
SECTION B: STATEMENT OF SERVICE PERFORMANCE

for the year ended 30 June 2013



STATEMENT OF RESPONSIBILITY

In terms of the Land Transport Management Act 2003, the NZ Transport Agency is responsible for the preparation of the National Land Transport Fund financial statements and statement of service performance, and for the judgements made in them.

The NZ Transport Agency has the responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In the Board's opinion, these financial statements and statement of service performance fairly reflect the financial position and operations of the National Land Transport Fund for the year ended 30 June 2013.

Signed on behalf of the Board:



Chris Moller

Chair

25 SEPTEMBER 2013



Jerry Rickman

Chair of Audit, Risk and
Assurance Board Committee

25 SEPTEMBER 2013

Countersigned by:



Geoff Dangerfield

Chief Executive

25 SEPTEMBER 2013



Paul Helm

Chief Financial Officer

25 SEPTEMBER 2013



Brandon Mainwaring

National Manager Trends and Performance

25 SEPTEMBER 2013

SUMMARY OF NATIONAL LAND TRANSPORT FUND INVESTMENT PERFORMANCE

In 2012/13, 24 of our 36 investment performance targets were achieved (67%).

A full summary of the Transport Agency's investment performance measures can be found in the statement of service performance in the NZ Transport Agency's annual report for the year ended 30 June 2013.

KEY INVESTMENT HIGHLIGHTS FOR 2012/13 INCLUDE:

Management of funding allocation system

The cost of managing the funding allocation system remained $\leq 1\%$ of the total annual fund, excluding the Road Policing Programme. This result tells us management costs are under control and the available funds are being maximised to invest in the transport system.

State highway network

State highway investments in new construction and renewals achieved all eight of the investment targets. The renewal costs per vehicle kilometre travelled and per network lane kilometre were significantly below forecast. This was as a result of fixed annual contracts in some areas, bringing forward work from 2013/14 where appropriate and the use of new road treatment techniques. The maintenance and operations of state highways achieved/exceeded two of the four investment performance targets this year. The cost of maintaining and operating state highways was higher than forecast targets and last year's result. This was due to the higher than budgeted spend on these activities. This reflects that the efficiency gains sought across this and the renewal activity are still being realised as costs and demands on the network continue to grow.

Sector research

A total of 36 research programme reports were published on the Transport Agency website. A further 19 research projects were completed and the associated research reports were being finalised for publication as at June 2013. In addition, 22 research projects were actively managed, including 16 new contracts procured during 2012/13.

Transport planning

Overall transport planning performance was strong. Considerable contributions were made to key regional planning work including the Auckland Unitary Plan and the Integrated Transport Programme. The Transport Agency also contributed to, and invested in, Wellington planning and Christchurch recovery planning and sub-regional plans for the East-West link in Auckland and the completion of the Wellington Public Transport Spine Study.

Public transport

Public transport services achieved/exceeded one of the three investment performance forecasts this year. The decline in the number of boardings per NLTF\$ invested in public transport services for 2012/13 reflects lower patronage in Auckland and Wellington compared to last year during the Rugby World Cup. Track charges have increased to fund the required improvements in service quality and reliability as well as the forecast growth in services needed in Auckland. We continue to forecast public transport patronage growth, and invest in network and service improvements to meet future demand.

Road safety

The ultimate aim is to encourage better driving behaviour across all of our Safer Journeys priority areas.

Advertising work continues to be recognised within the industry with several successes at the Communication Agencies Association of New Zealand (CAANZ Axis) and Media Awards including: Radio Legends, Drug driving Integrated Campaign, and Flash speeding game - Interactive.

The Drive Social advertising campaign was launched which encourages people to step back and look at driving from a different perspective by reframing it from a solo pursuit to an activity that is much more social.

Local road networks

Six of thirteen investment targets were achieved across new and improved infrastructure, renewals and maintenance and operations. The cost of maintaining the network (per network lane km and cents/vehicle kms travelled) was above forecast but is very close to that seen in 2011/12. The Road Maintenance Task Force report in October 2012 resulted in the Transport Agency working with local authorities on ways of controlling maintenance costs. The amount of travel per vehicle has declined slightly year-on-year resulting in an increase in the costs of maintaining and operating the network per vehicle kilometre travelled.

