

# How this NLTP complies with s19B of the LTMA



## Section 19B LTMA requirements

1. A national land transport programme must include an assessment as to how it complies with section 19B of the Land Transport Management Act 2003 (LTMA), which provides:

### 19B Core requirements for national land transport programme

The Agency must, in preparing a national land transport programme,

- (a) ensure that the national land transport programme—
  - (i) contributes to the purpose of this Act; and
  - (ii) [Repealed]
  - (iii) gives effect to the GPS on land transport; and
- (b) take into account any—
  - (i) [Repealed]
  - (ii) [Repealed]
  - (iii) regional land transport plans; and
  - (iv) national energy efficiency and conservation strategy; and
  - (v) relevant national policy statements and any relevant regional policy statements or plans that are for the time being in force under the [Resource Management Act 1991](#).
  - (vi) [Repealed]

2. This Appendix sets out an assessment of how NLTP 2024-27 complies with section 19B of the LTMA, as is required by s 19C(b) of the LTMA. However, in practice, our assessment of compliance between NLTP 2024-27 and s 19B was carried out continually through the development of NLTP 2024-27. The steps taken to comply with s 19B include the development of investment targets in each activity class, the development of the Investment Prioritisation Methodology (IPM), the moderation of proposed activities for inclusion in NLTP 2024-27 and the Board's overall assessment of NLTP 2024-27 in adopting it. This statement should therefore be read in conjunction with the more detailed description of how NLTP 2024-27 was developed, how we assess and prioritise projects, and how we are giving effect to the GPS by activity class in the main text.
3. NZTA will consider whether the NLTP continues to meet the requirements of s 19B, as well as whether a particular activity or combination of activities is consistent with GPS 2024, is efficient and effective, and contributes to NZTA's statutory objective, when it approves a that activity or combination of activities for funding from the NLTF.

## How this NLTP contributes to the purpose of the Land Transport Management Act 2003 (LTMA)

4. Section 19B(a)(i) of the LTMA requires NZTA to ensure that any national land transport programme it prepares contributes to the LTMA's purpose.
5. Section 3 of the LTMA provides that the purpose of the Act is to "contribute to an effective, efficient, and safe land transport system in the public interest". Without limiting the legal interpretation of section 3, a land transport system is:
  - Effective when it moves people and freight where they need to go in a timely manner, and
  - Efficient when it delivers the right infrastructure and services to the right level at the best cost; and
  - Safe when it reduces harm from land transport.

6. The “public interest” describes what NZTA must aim to achieve through land transport planning and funding. This recognises that land transport is not an end in its own right but an enabler of other activities. As part of its assessment, NZTA has considered a range of interests, including but not limited to economic, social, cultural and environmental wellbeing.
7. NZTA’s assessment of how NLTP 2024-27 contributes to an “effective, efficient and safe land transport system in the public interest” is summarised below in relation to each of effectiveness, efficiency, safety and the public interest. However, NZTA has primarily considered how NLTP 2024-27 contributes to the purpose statement as a whole, reflecting that many of the activities and combinations of activities funded or proposed for funding contribute to multiple priorities and interests.
8. NLTP 2024-27 contributes to an **effective** land transport system by:
  - Developing the NLTP to give effect to GPS 2024, including the four strategic priorities (Economic growth and productivity, Maintenance, Safety and Value for money), through selection of activity class investment targets and prioritisation of new activities and combinations of activities that align with GPS strategic priorities.
  - Ensuring that the NLTP will allow our road network to be maintained at current levels of service.
9. NLTP 2024-27 contributes to an **efficient** land transport system by:
  - Targeting additional funding towards the overarching GPS strategic priority of economic growth and productivity, in particular through the Roads of National Significance, in corridors that will support economic growth by enabling new housing areas for population growth, and local roads improvements, including building new local roads and improving the capacity of existing local roads.
  - Increasing state highway maintenance programmes to deliver greater resilience outcomes, including against the impacts of extreme weather events, including replacement of critical bridges on the State Highway network.
  - Funding Public Transport to maintain all existing services, working towards transitioning to a low-emission bus fleet, and ensuring sufficient funding for critical new services including the operation of the City Rail Link, Auckland.
  - Targeting funding for the rail network to those parts of the network where the most significant economic benefits and opportunities for boosting the productivity of freight movement exist.
  - Providing for a reduction in NZTA’s back office costs.
10. NLTP 2024-27 contributes to a **safe** land transport system by:
  - Supporting a refocused Road Efficiency Group to build sector capability and capacity to drive better accountability, delivery, and value for money from transport investments;
  - Increasing road renewals, that will reduce the requirement for smaller fixes and low risk activities;
  - Providing for the use of the New Zealand guide to temporary traffic management, to deliver savings by adopting a risk-based approach that ensures that temporary traffic management matches the work being undertaken.
  - Revising road safety promotion programmes to align with national advertising.
10. NLTP 2024-27 contributes to a **safe** land transport system by:
  - Increasing investment in a well-maintained network that will improve road safety outcomes through the RoNS programme and the Pothole Prevention activity class.
  - Ensuring that a safe system approach is part of all stages of project development, with all activity classes contributing to safety outcomes.
  - A refocus of National Road safety promotion activities to ensure nationally consistent and coordinated road safety promotion.
  - Maintaining investment in the road policing programme, focussing on impairment, speed, restraints, distraction, high-risk drivers and commercial vehicles.
  - Supporting the roll out of Safety Camera programme.

