



# Briefing to the Incoming Associate Minister

February 2023

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## Foreword

Tēnā koe Minister,

Congratulations on your appointment as Associate Minister of Transport.

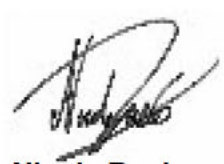
Waka Kotahi NZ Transport Agency is the government's land transport delivery agency and the kaitiaki of a safe and sustainable land transport system. The functions of Waka Kotahi are broad and span investment, planning, maintenance, operation, regulation, education, and licensing.

Waka Kotahi understands the vital impact of the transport network on the country's economy. Our vision is a land transport system that connects people, products and places for a thriving New Zealand.

Expectations of Waka Kotahi are increasing and we face many challenges including a large delivery programme, ambitious road safety and climate targets, resilience challenges and funding strains. However, we also have many opportunities to deliver a transport system that improves wellbeing and liveability across New Zealand.

This briefing is designed to provide you with an overview of our land transport delivery role in the areas that are relevant to your delegated responsibilities, to support you in your first months as Associate Minister of Transport. It does not make any specific recommendations or ask for any decisions.

We look forward to working with you.



**Nicole Rosie**

Chief Executive

## Our executive leadership team



**Nicole Rosie** – Chief Executive



**Karen Jones** – Group General Manager  
Engagement and Partnerships



**Brett Gliddon** – Group General Manager  
Transport Services



**Sarina Pratley** – Chief Customer and Services Officer



**Kane Patena** – Director of Land  
Transport and Group General Manager  
Regulatory



**Liz Maguire** – Chief Digital Officer



**Chris Lokum** – Group General Manager  
People and Safety



**Richard May** – Chief of Staff



**Sara Lindsay** – Group General  
Manager Commercial and Corporate

Waka Kotahi NZ Transport Agency



**Chris Bunny** - Group General Manager  
System Leadership

## Board members

The Waka Kotahi Board is appointed by the Minister of Transport.



**Dr Paul Reynolds** – Chair



**Patrick Reynolds**



**Cassandra Crowley** – Deputy Chair



**Victoria Carter**



**David Smol**



**John Bridgman**



**Catherine Taylor**



**Hon. Tracey Martin**



**Ngarimu Blair**

## Introduction to Waka Kotahi

Waka Kotahi NZ Transport Agency (Waka Kotahi) is a Crown entity and its functions are set out in the Land Transport Management Act 2003. These functions include investing in, managing and regulating most aspects of the land transport network, and give Waka Kotahi an important role in supporting New Zealand to achieve social, economic and environmental outcomes now and into the future.

Our role is to provide a safe and efficient land transport system that delivers value for money and improved transport services for the benefit of New Zealand.

### What we do:

- Deliver on the government's strategic direction for transport, including the Government Policy Statement on land transport (GPS 2021), Road to Zero and the Emissions Reduction Plan.
- Work in partnership with councils and iwi to plan for growth in cities, towns and regions, ensuring the whole transport system is integrated.
- Manage and maintain 11,052kms of sealed and unsealed state highway.
- Co-invest in the development and maintenance of 80,000kms of local roads.
- Work with local government to co-invest in the development of urban cycleways, walkways and public transport networks.
- Manage driver and vehicle licensing.
- Manage clean car and public transport incentive schemes.
- Regulate the transport industry making it safer for everyone.

Our transport network is changing and so is the way we plan and manage it. Roads are important but there is an increasing emphasis on different ways of moving people and freight – rail, coastal shipping, public transport, and walking and cycling.

We are preparing for and delivering a more sustainable future. Reducing our transport emissions is a vital part of meeting New Zealand's climate change commitments and adopting new practices and ways of thinking about how we move around will be part of this response.

### Who we are

Waka Kotahi is a Crown entity and part of the public sector. Our organisation reports to a board appointed by the Minister of Transport. The Board is responsible for making independent decisions on allocating and investing funds from the National Land Transport Fund (NLTF). The current board chairperson is Dr Paul Reynolds.

The Waka Kotahi business groups, supported by the Office of the Chief Executive, are:

- Transport Services
- Engagement and Partnerships
- Regulatory
- People and Safety
- Customer and Services
- Digital
- Commercial and Corporate
- System Leadership



## Working with us

As Associate Minister of Transport, you will set the working style, including how we build and maintain our relationship with you. You will be an invited attendee for the Minister of Transport's weekly transport meetings and there will be regular meetings with you separately. We provide your office with a weekly report on a range of matters, although significant matters may be raised directly at meetings with the Chief Executive.

We would also encourage and welcome you to meet with the Board at a convenient time.

Waka Kotahi provides regular reporting to the Minister's and Associate Minister's Office. This reporting includes:

- weekly reports
- quarterly performance reports
- quarterly reports on borrowing facilities and Public Private Partnerships (PPP)
- Regional Fuel Tax (RFT) quarterly reports
- Waka Kotahi annual report and NLTF annual report.





# Waka Kotahi planning and investment system

Waka Kotahi manages the NLTF and works closely with local partners to prioritise investment in the land transport network across New Zealand. The NLTF is under considerable strain due to high levels of demand for land transport infrastructure and services, decreased revenue due to COVID-19 and increasing costs due to inflationary pressures. Working closely with our partners will be essential as we manage these pressures while delivering the National Land Transport Programme 2021–2024 (NLTP 2021–24).

## Background

### Our funding

Waka Kotahi is responsible for managing the funding for the land transport system, which is primarily through the NLTF. Most of the revenue in the NLTF comes from fuel taxes and road user charges, with a smaller amount from vehicle licensing, property rental and the sale of surplus land bought for state highway projects.

Our investment decisions for the NLTF are shaped by the Government Policy Statement on land transport (GPS), which sets out the government's strategic priorities for investment in the land transport system.

The GPS provides direction and guidance to us as we plan, assess and make decisions about where investment and resources need to be focused. It includes a forecast of how much revenue is expected to be raised through the NLTF and outlines how this funding will be spent across the different activity classes, such as walking and cycling, public transport, rail, state highways and local road maintenance and improvements.

The NLTF is used to fund 100 percent of state highway maintenance, renewals and improvements and other national activities. The NLTF is also used to provide funding to councils for local road maintenance and improvements, walking and cycling facilities, public transport services and infrastructure based on each council's Funding Assistance Rate (generally 51 percent).

Outside of the NLTF, there is also targeted Crown funding, through programmes such as the NZ Upgrade Programme (NZUP) and the Climate Emergency Response Fund (CERF). Local government also has the option to fund their own regional and community-specific projects. Central and local government are also considering new transport funding sources such as congestion charging.

Waka Kotahi is responding to increased responsibilities, technology changes, rising costs and labour shortages which are affecting its budgets.

Successive governments have signalled increasingly ambitious land transport investment programmes, which when combined with increasing revenue pressures on the NLTF has meant that the NLTF is no longer able to fully deliver on all of the government's land transport commitments. For example, when developing the NLTP 2021-24, the government provided Waka Kotahi with a \$2 billion loan to support the delivery of the priorities and commitments set out in GPS 2021.

The NLTF is likely to face additional pressure as the \$2 billion facility was provided on the expectation that it would be repaid from future NLTF revenue. Further, while the additional Crown capital investments (for example, NZUP) will deliver a range of benefits, it also creates long-term challenges for the land transport revenue system, specifically the ongoing operating and maintenance costs of these projects.

s9(2)(f)(iv)

. A review of the current pricing model (e.g. how electric vehicles contribute to the funding of land transport) is also needed to ensure a sustainable model to future-proof investment in our land transport network.