Walking and cycling

Walking and cycling did not achieve its investment performance forecasts this year. A number of high value, short distance projects are currently underway, reflecting that only isolated walking and cycling activities are delivered within this activity class rather than as part of other projects. This includes work initiated on the Central Motorway connection in Auckland, Christchurch Southern Motorway connections and the Tawa stream pathway in Wellington. A total of 46.6 kilometres of new footpaths and cycle paths were completed during 2012/13 against a target of 140-170 kilometres. A further \$60 million is spent on walking and cycling projects as part of state highway activities.

ROAD POLICING PROGRAMME

The Road Policing Programme is a special type of NLTF investment in the land transport system, delivered by the NZ Police and appropriated through Vote Police.

The NZ Transport Agency prepares the Road Policing Programme with NZ Police and recommends it to the Minister of Transport for approval. The Transport Agency also monitors and reports on the delivery of the programme, as designated by the Secretary of Transport.

The Road Policing Programme contributes to a reduction in deaths and serious injuries from road crashes, by deterrence and enforcing the law applying to road users. The activity has a secondary contribution, through the protection of the roading asset, to ensuring more efficient freight supply chains and the resilience and security of the transport network. This is again delivered by deterrence and enforcing the law.

THE KEY ACHIEVEMENTS DURING 2012/13 WERE THAT THE TRANSPORT AGENCY:

- › finalised and published the 2012-15 Road Policing Programme, which implemented the new outcome investment approach for NLTF funded activities, as recommended by the road policing class activity review
- › led the Transport Agency/NZ Police Road Policing Programme Strategic Oversight Committee, the membership of which comprised senior managers from both organisations. The committee considered a wide range of issues during the year, including the value-for-money of the Road Policing Programme, the static camera expansion programme and the improvement programme addressing intervention logic mapping and benchmarking for road policing
- › reported to the Associate Minister of Transport on NZ Police delivery of the 2012-15 Road Policing Programme by applying the new monitoring and reporting framework which focuses on the outcomes to which Police make a significant contribution, and is designed to enable the monitoring of efficiency and effectiveness, maintain investment confidence and improve future delivery of the programme.

For full details of NZ Police activities, including the Road Policing Programme, see the 2012/13 NZ Police annual report.

This investment covers:

- › the delivery of services outlined in the Road Policing Programme directed towards the achievement of road safety outcomes, and the delivery of key strategic services such as: highway patrol, speed and traffic camera operations, restraint device control, drink or drugged driver control operations, commercial vehicle investigation activity and visible road safety enforcement
- › court prosecution and infringement management
- › road safety education activities and community services
- › services associated with traffic management such as peak flow, event traffic control and crash attendance.

Sector or departmental outcome links

Evaluation at the programme level establishes the clearest linkage between the interventions identified under this output and overall road safety outcomes. As a member of the transport sector, Police contributes towards the achievement of the Safer Journeys outcomes and road policing strategy actions.

Outputs purchased with this investment

Strategic road policing

This output covers the:

- › detection and deterrence of speed offending
- › detection and deterrence of drink-drive offending and targeting recidivist drink-drivers
- › enforcement of breaches of front and rear restraint usage law
- › enforcement of the road code and traffic laws and promotion of safer driving practices
- › enforcement of road user charges and commercial vehicle investigation.

HOW DO WE ASSESS OUR INVESTMENT PERFORMANCE

Performance measures	Actual 2012/13	Forecast	Variance 2012/13	Actual 2011/12
Number of young drivers killed or seriously injured per 100,000 15-24 year olds	50	<15.1* (The forecast figure was incorrect in the SOI - correct forecast is <58)	+8	58
ACC entitlement claims on the motor vehicle account from motorcyclists	945	<1,059	+114	1,059
Fatalities or serious injuries in crashes with alcohol/drugs per 100,000 population	12.5	<14.1	+1.6	14.1
Percentage of vehicles exceeding 100km/h and 50km/h limits	25% (100km/h) 53% (50km/h)	<31% (100km/h) <59% (50km/h)	+6% (100km/h) +6% (50km/h)	31% (100km/h) 59% (50km/h)
Fatal and serious injury crashes in head-on or run-off crashes	883	897-952	+15	955
Percentage of new light vehicles with 5 star safety rating	74%	>58%	+16%	58%