11. NLTP 2024-27 contributes to an effective, efficient and safe land transport system **in the public interest** by:
- Taking account of RLTPs and public consultation on proposed RLTPs in the development of the NLTP 2024-27, as well as particular consideration being given to regional activities identified by those regions as high priority;
  - Ensuring increased levels of maintenance over the network to improve asset quality and life, improving connectivity and provides enhanced access to social, cultural and economic opportunities.
  - Investment to support growth and new housing through the RoNS programme, such as the Hamilton Southern Links and the Petone to Grenada Link Road and the Cross Valley Link
  - Accelerating planning work on other Roads of National Significance, particularly routes that will support economic growth such as the Auckland to Whangārei corridor within the next NLTP period.
  - Maintaining investment in public transport to support accessible access to transportation options, working towards transitioning to a low-emission bus fleet, and ensuring sufficient funding for critical new services.
  - Ensuring that land transport funding is allocated in an efficient and effective manner.
12. NZTA will undertake a further assessment whether funding a particular activity contributes to NZTA's objective, to undertake its functions in a way that contributes to an effective, efficient and safe land transport system, when deciding whether to approve activities for funding from the NLTF.
- How this NLTP gives effect to the GPS on land transport**
13. Section 19B(a)(iii) LTMA requires NZTA to ensure that any national land transport programme it prepares gives effect to the GPS on land transport.
14. We have ensured NLTP 2024-27 gives effect to GPS 2024 by reviewing the NLTP against the strategic priorities, outcomes, expenditure limits and activity class funding ranges, and statement of Ministerial expectations that are intended to give effect to those priorities and outcomes.
15. In accordance with GPS 2024, the NLTP targets investment in each activity class to at least the minimum of the expenditure range identified in GPS 2024. The NLTP has been developed by first considering 'baseline' activities that must be funded in accordance with our legal obligations and financial commitments, and to maintain the system at acceptable levels of service as expected by GPS 2024. Additional funding has been targeted at the GPS strategic priorities, in particular the overarching GPS priority of economic growth and productivity, along with maintaining and building resilience into the network.
16. New activities and combination of activities which it is anticipated funding may be provided in the next NLTP period have been initially prioritised for inclusion in the NLTP in accordance with the Investment Prioritisation Method. These activities, with a small number of exceptions, are drawn from RLTP which themselves were considered for consistency with GPS 2024. Where RLTP were developed prior to publication of GPS 2024, an opportunity was provided to adjust activities included in the RLTP to enable prioritisation of activities aligned with GPS 2024.
17. A key role of the IPM is to ensure only activities that are consistent with the GPS 2024 are prioritised for inclusion in the NLTP and approved for NLTF funding. The IPM achieves this by providing a methodology and criteria to enable a nationally consistent approach to assessing and comparing all proposed activities to determine the best mix of activities for inclusion in the NLTP so that the NLTP gives effect to the GPS and contributes to the purpose of the Act. The methodology considers alignment with the strategic priorities of the GPS, as well as an assessment of the efficiency of the proposed activities (reflecting the Value for Money strategic priority).
18. All activities prioritised for inclusion by the IPM then went through a moderation exercise against other activities in the activity class to ensure they align with GPS 2024, including that the priorities achieve best value for money. This exercise is undertaken by senior subject matter experts and involves representatives from local government and the Ministry of Transport.
19. The following paragraphs summarise how the NLTP gives effect to GPS 2024 by pursuing each of the four strategic priorities and the outcomes that the Government expects to be achieved by this GPS.

