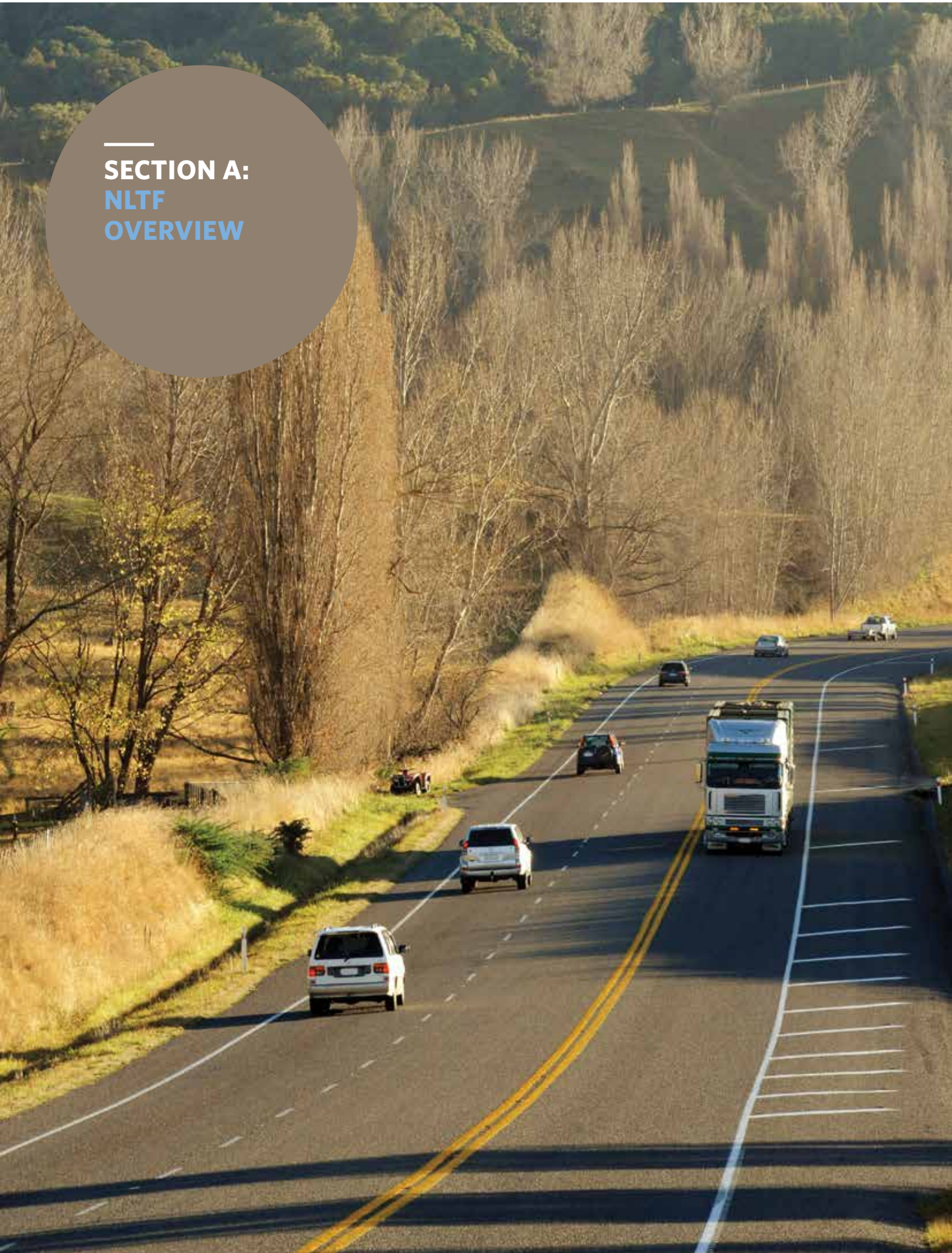

**SECTION A:
NLTF
OVERVIEW**



CHAIR'S REPORT

The 2011/12 annual report for the National Land Transport Fund (NLTF) provides information on how the NLTF has been invested by the NZ Transport Agency (NZTA) to create transport solutions for a thriving New Zealand.

The NLTF is the primary source of central government funding for the land transport system, and is used to fund land transport activities that reflect the goals set through the Government Policy Statement on Land Transport Funding.

This annual report demonstrates how investments of the NLTF continue to promote economic growth and productivity, improve road user safety, increase transport choices and provide New Zealanders with a resilient land transport system.

The board is confident that, through its administration of the NLTF, the NZTA is helping to achieve greater prosperity, wellbeing and safer journeys for all New Zealanders.



Chris Moller

Chair
NZ Transport Agency

CHIEF EXECUTIVE'S REPORT

The 2011/12 NLTF annual report provides information on how the fund has been invested over the three-year 2009-12 National Land Transport Programme (NLTP).

Throughout this three-year period, the NLTP has targeted investment in land transport where it has been most needed. These investments reflected a whole-of-life view to ensure that the best transport system is developed for the long-term benefit of New Zealanders.

This annual report highlights how NLTF investments over the past three years have delivered transport solutions for a thriving New Zealand.

To make the most of the available NLTF investments, the NZTA and local authorities have increasingly worked together on the transport system – to maintain and build improvements to local roads, state highways and public transport, and to operate them as one network.

The success of the NLTP reflects the joined-up thinking that comes from sitting down with key stakeholders to ensure that decisions about changes in land use and transport planning are integrated.



Geoff Dangerfield

Chief Executive

2009-12 NLTF INVESTMENT PERFORMANCE AT A GLANCE

49%

of our investment on new and improved state highway infrastructure since 2009 has focused on the development and delivery of the roads of national significance.

386m

passengers received funding through the NLTF for journeys on buses, trains and ferries.

280km

of new walking and cycling network was added.

872

lane kilometres of road reconstruction and new roads completed.

31 large and 116

small state highway projects have been completed.

\$156m

was spent on emergency works to ensure the state highway network was open following adverse weather and seismic activity.

75.6%

is the average percentage of recall target audiences have for road safety advertising since 2010/11.

6.3%

of the local road network was sealed over the past three years at a cost of \$227 million.

6.6m

alcohol breath tests undertaken by the NZ Police as part of the NLTF-funded Road Policing Programme.

75,132

crashes have been attended by the NZ Police as part of the NLTF-funded Road Policing Programme.

An average of

1%

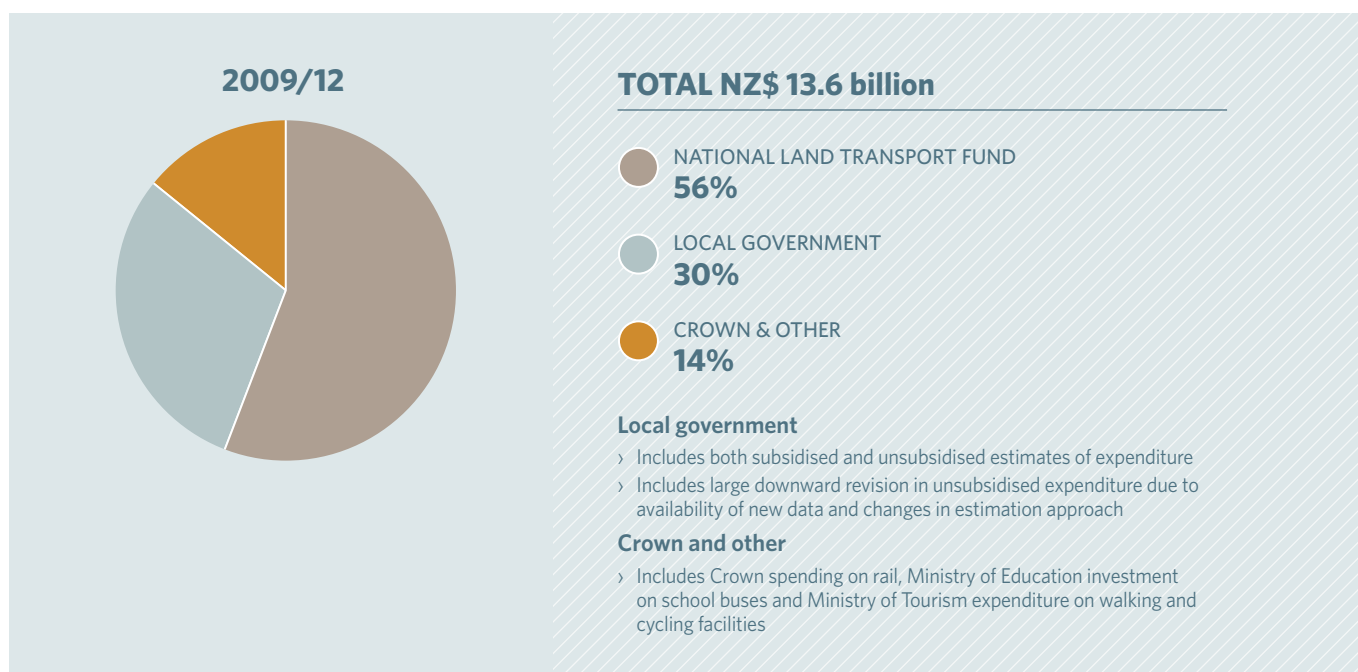
of total NLTF expenditure was on managing the funding allocation system during the past three years.