## 2021-24 revenue and investment flows

### Funding will come from...

#### National Land Transport Fund

Road user charges (net)<sup>1</sup> **\$6 billion**

End customers of freight carriers in the prices paid for goods and services. Light diesel vehicle owner payments

Fuel excise duty (net)<sup>1</sup> **\$6.7 billion**

Excise collected at source (fuel shipments & refinery) and recharged in petrol, LPG and CNG prices

Motor vehicle registry fees (net)<sup>1</sup> **\$690 million**

Public road users through registration & licence fees to access the roading network

Use of opening balance **\$260 million**

Use of surplus from previous NLTP

Rail Network Investment Programme **\$830 million**

Crown top up

NLTF debt financing **\$2 billion**

Crown loan

#### Other funding

Local share of NLTP activities **\$4.8 billion**

Local residents through the rates and charges paid for local authority provision of transport infrastructure and services

New Zealand Upgrade Programme (NZUP) **\$2.5 billion**

- additional Crown funding

SuperGold card **\$90 million**

Taxpayers through the subsidies paid to fund SuperGold card for off peak public transport travel via Ministry of Transport

Crown Infrastructure Package/economic stimulus package **\$70 million**

- additional Crown funding

Provincial Growth Fund **\$100 million**

- additional Crown funding

NZUP Regional Investment Opportunities **\$50 million**

- additional Crown funding

Housing Infrastructure Fund loan **\$300 million**

Crown loan to fund acceleration of roading projects to support of high growth urban development in Auckland, Hamilton, Tauranga and Queenstown

<sup>1</sup> Net of refunds and administrative costs

<sup>2</sup> Covers costs for bad debts, search & rescue, recreational boating safety awareness and revenue system management

TOTAL FUNDS

**\$24.3 billion**

### and will be invested in...

Walking and cycling improvements

**\$1 billion**

Road to Zero safety improvements

**\$3 billion**

Public transport, infrastructure

**\$2.3 billion**

Road, walking and cycling network operations and maintenance

**\$7.2 billion**

Local, regional and state highway road improvements

**\$6.6 billion**

Public transport services

**\$2.6 billion**

Rail improvements

**\$1.3 billion**

Miscellaneous<sup>2</sup>

(includes coastal shipping and long term planning)

**\$450 million**

TOTAL FUNDS

**\$24.3 billion**

## Our programme

The NLTP is our joint investment and delivery plan for the land transport system over a three-year period. It is developed in partnership with local government and our other transport sector partners. The NLTP details how we will create a safer, more accessible, better connected and sustainable transport system and sets out the activities that can receive funding from the NLTF.

Local activities included in the NLTP are selected from Regional Land Transport Plans (RLTPs). An RLTP sets out land transport objectives, policies and measures for a region during the next 10 financial years and includes regional land transport activities to be considered for the NLTP.

The NLTP 2021–24 was released in August 2021 and detailed a record \$24.3 billion investment in the land transport system from the NLTF and other government funding sources, such as the NZUP, along with a \$2 billion loan from government to deliver better outcomes across New Zealand. It is an ambitious programme of transformational change supporting reduced carbon emissions while at the same time ensuring our communities are better places to live.

The government is currently developing GPS 2024 which will guide our investment in the land transport system through the NLTP 2024-27. Planning for the next NLTP is underway.

### **Our long-term strategic plan**

In 2019/20, Waka Kotahi released Arataki, our 10-year view of what is needed to deliver on the Government's priorities and long-term objectives for the land transport system. It shares the evidence base that informs our view and shapes the way we partner with others through planning and investment tools, such as spatial plans, network plans, RLTPs and the NLTP.

Waka Kotahi is taking an even longer-term outlook through the development of Arataki: 30-year plan. Arataki: 30-year plan sets out our view of what the land transport system needs to look like in 30 years and steer what Waka Kotahi should do with our partners to achieve this desired future state to support the government's long-term outcomes. This includes defining and identifying strategic networks across all modes, including current networks, future networks and where major future interventions are likely to be required. We want to continue to build this long-term view with input from local government and other partners throughout 2023 to ensure we have shared outcomes to implement in the next version, Arataki 2024.

Arataki is a tool that supports our engagement with local government. It supports integrated, consistent planning and decision making, and helps Waka Kotahi and our local government partners to deliver the right things in the right place at the right time, focusing on the highest impact combinations of interventions that deliver on priority outcomes. Arataki: 30-year plan is expected to be released on a digital platform on 17 March 2023.

### **NLTP 2021–24 delivery**

At the time of publication, \$24.3 billion of funding was forecast to be managed under the NLTP 2021–24 representing a 44 percent increase compared to the NLTP 2018–21. This included an estimated investment of \$15.6 billion from the NLTF (including \$2 billion of financing), \$4.8 billion of local share and \$800 million of Crown funding to help fund the Rail Network Investment Plan. Significant Crown funding is being managed by Waka Kotahi alongside the NLTP, including for the NZUP.

At the time of publishing, the NLTP was expected to be allocated across different activities as follows:

- Walking and cycling improvements – \$1 billion
- Road to Zero safety improvements – \$2.9 billion
- Public transport infrastructure – \$2.3 billion
- Road, walking and cycling network operations and maintenance – \$7.2 billion
- Local, regional and state highway road improvements – \$6.6 billion
- Public transport services – \$2.6 billion
- Rail improvements – \$1.3 billion
- Other investment including coastal shipping and long-term planning – \$450 million.

However, the investment targets set at the start of the NLTP 2021–24 will be challenging to meet given the deterioration in actual and forecast NLTF revenue since the NLTP 2021–24 was published. Net revenue (including the opening NLTF balance) is forecast to be approximately \$600 million lower due to COVID-19 related lockdowns and other changes in economic conditions. Project costs are also increasing given COVID-19 related delays and significant inflationary pressures. Planned expenditure in some activity classes has been reduced to manage the NLTP (i.e. to offset lower revenue and higher than planned spend for State Highway Investment and Public Transport Services). Reductions in planned investment have been applied to the Road to Zero, Public Transport Infrastructure, Local Road Improvements, and the Walking and Cycling activity classes.

Despite these challenges; some significant delivery progress has been made in the first year of the NLTP 2021–24:

- Transmission Gully was opened to traffic on 31 March 2022.
- The final section of the Waikato Expressway opened to traffic in July 2022.
- A significant maintenance programme was delivered covering thousands of kilometres of roads and tens of thousands of individual jobs.
- Detailed design, consultation and construction are underway for projects in the Let's Get Wellington Moving three-year programme.
- Physical works got underway on Te Ara o Te Ata (Mt Messenger Bypass), starting with the installation of a cableway to carry machinery and personnel into the heart of the route.
- Significant progress was made on the Te Ahu a Turanga (Manawatū–Taranaki Highway) including moving three million cubic metres of earth since construction began in January 2021.

- The Streets for People programme was established and councils have been invited to participate in the first phase of the programme.
- A new rail planning and funding model was implemented, working alongside KiwiRail, the Ministry of Transport, Treasury and local partners.
- We worked with the wider freight industry and the Ministry of Transport to select four applicants for co-investment in new and enhanced coastal shipping services through the NLTP.



## Working with regional communities and councils

Waka Kotahi works in partnership with local government to deliver transport projects and programmes that make it safer, simpler and more sustainable for people and products to move around New Zealand. We also work closely with people and organisations affected by our work, and in partnership with local governments, we engage with communities about the risks on our roads and work together to find solutions.

### Our regional model

Waka Kotahi operates using a regional engagement model to strengthen our presence in local communities. The model is broken into five regional groupings:

- Northland / Auckland
- Waikato / Bay of Plenty
- Tairāwhiti / Hawke's Bay / Taranaki / Manawatū-Whanganui
- Wellington / Wairarapa / Tasman / Nelson / Marlborough
- West Coast / Canterbury / Otago / Southland.

Each of these regional groups has a cross-functional regional leadership team that champions Waka Kotahi and works closely with our partners and the community to deliver local outcomes. The Regional Leadership teams consist of:

- Director Regional Relationships
- Regional Manager System Design
- Regional Manager Infrastructure and Delivery
- Regional Manager Maintenance and Operations
- Pou Ārahi
- Regulatory regional leader
- Regional Communications and Engagement Manager.

The Regional Leadership teams are led by the Directors of Regional Relationships who are responsible for building, maintaining and enhancing the Waka Kotahi presence, performance and reputation across the regions by engaging with senior local government, iwi and other significant and influential community, and private and public sector relationships.

