

# National Land Transport Programme 2009-2012



NZ TRANSPORT AGENCY  
WAKA KOTAHI

New Zealand Government

NZ Transport Agency  
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# Foreword – from the Chairman

I'm pleased to introduce to you the NZ Transport Agency's first National Land Transport Programme, covering the three years from 2009/10 to 2011/12.



Through this programme, the NZ Transport Agency is making a record investment in land transport – at a time when New Zealand needs it most.

The government has set clear expectations and priorities for the land transport sector. These expectations are articulated in the *Government policy statement on land transport funding (GPS)*, which recognises that land transport has a key role in underpinning the economic performance in the long-term as well as during these challenging times. The GPS also outlines our mandate for the next three years: to prioritise activities that will increase productivity and stimulate economic growth for the benefit of all New Zealanders.

Through this National Land Transport Programme (NLTP), the NZTA 'gives effect' to the GPS with an investment of \$8.7 billion in the next three years – the largest transport investment in New Zealand's history and a 17 percent increase on funding in the past three years. With a focus on supporting economic activity and employment throughout New Zealand, the programme includes a 19 percent increase in funding for New Zealand's state highway networks, a 14 percent increase for local roads (roads other than state highways) and a 21 percent increase for public transport. It supports a mix of large and small projects in all regions, with a guaranteed minimum funding level for each region.

The NLTP reflects our commitment to ensuring that our spending is both efficient and effective, and to delivering value for money in all activities and across all regions. It has been developed through a rigorous national approach to identifying and setting our investment priorities, a continuing focus on improving safety, and a dedication to reducing the adverse environmental effects of land transport. At the same time, we have endeavoured to reduce the costs of administering the programme.

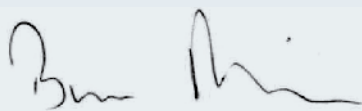
Our primary focus in this NLTP is to support economic activity and employment across New Zealand. As a result, through a series of targeted investments, the NLTP aims to address some important issues for New Zealand's land transport infrastructure – in particular improving journey time reliability on key routes, easing congestion in those areas with serious problems, upgrading important freight and tourism routes, and improving access to markets, employment and areas that contribute to economic growth.

The funding aims to ensure that projects with the highest priority have the first call on available funds. We have also taken a long-term view to ensure activities in the next three years yield benefits for the land transport infrastructure of the future.

This, the first-ever three-year NLTP, is the result of an extensive development process in which 16 regional transport committees and ARTA for Auckland developed regional land transport programmes outlining the activities they sought to be included in the NLTP. This regional perspective enabled the NZTA to build a geographic view of land transport requirements, and to align regional and national views in deciding on the most appropriate allocations of funds to give effect to the GPS priorities.

Given the funding available, we have had to make decisions according to activities' relative priorities and readiness, and the funding allocated to them in the GPS. Inevitably, there will be a greater investment in some areas over others as a result.

The Board's thanks go to the regional transport committees around the country for developing their regional programmes. Together with our partners, they have added value to the Board's decision-making processes – and to this three-year investment programme for land transport in New Zealand.

A handwritten signature in black ink, appearing to read 'Brian Roche', written over a light-colored background.

**Brian Roche**  
Chairman

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# Introduction – from the Chief Executive

This National Land Transport Programme is a major achievement for the NZ Transport Agency and our land transport planning partners, the local and regional authorities throughout New Zealand and New Zealand Police.



It's the result of an extensive work programme – for our partners in developing and presenting their investment proposals, and for the NZTA Board in considering and prioritising them through applying the principles and framework of our Investment and Revenue Strategy.

The result is the product of some tough decisions; in an economically challenging environment, it's been more important than ever to scrutinise the value and benefits of every proposal and target our investments to areas that will most benefit New Zealand in the long-term through economic activity and employment.

## A record investment in land transport

As the Chairman has outlined, this NLTP makes New Zealand's largest-ever investment in land transport. It aims to ensure that we support the economy during the worst economic conditions experienced for decades through a series of highly targeted investments designed to deliver the best possible returns for New Zealand.