OVERVIEW OF THE LAND TRANSPORT INVESTMENT SYSTEM

INVESTMENT IN TRANSPORT

New Zealand's road users primarily fund the country's land transport system through fuel excise duty (petrol tax), charges on diesel and heavy vehicles (road user charges) and vehicle registration and licensing fees. These funds are paid into the NLTF to facilitate the government's investment in maintaining and improving land transport networks and services. However, there are many investors that contribute to providing and using the land transport system. These include local authorities that invest on behalf of communities. A significant number of firms and individuals also invest in transport infrastructure (eg subdivision roads) and associated infrastructure such as vehicle storage facilities. Other user-based costs include access charges, parking, taxi and public transport fares.

ESTIMATED PLANNED LAND TRANSPORT PUBLIC SECTOR INVESTMENT



CHANGES IN THE ENVIRONMENT

The past three years have been defined by a global recession and a fragile, slow economic recovery adversely affected by an ongoing series of debt crises in some key European markets.

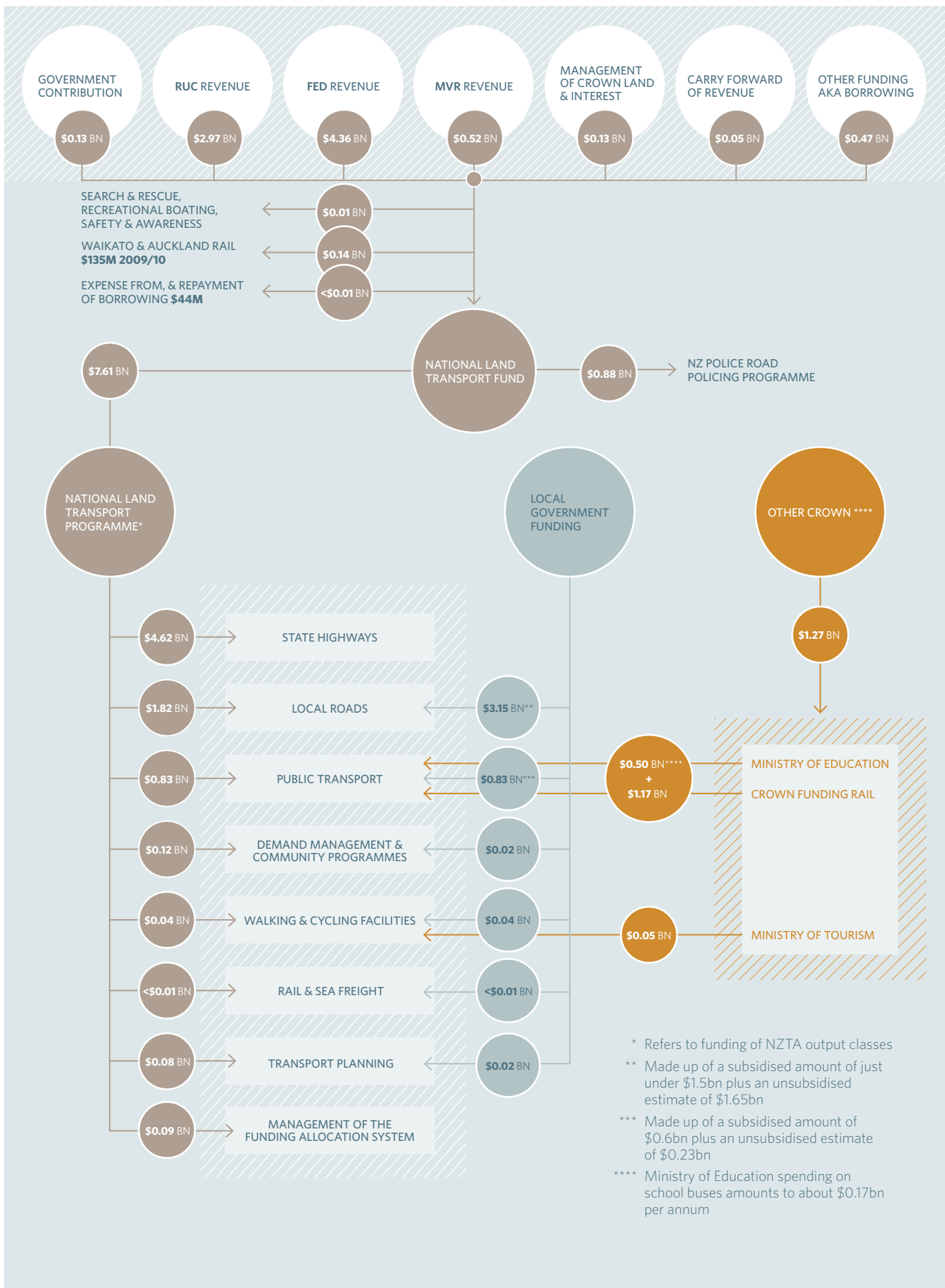
Despite having outperformed some of its peers, the New Zealand economy was not left unscathed. Faced with declining external demand and a lack of confidence at home (evidenced by reduced household spending), the economy shrank by 2.1% in 2009.

However, with the global economy showing signs of a recovery, the New Zealand economy started to pick up in the second half of 2010, before gathering pace in 2011. This was helped in no small part by a recovery in the agricultural sector, sharply higher soft commodity prices and the conclusion of a successful 2011 Rugby World Cup. While this recovery has continued into 2012, the drivers behind it have started to shift away from the external sector towards domestic demand. For the most part this reflects growing uncertainties about the economic impacts of the ongoing debt crisis in Europe and as well as a tightening of monetary policy in some key export markets. It also reflects an improvement in domestic conditions, buoyed by lower household debt, a continuation of an accommodative monetary policy (combined ongoing fiscal discipline) and positive signs of a recovery in the local housing market. The following dynamics have ultimately shaped revenues flowing into the NLTF.

- Increasing levels of freight activity – evidenced by an increase in kilometres travelled by heavy vehicles. This more than offset a drop in average measured weights, resulting in a 14.1% increase in net revenues generated from road user charges (RUC) for the three years ending 2011/12.
- Despite some changes in user behaviour associated with higher average fuel prices (16% higher than in the three-year period ending 2008/09), vehicle kilometres travelled rose by 2.3% over the three-year period ending 2011/12. This contributed to a 5.0% increase in net revenues from fuel excise duties (FED).
- Changes in purchasing behaviour resulted in a slight increase in revenues generated from motor vehicle registration (MVR) during the past three years. Net MVR revenue remains at about 6.5% of total revenue.