## Regional relationships



### **Northland/Auckland**

Steve Mutton



### **Bay of Plenty/Waikato**

David Speirs



### **Gisborne/Hawke's Bay/ Taranaki/Manawatū- Whanganui**

Linda Stewart



### **Wellington/Upper South Island**

Emma Speight



### **West Coast/Canterbury/ Otago/Southland**

James Caygill





## Māori Partnerships

Waka Kotahi recognises Māori as partners of Waka Kotahi and works to uphold our legal obligations to Māori. We invest time and effort that reflects the importance of this partnership. Both Treaty partners benefit from working closely together, focusing on long-term outcomes and building lasting relationships.

Waka Kotahi is committed to fostering strong and enduring relationships with Māori. This commitment is guided by Te Ara Kotahi - our Māori Strategy. Te Ara Kotahi provides Waka Kotahi with strategic direction to guide how we work with and respond to Māori as the Crown's Treaty partner, and what this means for how we do business.

We engage with Māori as a treaty partner. We are committed to giving effect to the principles of the Treaty of Waitangi and fulfilling our obligations under the Land Transport Management Act 2003. We engage with hapū and iwi wherever possible on activities that are likely to affect them or their interests. We also provide Māori with the opportunity to participate in our decision-making processes, and work to build their capacity to contribute to our decision-making processes.

### Sharing our regional partnership stories

As part of a plan to raise awareness of partnerships between Waka Kotahi and iwi Māori, we are working with Waikato Tainui to tell the story of the Waikato Expressway project.

This story will be told from the perspective of both Waka Kotahi and Waikato Tainui, who will be partners in the production process. It will acknowledge the wider significance of the project for Waikato Tainui including reconnecting with whenua, healing for past injustices (i.e. Rangiriri Paa site redevelopment), exercising kaitiakitanga over the surrounding environment, and telling iwi stories through mahi toi on the expressway.

The stories will be published internally and externally, and will be used to share examples of working in partnership with our staff and the wider public. There will also be the opportunity for Waikato Tainui to share the story with other iwi and agencies.

Other partnerships to be featured in this plan include Te Ahu a Turanga (Manawatū Tararua Highway), and stories about successful Māori business procurement such as the hiring of a Māori welding company on the Takitimu North Link project and Māori-owned contractors who are working on roading improvements in Tairāwhiti.

Partnership work to make driver licensing more accessible and environmental initiatives – such as hybrid-car leasing and clean car upgrade schemes – are also being considered for inclusion in the plan. This work is supported by Te Mātangi our Māori partnerships team who are based across the motu and is led by the Māori Outcomes Communication and Engagement team.

## Your specific delegated responsibilities

This section covers your specific delegations as they relate to Waka Kotahi.

### The Land Transport (Road Safety) Amendment Bill and fleeing drivers

The *Land Transport (Road Safety) Amendment Bill* is being drafted to address a range of issues that have arisen from technological developments and will enable Waka Kotahi to better respond in emergency situations. The Bill contains the following four proposals of relevance to Waka Kotahi:

1. The Bill will enable the electronic service of documents issued under the Land Transport Act 1998, which will avoid costs, delays and risks (including to privacy) of physical delivery.

2. s(9)(2)(f)iv  
[Redacted text]

- [Redacted text]

- [Redacted text]

Policy work on fleeing drivers is being led by the Ministry of Transport. The Bill is expected to be ready for introduction to the House in the coming months.

## Roadside drug testing and the drug driving regime

In 2020, 101 people were killed in road crashes where a driver was found to have the presence of drugs in their system. The presence of impairing drugs in a driver's blood in fatal crashes is now approximately equal to instances of alcohol (21%). Drug driving is also one of the 15 actions in the Road to Zero strategy. To address this issue, Cabinet agreed in December 2019 to introduce a random roadside oral fluid testing scheme in New Zealand. This will sit alongside the current Compulsory Impairment Test approach.

On 11 March 2022, the Land Transport (Drug Driving) Amendment Act 2022 was passed. This change provides additional measures to deter driving after using impairing drugs. The key changes include the addition of random roadside drug testing (dependent on device approval and capability) which gives Police similar measures as with alcohol testing. It also includes the introduction of tolerances and high-risk blood concentration levels for 25 medicines and illegal drugs. This will enable Police to test a much larger number of drivers each year, for the most prevalent impairing drugs used by New Zealand drivers.

The Land Transport (Drug Driving) Amendment Act 2022 changes will come into force on 11 March 2023, which will enable new offences for the detection of drugs at the roadside. Waka Kotahi has been tasked with supporting the Police and the Ministry of Justice with the implementation of the new legislation. This involves integrating the new penalties into the driving demerit point system, running public information activity, and gathering information, data, and insights for future reporting.

Upcoming milestones include the public education campaign that begins shortly before the changes go live on 11 March 2023.

## Management of the Regulatory Systems (Transport) Amendment Bill No. 2, and its implementation

The transport regulatory system requires constant review and renewal, particularly as it relies on legislation that is generally prescriptive in nature. The Management of the Regulatory Systems (Transport) Amendment Bill No. 2 seeks to:

- improve the effective use of technology
- clarify regulatory roles, responsibilities, and requirements
- maintain safety through responsive regulatory action
- address consistencies, improve system efficiencies and remove duplication
- revitalise aspects of the transport legislation to ensure it is fit-for-purpose.



The Ministry of Transport is currently leading a review of the parking system so that fees can be increased to ensure RCAs and Police can commission towage and storage. s(9)(2)(f)iv

## He Tohu Huarahi Māori bilingual traffic signs programme

Te Mātāwai, the independent statutory entity that works to revitalise te reo Māori, has partnered with Waka Kotahi on He Tohu Huarahi Māori bilingual traffic signs programme. Many Māori communities have been asking for te reo Māori to be used on traffic signs for some time. Bilingual traffic signs provide an opportunity for te reo Māori to be seen in our communities, which supports language learning and revitalisation.

In April 2022 the *Land Transport Rule: Traffic Control Devices (Kura/School Signs) Amendment 2022* came into force. This rule requires Kura School signs to be used by councils on local roads and Waka Kotahi on state highways when existing school signs need to be replaced or new signs are introduced. The public consultation was very positive and 90% of submissions were in favour of introducing these signs.

He Tohu Huarahi Māori is also supported by the Ministry of Transport and Te Taura Whiri I te Reo Māori The Māori Language Commission. We have engaged with representatives from local government, the traffic industry, schools and kura, and Nga Pae Motuhake o Te Mātāwai, community-based panels of te reo Māori experts and champions.

Costs for any new bilingual signs will be minimised by implementing them over time as new signs are needed or old signs need to be replaced. We have carefully considered international experience and are following best international design practice to ensure the safety of bilingual signs. No evidence has been found that bilingual signs have increased the number of people being killed or seriously injured where this has been measured.

Marae signs were enabled for use in 2022 and kōhanga reo signs were enabled for use in January 2023. These signs are designed to meet the needs of Māori communities who have been asking for them. They do not require a rule change as they use only one language. Therefore, they are not part of the bilingual traffic signs programme.

Te Mātāwai has written to the Minister of Transport and yourself as Associate Minister, expressing their pride in this partnership programme, which they use as an exemplar for how other government organisations could operate as partners in language revitalisation. s9(2)(g)(i)

. Your Ministerial approval is required before public consultation can commence on the next package of bilingual traffic signs.

# Milford Opportunities Project

## Background

The Milford Opportunities Project (MOP) was established in 2017 to look at how visitors are managed at Milford Sound and along the Milford road corridor. The MOP provides a test case for exploring mechanisms that address challenges with tourism in New Zealand and finding solutions that could be used for other high-pressure areas.

In April 2021, the MOP Governance Group signed off on the final masterplan. The masterplan was subsequently taken to Cabinet by the Ministers of Tourism, Conservation and Transport. On 28 June 2021, Cabinet noted the recommendations of the masterplan and agreed to the formation of a dedicated unit and establishment board so that the detailed planning and feasibility phase of stage three could commence. The masterplan was launched publicly on 28 July 2021.

## Waka Kotahi role in the MOP

Waka Kotahi has a supporting role in the MOP. During the masterplan development, Waka Kotahi was represented on the Governance Group and provided support and guidance through representation on the working group.

Waka Kotahi will continue to support the MOP by providing advice and expertise to the MOP Unit.

