Statement (GPS) priorities, to create a safer, more accessible, better connected and more resilient land transport system to keep New Zealand moving. Every three years, the NLTP is adopted by the Waka Kotahi Board as required under the Land Transport Management Act 2003. To ensure the decision-making process is transparent, evidence-based and aimed at delivering the best value for money for New Zealand, it includes the use of the investment prioritisation model and also takes consideration of regional priorities while including observers from local government, the Ministry of Transport, or other parties.

2. The 3-year cyclic nature of the NLTP ensures continued review and development of funding to take account of a changing transport environment and the network asset management needs.

3. Councils land transport related activities are funded via the Funding Assistance Rate (FAR), with the percentage varied to suit each Council or Approved Organisation's (AO) financial circumstances. The normal FAR for each AO is based on methodology in the approved FAR principles and policy, which takes into account key input factors to adjust for changes in relative affordability across the local government sector. This assists AOs and Waka Kotahi to achieve optimal outcomes within their combined financial resources to achieve a consistent land transport network throughout the country.

4. The FAR enables Waka Kotahi and AOs to appropriately share the costs between land transport system users and local communities, recognising that national and local benefits are derived from investment in the network.

5. Targeted Enhanced FAR, and other Bespoke FAR, are directed to Councils for specific activities and exceptional circumstances such as emergency works, when they exceed a Council's ability to fund unforeseen events. The Normal FAR's range from the most common of 51% to the highest of 88% for the Chatham Islands.

Expenditure

6. The following information provides the expenditure per Local Council (Approved Organisation) over the past five years, along with the physical delivery per year of maintenance renewals in pavement rehabilitation and resurfacing. Alongside this is the information for the state highway network maintenance expenditure and quantities for physical delivery of pavement rehabilitation and resurfacing. Emergency works expenditure has been excluded from these figures.

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7. There were changes to the funding criteria at the commencement of the current NLTP 2021-24. For example, bridge replacements are now included within this funding category, so like-for-like comparisons may vary. 2022/23 financial figures are the allocated funds, and the prior years are actuals.

To be noted: Chatham Islands and Waitangi Trust figures and the Department of Conservation roading network are not included.

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Graph 1: State Highway Maintenance and Renewal Investment

The maintenance funding is divided up into Work Categories, covering both reactive (cyclic) and planned pavement (renewal) related maintenance work carried out to maintain safety and surface integrity of the state highway network.

There is variation year on year within the regions due to the programming of renewals activities to meet the annual asset demand.

Due to rising costs, the quantum of renewals has not raised proportionally to that of the increased expenditure.

At 2022-Dollars					
Local government region	**2017/18**	**2018/19**	**2019/20**	**2020/21**	**2021/22**
Auckland	163,079,126	159,286,482	167,824,673	155,589,802	145,594,859
Bay of Plenty	38,492,710	49,090,358	49,231,807	51,837,090	42,987,375
Canterbury	104,384,623	76,287,127	75,216,512	58,744,138	57,623,714
Gisborne	17,970,688	30,336,280	22,354,068	18,617,925	22,767,076
Hawkes Bay	15,622,989	15,985,652	19,187,943	23,162,598	17,954,888
Manawatu/Whanganui	17,686,220	22,019,434	31,056,211	26,668,318	26,410,067
Marlborough	23,558,833	9,705,836	8,965,714	14,854,428	18,945,005
Nelson	166,677	126,184	188,262	180,653	323,644
Northland	37,115,881	36,838,881	34,967,929	29,643,357	50,752,336
Otago	44,917,174	50,446,339	49,632,382	45,341,402	46,249,511
Southland	23,961,464	25,793,731	29,430,856	25,149,607	28,133,753
Taranaki	17,673,250	21,752,669	21,611,443	23,563,886	33,123,760
Tasman	42,690,656	19,418,486	18,166,153	16,398,237	18,026,125
Waikato	105,128,069	105,765,892	133,019,403	115,837,570	101,360,548
Wellington	64,393,139	62,976,407	54,377,550	54,198,796	60,736,577
West Coast	22,265,716	23,290,556	24,464,795	22,377,600	20,738,331
Grand Total	**739,107,217**	**709,120,316**	**739,695,699**	**682,165,405**	**691,727,569**

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Graph 2: State Highway Lane km of Chipseal Resurfacing

Surfacing renewals in each region have been reasonably consistent over the last five years, with small fluctuations in some regions. Canterbury has nearly doubled the quantity in the last year with Hawkes Bay also doubling from the 20/21 year. On average, Waikato's surface renewals were 13.7 times more than Auckland's renewals. These amounts exclude asphaltic concrete resurfacing which is typically used on the higher volume roads in the major urban centres (refer Graph 3).