The revenues flowing into the NLTF are used by the NZTA to procure goods and services associated with the construction, maintenance and operation of transport infrastructure. Over the past three years, the cost of producing these goods and services has risen above the general rate of inflation, mainly because of higher, and in some cases more volatile, commodity prices and more recently, the expectation of increased work in Christchurch once the rebuild finally gets underway. The NZTA has yet to feel the effects of these higher prices largely due to the limited availability of work and strong competition when contracts are put out for tender.

FUNDING FOR 2009-12 NLTP



INVESTMENT STRATEGY

The NZTA Investment and Revenue Strategy provides us with the framework through which the NZTA gives effect to the Government Policy Statement on Land Transport Funding (GPS) as it invests the NLTF. The Investment and Revenue Strategy sets out the prioritisation framework that is used to develop and manage the NLTP.

The Investment and Revenue Strategy ensures that the NZTA invests in the right activities that have the greatest potential to support a thriving New Zealand. It enables us to be a smart investor in the following ways:

- The Investment and Revenue Strategy strategic fit test ensures we are delivering on the government's priorities (as per the GPS).
- The Investment and Revenue Strategy effectiveness test ensures that those activities are delivered in the way that has the greatest impact.
- The Investment and Revenue Strategy efficiency test ensures that those activities are delivered at the best possible whole-of-life cost.

We have updated our Investment and Revenue Strategy to align with the GPS 2012/13 to 2021/22. The strategy prioritises NLTP investment towards:

- the Safer Journeys road safety strategy (including the adoption of a Safe System approach) and reducing deaths and serious injuries
- relieving congestion in major urban areas and improving journey time reliability
- optimisation of the land transport network and services
- key tourism and freight routes, including those for high productivity motor vehicles
- transport planning, research and training investment that makes the greatest contribution to priorities in other activity classes and those above
- encouraging integrated planning approaches.

2009-12 NLTP SUMMARY

In the three years to 30 June 2012, actual expenditure in the 2009-12 NLTP was \$7.75 billion (excluding road policing). When measured against the initially approved NLTP (\$7.81 billion) the planned investment level was substantially achieved.

State highway network

Investment in the new and improved infrastructure for state highways output class amounted to \$3.17 billion over the three years, which is \$92 million more than programmed at the start of the NLTP. \$0.9 billion was spent in 2011/12.

Significant progress occurred on the development and construction phases of the following:

- The Victoria Park Tunnel was completed and opened three months ahead of schedule.
- The Newmarket Viaduct project was substantially completed with the new viaduct opened to traffic.
- Construction work commenced on the Waterview section of the Auckland RoNS.
- The SH20 to SH1 Manukau extension was completed.
- The Kopu Bridge in Thames was completed and opened in December 2011.
- High productivity motor vehicle (HPMV) route between Auckland (end of Southern Motorway) to Port of Tauranga has been cleared for full use.
- Construction work continued on the Tauranga Eastern Link RoNS.
- Construction work continued on the Te Rapa section and commenced on the Ngaruawahia section of the Waikato Expressway.
- Wellington Northern Corridor including safety improvements and refurbishment of the Mount Victoria and Terrace tunnels.
- Ruby Bay Bypass in the Tasman area.
- Christchurch Motorways project.

In addition, another \$544 million was invested in renewals, maintenance and operation of the state highway network during 2011/12 bringing the three-year investment up to \$1,616 million.

This assisted in keeping the state highways available 99.6% of the time, and we were close to our pavement renewal target, achieving 1,344 kilometres.

In the three years to 30 June 2012 almost \$157 million was spent on emergency works, with the rebuild of the state highways damaged in the Canterbury earthquakes costing \$12.48 million and the clearance of the major slips in the Manawatu gorge costing \$14.72 million.

Local roads

Over the three-year NLTP period, \$821 million was invested in local roads maintenance and operations, \$78 million more than programmed at the start of the NLTP. National Land Transport Fund investment in emergency reinstatement work following the Canterbury earthquakes totalled \$104.43 million (\$99.48 million in Christchurch city, \$2.45 million in the Waimakariri district and \$2.50 million in the Selwyn district). In addition \$36.11 million was paid to Christchurch city in 2011/12 on behalf of the Crown (Canterbury Earthquake Recovery Fund).

During the 2011/12 year, close to \$188 million was invested in local road renewals, bringing the three-year investment up to \$598 million – \$98 million below the published NLTP allocation. The underspend being caused through the flexible financial assistance rate agreed to with Auckland Transport as part of the measures to manage cash flow pressures, councils in Canterbury deferring works to support funding for emergency reinstatement work following the Canterbury earthquakes and other councils adjusting programmes to use the funds to address routine maintenance needs.

The major investment in local roads was the Hamilton Ring Road, including the four-laning of Wairere Drive; and commencement of construction work on the Panmure passenger transport interchange. This is a component of the Auckland Manukau Eastern Transport Initiative (AMETI) package and a key transport corridor in south-east Auckland (refer to the NZTA's 2012 annual report for more information on the AMETI project).

Public transport infrastructure

Investment in public transport infrastructure amounted to \$168 million over the three years, which is \$101 million less than programmed at the start of the NLTP. The main reasons for this underspend are deferral of the Christchurch bus exchange project, due to the earthquakes, and funding assistance rate adjustment arrangements for Auckland's electrification of the passenger rail services.

Investment in public transport infrastructure projects was prioritised and targeted to activities and areas that maximised investment return, in particular Auckland and Wellington, where there is a need for greater focus on relieving severe congestion and encouraging economic growth.

Key investments in public transport infrastructure included:

- Auckland integrated fare system construction/implementation
- Manukau Transport Interchange and city rail link
- real-time system extension (Auckland passenger rail)
- real-time system construction/implementation (Wellington bus network)
- Auckland rail station improvements
- Auckland ferry wharf refurbishment.

Public transport services

During 2011/12, NLTF investment of \$231 million was made across all regional networks in public transport services and operations bringing the three-year spend to \$613 million, \$17 million less than the published NLTP allocation. Almost 90% of this investment was in Auckland, Wellington and Christchurch, where most of the services and related costs are targeted at relieving severe congestion in major urban areas. In 2011/12 almost \$37 million more than the previous year was invested; much of this increase in expenditure is the result of additional investment in Auckland rail and also in growing public transport networks in and around the urban centres of Tauranga, New Plymouth and Napier.

During 2011/12 passenger boardings have increased from 128 million to 132.4 million across the country. The level of this increase was greatly affected by the Christchurch earthquakes, in particular, the earthquake on 22 February 2011. Since this date, patronage has gradually increased back to 79% of the level prior to that event from a low of 59%.

Road user safety

The NLTF invested \$109.6 million in both local government and nationally delivered safety promotion activities - \$10.4 million less than programmed at the start of the NLTP. The activity class review carried out in the first year resulted in a more focused investment programme on safety promotion. \$20.4 million was invested in locally delivered programmes and \$20.4 million in nationally delivered activities that increase the safe and efficient use of the land transport system. The greatest proportion of spend in 2011/12 continued to be focused on alcohol and drug impaired driving risks, followed by speed, cycling safety and school based activities.

Walking and cycling

The NLTF invested \$11.7 million in stand-alone walking and cycling infrastructure in 2011/12, bringing the total three-year investment to \$41.7 million. This investment is beginning to demonstrate the long-term benefits of providing an increase in walking and cycling numbers in the major urban centres and many regional towns, with cycling in the Auckland region alone increasing by 18% over the last five years.

The funding priorities during the three-year period included:

- reducing congestion in main urban areas
- increasing safety for cyclists and pedestrians.

The two model community programmes in Hastings and New Plymouth are working examples of these priorities.