Actual 2011/12	How the Police assess service delivery performance (reproduced from the NZ Police annual report 2013)	Actual 2012/13	Performance standard 2012/13
STRATEGIC ROAD POLICING			
Not available*	Number of compulsory breath tests (CBT) conducted	Not available*	2,000,000
Not available*	Number of mobile breath tests (MBT) conducted	Not available*	700,000
2,864,380	Number of breath alcohol tests conducted	2,903,250	2,700,000
New measure for 2012/13	Number of complaints upheld relating to vehicle stops	Not available**	Fewer than 5
96%	Percentage of roadside inspection reports for all heavy motor vehicles inspected that are entered into the Transport Agency's road inspection database within 20 working days	100%	100%
94%	Percentage of all commercial vehicle combinations stopped by Commercial Vehicle Investigation Unit (CVIU) staff, and for which vehicle inspection reports are completed	100%	100%
COMMUNITY ENGAGEMENT ON ROAD SAFETY			
New measure for 2012/13	Number of secondary school road safety sessions delivered by police education officers	8,863	7,000
New measure for 2012/13	Number of primary school road safety sessions delivered by police education officers (including school patrol training).	50,220	43,000

Actual 2011/12	Performance measure	Actual 2012/13	Performance standard 2012/13
ROAD POLICING INCIDENT AND EMERGENCY MANAGEMENT			
Nil	Number of complaints upheld against the Police relating to attendance at traffic emergencies and disasters	Not available**	Fewer than 5
8 minutes 36 seconds	Median response time to emergency traffic events in urban policing areas	7 minutes 38 seconds	8 to 9 minutes
10 minutes 54 seconds	Median response time to emergency traffic events in rural policing areas	10 minutes 22 seconds	12 to 14 minutes
ROAD POLICING RESOLUTIONS			
69,797	Number of traffic cases prosecuted	64,848***	83,000 to 88,000
Nil	Number of complaints upheld relating to the execution of road policing court documents	Not available**	Nil

Notes

* From the 2011/12 year, Police have reported a combined result for CBTs and MBTs, and have introduced a new measure based on information from sniffer units used by frontline police officers. The sniffer unit counts are electronically recorded when a breath test is conducted and test volumes are downloaded and reported to Police every six months by the manufacturer of the units.

** It is not possible to report on the origin of a particular complaint due to changes in Police recording systems. Police are however reporting the total numbers of complaints upheld as an outcome measure.

*** The 2012/13 standard was set prior to the alignment of road policing activities to the Safer Journeys strategy. Increased use of written traffic warnings and better compliance by road users has resulted in fewer than expected prosecutions.

Commentary on Police service performance is available in the NZ Police annual report 2013 (www.police.govt.nz).

HOW IS THE MONEY SPENT?

Road safety programme for the year ended 30 June 2013

2011/12 Actual \$000		2012/13 Actual \$000	2012/13 Budget \$000
297,593	Total revenue	286,667	300,609
290,329	Total expenses	286,652	300,609
7,264	Net surplus (deficit)	15	-

HOW DO WE INTERPRET THESE PERFORMANCE RESULTS?

NLTF investment

Road policing achieved all forecasts. Overall, the Road Policing Programme continues to provide a positive return on NLTF investment.

OFFICIAL SCOPE: Enabling NZ Police to deliver the Road Policing Programme. The Minister of Transport invests in road policing to improve road safety outcomes.

APPENDIX 1: STATEMENT OF SERVICE PERFORMANCE

FINANCIALS

OUTPUT CLASS FUNDING TO THE NZ TRANSPORT AGENCY			
	Actual 2012/13 \$m	Budget 2012/13 \$m	Actual 2011/12 \$m
Management of the funding allocation system	29	29	28
Transport planning	13	20	24
Sector research	3	4	5
Public transport	288	310	253
Road safety	28	32	39
New and improved infrastructure for local roads	153	165	130
Renewal of local roads	204	228	174
Maintenance and operation of local roads	279	298	263
Walking and cycling	8	13	6
New and improved infrastructure for state highways	997	996	703
Renewal of state highways	175	195	390
Maintenance and operation of state highways	342	325	348
TOTAL OUTPUT CLASS FUNDING TO THE NZ TRANSPORT AGENCY	2,519	2,615	2,363

A delay in the approval of the 2012-15 NLTP meant approved organisations initiated their projects slower than planned, plus the budget for 2012/13 had differing funding allocation levels than what was subsequently set by the NLTP.