For example, through an investment of more than \$4.5 billion in the state highway network over the next three years (nearly \$1 billion more than in previous years), we aim to improve journey time reliability – something that's important to all travellers but particularly to businesses in helping to reduce transport costs. This investment will also fund work on seven 'roads of national significance', which will improve access within and through New Zealand's largest cities – easing congestion and improving critical parts of our national freight and tourism routes.

In another move to address journey time reliability and congestion, we're investing close to \$900 million in public transport services and infrastructure over the next three years. In addition, the government is investing through Kiwirail over \$1 billion in rail track extensions and electrification in Auckland. All this funding will enable a substantial investment in rail stations and services in Auckland, and new train units in both Auckland and Wellington.

Meanwhile, an NZTA programme will take a longer-term view of public transport investment while seeking to make decision-making processes more robust. We will convene a public transport sector leadership forum, with one of its first tasks being to develop an action plan to improve the effectiveness of public transport in New Zealand. The NZTA will also develop guidance for local authorities on developing farebox recovery policies, in which a proportion of total operating costs is recovered through fare revenue.

The NLTP includes a significant investment in important urban arterial routes. These include the Auckland Manukau Eastern Transport Initiative (the AMETI project) and Dominion Road in Auckland and Wairere Drive in Hamilton. Funding is also provided to upgrade a number of other significant freight and tourism routes, while \$1.9 billion will go to improving and maintaining New Zealand's local road infrastructure.

The activities we fund will improve access to markets (including through ports and airports) as well as to areas of employment and areas that contribute to economic growth. They will set the scene for long-term economic growth as well as providing jobs and injecting money into communities to help New Zealanders get through these difficult times. We expect them to deliver measurable results through:

- enhancing transport efficiency
- lowering the costs of transportation
- providing people with more transport choices, particularly those with limited access to cars
- reducing the adverse environmental effects of land transport
- contributing to people's health and wellbeing.

As always, the NLTP has a strong focus on reducing the number of deaths and serious injuries as a result of road crashes, which impose an increasingly heavy social and economic burden on individuals, families and the wider community. It funds a number of road and transport safety initiatives, most notably through the Road Policing Programme. The programme includes activities designed to address the 'fatal five' road safety issues (speed, alcohol, restraints, dangerous and careless driving, and high-risk drivers) as well as activities involving community engagement, incident and emergency management, and sanctions and prosecutions.

## Meeting government priorities

In developing the NLTP, the *Government policy statement on land transport funding* (GPS) has been our guiding document. An expression of the government's priorities for investment in land transport, it recognises that quality land transport infrastructure and services are an essential part of a robust economy. After all, about 70 percent of all freight in New Zealand goes by road, and 84 percent of people go to work by car, truck or motorbike.

Our commitment to achieving these priorities is articulated in our Investment and Revenue Strategy. Pages 6–8 provide details of the strategy's framework for every funding decision in this NLTP, using a rigorous assessment and allocation process that prioritises those activities according to their:

- 'strategic fit' – that is, the extent to which they address significant opportunities and issues from a national perspective
- 'effectiveness' – how much they contribute to the purpose and objectives of the Land Transport Management Act 2003, and achieving particular outcomes identified in the 'strategic fit' assessment
- 'economic efficiency' – how efficiently they use resources, and the sustainability of their benefits.

Projects that do not fit these criteria are not prioritised for funding.

## Changes to the funding approach

In a new approach, 'R' funding will be used for the highest-priority projects in this NLTP. R (or 'regionally distributed') funding comes from a portion of fuel excise duty and light road user charges and is allocated proportionally to regions based on population.

In the past, R funding was used to fund lower-priority projects that would otherwise not qualify for funding. The new approach delivers much greater value for money for all public money invested in land transport.

## A new three-year term

In another development, this NLTP covers three years instead of one. It also has a change in format, with one 'national' document and 17 separate regional documents.