NATIONAL LAND TRANSPORT PROGRAMME 2009-12

	PUBLISHED	PROGRAMMED SPEND 2009-2012			Total 2009-12 \$000
	NLTP 2009-12 \$000	Actual 2009/10 \$000	Actual 2010/11 \$000	Actual 2011/12 \$000	
ALLOCATION OF FUNDS TO ACTIVITY CLASSES:					
New and improved infrastructure for state highways	3,074,700	1,101,787	1,171,489	893,621	3,166,897
Renewal of state highways	633,000	231,699	205,112	199,731	636,542
Maintenance and operation of state highways	897,000	306,574	327,758	344,642	978,974
New and improved infrastructure for local roads	480,000	165,167	163,142	110,132	438,441
Renewal of local roads	696,000	204,774	205,499	188,227	598,500
Maintenance and operation of local roads	743,000	224,332	304,182	292,639	821,153
Public transport services	630,000	187,306	194,630	231,328	613,264
Public transport infrastructure	269,000	126,752	47,045	(5,998)	167,799
Road user safety	120,000	36,260	32,290	41,097	109,647
Walking and cycling facilities	51,000	17,771	12,262	11,708	41,741
Sector training and research	18,000	5,371	3,391	3,858	12,620
Domestic sea freight development	1,000	1,013	0	0	1,013
Rail and sea freight	3,000	212	(121)	72	163
Transport planning	96,000	20,113	23,195	22,614	65,922
Management of the funding allocation system	103,200	35,706	31,233	29,891	96,830
TOTAL	7,814,900	2,664,837	2,721,107	2,363,561	7,749,505

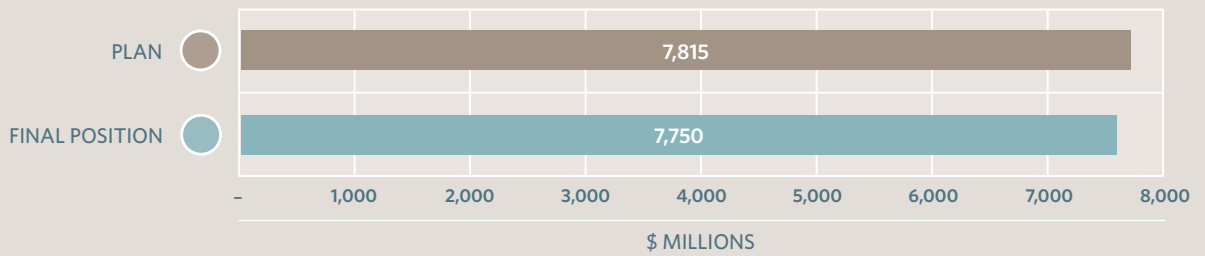
To note:

New and improved infrastructure for state highways 2011/12 includes \$5.326m interest on borrowing.

PUBLIC TRANSPORT INFRASTRUCTURE INCLUDES:				
Public transport infrastructure		100,792	31,519	18,070
Loan to local authority		25,960	2,380	(28,340)
Public transport infrastructure - Automated fare collection system		0	13,146	4,272
TOTAL		126,752	47,045	(5,998)

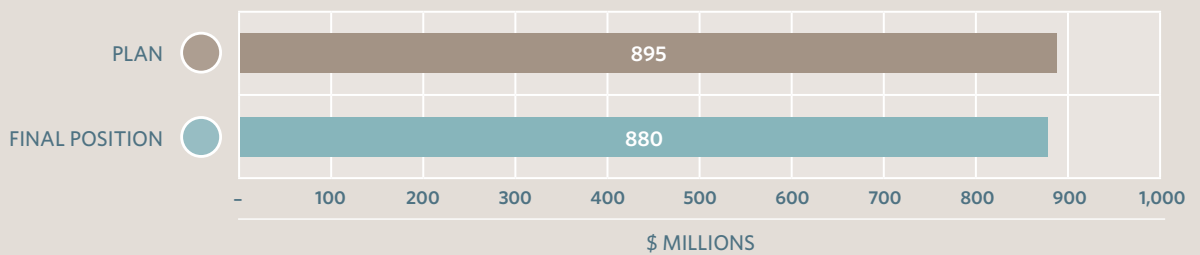
SIGNIFICANT ACTIVITY CLASS ACTUALS VERSUS BUDGET FOR THE 2009-12 NLTP AND ROAD POLICING PROGRAMME

OVERALL NLTP (EXCLUDING ROAD POLICING)



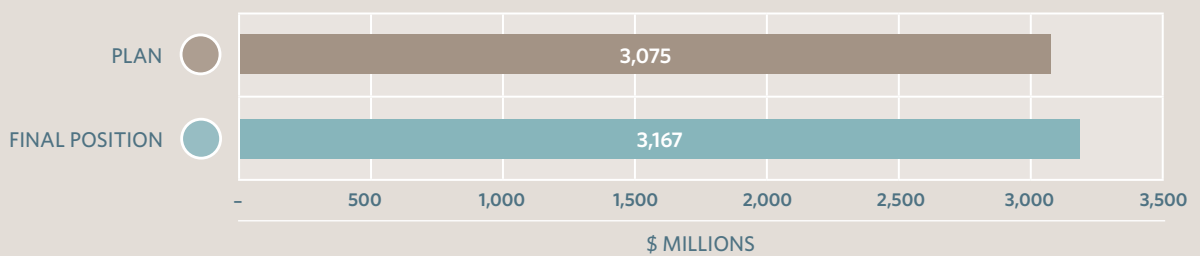
Overall, expenditure was very close to the NLTP plan (0.7% below).

ROAD POLICING PROGRAMME



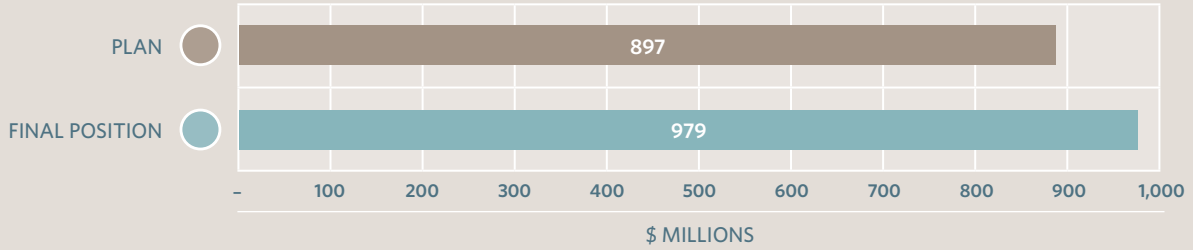
The Road Policing Programme was delivered at lower than expected cost as a result of NZ Police efficiencies. This resulted in a slight underspend against the GPS funding range.

STATE HIGHWAY NEW AND IMPROVED INFRASTRUCTURE



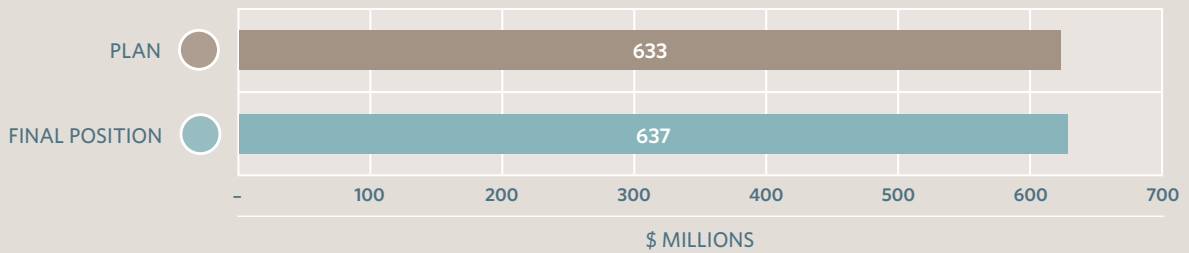
The expenditure on state highway improvements was around 3% ahead of the NLTP plan, the result of strong early performance in RoNS project delivery. Expenditure was pulled back in 2011/12 in response to lower than expected revenue.