## GPS Strategic Priority: Economic growth and productivity

20. To meet this strategic priority, investment within the State Highway Improvements activity class has had a significant increase in both NLTF and Crown funding to deliver the Roads of National Significance (RoNS) programme and priority resilience projects, including delivering SH22 Tauriko West and the SH6 Hope Bypass and the end-of-life replacement of SH82 Elephant Hill Bridge in Canterbury
21. Economic growth and productivity are also addressed through investments in the Local Roads Improvement activity class. Projects funded under this activity class include building new local roads and improving the capacity of existing local roads, and end-of-life bridge and structures renewals, including the Auckland Optimisation programme and improvements to Two Chain Road in Selwyn District and the Te Mata - Waimarama Roundabout project on the Hawkes Bay
22. Investments in the State Highway Operations and the Local Road Operations activity classes will fund activities that include managing demand and operating services to ensure the best use of our state highway and local road networks.
23. The Rail Network activity class will fund investment in operation and maintenance, renewals, and improvements to the national rail network. The activities funded are targeted to parts of the rail network where the most significant economic benefits and opportunities for boosting the productivity of freight movement exist, for example Auckland, Hamilton, and Tauranga,

24. NZTA considers that these investments will promote the following of the Governments expected short to medium term outcomes:
  - reduced journey times and increased travel time reliability
  - less congestion
  - improved access to markets, employment and areas that contribute to economic growth.
  - more efficient supply chains for freight
  - access to greenfield land for housing development.

## GPS Strategic Priority: Increased maintenance and resilience

25. To meet this strategic priority, investment within the State Highway Pothole Prevention and the Local Road Pothole Prevention activity classes will address the significant rise in the number of potholes and deterioration of the state highway and local road networks. Activities will include resealing, rehabilitating, and drainage maintenance across both networks.
26. The Roads of National Significance (RoNS) programme under the State Highway Improvements activity class has a strong focus on building more resilient roads as well as halting the decline in the condition of our state highways.
27. The Local Road Improvements activity class and Local Road Operations activity class prioritise upgrading and resurfacing existing local roads and improving or replacing bridges.

28. Resilience improvements on local roads will include infrastructure upgrades and prevention measures to mitigate against the impacts of extreme weather events.
29. NZTA considers that these investments will promote the following of the Governments expected short to medium term outcomes:
  - more kilometres of the road network resealed and rehabilitated each year
  - fewer potholes
  - a more resilient network

## GPS Strategic Priority: Safety

30. To meet this strategic priority, the NLTP 24-27 invests in road policing and nationally consistent and coordinated road safety promotion.
31. It focuses on improving road safety through enforcement and behavioural change. Police must achieve road policing targets set by the Government through funding in this activity class. Their focus will be on
  - impairment
  - speed
  - restraints
  - distraction
  - high risk drivers
  - commercial vehicles
  - other prevention and enforcement activities including crash response, network maintenance, education.
32. The Safety Camera System is also funded through this activity class along with several smaller Nationally Delivered Activities (NDAs) to support safe system and regulatory requirements.



33. The Government expects that investment in road safety will also be achieved across activity classes. This includes the Roads of National Significance (RoNS) programme through the State Highway Improvements activity class and investment in a well-maintained road network through the Pothole Prevention activity classes.

34. NZTA considers that these investments will promote the following of the Governments expected short to medium term outcomes:

- reduction in deaths and serious injuries
- increased enforcement

### **GPS Strategic Priority: Value for money**

35. GPS 2024 outlines a clear direction to deliver value for money in all activity classes and this has been at the forefront of our decision making.

36. The Investment Prioritisation Method (IPM) criteria includes efficiency to reflect the Value for <Money strategic priority.

37. NZTA considers that these investments will promote the following of the Governments expected short to medium term outcomes: The NLTP ensures:

- better use of existing capacity
- less expenditure on temporary traffic management

### **How regional land transport plans have been taken into account**

38. Section 19B(b)(iii) LTMA requires NZTA to take into account any regional land transport plans when preparing a national land transport programme.