Waka Kotahi is supportive of the masterplan purpose and objectives, particularly to ensure access is effective, efficient, resilient and sustainable. Waka Kotahi supports alignment of the masterplan with other strategic goals for land transport such as reducing emissions, increasing the use of public transport, and improving safety and resilience.

The recommendations in the masterplan that are most relevant to Waka Kotahi are:

- Restricting private vehicle access to Milford Sound Piopiotahi through a permit and public transport system.
- Introducing a new governance and management structure for Milford Sound Piopiotahi village and inland waters to the Tasman Sea and the Milford Road corridor to improve efficiency and function.

These recommendations will require detailed feasibility testing covering legislative, policy and funding implications. Waka Kotahi is supporting the Ministry of Transport as the transport policy lead, along with wider support to the MOP Unit.

## Other Transport portfolio matters

This section covers key initiatives underway within the wider transport portfolio that may assist with your delegated responsibilities, with a particular focus on regional communities.

### Delivering the NZ Upgrade Programme

The New Zealand Upgrade Programme (NZUP) is designed to support growing communities across the country with better travel choices that help people get where they're going safely. Waka Kotahi and KiwiRail are delivering the government's \$8.7 billion transport investment in our main growth areas and other regions across the country. When complete, the transport improvements will provide more reliable connections for new housing areas, businesses and for goods to get to market.

Some projects have been adversely impacted by COVID-19 related delays and cost escalation due to the constrained labour market and supply chain issues. In June 2021, the Government confirmed that over two thirds of NZUP projects would proceed as announced despite increased costs, with modifications being made to others.

We are moving ahead strongly to deliver NZUP. Projects totaling \$3 billion are now under construction.

In late 2022, Waka Kotahi reached milestones to get some major projects ready to build – we have lodged consents for the new Ōtaki to North of Levin highway and put the tender out to market for the transformational RiverLink project in Lower Hutt.

The programme also supports the economy as it is being delivered, with local businesses working on projects and more than 1,100 people already employed throughout New Zealand to design, consent and build projects.

The below table outlines each of the Waka Kotahi managed NZUP projects.

Project	Project phase	Funding allocation (\$m)
Penlink	Implementation	830.0
NZUP Otaki to North of Levin	Pre-implementation	1,500.0
NZUP SH1/29 Intersection	Pre-implementation	40.0
NZUP Takitimu North Link Stage 1	Implementation	655.0
NZUP SH58 – Stage 2	Implementation	105.0
NZUP SH2 Melling	Pre-implementation	420.0
NZUP Brougham Street Corridor Improvements	Pre-implementation	90.0
NZUP Rolleston Access	Business case	125.0
NZUP SH75 Halswell Road	Pre-implementation	40.0

NZUP SH73 Weedons-Ross Road Intersection	Implementation	15.0
NZUP Walnut Avenue Intersection Improvements	Implementation	15.0
NZUP SH1 Tinwald Corridor Improvements	Pre-implementation	15.0
Queenstown Package	Pre-implementation	115.0
NZUP SH1 Papakura Drury South Stage 1	Implementation	655.0
NZUP Takitimu NorthLink Stage 2 (consenting and route protection only)	Pre-implementation	57.0
South Auckland Package	Business case	874.0
Northland Package	Rescope	192.0
Northern Pathway active mode/public transport investment	Rescope	782.5
<b>Total</b>		<b>6,525.5</b>

An additional 13 regional state highway improvement projects in Northland, Bay of Plenty, Hawke's Bay, Taranaki, West Coast, Canterbury and Otago are being delivered by Waka Kotahi as part of the wider NZUP regional investment opportunities funding which is managed by Kānoa – Regional Economic Development & Investment Unit.

**Project phase key:**

Business case	Preferred option being confirmed through detailed analysis.
Pre-implementation	Procurement, enabling or other works prior to commitment of implementation underway.
Implementation	Physical and/or operational works required to deliver an activity underway.
Rescope	Scope of the project being reconsidered.

## Supporting Regions Programme

In addition to the New Zealand Upgrade Programme, Waka Kotahi is delivering other regional projects through several Crown funding sources.

- Since 2017/18, Waka Kotahi has been delivering on our commitments as a key partner in the Provincial Growth Fund (PGF), helping to build a regional economy that is sustainable, inclusive and productive. There are five state highway projects funded through the PGF, with one completed and the remaining in delivery. The funding is administered by and reported through to Kānoa – Regional Economic Development and Investment Unit.



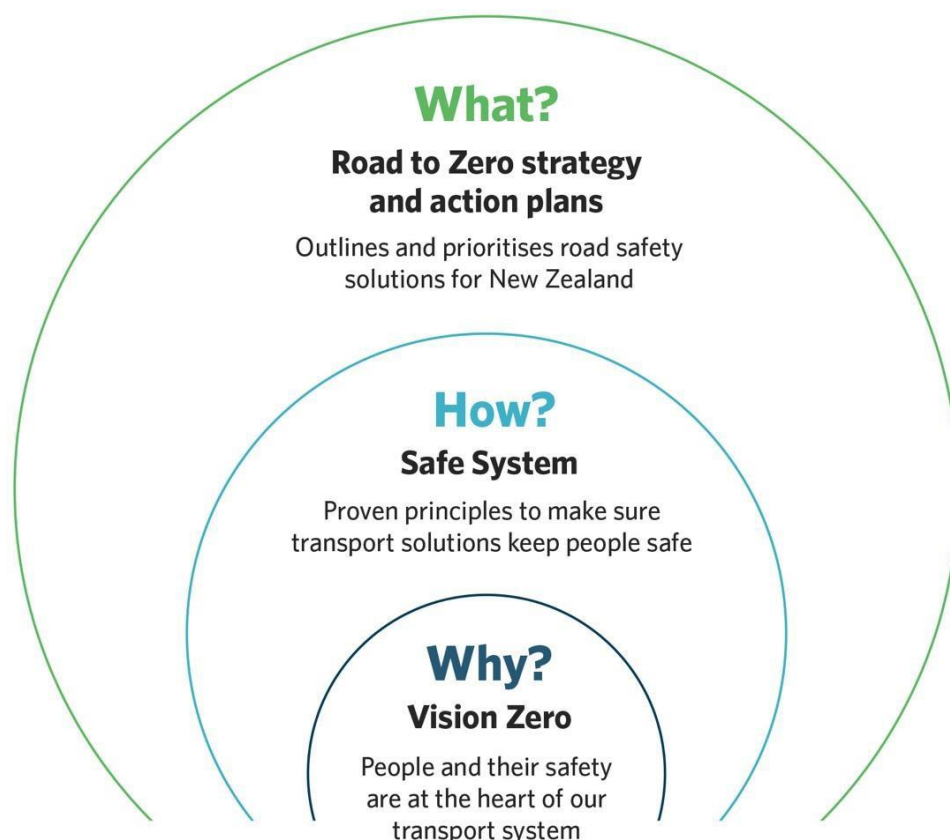
- In 2020, Ministers approved Regional Investment Opportunities (RIO) funding for thirteen state highway projects to contribute to a safer and more resilient transport network that will support regional development. Of the thirteen projects, nine have been completed with three currently in delivery and one in pre-implementation. The funding is administered by and reported through to Kānoa – Regional Economic Development and Investment Unit.
- In 2020, Ministers approved four state highway projects to be funded by the COVID Response and Recovery Fund (CRRF), to support the post-COVID rebuild and create jobs. Two projects have been completed with the remaining two in delivery. The funding is administered by and reported through Crown Infrastructure Partners.

Waka Kotahi manages the delivery of these projects through our Supporting Regions Programme (the Programme). Remaining projects in the Programme are scheduled to be completed in the 2024/25 financial year, however Waka Kotahi is currently assessing what impact the recent storm events have had on delivery. The remaining projects in the Programme are outlined in the table below.