	AUCKLAND	BAY OF PLENTY	CANTERBURY	GISBORNE	HAWKE'S BAY	NELSON /MARLBOROUGH	NORTHLAND	OTAGO	SOUTHLAND	TARANAKI	WAIKATO	WELLINGTON	WEST COAST	WHANGANUI/MANAWATU
2017/18	4.687	59.845	109.345	14.141	21.262	44.817	70.828	88.56	53.268	25.421	167.97	20.203	51.761	34.09
2018/19	13.971	67.367	112.523	23.746	27.118	57.052	102.515	109.522	47.43	46.68	149.852	18.571	72.612	85.55
2019/20	16.73	58.957	94.874	39.476	24.7	78.182	76.31	117.422	51.078	25.715	155.619	25.714	64.8	57.622
2020/21	9.329	83.875	63.358	29.964	50.23	42.536	40.242	89.469	43.271	22.675	166.682	12.742	69.338	61.855
2021/22	14.686	76.916	103.415	35.455	59.284	57.087	60.161	108.006	58.17	29.821	177.673	11.424	73.369	75.824

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Graph 3: State Highway Lane km of asphaltic concrete resurfacing by year

The majority of asphaltic concrete surfacing renewals in the last five years were in the main centres of Auckland, Waikato, and Wellington. For these centres, there was an increase in asphaltic concrete resurfacing renewals from 20/21 to 21/22 of 93% (Auckland), 109% (Waikato) and 181% (Wellington).

	AUCKLAND	BAY OF PLENTY	CANTERBURY	GISBORNE	HAWKE'S BAY	NELSON /MARLBOROUGH	NORTHLAND	OTAGO	SOUTHLAND	TARANAKI	WAIKATO	WELLINGTON	WEST COAST	WHANGANUI/MANAWATU
2017/18	38.232	7.768	2.904		3.285	2.783	5.389	9.588	0.838	1.309	21.444	33.362	0.128	0.33
2018/19	71.515	4.525	5.188	0.04	0.3	2.812	2.817	5.287	1.12	0.741	18.836	20.762	0.15	0.455
2019/20	62.016	8.324	6.22		0.858	0.395	0.701	6.852	3.465	0.698	18.502	31.865	0.51	1.069
2020/21	50.033	8.018	4.738		4.95	1.486	1.702	6.69	1.94	1.748	13.8	8.999	0.063	0.589
2021/22	97.011	5.838	8.428	1.05	0.597	4.145	2.283	10.372	2.521	2.169	28.894	25.332	0.475	2.789

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Graph 4: State Highway Lane km pavement rehabilitation by year

Pavement rehabilitation has decreased since 2017/18. The decrease in the five years has been an overall 28%. This was skewed by the Auckland region spike in pavement rehabilitation in 2017/18 which was 19.57 linear kms.

	AUCKLAND	BAY OF PLENTY	CANTERBURY	GISBORNE	HAWKE'S BAY	NELSON/ MARLBOROUGH	NORTHLAND	OTAGO	SOUTHLAND	TARANAKI	WAIKATO	WELLINGTON	WEST COAST	WHANGANUI/MANAWATU
2017/18	19.537	5.984	7.739	3.857	2.392	6.736	6.467	6.779	2.29	3.606	11.789	1.587	2.217	4.381
2018/19	1.618	6.05	9.418	7.453	4.16	6.772	3.618	7.938	5.69	5.493	9.408	3.726	1.49	5.628
2019/20	1.099	7.588	7.694	5.023	1.952	2.479	2.859	8.925	5.824	3.282	23.03	2.091		6.19
2020/21	0.293	5.489	2.867	2.716	8.822	3.628	1.973	4.808	3.32	2.139	19.208	4.877	0.263	6.973
2021/22	0.736	6.316	5.675	3.72	2.598	1.834	3.529	2.525	3.255	6.217	14.802	4.59		5.361

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Local Councils

The next set of graphs and tables relate to the investment in local Council (Graph 5 grouped into regions) road maintenance, both financial expenditure in maintenance (routine cyclic and renewal) activities. Given the diversity and variance in expenditure across the Councils roading networks, these graphs have been grouped in such a way as legibility is easier to decipher on the vertical scale.