39. We have taken into account regional land transport plans when preparing NLTP 2024-27, including by taking the following steps:

- All activities, other than a small number of nationally delivered activities (such as the National Ticketing Solution), must be included in an RLTP in order to be included in the NLTP.
- We have reviewed the regional priorities in each RLTP when making final prioritisation decisions within activity classes to consider opportunities to adjusting the NLTP to better align with regional priorities. While RLTPs must also be consistent with the GPS, Regional Transport Committees use a variety of prioritisation approaches meaning regional priorities can differ from those determined by NZTA. Those priorities were carefully considered, but ultimately, we are required to form our own assessment of the investment required to give effect to the GPS.
- Reviewing the top priorities for each region for all new proposed activities where the region gave a priority ranking from one to nine, against our ranking assigned for the region, applying the IPM. As part of this review, we sought to determine whether each region had been appropriately categorised using the NZTA's taxonomy as set out in the July Board paper or not. It was apparent many chose to apply their own approach to priority ranking which led to much of the divergence we observed.

- Applying a further adjustment to what we had previously considered as probable and possible activities in the NLTP to promote activities identified as a regional priority over activities that have a similar IPM priority but are not identified as a regional priority. Where this occurred, we applied an exception to our IPM assessment to include such an activity.

### **How the national energy efficiency and conservation strategy has been taken into account**

40. conservation strategy when preparing a national land transport programme.

41. We have taken into account the national energy efficiency and conservation strategy when preparing NLTP 2024-27. The NZEECS 2017-22 (which has been determined to be replaced but continues in force until a replacement is prepared), identifies three priorities, of which 'Efficient and low emissions transport' is most relevant to the NLTP. The NLTP supports the this priority within the NEECS by:

- Supporting the inclusion of programmes to decarbonise the bus and ferry fleet;
- Including activities to expand the reach and capacity of the Public Transport Network, such as the Northwest Rapid Transit Corridor and Eastern Busway.
- Including activities, that support freight and passenger movement by rail, including the National Ticketing Solution.

## How relevant national policy statements and relevant regional policy statements and plans in force under the Resource Management Act 1991 have been taken into account

42. Section 19B(b)(v) LTMA requires NZTA to take into account any relevant national policy statements and relevant regional policy statements or plans in force under the Resource Management Act 1991 (RMA) when preparing a national land transport programme.
43. Regional Land Transport Plans (RLTPs) are required to also take account of NPS and RPS. As NZTA only considers activities for inclusion into the NLTP that are included in an RLTP, with a small number of exceptions for nationally delivered activities, this provides another layer of assessment that has already occurred prior to being submitted to NZTA for NLTP inclusion.
44. We have considered which of the National Policy statements currently in force under the RMA are relevant to our preparation of NLTP 2024-27 and have taken them into account through the application of the IPM and as outlined below –
- National Policy statements were reviewed by Senior National Planners and policies of relevance to transportation infrastructure identified. An assessment of the alignment of GPS 2024 against the relevant policy statements

was undertaken to determine relevance for developing the NLTP and a workshop held to determine how the policy was to be taken into account. In many cases, the policy relates to detail of infrastructure development that is beyond the scope of the NLTP development and will be taken into account in subsequent investment decision-making.

- Activities required to comply with statutory obligations arising from the National Policy statements were included in the 2024-27 NLTP without undertaking an assessment in accordance with this IPM. An assessment is required that the costs are unavoidable, reasonable in scope and amount, and must be incurred in the 2024-27 period.
45. Regional Policy Statements (RPS) were reviewed by the Spatial System Planning team, to identify the key objectives and policies that are related to transport and infrastructure. Assessment on the alignment of the RPS to the GPS 2024, and its impact on NLTP development were undertaken. As regional policy statements are far more granular than National Policy statements, most conditions occur at a level of project detail that is beyond the NLTP assessment and will be assessed through project development phases to ensure compliance with relevant policy statements. In such cases, the assessments undertaken for the NLTP are noted for future reference as regional projects develop through subsequent investment decision-making.