STATE HIGHWAY MAINTENANCE AND OPERATIONS



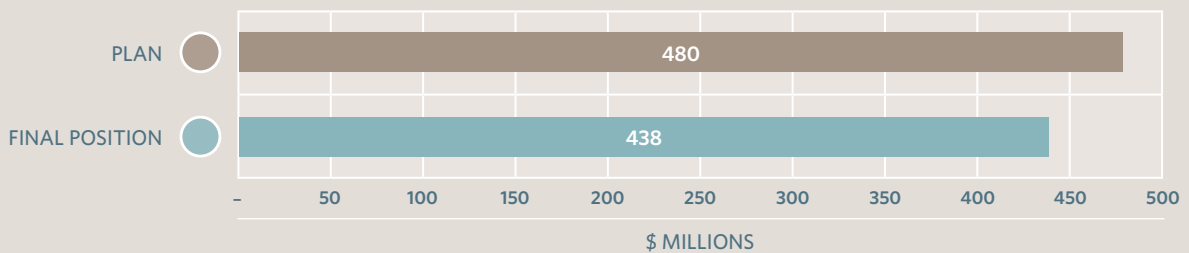
Expenditure for maintenance and operations was above the NLTP plan predominantly as a result of higher emergency works spend – due to weather and seismic events.

STATE HIGHWAY RENEWALS



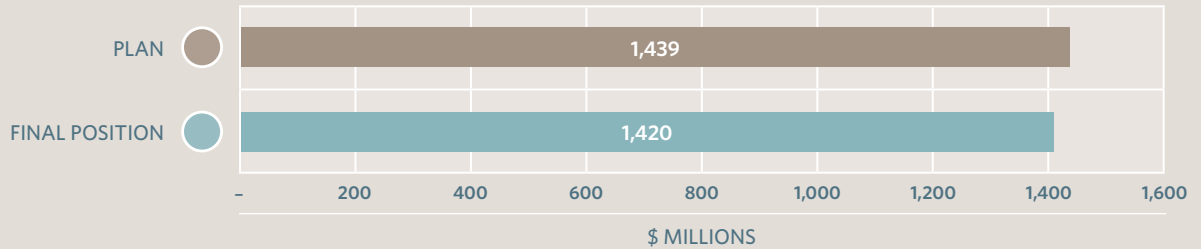
State highway renewals expenditure was very close to the NLTP budget, which represents a good result given the wet summer construction period in 2011/12 through much of the country.

LOCAL ROADS NEW AND IMPROVED INFRASTRUCTURE



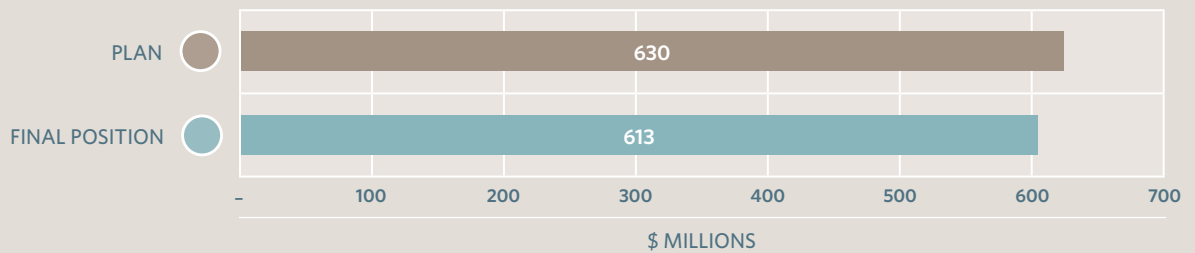
Local road improvements was around 9% below the NLTP plan and around \$12 million below the lower limit of the GPS funding range. A key reason for this was the moratorium of new funding approvals due to the costs for Canterbury emergency renewal works.

LOCAL ROADS MAINTENANCE, OPERATIONS AND RENEWALS



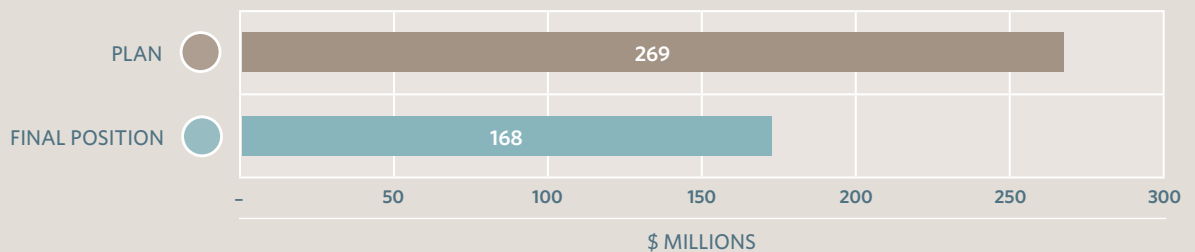
Local road maintenance, operations and renewals spend was about 1% below the NLTP total. The renewals spend was well below plan, due to a mix of funds transferred by local authorities from renewals to maintenance and operations, and some renewals programmes being delivered for lower than budgeted cost. The overall spend would have been lower but the renewals underspend was largely balanced out by the impact of the Canterbury earthquakes.

PUBLIC TRANSPORT SERVICES



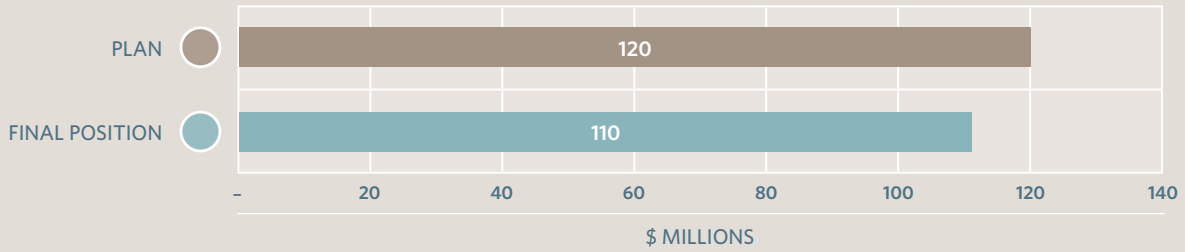
Expenditure on public transport services was about 3% lower than plan. In general, approved organisations delivered their planned services largely on or a little below budget.

PUBLIC TRANSPORT INFRASTRUCTURE



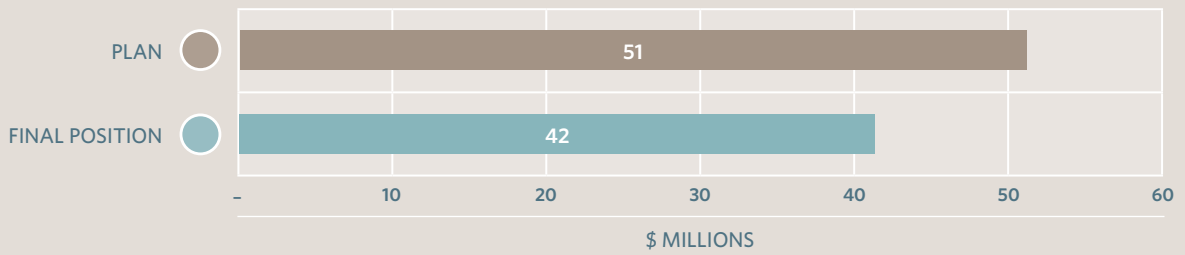
Public transport infrastructure was well below the NLTP plan, partly due to the unexpected early repayment of an NZTA loan to Auckland Regional Council to assist it to purchase rail rolling stock and also because the planned construction of the Christchurch Transport Interchange did not progress following the Canterbury earthquakes and aftershocks.

ROAD USER SAFETY



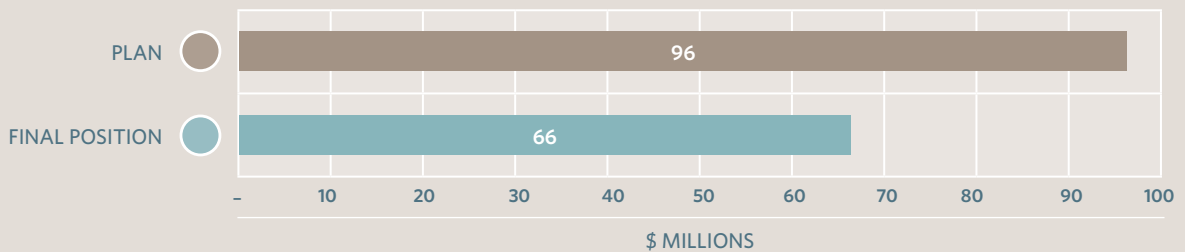
Road user safety expenditure was about 9% below plan largely as a result of an activity class review in 2009/10. This resulted in a lower level of approved funding in the remaining two years being targeted more specifically to outcomes, with a tighter focus on value for money.