The new timeframe enables investment with a longer-term view, and the wider land transport sector to plan ahead with increased confidence and flexibility. It also reduces a significant planning workload, enabling everyone involved to focus more on achieving the results we seek. Given the extended timeframe, the NLTP is a dynamic document; it will be reviewed and updated regularly, with the latest versions available on the NZTA's website at [www.nzta.govt.nz](http://www.nzta.govt.nz).

## The keys to success

We know that this NLTP's success will depend on our partnerships with local and regional authorities, New Zealand Police and other stakeholders. Together we'll be developing, delivering and evaluating a huge range of activities nationwide, often through co-funding arrangements. We're committed to nurturing and building on these relationships so that we all understand, engage with and deliver the NLTP goals.

We also need to consider four significant land transport issues:

- Extracting the best performance from our existing infrastructure: we must maintain and operate our networks, services and systems so that they are as effective and efficient as possible.

- Funding: in the current economic environment, we must focus on tightly controlled, targeted spending to achieve economic productivity and growth, while exploring and maximising all funding sources available via both the NZTA and our land transport planning partners.
- System capability: we need to ensure that the project planning and implementation system has the capability to deliver targeted, cost-effective solutions that offer value for money and network reliability and availability, and achieve the government's objectives.
- Service levels: we need to ensure that service levels in major urban and industrial areas continue to improve while economies in those areas continue to expand.

Addressing these issues will be a key focus for the NZTA team and for our wider network of road transport partners in the years ahead.

## Focusing on integrated planning

The GPS identifies integrated planning as a key factor in ensuring New Zealand develops a land transport system that achieves its short- to medium-term objectives.

The benefits of an integrated planning approach are that:

- decisions relating to land use, transport and urban design collectively contribute to the efficient use of public funds
- transport strategies and packages of activities are developed alongside land use strategies and implementation plans.

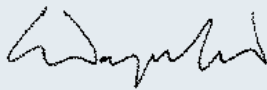
Integrated land use, transport planning and urban design activity also contribute to national economic growth and productivity, and create opportunities for better integration within and between transport modes.

I'm pleased to say that we're already seeing improved integration through collaboration between the NZTA and local government agencies throughout the country, and staff regularly advising on regional planning documents and action plans. Underpinning this, the NZTA is developing its own action-focused integrated planning strategy, which will guide transport planning, programming and funding.

## A foundation for the future

A good transport system adapts to the way people live, work and play in the future. This includes responding to changes in consumer demand – for better-quality and lower-impact travel choices, and for improved access to transport networks for those who walk, cycle, and rely on public transport.

This NLTP is an important step in creating the transport system that New Zealand needs in the 21st century. Its success depends on an integrated approach involving transport operators and the general public who use the system, local government, suppliers, New Zealand Police and the Ministry of Transport. I'm confident that, working together, we can deliver a fully integrated transport system that will enhance New Zealand's productivity and growth and make for better communities, now and into future.



**Geoff Dangerfield**  
Chief Executive

# The NZTA strategic direction

The NZTA's Investment and Revenue Strategy (IRS) communicates the NZTA Board's investment intentions. It's a high-level direction-setting and prioritisation tool that helps the NZTA to balance competing priorities and select the best possible mix of activities for funding – all with the goal of advancing progress against the objectives of the Land Transport Management Act 2003 (LTMA) and the *Government policy statement on land transport funding 2009/19 – 2018/19* (GPS).

The Investment and Revenue Strategy aims to ensure that the NLTP gives effect to the GPS in the short to medium term and, in the long term, that the NZTA's investment decisions and business priorities are aligned with the outcomes and impacts specified in:

- the LTMA
- the NZTA's five strategic priorities, which are to: improve customer service and reduce compliance costs, improve road safety, freight efficiency and public transport effectiveness, and plan for and deliver roads of national significance.

## Government expectations

The GPS is the government's statement that sets the strategic direction for investment in the land transport sector and provides funding ranges for individual 'activity classes'. The NZTA's role is to decide on the specific activities and combinations of activities in which to invest.