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Graph 5: Local Road Maintenance - Cyclic and Renewal Investment

At 2022-Dollars					
Local government region	**2017/18**	**2018/19**	**2019/20**	**2020/21**	**2021/22**
Auckland	233,865,429	278,585,760	287,418,669	285,963,385	287,159,610
Bay of Plenty	55,763,916	57,599,476	55,152,131	64,076,495	66,041,317
Canterbury	125,743,595	144,943,875	130,272,324	135,188,006	139,422,489
Gisborne	21,355,000	27,969,062	30,286,860	27,064,344	25,913,002
Hawkes Bay	48,351,866	49,554,143	52,306,849	54,042,554	50,225,290
Manawatu/Whanganui	77,026,762	84,896,314	82,335,430	81,021,686	81,849,448
Marlborough	13,682,810	13,690,102	11,517,800	17,592,232	13,267,736
Nelson	6,281,795	8,367,708	7,564,416	8,074,830	7,298,253
Northland	82,176,393	70,376,035	66,495,617	78,404,726	70,387,718
Otago	73,232,079	82,011,888	78,868,047	79,446,259	81,290,837
Southland	40,873,449	42,785,756	41,048,123	44,146,174	43,700,377
Taranaki	36,174,295	35,376,071	33,538,781	36,096,320	38,167,482
Tasman	11,387,231	14,314,818	14,054,609	15,935,689	18,039,054
Waikato	120,683,572	138,960,721	134,091,546	141,480,567	137,336,209
Wellington	76,099,049	98,268,373	94,623,213	104,918,780	99,792,067
West Coast	15,042,632	16,451,404	14,671,391	16,490,464	14,282,310

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Graph 6: Metropolitan local road maintenance investment

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Graph 7: Provincial Councils local road maintenance investment

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Graph 8: Rural Councils local road maintenance investment

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Graph 9: Regional (Unitary) Councils local road maintenance investment

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Appendix 1. All councils - local road maintenance total investment (2022 dollars) excluding emergency works

Council	2017/18	2018/19	2019/20	2020/21	2021/22
Auckland	**233,865,429**	**278,585,760**	**287,418,669**	**285,963,385**	**287,159,610**
Auckland Transport	233,865,429	278,554,271	287,405,750	285,955,023	287,125,749
DOC (Auckland)	-	31,489	12,919	8,362	33,861
Bay of Plenty	**55,763,916**	**57,599,476**	**55,152,131**	**64,076,495**	**66,041,317**
Bay of Plenty Regional Council	-	-	-	-	-
DOC (BoP)	-	-	-	15,200	31,925
Kawerau District Council	604,359	830,325	660,124	1,215,271	811,718
Opotiki District Council	3,270,625	3,407,108	3,128,991	4,628,447	3,319,036
Rotorua Lakes Council	12,042,722	12,314,259	12,413,662	12,178,745	14,369,841
Tauranga City Council	13,460,655	16,501,852	13,552,991	18,778,485	17,282,669
Western BoP District Council	13,493,748	13,738,009	14,246,029	13,584,015	16,337,445
Whakatane District Council	12,891,807	10,807,923	11,150,332	13,676,332	13,888,683
Canterbury	**125,743,595**	**144,943,875**	**130,272,324**	**135,188,006**	**139,422,489**
Ashburton District Council	11,539,553	14,911,608	11,899,921	14,226,060	13,082,018
Christchurch City Council	60,158,248	68,105,797	59,566,928	61,621,819	67,825,767
DOC (Canterbury)	9,258	125,268	442,408	56,434	1,025,105
Hurunui District Council	7,976,463	9,292,511	7,372,080	7,212,130	7,128,508
Kaikoura District Council	1,207,476	1,377,845	1,982,658	1,622,842	1,752,399
Mackenzie District Council	3,406,089	3,470,119	3,520,319	3,301,200	2,770,198
Selwyn District Council	12,249,827	15,034,672	14,909,454	14,522,188	15,582,644
Timaru District Council	12,785,224	14,226,098	14,344,840	13,813,697	14,505,695
Waimakariri District Council	11,641,843	12,894,863	10,934,536	13,167,732	11,158,939
Waimate District Council	4,769,613	5,505,094	5,299,181	5,643,905	4,591,216
Chatham Islands	**3,965,140**	**3,666,557**	**4,365,736**	**3,527,437**	**3,609,857**
Chatham Islands Council	3,965,140	3,666,557	4,365,736	3,527,437	3,609,857
Gisborne	**21,355,000**	**27,969,062**	**30,286,860**	**27,064,344**	**25,913,002**
Gisborne District Council	21,355,000	27,969,062	30,286,860	27,064,344	25,913,002
Hawkes Bay	**48,351,866**	**49,554,143**	**52,306,849**	**54,042,554**	**50,225,290**