Region	Project name (funding)	Description
Tairāwhiti	SH35 Resilience (PGF)	Interventions to improve route security and resilience at selected sites on SH35
	SH2 and SH35 Passing Opportunities (PGF)	New passing opportunities on SH2 Gisborne-Napier and Gisborne-Opotiki; also on SH35 Gisborne-Potaka
	SH2 Waikare Gorge (PGF)	Pre-implementation for realignment of SH2 across the Waikare Gorge
Hawke's Bay	SH2 College Road to Silverstream (RIO)	Curve Realignments and Passing Lane
Bay of Plenty	SH30 Eastern Corridor Rotorua (CRRF)	Improving safety, connectivity at Iles and Coulter Roads
Taranaki	SH43 Sealing the Gorge (PGF)	Physical works to seal the 12km stretch through Tangarakau Gorge
	Improvements to SH43 (RIO)	Safety & Other improvements
West Coast	SH67 Granity sea wall (RIO)	Bridge protection and consent for full sea wall
Otago	SH1 Kakanui (RIO)	North of Kakanui River / south of Oamaru Resilience
Southland	SH94 Homer Tunnel improvements (CRRF)	Safety and resilience improvements to the Homer Tunnel

## Road safety

Road to Zero is our national road safety strategy that sets us on a path towards an Aotearoa New Zealand where no one is killed or seriously injured on our roads, supported by an ambitious but achievable target to reduce deaths and serious injuries (DSIs) by 40% by 2030 (compared to 2018). Delivering on the focus areas and key interventions outlined in the 10-year Road to Zero strategy and supporting action plans is central to achieving road safety targets for New Zealand and keeping our people safe on the transport network.



### Road to Zero and the Safe System

Death and injuries on our roads have a devastating and wide-reaching impact on our communities, with a social cost to New Zealand estimated at nearly \$4.7 billion a year. The average social cost of road crashes is \$4,464,400 per fatality, \$467,700 per serious injury and \$25,300 per minor injury. Often a crash can involve multiple fatal, serious and minor injuries.

People being killed and seriously injured on our roads is preventable and it is time to stop accepting that a certain amount of death and serious injury is just the price we all pay for moving around. The government is committed to a Road to Zero strategy built around a bold vision – a New Zealand where no one is killed or seriously injured in road crashes.

Road to Zero is supported by key partners including the Ministry of Transport, Waka Kotahi, NZ Police, ACC, Worksafe and local councils.

Road to Zero is underpinned by the “Safe System” international best-practice approach to road safety, which accepts that humans are vulnerable and we make mistakes. Preventing deaths and serious injuries is about more than just how we drive – it is about how all the various parts of the system work together to protect people from serious harm. We need to invest in safer infrastructure, get people into safer vehicles which protect them in a crash, ensure speed limits are safe for each road, and enforce and promote behaviours that ensure safe, sober drivers who wear their seatbelts and focus on the task of driving.

It is predicted Road to Zero will require an investment of approximately \$11.8 billion over its 10-year lifespan. The NLTP 2021–24 will invest \$2.9 billion to deliver on the strategy.

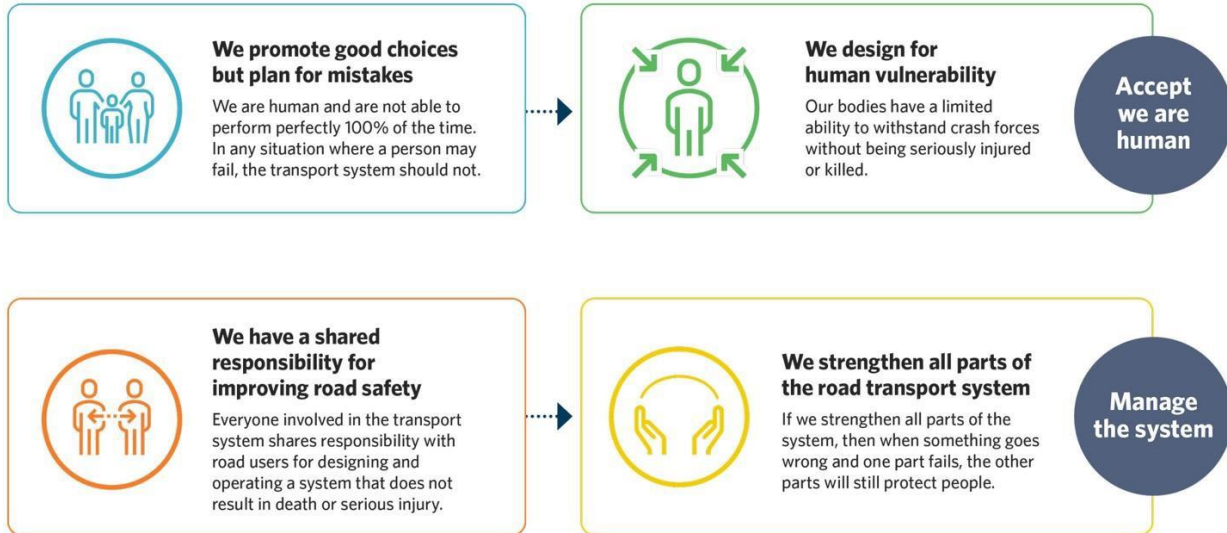
The key Road to Zero programmes for Waka Kotahi are:

- Speed and Infrastructure Programme
- Road Safety Partnership Programme (road policing)
- Tackling Unsafe Speeds Programme (speed management)
- Road Safety Promotion and Advertising Programme.

### Road to Zero overview

 <p><b>Vision</b></p> <p>An Aotearoa where no one is killed or seriously injured in road crashes</p>	 <p><b>2030 Target</b></p> <p>A 40 percent reduction in deaths and serious injuries (from 2018 levels)</p>	 <p><b>Principles</b></p> <p><b>Safe System</b></p> <ul style="list-style-type: none"> <li>» We promote good choices but plan for mistakes</li> <li>» We design for human vulnerability</li> <li>» We have a shared responsibility for improving road safety</li> <li>» We strengthen all parts of the road transport system</li> </ul> <ul style="list-style-type: none"> <li>» Our actions are grounded in evidence and evaluated</li> <li>» Our road safety actions support health, wellbeing and livable places</li> <li>» We make safety a critical decision making priority</li> </ul>	 <p><b>Focus areas</b></p> <ul style="list-style-type: none"> <li>» Infrastructure and speed</li> <li>» Vehicle safety</li> <li>» Work-related road safety</li> <li>» Road user choices</li> <li>» System management</li> </ul>
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## Safe System principles



## Speed and Infrastructure Programme

The Speed and Infrastructure Programme is focused on improving the safety of New Zealand's road network by implementing safety infrastructure such as median and roadside barriers, roundabouts, raised safety platforms, wide centre lines and rumble strips, as well as speed management to align more of the network to a safe and appropriate speed.

### Infrastructure

The Road to Zero Action Plan 2020-22 indicates that achieving the 2030 target reduction in deaths and serious injuries requires an investment of at least \$5 billion in speed and infrastructure over the 10-year period.

Over the 2018 to 2022 period, Waka Kotahi in partnership with local councils, delivered 97.2km of retrofitted median barrier, 356km of side barrier, 10,940km of speed limit reviews and 78 roundabout installations across state highways and local roads.

The strategic target for new median barriers under the Speed and Infrastructure Programme is 1,000kms by 2030 (800km on state highways and 200km on local roads). The delivery of median barriers has been below target and we now have an acceleration programme in place to ensure we deliver 220km by 2024. We are looking at other funding options to assist local roads to complete their share of median barriers.

### Speed management

The strategic target for kilometres of high-risk road network to be treated through speed management is 10,000kms by 2030. We are forecasting that delivery of speed limit changes across the wider network will exceed this target, with a total forecast of 31,000kms treated through speed management by 2030. Most of this increase is on local roads with local authorities forecasting 12,500km of speed changes in the NLTP 2021-24. Waka Kotahi is reviewing options for the state highway network. We are updating forecasts directly against the high-risk network as this is where the majority of opportunity lies to reduce deaths and serious injuries.

## Road Safety Partnership Programme 2021–24

The Road Safety Partnership Programme (RSPP) was established by the NZ Police, Waka Kotahi and the Ministry of Transport in 2018 to develop and implement a new operating model and investment approach for road policing. Waka Kotahi provides funding to NZ Police to deliver the activities contained in the RSPP. The current funding is approximately \$400 million per annum for the 2021–24 period.