WALKING AND CYCLING FACILITIES



Initial delivery of walking and cycling infrastructure against plan was below plan, predominantly due to the impact of the moratorium on new funding approvals in the latter part of NLTP delivery.

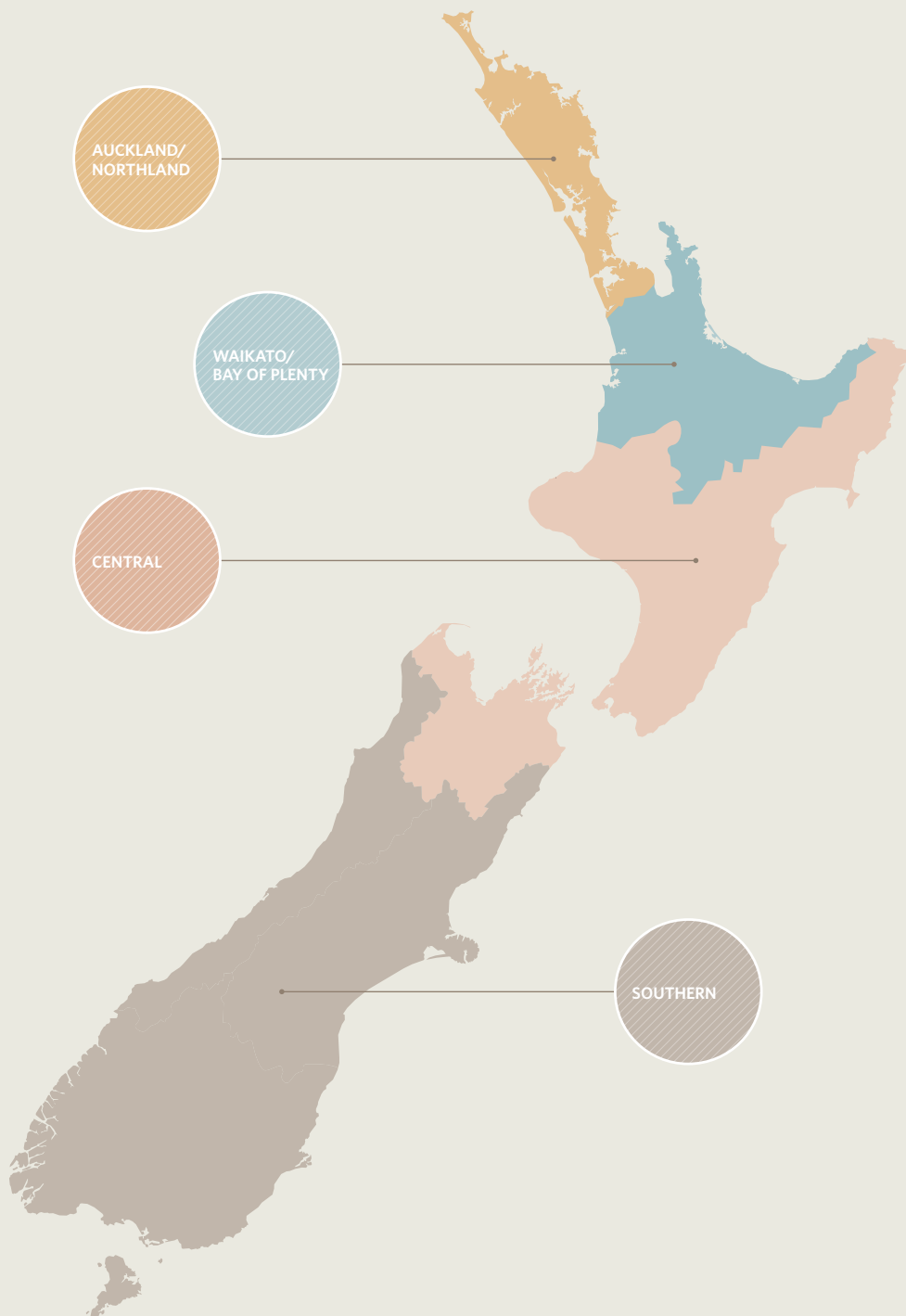
TRANSPORT PLANNING



A substantial review of the activity class resulted in lower expenditure against the NLTP plan as investment became more targeted to NZTA outcomes and more focused on value for money under the NZTA Investment and Revenue Strategy.

REGIONAL NLTF INVESTMENT HIGHLIGHTS

The fund, via the 2009-12 NLTP, has invested in a targeted manner across New Zealand. Significant regional investment highlights over the course of the three-year programme are detailed over the following pages.



AUCKLAND AND NORTHLAND REGION

The NZTA's Auckland/Northland region covers the top of the North Island - everything north of the Auckland Council's southern border.



NORTHLAND

Considerable progress has been made on a number of state highway and Whangarei District projects - many tracking to budget while being delivered on time or ahead of programme. A number of projects in Northland have been completed including Mountain Road passing lane and realignment, Bulls Gorge and Kamo Bypass stage 2.

INVESTMENT HIGHLIGHTS 2009-12

Just over 881,000 trips were taken by bus.

Projects completed:

- Sealing and widening of the final 19 kilometres of SH1 from Waitiki Landing to Cape Reinga.
- The Bulls Gorge project on SH10.
- Kamo Bypass stage 2 and Spedding Road Link projects.
- Porowini Avenue extension project.

Lower Hatea Bridge construction has commenced (Whangarei District).

Northland is one of the few regions to have been allocated community transport funds, which has enabled some seal extension works in areas of socioeconomic deprivation.

A funding arrangement for the Hokianga vehicular ferry service has concluded with the Far North District Council giving greater certainty around NLTF funding.

Work is progressing on several high productivity motor vehicle routes to assist economic performance of transport operations in the region.



AUCKLAND

The past three years have seen considerable investment in the region with just over \$2.7 billion of approved expenditure (NLTF share). Great progress has been made on Auckland's roads of national significance and other large state highway projects, with many tracking to budget while being delivered on time or ahead of programme. Attention to multi-modal studies and investigations has resulted in a number of projects advancing on regional arterial corridors and roads.

Auckland Transport, in partnership with the new Auckland Council, has ensured the momentum of NLTP delivery was maintained while focusing on a one network approach.

INVESTMENT HIGHLIGHTS 2009-12

Approximately 153 million bus trips and 29 million train trips were made over the three-year NLTP period, with a further 15 million trips being made by ferry.

A total of \$346 million (NLTF share) was invested in passenger transport services in the region.

Projects completed:

- New Lynn Transit Oriented Development was completed in 2011 providing a new transport interchange, improved network connections and upgraded walking and cycling facilities.
- A number of major state highway projects were completed including the SH1 to SH20 link, SH20 Manukau Harbour Crossing, SH18 Hobsonville Deviation and SH1 Victoria Park Tunnel which opened in March 2012 with significant additional capacity and eliminated the bottleneck at St Marys Bay.
- Manukau City rail link and the first stage of a new transport interchange has been constructed.

Construction of final stage improvements to the Tiverton Road/Wolverton Street route commenced. This will connect with already completed improvements at either end to provide an upgraded corridor from SH20 to New Lynn.

Construction of Panmure phase 1 of the Auckland Manukau Eastern Transport Initiative (AMETI) project commenced in November 2011. This is the first major stage within a much larger package of AMETI activities.

Construction of the fourth and final stage of the Glenfield Road corridor upgrade commenced in March 2012.

Design of the Whangaparaoa Road corridor upgrade (between Hibiscus Coast Highway and Red Beach Road) and investigation of multi-modal corridor improvements on Albany Highway and Dominion Road are underway.