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Council	2017/18	2018/19	2019/20	2020/21	2021/22
Central Hawkes Bay District Council	12,264,029	10,674,731	10,885,587	15,270,173	10,577,787
DOC (Hawkes Bay)	18,189	71,860	3,952	45,093	43,463
Hastings District Council	20,253,086	21,827,054	23,093,513	20,845,172	22,529,880
Napier City Council	7,122,399	7,306,755	7,176,450	7,216,983	7,231,588
Wairoa District Council	8,694,163	9,673,741	11,147,347	10,665,132	9,842,572
Manawatu/Whanganui	**77,026,762**	**84,896,314**	**82,335,430**	**81,021,686**	**81,849,448**
DOC (Manawatu-Whanganui)	372,192	423,220	320,368	270,246	239,454
Horowhenua District Council	7,431,767	6,714,077	6,808,920	6,820,602	6,332,505
Manawatu District Council	11,590,714	11,306,458	11,420,561	10,929,687	10,276,465
Palmerston North City Council	9,502,175	11,875,498	12,180,350	10,800,375	12,087,814
Rangitikei District Council	11,241,543	11,705,093	10,940,444	10,345,835	10,449,351
Ruapehu District Council	12,874,358	15,581,241	15,649,267	14,165,566	15,467,932
Tararua District Council	12,546,983	14,094,667	12,517,753	15,483,168	13,670,894
Whanganui District Council	11,467,032	13,196,061	12,497,768	12,206,207	13,325,033
Marlborough	**13,682,810**	**13,690,102**	**11,517,800**	**17,592,232**	**13,267,736**
DOC (Marlborough)	-	11,270	46,578	5,968	24,988
Marlborough District Council	13,682,810	13,678,833	11,471,222	17,586,264	13,242,748
Nelson	**6,281,795**	**8,367,708**	**7,564,416**	**8,074,830**	**7,298,253**
Nelson City Council	6,281,795	8,367,708	7,564,416	8,074,830	7,298,253
Northland	**82,176,393**	**70,376,035**	**66,495,617**	**78,404,726**	**70,387,718**
DOC (Northland)	-	37,242	147,598	-	97,590
Far North District Council	38,326,590	26,029,902	25,361,611	29,180,488	28,841,438
Kaipara District Council	16,379,951	16,870,631	15,612,212	18,636,634	13,815,338
Waitangi Trust	12,534	25,195	22,657	134,717	48,582
Whangarei District Council	27,457,318	27,413,065	25,351,539	30,452,888	27,584,770
Otago	**73,232,079**	**82,011,888**	**78,868,047**	**79,446,259**	**81,290,837**
Central Otago District Council	7,583,776	9,417,316	7,893,128	9,535,633	8,568,683
Clutha District Council	15,444,618	12,943,261	13,263,723	15,805,267	12,711,012
DOC (Otago)	-	11,745	28,363	70,492	78,877