The RSPP focuses road policing activity on the high-risk behaviours of restraints, impairment, distraction and speed, and contributes to other operational priority areas, such as high-risk drivers. GPS 2021 gives a clear signal to sustain the current investment levels in road policing, allowing for cost increases over time.

In 2021, the Ministry of Transport commissioned an independent review into how road policing activities and safety infrastructure investments are prioritised, delivered and monitored. Actions in response to the review are underway, including work to implement governance arrangements and measures of Police activity. The revised RSPP governance structure will allow Waka Kotahi to have a more detailed monitoring and assurance role.

## **Tackling Unsafe Speeds Programme**

Under the first Road to Zero Action Plan 2020-22 the following three interventions were grouped together under a Tackling Unsafe Speeds package:

- improve how road controlling authorities and Waka Kotahi plan for, consult on and implement speed management changes
- introduce a new approach to safety cameras to reduce unsafe speeds on our highest risk roads including transfer of ownership and operation of safety cameras from the NZ Police to Waka Kotahi
- transition to lower speed limits around schools to improve safety and encourage more children to walk and cycle to school.

These interventions will be “unbundled” in the 2023-25 action plan to reflect progress and the fact that a number of these have now moved into delivery.

### **Framework for Setting of Speed Limits**

A new Land Transport Rule: Setting of Speed Limits 2022 came into effect in May 2022, which aligns the setting of speed limits on state highways and local roads with the Safe System principles that underpin Road to Zero. The Rule enables greater coordination of planning between state highways and local roads and uses speed management plans to outline proposals for what the network is expected to look like in 10 years along with three-year implementation plans. Speed management plans are intended to outline safety improvements across the network including safety infrastructure, safety cameras, and speed limits. The Rule also clarifies the three functions within Waka Kotahi (regulator, road controlling authority, and Director of Land Transport).

Speed management plans align to a three-year NLTP period, with transitional ‘interim’ speed management plans. Multiple interim plans have been received and certified by the Director – this is a new process for Waka Kotahi and for all 68 road controlling authorities.

Legal speeds are held in a new national register and all speed limits have been successfully migrated. Discrepancies between the posted speed and the legal speed limit have also been resolved. New speed limits from road controlling authority speed management plans have been successfully loaded and new speed limits set.

Waka Kotahi (as road controlling authority) has developed an interim state highway speed management plan for the current NLTP cycle, which has been consulted on and it is anticipated that the plan will be sent to the Director of Land Transport for approval in March 2023. Concurrently Waka Kotahi is developing the State Highway Speed Management Plan to align with the NLTP 2024-27.

### **Safety Cameras**

Existing safety cameras and associated operations will be transferred from NZ Police to Waka Kotahi. The first phase of increasing the number of safety cameras throughout New Zealand to encourage safe speeds is also underway.

We will adopt a best practice approach to how we operate safety cameras, which includes our approach to signage. We will operate safety cameras using a mixed approach to signage to ensure we are using them to deter people from exceeding speed limits both generally and at specific locations. This will include a 'highly visible' approach for certain camera types as appropriate, and an unsigned 'anytime anywhere' approach for other camera types including mobile cameras.

Implementing this new approach will also involve:

- an initial expansion of approximately 100 safety cameras which started in early 2023 and is due to be completed by the end of 2024
- establishing a new infringement processing system in Waka Kotahi during 2023
- progressing supportive legislative amendments to explicitly incorporate average safety camera offence detection and automation in the infringement process
- transferring existing cameras from NZ Police to Waka Kotahi, starting in 2024
- informing the public on the new approach to cameras and their purpose.

### **Safer speeds around schools**

The Land Transport Rule: Setting of Speed Limits 2022 requires all road controlling authorities to transition to lower speed limits around all schools by the end of 2027. Under the Rule, speed limits and other speed management treatments must be signaled in state highway and regional speed management plans.

Waka Kotahi has selected 111 state highway schools requiring speed treatments to ensure over 40% compliance by June 2024. Approximately 40% of local councils have indicated that they are likely to have 100% of schools on their network compliant by June 2024, with all remaining councils compliant with the Rule by June 2027. Between state highways and local roads, we anticipate that the Road to Zero target of 40% of schools before 2024 will be exceeded.

## Road Safety Promotion and Advertising Programme

Waka Kotahi develops, designs and delivers advertising campaigns and education programmes to positively influence and incentivise desired action and behaviour in the transport system. The Road Safety Promotion and Advertising Programme supports the Waka Kotahi regulatory function and NZ Police enforcement.

In the NLTP 2021–24, we will be investing \$197 million in national, regional and local road safety promotion and education campaigns supporting Road to Zero programmes. This includes a campaign to raise public awareness of Road to Zero, and to build trust and acceptance among communities to support the implementation of key interventions necessary to achieve Road to Zero and ultimately Vision Zero aspirations.

### Public support for interventions

An important part of the Road to Zero strategy is bringing people in New Zealand on the journey and ensuring they have confidence that we are delivering the right things. It can be challenging to gain public support for key interventions that we know will improve the safety of our road transport system.

Our research into public attitudes to road safety shows there is good support for speed reductions in urban centres (64 percent support in 2020/21, up from 58 percent in 2019/20) and for lower speed limits around schools (74 percent support in 2020/21, up from 58 percent in 2019/20). However, we have seen resistance to proposals to reduce speed limits on some roads. This is despite a body of national and international evidence that shows that reducing speeds leads to substantial reductions in the number of people dying or being injured on our roads.

We use insights from our monitoring research when we plan social marketing work to raise awareness of Road to Zero and increase support for key road safety interventions. When planning speed reviews, we consider where we have support from the public and where communities are asking us to make changes.

We hear some concerns that we and other road controlling authorities are choosing to lower speed limits because it is a more cost-effective way to make our roads safer, compared to investing in infrastructure such as median and side barriers.



Speed limits on New Zealand's roads are not up to date with our current understanding of risk, the likelihood of a crash and the crash severity, and do not consider the comfort and safety of people not traveling in vehicles. Median barriers are very effective, but they are also time consuming and relatively expensive to install. They are not suitable for all roads and additional work often needs to be completed as part of the installation, such as widening roads, moving utilities, improving intersections and providing safe turning facilities to allow people to access properties.

The Tackling Unsafe Speeds Programme includes the new Land Transport Rule: Setting of Speed Limits 2022, which changes the way speed limits are set and ensures decisions about speed limit changes are made (and described) in the context of safety-related infrastructure improvements and the placement of safety cameras. It also ensures Māori are involved in developing plans and that road controlling authorities engage with communities to get their feedback and prepare them for the proposed changes.

## Driver licensing

Access to driver licensing is a key issue for regional communities and helps to support Road to Zero outcomes.

### Background

New Zealand introduced a graduated driver licensing system (GDLS) in 1987 primarily to reduce deaths and injuries on our roads by creating condition-bound stages for young and novice drivers.

On a day-to-day basis, Waka Kotahi has responsibility for maintaining operational policy settings, standards and guidelines related to the licensing system and ensuring service delivery expectations are met.

Enabling access to the licensing system supports Road to Zero and enables wider benefits such as social, economic and justice outcomes. Significant work is underway to improve access to the GDLS, including collaborative efforts between the Ministry of Social Development, the Ministry of Transport and Waka Kotahi.

### The Waka Kotahi Driver Licensing Improvement Programme

Following the Ministry of Transport's review of the GDLS in 2021, Waka Kotahi committed to a comprehensive review of operational matters affecting access to the driver licensing system.

Waka Kotahi established the Driver Licensing Improvement Programme (DLIP) with the aim that driver licensing is accessible to all those who want or need it. To achieve this, Waka Kotahi is reviewing a range of operational processes and practices, recognising the current system is not equitable, nor a seamless service for all those who need or want a driver licence.

The DLIP is a cross-agency programme led by the Director of Land Transport (endorsed by Employment, Education and Training (EET) Ministers on 30 June 2022).

The cross-agency group includes Waka Kotahi, the Ministry of Social Development, the Ministry of Transport, NZ Police, Te Puni Kōkiri and ACC. There is also good support from other agencies, including the Ministry of Education, the Ministry of Justice, the Driving Change Network, and many community organisations.