The GPS specifies a number of impacts that the government expects to achieve through the NLTP. These are:

- impacts that contribute to economic growth and productivity:
  - improvements in the provision of infrastructure and services that enhance transport efficiency and lower the cost of transportation through:
    - improvements in journey-time reliability
    - the easing of severe congestion
    - more efficient freight supply chains
    - better use of the existing transport capacity
    - better access to markets, employment and areas that contribute to economic growth
    - a secure and resilient transport network
- other impacts:
  - reductions in deaths and serious injuries as a result of road crashes
  - more transport choices, particularly for those with limited access to cars where appropriate
  - reductions in the adverse environmental effects of land transport
  - contributions to positive health outcomes.

## NZTA investment priorities

Given the GPS's requirement that the NZTA focus on activities that make the greatest contribution to New Zealand's economic growth and productivity, this NLTP prioritises activities that make the most significant contribution to one or more of:

- roads of national significance (RoNS) and local roads critical to RoNS
- key freight and tourism routes
- key urban arterials
- public transport initiatives to ease severe congestion
- 'model' urban walking and cycling communities<sup>1</sup>
- making better use of the existing transport infrastructure
- optimising the existing capacity of, and service levels on, highly trafficked roads.

The priority given to RoNS, key freight and tourism routes, key urban arterials and model urban walking and cycling communities is new for the NZTA. Strategic plans are being developed for each

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<sup>1</sup> Model communities aim to reduce congestion by providing user-friendly environments for walking and cycling



of these areas and are due to be finalised by December 2009. They will provide the NZTA and those seeking NLTP funding approval with clear guidance on what will be prioritised and why. In the meantime, interim guidelines are in place.

In all its investments, the NZTA maintains its longstanding focus on activities that make a significant contribution to one or more of:

- improving safety
- relieving urban congestion
- improving journey reliability and/or capacity on key routes
- network security and resilience on key routes
- completing key walking and cycling links to reduce congestion
- providing transport choice in large urban areas
- better public transport network and interchange capacity in large urban areas
- managing adverse environmental impacts from land transport
- public health outcomes
- long-term, integrated and coordinated planning.

It's important to note that safety, particularly reducing the number of deaths and serious injuries as a result of road crashes, has always been and remains a core NZTA priority.



## Assessment criteria

When approving funding for particular transport activities or groups of activities, the NZTA is required to ensure that they:

- give effect to the GPS
- take account of any relevant strategies or policies (eg regional land transport strategies)
- contribute to the LTMA's purpose and objectives
- have been assessed against other options and alternatives
- comply with any consultation required by the LTMA.

The NZTA uses three key assessment criteria to determine whether a transport activity will be included in the NLTP and, if so, the degree to which it will be prioritised within the NLTP, and then whether it will be approved for funding. The criteria are:

- strategic fit
- effectiveness
- economic efficiency.

Note the 'strategic fit' criterion is new to this NLTP, developed in response to the GPS. It replaces the 'seriousness and urgency' criterion used in previous NLTPs.

The prioritisation process gives the greatest weight to 'strategic fit', followed by 'economic efficiency' and 'effectiveness'. Each activity is given a rating of high, medium or low according to these criteria.

### **Strategic fit**

'Strategic fit' ensures that the activities the NZTA approves for funding address significant opportunities and issues from a national perspective.

In assessing a transport activity for strategic fit, the NZTA considers how well it aligns with the Investment and Revenue Strategy's investment direction.

### **Effectiveness**

The 'effectiveness' assessment is about a proposed investment's contribution to:

- the purpose and objectives of the LTMA
- achieving a particular outcome identified in the 'strategic fit' assessment.

Higher ratings go to proposals that provide long-term, integrated and enduring solutions.

### **Economic efficiency**

'Economic efficiency' assessments apply to activities that deliver transport infrastructure or services. They identify how efficiently resources are used, how sustainable the benefits are, and whether the proposal represents value for money.