## Climate Change Response Act 2002: 2050 target, emissions budget and emissions reduction plans

46. In addition to the s 19B requirements for adopting an NLTP, the Climate Change Response Act 2002 permits NZTA to take into account—
- the 2050 target; or
  - an emissions budget; or
  - an emissions reduction plan.
47. We have determined to take into account the 2050 target and emissions budgets in preparing the NLTP. We have not taken into account the current emissions reduction plan. This is because GPS 2024 records that it has not been aligned with the current emissions reduction plan, while a reassessment of that plan is underway following the change of government following the 2023 general election. A new emissions reduction plan is anticipated to be published later this year.
48. Analysis has been undertaken using the CATI and MOAT tools on the proposed NLTP, to assess the programmes impact on emissions. The CATI tool was developed by NZTA to help qualitatively assess the emissions implications of investment programmes. The MOAT tool was developed by Aurecon (and peer reviewed by Monash University) to help assess quantitatively assess emissions and other outcomes from investment programmes (including economic benefits and DSIs). The MOAT is a relatively new tool and is not yet sufficiently developed to robustly model economic benefits and

DSIs, so has not been used for these purposes. There are also important limitations to its use when modelling emissions, which have been taken into account in assessing the implications of the NLTP 24-27.

49. Together the analysis indicates that the total estimated NLTP expenditure is marginally weighted towards activities that are estimated to increase emissions particularly if all committed and probable projects are fully implemented in this or subsequent NLTP periods.

50. The results of the CATI and MOAT analysis are not inconsistent with the 2050 target and emissions reduction budgets because:

- The total estimated NLTP expenditure is marginally weighted towards activities that will increase emissions but this does not take into account other potential transport-related policy interventions which may counterbalance this e.g. the Government's policy to increase the number of EV charging stations.

- Inclusion of an activity in the NLTP does not mean that it will be fully funded through to construction and separate statutory decisions for funding are required, at which point more project specific emissions information will be available.
- The 2050 target and emissions budgets are national figures, achievement of which will be affected by both non-NLTP transport policy initiatives and non-transport policy initiatives which are not modelled by CATI or MOAT.
- The Government has indicated that the key tool for achieving the 2050 target and emissions reduction budgets is the Emissions Trading Scheme (ETS) which are outside the scope of NLTP 24-27. The MOAT analysis does not take into account the effects of the ETS on transport emissions.

## Relevant directions under Part 3 of the Crown Entities Act 2004 or any other Act

Section 19C(i) of the Land Transport Management Act 2003 requires the NLTP to include relevant directions under Part 3 of the Crown Entities Act 2004 or any other Act.

The following are directions to the NZTA that are current as at the date of adoption of NLTP 2024-27 and may be relevant for the purposes of NLTP 2024-27:

Name of direction	Date of direction	Gazette notice no.	Gazette link or file location	Summary
Direction to Support a Whole-of-Government Approach, Given to the House of Representatives by the Minister for the Public Service and the Minister of Finance Under Section 107 of the Crown Entities Act 2004	27 March 2022	2022-go2030	<a href="https://gazette.govt.nz/notice/id/2022-go2030">https://gazette.govt.nz/notice/id/2022-go2030</a>	Direction sets out requirements for agencies to implement the Carbon Neutral Government Programme (CNGP). The CNGP has been set up to accelerate emissions reductions across the public sector. It will ensure that government agencies, alongside businesses and communities, are leading the way to reduce emissions as we transition to a low-emissions, resilient economy, and ensures agencies adapt to operate in a low-emissions future. The objective is for agencies to reduce their gross emissions and to be carbon neutral by 2025.
New Zealand Transport Agency (Additional Delivery Management Function) Direction 2021	20 Dec 2021	2021-go5604	<a href="https://gazette.govt.nz/notice/id/2021-go5604">https://gazette.govt.nz/notice/id/2021-go5604</a>	Direction to Waka Kotahi-NZTA to carry out the additional function of managing the delivery of any activities approved under section 20 of the Land Transport Management Act 2003 that are funded or to be funded out of the Coastal Shipping Activity Class in the national land transport programme.
Direction Under the Crown Entities Act 2004—Additional Function for the New Zealand Transport Agency	14 May 2018	2018-go2500	<a href="https://gazette.govt.nz/notice/id/2018-go2500">https://gazette.govt.nz/notice/id/2018-go2500</a>	Direction to Waka Kotahi-NZTA to carry out the following additional function:  To plan, fund, design, supervise, construct and maintain rapid transit networks and/or projects, including light rail.