The DLIP will provide ongoing improvements across the driver licensing eco-system, including the development of a future state driver licensing system and framework. In December 2022, EET Ministers endorsed Option 3: Targeted System Change, and engagement commenced in February 2023. Engagement includes additional targeted groups, such as Pacific people, those living in rural and remote communities, refugees and migrants, people with disabilities, sole parents, and Māori.

s(9)(2)(f)(iv)

s(9)(2)(f)(iv)

In the meantime, several actions are underway to address access and delivery improvements to the driver license system:

- Waka Kotahi is addressing immediate access issues by improving and increasing driver testing capacity. For example, we have implemented a remedial plan with Vehicle Testing New Zealand (VTNZ) to address the recruitment and onboarding of new staff, focusing on areas where capacity is low, and driver testing wait times are high.
- Two ‘proof of concept’ trials are well underway in Tai Tokerau and Tairāwhiti with the trials being carried out in partnership with local community-based providers. The trials run for 12 months initially and in the first six months around 83 percent of applicants identified as Māori with more than 400 successful tests. The Tairāwhiti trial has seen 44 testing days run so far, and 17 testing days have been run for the Tai Tokerau trial. A total of 285 people have successfully passed a practical test (Tairāwhiti 167, Tai Tokerau 118) across the two trials. A six-month independent evaluation of each of the two community-based trials is underway, and a final report is due in March 2023.
- Four new test routes were launched in late 2022 - Waipukurau, Wairoa, Kaikohe and Dargaville. In addition to VTNZ Driver Testing Officers for testing the general public, Community Driver Testing Officers will also be able to utilise these new test routes for their community. Between November 2022 and 6 February 2023, there were 181 practical tests conducted on one of the new test routes.

- New Zealand's official road code recently had a refresh to make it more accessible for learner drivers. Over 130 pages of information were removed, with the updated version focused on information required for preparing for the learner licence. The refreshed road code was published on 1 November 2022, and purchases of the refreshed road code have been stronger than expected since its release.
- A similar refresh for the Motorcycle Road Code is currently underway, and on track to be published in June 2023 with the refresh of the Heavy Vehicle Road Code planned for the second half of 2023.

As a result of Budget 2022, Waka Kotahi is receiving just under \$17 million over four years to support equitable access to driver testing, including mobile theory testing and delivering practical testing in commercially uneconomic areas. This funding will enable Waka Kotahi to:

- increase the driver testing officer capability and capacity to improve access to licensing services, particularly in remote areas
- introduce group booking functionality for driver licence testing
- establish new regional roles that will oversee and support community driver training by ensuring instructors, driver testing officers, volunteers, and community services/organisations have the right capability and access to training resources and ongoing development
- provide additional mobile testing services for learner theory tests into locations such as community centres, schools, marae and remote communities
- further develop DRIVE resources (an online learning tool) to be more accessible for people who speak different languages.

### **Extended driver testing wait times due to COVID-19**

Under COVID-19 alert level 3 and 4 restrictions, VTNZ could not undertake testing due to the social distancing restrictions in place. Auckland, Waikato, Hauraki and Northland were impacted on a larger scale due to the extended alert level lockdowns.

In response to the high demand in Auckland, VTNZ has recruited additional driver testing officers and opened a new practical testing site in Manukau. VTNZ continues to focus on demand and work continues to address wait times across all regions.

As of 23 June 2022, there was an average wait across the country of 23 days for a full licence practical test and 28 days for a restricted licence practical test. As at 8 February 2023, there is an average wait time across the country of 12 days for a full license practical test and 15 days for a restricted license practical test.

Our expectation for driver licence practical testing is for customers to be able to sit a practical test within 30 days of making their booking. We have been working closely with VTNZ to reduce the wait times across the country. At the end of January 2023 there were 169 active driver testing officers.

Recruitment and training courses were held in July, September and November 2022 to increase driver testing officer numbers and further training courses will take place in 2023. Practical testing wait times continue to be closely monitored by Waka Kotahi and VTNZ.

## Regulatory Fees and Funding review

Waka Kotahi collects fees and charges to cover the cost of regulatory services provided by Waka Kotahi and its agents (e.g. Automobile Association, NZ Post and mechanics). These services include driver licences, vehicle licensing and registration, warrants of fitness and certificates of fitness, along with wider regulation of the land transport system.

Waka Kotahi is working with the Ministry of Transport to complete a review of regulatory fees and funding to ensure the Waka Kotahi regulatory function is sustainably and appropriately funded in the long-term. Consultation on proposed changes to land transport regulatory fees, charging and funding took place in April – May 2022 s(9)(2)(f)iv

## National Ticketing Solution

The National Ticketing Solution (NTS) is a contactless ticketing and payment solution being delivered through the NLTP which will make it easier and more convenient to access and pay for public transport anywhere in New Zealand. The single ticketing national solution will replace Auckland's HOP, Wellington's Snapper, Canterbury's Metrocard and the regionally used BEE Card (10 regional councils' consolidated solution). More people travelling by public transport will contribute to a safer land transport network and reduce congestion, consequently reducing emissions and air/noise pollution.

Waka Kotahi is the lead agency for the NTS partnership. Our role, together with our partners, is to procure the solution on behalf of all Public Transport Authorities (PTAs) and for Waka Kotahi to provide back office shared services.

The programme recently reached a significant milestone with the signing of the participation agreement between Waka Kotahi and the PTAs, and the subsequent signing of supplier contracts. This has moved the programme into the delivery phase with the initial design work now underway. Environment Canterbury will be the first region to transition to the NTS in 2024 and the remaining regions will transition onto the NTS in 2026.

## Climate change response

Waka Kotahi has a key role in implementing the Emissions Reduction Plan including delivering initiatives funded by the Climate Emergency Response Fund (CERF). The development and delivery of vehicle kilometres travelled reduction plans funded by the CERF will require us to work closely with our local partners.

### Transport in the Emissions Reduction Plan

In May 2022, the government released the first Emissions Reduction Plan (ERP), *Te hau mārohi ki anamata – towards a productive, sustainable and inclusive economy*. The ERP sets out the actions needed to achieve the first three emissions budgets out to 2035 and lays the foundations for greater reductions in the future to meet our 2050 net zero emissions target.

Transport has a significant role to play. The plan calls for a 41 percent reduction in emissions from the transport sector by 2035 (from 2019 levels). Three focus areas guide the approach to reducing transport emissions:

1. Reduce reliance on cars and support people to use active transport modes, and public transport.
2. Rapidly adopt low-emissions vehicles.
3. Begin work now to decarbonise heavy vehicles and freight.

Four transport targets will support these focus areas and align with achieving a 41 percent reduction in transport emissions by 2035:

- Target 1 – reduce total vehicle kilometres travelled by the light fleet by 20 percent by 2035 through improved urban form and providing better travel options.
- Target 2 – increase zero-emissions vehicles to 30 percent of the light fleet by 2035.
- Target 3 – reduce emissions from freight transport by 35 percent by 2035. This target for freight transport includes emissions from trucks, rail, and ships, and excludes light vehicles and aviation.
- Target 4 – reduce the emissions intensity of transport fuel by 10 percent by 2035.

There are over 70 transport actions within the ERP, and more than half of these sit under focus area 1.

## **Waka Kotahi role in implementing the ERP**

Waka Kotahi is a lead or co-lead for 20 of the focus area 1 actions, and two of the focus area 2 actions.

Waka Kotahi is identified as a 'supporter' for several actions across most focus areas, and as a 'stakeholder/partner' for most transport actions.

Along with local government partners, Waka Kotahi is expected to lead the planning, design and delivery for national and urban light vehicle kilometres travelled (VKT) reduction programmes, covering public transport, walking and cycling, reshaping streets, school travel and equity considerations.

Waka Kotahi will continue to lead administration of the Clean Car Discount, the Clean Car Standard and road user charges (RUC) exemptions.

The climate actions required under ERP bring more complex programmes into Waka Kotahi and will present a challenge to the traditional revenue base.