The NZTA assesses economic efficiency according to:

- the benefit-cost ratio – for improvements
- cost effectiveness – for maintenance, operations and public transport services.

## **Taking a long-term view**

In developing the activities detailed in this NLTP, the NZTA has endeavoured to make the best use of the government's \$8.7 billion, three-year investment in New Zealand's transport infrastructure and services.

Longer term, the primary focus for state highways will continue to be roads of national significance. In addition, the future investment direction for local roads and state highways will be influenced by regional and local planning, the Road Safety to 2020 Strategy and progress towards a more consistent and national approach to road maintenance standards.

For public transport services the future challenge is to improve the effectiveness of all the services in delivering value for money. In this regard, the NZTA will be implementing with its regional partners the new procurement procedures, develop a framework for fare box policies for all services, and explore ways in which integrated ticketing can be used to improve services and reduce costs.

The priority for 2009/12 and beyond for walking and cycling activities is to improve the contribution these activities make to the reduction of congestion in the main urban areas. This will be done by targeting investment at communities that have long-term commitment to significantly increasing walking and cycling as a practical and safe travel option.

And finally looking ahead for road policing funding, the main influence on the direction for this activity class will be the Road Safety to 2020 Strategy and broader discussions around what the most appropriate and effective roles of all the various agencies are.

The NZTA is committed to working closely with regional and local authorities, New Zealand Police and other land transport partners to manage the investment in all land transport activities and ensure a consistent and continual approach to meeting the objectives the government seeks.

This NLTP delivers a programme of well targeted investments in quality infrastructure and services that will benefit all New Zealanders. Implemented in the next three years, it will provide long-term benefits for both the transport network and the nation's social and economic development.

# How well does the NLTP deliver?

When preparing the NLTP, the NZTA must also ensure that the NLTP takes account of relevant strategies and contributes to the purpose of:

- achieving an affordable, integrated, safe, responsive and sustainable land transport system and the objectives of:
  - economic development
  - safety and personal security
  - access and mobility
  - public health
  - environmental sustainability.

This section summarises the NLTP's contributions to these requirements.

## Taking account of relevant strategies

The Road Safety Strategy<sup>2</sup> underpins the NZTA's safety assessment criteria, and achieving a safe transport system is one purpose of the NZTA.

Under the GPS, the NZTA and regional transport committees are expected to consider national priorities and perspectives. The NZTA therefore considers regional land transport programmes from a national perspective. As a result, activities included in the NLTP reflect the national focus, regional activities supporting national priorities, and regional priorities.

The NLTP also funds public transport, travel behaviour change and walking and cycling activities, which is consistent with the transport objectives of the National Energy Efficiency and Conservation Strategy.

## Affordable

The delivery of value for money and affordability is mainly assessed through the NZTA's 'effectiveness' and 'economic efficiency' criteria:

- The effectiveness criterion sets a baseline expectation that solutions must be affordable and based on a robust value-for-money analysis that looks at whole-of-life costs. Solutions must be long term with enduring benefits.
- In this NLTP, the economic efficiency criterion is given more weight than previously, reflecting the government's emphasis on ensuring that solutions are fit for purpose and deliver value for money.

The GPS sets the expectation that the NZTA will make the best use of existing networks as well as investing in new infrastructure. Funding allocations therefore continue to focus on improving the efficiency of existing networks and infrastructure alongside developing new infrastructure. The NZTA is also reviewing its funding processes to identify potential efficiencies. Changes in this NLTP include reducing information requirements through grouping activities.

The allocations recognise the current economic climate and the possibility that expenditure and revenue may vary from forecast. They therefore aim to strike a balance between responding to significant opportunities and need, while allowing room to adjust if the need to handle revenue or expenditure risks arises.

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<sup>2</sup> This is currently the Road Safety to 2010 Strategy. The Road Safety to 2020 Strategy is under development.