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Council	2017/18	2018/19	2019/20	2020/21	2021/22
Dunedin City Council	27,434,869	34,496,632	33,665,258	23,717,843	35,224,583
Otago Regional Council	-	31,237	81,365	138,825	136,545
Queenstown-Lakes District Council	11,900,340	13,812,916	13,194,069	18,419,406	14,783,687
Waitaki District Council	10,868,476	11,298,781	10,742,141	11,758,794	9,787,450
Southland	**40,873,449**	**42,785,756**	**41,048,123**	**44,146,174**	**43,700,377**
DOC (Southland)	-	9,860	9,452	673,445	36,477
Environment Southland	34,400	40,588	47,410	43,556	55,845
Gore District Council	4,129,357	4,721,147	5,271,303	4,207,418	5,130,502
Invercargill City Council	9,392,237	11,717,469	10,503,473	11,862,283	11,267,176
Southland District Council	27,317,455	26,296,691	25,216,486	27,359,471	27,210,377
Taranaki	**36,174,295**	**35,376,071**	**33,538,781**	**36,096,320**	**38,167,482**
DOC (Taranaki)	-	-	-	-	-
New Plymouth District Council	14,083,126	13,954,274	15,501,879	16,042,797	17,042,515
South Taranaki District Council	15,470,697	14,418,874	11,919,538	14,611,240	14,257,291
Stratford District Council	6,620,472	7,002,923	6,117,364	5,442,282	6,867,676
Tasman	**11,387,231**	**14,314,818**	**14,054,609**	**15,935,689**	**18,039,054**
DOC (Tasman)	-	98,721	199,996	46,051	301,652
Tasman District Council	11,387,231	14,216,097	13,854,612	15,889,637	17,737,402
Waikato	**120,683,572**	**138,960,721**	**134,091,546**	**141,480,567**	**137,336,209**
DOC (Waikato)	-	96,415	109,473	185,077	144,121
Hamilton City Council	16,734,871	28,306,547	27,288,966	28,549,554	30,881,383
Hauraki District Council	7,661,478	6,456,964	7,562,228	7,617,935	7,507,464
Matamata-Piako District Council	12,016,953	10,925,372	11,851,488	12,675,846	11,024,214
Otorohanga District Council	6,215,092	8,460,850	6,101,181	7,550,896	6,864,688
South Waikato District Council	5,533,858	6,439,840	5,978,738	6,426,382	5,940,921
Taupo District Council	5,165,520	5,684,557	6,022,120	7,759,745	6,814,450
Thames-Coromandel District Council	11,108,603	14,322,988	11,572,644	12,806,767	13,440,170
Waikato District Council	31,797,607	32,886,913	32,252,656	33,957,902	32,149,540
Waikato Regional Council	-	-	2,448	28,196	-

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Council	2017/18	2018/19	2019/20	2020/21	2021/22
Waipa District Council	12,794,065	13,774,488	14,034,661	12,856,210	13,361,311
Waitomo District Council	11,655,525	11,605,787	11,314,942	11,066,058	9,207,947
Wellington	**76,099,049**	**98,268,373**	**94,623,213**	**104,918,780**	**99,792,067**
Carterton District Council	3,061,931	2,775,584	3,639,642	3,509,254	3,360,160
DOC (Wellington)	-	60,575	560,073	323,651	421,295
Greater Wellington	-	-	-	-	-
Hutt City Council	16,826,855	14,754,068	14,953,207	16,508,874	14,232,414
Kapiti Coast District Council	5,344,107	7,210,251	7,747,467	9,071,195	9,892,251
Masterton District Council	6,782,810	9,179,485	8,380,056	10,412,040	10,289,335
Porirua City Council	6,247,648	7,231,305	7,395,589	6,315,898	9,753,156
South Wairarapa District Council	4,886,277	3,874,654	3,920,999	4,710,813	4,547,399
Upper Hutt City Council	4,808,815	5,943,467	5,037,054	6,472,748	5,217,684
Wellington City Council	28,140,606	47,238,983	42,989,127	47,594,307	42,078,373
West Coast	**15,042,632**	**16,451,404**	**14,671,391**	**16,490,464**	**14,282,310**
Buller District Council	5,174,514	5,243,108	4,896,266	4,863,479	3,866,798
DOC (West Coast)	321,797	528,801	230,972	637,428	573,700
Grey District Council	4,922,593	5,608,567	4,895,997	5,601,831	4,658,506
Westland District Council	4,623,728	5,070,928	4,648,157	5,387,726	5,183,306
Grand Total	**1,041,705,016**	**1,167,818,064**	**1,138,611,541**	**1,193,469,948**	**1,177,783,056**

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