## **Funding to deliver the ERP**

In Budget 2022, several key initiatives were funded through the CERF to support immediate emissions reductions and help lay the foundations for future reductions.

The CERF initiatives with significant involvement from Waka Kotahi include the following:

- \$350 million to fund mode shift activities, services, and infrastructure investments that reduce reliance on cars and support uptake of active and shared modes.
- \$20 million for a vehicle social leasing scheme which will lease low-emission vehicles to low-income New Zealanders.
- \$569 million for an equity-orientated scrap-and-replace scheme trial, which will provide targeted assistance to low- and middle-income households to purchase low emissions vehicles after scrapping their old vehicle.
- \$25 million to develop national and urban VKT reduction programmes.
- \$61 million to support a sustainable, skilled workforce of bus drivers.
- \$40 million over four years to accelerate the decarbonisation of the public transport bus fleet.
- \$20 million to accelerate the decarbonisation of freight transport.

The release of the ERP also has an impact on NLTP investment decisions. The GPS 2021 states that all NLTP investment decisions will need to be consistent with the transport component of the ERP. This introduces a new requirement for NLTF investment decisions, which will have an impact on future investment decisions for the NLTP 2021–24 period.

## Resilience and emergency management

The transport system is subject to many risks, including from natural hazards, and these risks are in many cases becoming more significant, often as a result of climate change.

### Resilience and adaptation

Resilience is an important characteristic of all aspects of the transport system. Our strategic context for resilience includes Treasury's Living Standards Framework 2021, the Ministry of Transport's Transport Outcomes Framework and the GPS 2021 as well as the National Adaptation Plan 2022.

Addressing resilience is not necessarily the ability to prevent an event or disruption from occurring. It also includes the ability to recover services and infrastructure and return to a normalised state in as short a time as possible, keeping customer disruption to a minimum.

Waka Kotahi has established a resilience framework which helps guide our priorities and provides the structure for a resulting resilience work programme.

The resilience programme has a focus on creating robust assets, relocating assets, adding redundancy and alternatives to the system which are adaptive (including in partnership with other actors in the land transport system), becoming faster to repair and recover, maintaining and operating the system to minimise impacts, and enhancing information provision to users. The programme has identified and rated more than 380 risk locations across the country and is engaged with external entities researching resilience.

Due to funding constraints and competing priorities, we are not able to provide the level of funding for proactive resilience improvements that the system ideally requires. For example, in this NLTP we have only been able to fund the business case phases of the most critical resilience risk locations.

Adaptation relates to the process of adjusting to the actual or expected climate and its effects, to moderate harm or exploit beneficial opportunities. Waka Kotahi contributed to the development of the Ministry for the Environment-led National Adaptation Plan and Waka Kotahi is addressing the impacts of climate change through Tiro Rangi – our climate adaptation plan as part of our resilience programme. Tiro Rangi presents our climate resilience ambition and outlines the priority actions and approaches Waka Kotahi will take to enable the land transport system to prepare for, and respond to, the effects of climate change.

In 2023, Waka Kotahi is scoping strategic guidance to help clarify our decision-making response to major network disruption, that will be integrated into the existing Waka Kotahi resilience framework.

## **Emergency management**

There is significant pressure on the amount of funding allocated to emergency works due to increasing resource costs, increased costs due to COVID-19, an increase in the frequency and intensity of weather events, and the increase in the geographic scale of emergency events.

The level of investment required from the NLTF to respond to these emergency events is increasing. Since 2018, Waka Kotahi has recorded seven events that have resulted in costs between \$15 million and \$50 million, compared with two events between 2013 and 2017.

Due to the unexpected nature of these events, resources and materials can be challenging to procure, creating a strain on local resources. Estimating costs and developing robust solutions in a dynamic situation can be very challenging, sometimes requiring constant changes to construction methods and designs. These complexities can all add to timeframes and extend the recovery period. Despite these events having greater impacts, emergency works teams are often able to reinstate corridors and reconnect communities quicker and more effectively than in previous years.

## **Cyclone Gabrielle**

Cyclone Gabrielle has severely affected several regions of New Zealand. Transport network infrastructure including state highways, rail and local roads have been significantly damaged as a result. Waka Kotahi is in the process of assessing the full impact on its network in all the regions affected.

The severity of the impacts on transport infrastructure exceeds that of the Kaikōura and Christchurch earthquakes given the extent of damage and includes the complexity of a multi-regional approach. Other recent weather events (e.g. 2022 Nelson-Marlborough floods and Mangamuka Gorge slips on State Highway 1 in Northland) were also significant, but not at the scale and complexity of the current response and recovery needed for Cyclone Gabrielle.

In response to Cyclone Gabrielle, the three phases of our response, are:

- Emergency Response – our top priority is working with emergency management and local government, restoring access to isolated North Island communities as soon as possible to enable essential services and supplies to get through. Our crews are working very hard to re-open these vital links, supported by the Government's \$250m emergency works funding.
- Providing access for communities – we will be working with local government, iwi, and infrastructure and service providers such as KiwiRail to ensure access is improved.



- Rebuild and betterment for the long term – Waka Kotahi is providing advice to government on the long term rebuild and requirements to support this. This includes a suggested approach to design and deliver the longer term rebuild, a supporting legislative environment and how we will work with iwi, local government and the community.

### **Other long term reinstatement works**

In addition to the recent storm events, other significant weather events over the last two years have severed key local and state highway networks across the country. This section provides updates on specific sites or locations where initiatives are underway to consider long term reinstatement and resilience options.

#### *SH4 Te Oreore slip*

The slip at State Highway 4 (SH4) near Te Oreore occurred at the end of September 2019. Construction of a temporary road through farmland was completed in December 2019. A permanent design is in place and Waka Kotahi is working in partnership with local iwi and the regional council regarding consenting requirements for the permanent works. It is expected the permanent works will commence in 2023. The total cost of the works, including maintenance of the temporary road is estimated at \$22 million.

#### *SH1 Mangamuka Gorge*

Heavy rain in August 2022 caused several slips along the Mangamuka Gorge in Northland resulting in the road being closed. The route had only reopened for 17 months after a 12-month closure after storm damage. In December 2022, Waka Kotahi secured \$100 million of funding to restore this section of State Highway 1 to its original condition. Physical works for slip repairs have started, with a focus on ensuring the gorge is safe and stable enough to accommodate the large machinery needed to carry out slip repairs. Once this is complete, the third stage of this work will be focused on making the route more resilient. Possible options for longer-term solutions can be expected by mid-2023.

#### *Marlborough local roads*

Flooding events in the Marlborough region in winter 2021 and winter 2022 have had a significant impact on the roading network. The severe flood damage to the region has at times forced the closure of the main transport link between Nelson and Marlborough, as well as the closure of many other roads in the region due to major slips, river scour, significant washouts and significant pavement damage.

In Marlborough, Waka Kotahi has a partnership with Marlborough District Council – Marlborough Roads – through which we deliver our transport services for both the state highways and local roads in the region. Following the 2021 storm event we established a dedicated team, the Marlborough Roads Recovery Team (MRRT) to manage the recovery and reinstatement of the local roads damaged in that event.

Work under the MRRT was scheduled to be completed by mid-2023, with the majority of the remaining work focused on the complex repair sites on Kenepuru Drive, however the August 2022 event occurred midway through the recovery programme, with half the remaining funding to be diverted from recovery, towards more urgent response activities.

Waka Kotahi is working with Marlborough District Council and key local partners on the Marlborough Sounds Future Access Study, which is looking to provide a safe and resilient transport system to access the Marlborough Sounds. Key decisions on the study are expected by mid-2023.

#### *Thames-Coromandel*

In January 2023, the three main state highways between western and eastern Coromandel Peninsula were compromised due to Cyclone Hale. State Highway 25A – Kopu to Hikuai is closed for an indefinite period due to a major collapse of the road. Major work is required before the road can be reopened. The site is still active, with road material, earth, and debris continuing to fall into the gully. Waka Kotahi is working through solutions for the long-term fix. The site is complicated due to the geography and amount of road surface and earth lost in the collapse. This will be a significant piece of work, and all solutions have relatively long construction periods. The ability to provide a temporary road during this period is unlikely but we continue to assess options.