## Integrated

The allocations to transport planning (see page 51) reflect an emphasis on best practice planning processes, including:

- long-term strategic planning at local, regional and national levels
- ensuring integration between transport planning and land use
- seeking better integration within and between transport modes
- making the best use of existing infrastructure
- working in a coordinated way.

Funding for coordinated, integrated packages of activities is on the rise.

The effectiveness assessment criterion firmly supports integrated approaches, with a baseline expectation that activities submitted for inclusion in the NLTP provide long-term, enduring and integrated solutions.

## Safe

Safety remains a high priority for the NZTA. The NLTP demonstrates this by providing funding for:

- new and improved infrastructure for state highways, local roads, public transport and walking and cycling continues to focus on reducing the risk and number of fatal and serious injuries
- demand management and community programmes prioritises activities that make the greatest contribution to implementing the Road Safety Strategy
- road policing activities, delivered by New Zealand Police, is maintained subject to variations for the purpose of implementing road safety strategies.

More details on funding for these activity classes can be found on pages 34–53.

## Responsive

This NLTP responds to national priorities and perspectives. Allocations for public transport infrastructure and services reflect the high priority accorded to them by the NZTA and regional transport committees.

## Sustainable

To ensure fiscal sustainability, activities for inclusion in this NLTP have been assessed to ensure that:

- they make a significant contribution to high-priority outcomes
- their benefits are enduring
- their whole-of-life benefits, costs and value for money have been considered.

The NLTP also aims to deliver long-term social and environmental benefits (see page 11).

## Economic development

A considerable portion of NLTP funding contributes to economic development by improving journey time reliability on key routes, easing severe congestion and reducing the risk and number of fatal and serious injuries.

Funding is allocated to activities that significantly improve access to, through and from major urban centres, ports and airports. RoNS and local roads supporting RoNS benefit from this funding, while key freight and tourism routes benefit from funding that aims to improve transport efficiency and lift



productivity. Funding for RoNS and urban arterials, freight and tourism routes also focuses on activities that significantly improve access to major markets and areas of employment and economic growth.

Funding for public transport infrastructure and services, particularly in urban areas, contributes to economic development by helping to reduce congestion and improve journey time reliability for other vehicles on the network. Managing existing infrastructure better will help to increase capacity, which in turn will ease congestion and improve transport efficiency.

## Safety and personal security

National, urban, local and rural roads are maintained to agreed service levels that prioritise public safety, while funding for state highway and local road operation, maintenance and renewal includes a focus on route security and resilience from environmental and other disruptions.

Funding for public transport also addresses issues of public safety via agreed levels of service.

## Access and mobility

The allocations in this NLTP continue to focus on increasing transport choice in major urban areas by providing funding for public transport infrastructure and services. The continuing and increasing investment in public transport services will serve the nation well, given that fuel prices will inevitably rise.

Funding for walking and cycling infrastructure targets 'model' communities that have a long-term commitment to providing these facilities as a genuine and realistic preferred transport choice.

## Public health

Funding for community programmes and for improved infrastructure for walking and cycling will continue to help protect and promote public health.

Many community programmes will be located in urban areas, where population density will maximise their contribution to public health. For example, School and Workplace Travel Plans<sup>3</sup> in urban areas are likely to encourage greater numbers of people to walk and cycle than plans run in smaller centres.

## Environmental sustainability

The focus on reducing severe congestion in a number of activity classes will improve traffic flows and help to reduce vehicle emissions. In addition, continued funding for public transport services and walking and cycling facilities will help to reduce vehicle emissions, improve transport efficiency and reduce the discharge of contaminants (by reducing increases in private vehicle travel).

All funding decisions on road infrastructure activities considered their potential impacts on the environment, and appropriate measures are included in the activities' scope to mitigate or eliminate potential negative effects. These include, for example, noise barriers, low-noise surfacing and mechanisms to manage or capture contaminants flowing off roads.

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<sup>3</sup> School and Workplace Travel Planning is already established in the Auckland region. A School Travel Plan, for example, involves the whole school, parents and the wider community in taking a thorough look at school transport, and identifying how to make it safer for children to walk, cycle or catch the bus to school.