Corridor management plans on major arterial roads are being developed for Broadway, East Coast Road, Great South Road, Hibiscus Coast Highway and Khyber Pass Road.

Other major state highway projects progressing well are Newmarket Viaduct, Waterview Connection and investigation of the Puhoi to Wellsford RoNS.

WAIKATO AND BAY OF PLENTY REGION

The Waikato/Bay of Plenty region reaches from the bottom of the Bombay Hills to the Desert Road summit, from just south of Mokau in the west, through the Waioeka Gorge near Opotiki, and midway along the Taupo-Napier Road.



WAIKATO

Significant progress has been made on the development of the Waikato region's number one priority transport project – the Waikato Expressway. Achievements are currently ahead of the programme with construction underway on the Te Rapa and Ngaruawahia sections, and completion of the Taupiri section. Consenting and detailed design work is being progressed on the remaining expressway sections.

A number of other roading improvement projects have commenced during the three-year NLTP period, including the Hamilton City Ring Road project and the SH1 Atiamuri Bridge, along with a number of minor improvement projects which are delivering both safety and efficiency benefits.

INVESTMENT HIGHLIGHTS 2009-12

The Waikato public transport programme continues to experience growth with 4.6 million trips recorded annually.

Procurement processes were reviewed with a focus on increasing the efficiency of various maintenance tasks.

Great progress has been made on the Waikato Expressway – in particular the completion of the Taupiri section, the near completion of the Te Rapa section and major earthworks being undertaken on the Ngaruawahia section.

Construction commenced on the replacement Atiamuri Bridge on SH1.

Construction of the Kopu Bridge in Thames was completed below budget and ahead of programme, opening in December 2011.

The \$128 million East Taupo Arterial project was completed in October 2010.

The Waikato Regional Transport Model is operational and continues to be a critical tool for transport planning across the region.



BAY OF PLENTY

The opening of the Tauranga Harbour Link project in December 2009, and the commencement of construction of the Tauranga Eastern Link were two of the major projects for the region. Both of these projects will ultimately deliver freight efficiency gains and improved access to the Port of Tauranga.

The central area of the region has seen a number of projects being developed including construction of the SH5/Fairy Springs Road four-laning, and investigations into the Rotorua Eastern Arterial and the Victoria Street Arterial projects. Good progress is also being made on the construction of the Lake Road project, aimed at improving access from Fairy Springs Road to the Rotorua central business district.

In the Eastern Bay, key projects include the replacement of the Reids Canal Bridge (SH2) near Edgecumbe and the development of the Eastern Bay of Plenty route security and resilience study.

INVESTMENT HIGHLIGHTS 2009-12

Projects completed:

- The new Tauranga Harbour Link.
- Construction of the Pyes Pa Bypass (SH36).
- Upgrade of Fairy Springs Road (SH5), Rotorua.
- Upgrade of Welcome Bay Road in the Western Bay of Plenty.
- Reids Canal bridge replacement near Edgecumbe.

4.5 million trips were taken by bus during 2011/12.

Tauranga Eastern Link enabling works completed and construction well underway.

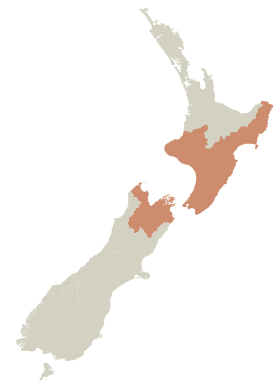
The high productivity motor vehicle route between Auckland (end of Southern Motorway) to the Port of Tauranga has been cleared for full high productivity usage.

Safety improvement works were implemented on SH29 (Kaimai Ranges).

Key transport planning undertaken includes the development of the Tauranga Eastern Link Network Plan, and progress towards the completion of the Tauranga Urban Network Study and the Rotorua Integrated Network strategies.

CENTRAL REGION

The Central region stretches up from the top of the South Island (Nelson, Tasman and Marlborough) to the southern and central North Island, reaching across Taranaki, Manawatu-Wanganui, Wellington, to the Hawke's Bay and Gisborne.



GISBORNE

Good progress has been made across the majority of projects in the Gisborne area. This includes 8.5 kilometres of seal widening on SH35 from Tolaga to Gisborne, together with project completion on the SH35 Busby Hill Realignment, SH2 Dymock Road Curve, replacement of the Kopuaroa No. 3 Bridge and curve improvements north of Makarika Road on SH35.

There has been a reduction in the number of fatal and serious crashes in the Gisborne region – down from 34 in 2007 to 26 in 2011.

INVESTMENT HIGHLIGHTS 2009-12

Approximately 367,360 trips were taken by bus.

SH35 Tolaga to Gisborne seal widening project.

HAWKE'S BAY

Good progress has been made across the majority of the regional programme. The Waipukurau Overbridge, Dillons Hill and Matahorua Gorge realignments and the SH50 Hawke's Bay Expressway Southern Extension have been completed, as have passing lanes at Te Mahanga North and SH2 south of SH50. The Mangakino Stream Bridge has been replaced and the Mohaka Bridge has had significant deck repairs and seismic retrofitting.

Hastings was selected as one of two communities for model community funding – reflecting the district's commitment to walking and cycling and its enthusiasm in implementing the proposal. In a very short timeframe and with strong commitment from Hastings District Council staff, good progress has been made on the implementation of both on-road and off-road cycle and walking pathways.

INVESTMENT HIGHLIGHTS 2009-12

Just over 1.7 million trips were taken by bus.

Matahorua Gorge was completed. This project will bring improvements in safety and journey time reliability, particularly for freight, on the SH2 route between Napier and Wairoa.

Construction has started on Flaxmere and Omahu arterials.

Havelock and Clive arterials are proceeding to design phase.



MANAWATU-WHANGANUI

Highlights from the region include completion of the SH1 Ohingaiti-Makohine Realignment, the SH1 Waiauti Bridge Realignment, and the Upokongaro Realignment projects.

Another highlight was the completion of the joint Manawatu Strategic Transportation Study, led by Horizons Regional Council with its study partners, Palmerston North City Council, Manawatu District Council and the NZTA. This represents a significant step forward in transportation planning in the area and will put transport development in the growth area around Palmerston North on a sound footing.

INVESTMENT HIGHLIGHTS 2009-12

Over 4.4 million trips were taken by bus.

Construction commenced on the SH2 Papatawa Realignment.

Continued improvement of the Parapara section of SH4.

SH2 Corby Road Realignment was completed.

SH1 Ohingaiti-Makohine Realignment project was completed.



TARANAKI

There have been a number of highlights for the Taranaki region including completion of the Bell Block Bypass, the Rugby Road Realignment on SH3, and the SH3 Muggeridge Road South Realignment.

New Plymouth was one of the communities chosen as a walking and cycling model community and has made good progress in delivering its programme.

INVESTMENT HIGHLIGHTS 2009-12

Over 1.4 million trips were taken by bus.

Four passing lanes in the region have been completed.

Completion of the Bell Block Bypass, the Rugby Road Realignment and the SH3 Muggeridge Road South Realignment.

Model communities projects are progressing well - the first phase of the project is close to completion.

CENTRAL REGION CONTINUED



WELLINGTON

A significant number of projects have been undertaken over the past three years. The Northern Corridor roads of national significance projects continue to be developed and are on track. The Terrace Tunnel and Mt Victoria Tunnel safety improvement projects have been completed.

Maintenance, operations and renewals budgets for local authorities were fully committed with the largest local roading project, Westchester to Glenside being funded and completed.

Good progress was made in establishing the Wellington City Golden Mile public transport corridor, with the completion of the Manners Mall link road and dedicated bus lanes. The Wellington Public Transport Spine Study commenced to determine the best long-term options for a high quality public transport network within the city.

INVESTMENT HIGHLIGHTS 2009-12

Approximately 18 million trips were taken by bus - 11.2 million trips by train and 160,000 trips by ferry.

Projects completed:

- Terrace and Mt Victoria Tunnels safety works.
- Muldoons Corner SH2 improvements completed on time and to budget.
- SH2 Moonshine Road-Silverstream safety improvements.
- Dowse to Petone Interchange on SH2.
- A \$1.2 million Kapiti Road/Rimu Road intersection improvement project.

Significant investment was made in rail infrastructure.

A joint study was undertaken to investigate opportunities to enhance the efficiency of the Wellington public transport spine.

\$3.5 million was co-invested with the Upper Hutt City Council to replace the Akatarawa bridges.

Substantial improvements to the rail network, including station and infrastructure upgrades, along with new Matangi train units.

NELSON

Nelson City Council has a well managed programme of activities in the NLTP with intense interest in the Nelson Arterial Traffic Study which was completed in 2011.

There has also been continued investment in state highway improvements, including completing the detailed design for the SH6 Teal Bridge replacement, the completion of investigation for SH6 Quarantine Road Intersection and completion of both investigation and design phases for Cable Bay Road.

Due to additional investment direct from the Council, bus patronage rose to 131,000 in the third year of the programme.

INVESTMENT HIGHLIGHTS 2009-12

An average of 51,000 trips were taken by bus over the first two years, rising to 131,000 in the third year.

Continued investment in state highway improvements, including advancing the detailed design for the Teal Bridge replacement and intersection improvements at Quarantine Road and Cable Bay Road.

SH6 Atawhai cycleway completed.

\$1.5 million invested in emergency recovery of Cable Bay Road and other sites in Nelson city following flooding.

Completion of the Arterial Traffic Study to determine future investment options within Nelson city.



TASMAN

The main highlight for the 2009-12 period was the completion of the region's number one transport priority – the SH6 Ruby Bay Bypass – ahead of time and on budget. This is a major project for the region, improving connections between Nelson and Motueka/Tasman. The design of Doctors Creek Bridge is complete, as is the construction of Arnold Bridge widening on SH6. Substantial investment was made under emergency works to enable the reopening of Totaranui Road.

INVESTMENT HIGHLIGHTS 2009-12

\$27.9 million Ruby Bay Bypass opened early and to budget.

Capacity upgrades to McGlashen Avenue/SH6 were completed.

Motueka Transport Study was completed.

\$6.8 million was invested in emergency recovery including the reinstatement of Totaranui Road after flooding.

A cycle path connecting Nelson and Tasman cycling networks (the Richmond deviation) was completed, providing a critical link in the national cycle trail network.

MARLBOROUGH

There has been good progress across the majority of the NLTP programme in Marlborough. This includes construction of SH1 Lions Back Hill safety improvements, SH6 Sneiders Creek Realignment and SH62 Wratts to Spring Creek seal widening projects. Investigations have also commenced on SH6/Battys Road and Coleman's Road Intersection in Blenheim, with investigations completed on the SH1 PukaPuka Stream, SH6 Bell Road/St Leonards Road Intersection and Dazzle Corner realignments.

INVESTMENT HIGHLIGHTS 2009-12

More than 65,000 trips were taken by bus over the three year period.

Construction substantially completed for the Lions Back Hill safety improvement project on SH1.

Construction completed for the SH6 Sneiders Creek Realignment project.

Design funding approved and design completed for Dashwood Overbridge on SH1.

\$1.8 million invested in emergency recovery following multiple flooding events.

SOUTHERN REGION

The Southern region is the largest of the NZTA's four regions, embracing all of the South Island except Nelson, Tasman and Marlborough.



CANTERBURY

The past three years have been challenging for the region with all sectors of the Canterbury economy facing significant challenges. There was some limited relief to the consultant and contracting sector through the advancement of approximately \$3.2 million of smaller state highway projects commenced in 2009/10 that were completed in 2010/11.

The government announcement of the funding for the RoNS also enabled the advancement of the programme for delivery of several state highway projects earlier in the period.

Notwithstanding the economic and environmental challenges facing the region, good progress has been achieved across all transport programmes with \$80 million invested as part of the reinstatement programme following the Canterbury earthquakes.

INVESTMENT HIGHLIGHTS 2009-12

Approximately 41 million bus trips and 308,000 ferry trips were taken over the last three-year period.

The first suite of bus passenger transport lanes in Christchurch on Papanui and Main North roads, Main South Road and Hills Road were completed.

Christchurch city completed cycleway projects in Stanmore Road and the rail corridor from Northcote Road to Tuckers Road. Construction has commenced on the Christchurch Southern Motorway.

Funding was approved for the first two stages of the Western Corridor upgrade with Waterloo to Yaldhurst being approved for construction and the completion of the Yaldhurst to Avonhead section. The construction of the Southern Motorway Stage 1 is now close to completion (estimated completion is February 2013). Detailed design has commenced for the Western Belfast Bypass.

NZTA has:

- › completed the Winchester SH1 passing lanes
- › signalised intersection upgrades at
 - SH75 and Dunbars Road in Halswell
 - the intersection of SH1 and SH8 at Washdyke
- › widened two bridges on SH79 (Inmans and Elliots)
- › continued ongoing seismic and safety retrofit programmes.

Selwyn District has substantially completed its Byron Street, Rolleston extension project.

Waimakariri District completed its five-year Tram Road upgrade project in this period.

Over \$80 million financial assistance allocated for earthquake recovery works.



WEST COAST

Major highlights have included the completion of several projects to improve freight efficiency and network safety, and to enhance access to tourism related activities on the coast. The completion of the replacement Arahura road rail bridge, in conjunction with KiwiRail several months ahead of schedule, highlighted the ability of the community to work together to deliver a complex project for the benefit of road users and the community while protecting significant environmental and cultural values.

INVESTMENT HIGHLIGHTS 2009-12

Approximately 45,000 trips were taken as part of the total mobility programme.

Bridge replacements completed at Woolhouse Creek and Kokatahi (both SH6) and Goat Creek on SH73. 10 Mile Creek Bridge re-established.

Design funding awarded to Gates of Haast Bridge project.

Major realignment on SH7 McKendries corner (near Greymouth) and realignment at Kelly's Creek on SH73 completed.

Completion of the sealing of the Fox and Franz Josef Glacier access roads.

OTAGO

There has been significant activity in the Otago region during the three years of the NLTP. There have been two particularly high profile projects – the Dunedin City Council's SH88 realignment project that created a new road around the Forsyth Barr Stadium, and a start on the construction of SH1, Caversham Highway Improvements project.

The Caversham project has been a good example of the benefits of an early contractor involvement delivering the project on budget and in a timely way. Stage two is ready for commencement in the next NLTP period.

INVESTMENT HIGHLIGHTS 2009-12

Around 8 million trips per annum were taken by bus.

The Dunedin City Council's SH88 realignment project was completed providing a bypass to the new stadium and campus areas.

Construction of the first stage of the Caversham Highway Improvements project commenced in January 2011 and is soon to be completed. Design, land purchase and consenting is currently underway for the second stage – the Caversham Valley Safety Improvements. Regional funds are committed to both stages of this project.

A specimen design of the Kawarau Falls Bridge replacement is underway – this includes the consultation, land purchase and consenting processes to enable an expedient progression to construction when funding becomes available.

Construction of the next stage of the off-highway cycleway between Maia and St Leonards is about to be completed and investigation of the balance of the route through to Port Chalmers commenced.

Waiholā passing lane, the Alexandra roundabout and Peninsula Road improvements were completed.

Safety retrofits and seismic retrofits were undertaken.

SOUTHERN REGION CONTINUED



SOUTHLAND

Some key projects were delivered in Southland including the completion of the Invercargill City Council's Tiwai Bridge refurbishment project. Environment Southland has completed their Integrated Transportation Strategy and completed its Regional Road Safety Strategy for Southland.

INVESTMENT HIGHLIGHTS 2009-12

Around 373,000 trips per annum were taken by bus.

Invercargill City Council's Tiwai Bridge refurbishment project was completed.

Investigation commenced on the NZTA's SH94 Homer Tunnel Safety Improvement project.

Dipton Curve and Gill Road realignments were completed.

Safety and seismic retrofits were completed.