# New Zealand's roads of national significance

The government has identified some of New Zealand's most essential routes as requiring significant investment.

The seven roads of national significance (RoNS) identified in the GPS are:

- Puhoi to Wellsford – State Highway (SH1)
- completion of the Auckland Western Ring Route – SH20/16/18
- the Auckland Victoria Park bottleneck – SH1
- the Waikato Expressway – SH1
- the Tauranga Eastern Corridor – SH2
- the Wellington Northern Corridor (Levin to Wellington) – SH1
- Christchurch motorway projects.

The RoNS represent a substantial change in planning for major national transport infrastructure in New Zealand. They are lead infrastructure – proactive improvements that encourage economic growth. In the past, improvements have tended to be reactive and focused on improving transport networks to keep pace with growth.

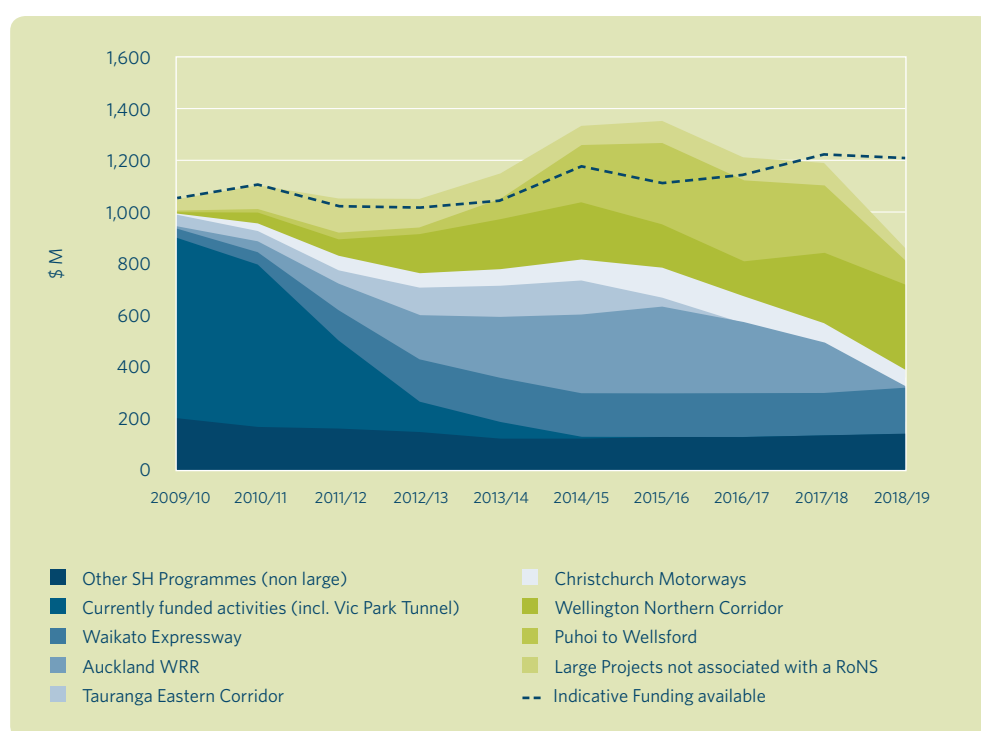
This NLTP aims to advance the delivery of the identified RoNS so that they are substantially completed within the next 10 years. However, as this will require funding beyond that currently identified, alternative financing options are likely to be explored.

All the RoNS projects are at various stages of development, ranging from Auckland's Puhoi to Wellsford four-laning (which is at the initial development stage) to the Victoria Park Tunnel, which is nearing construction.

RoNS projects will be complemented by improvements to key arterial roads and urban public transport networks. The NZTA is also working closely with local government to ensure the full benefits of the RoNS are realised.

The diagram below provides an indication of expenditure on the RoNS over the next ten years and an indication of funding available from the NLTF and tolls.

**Figure 1: State highway improvements aspirational financial forecast**

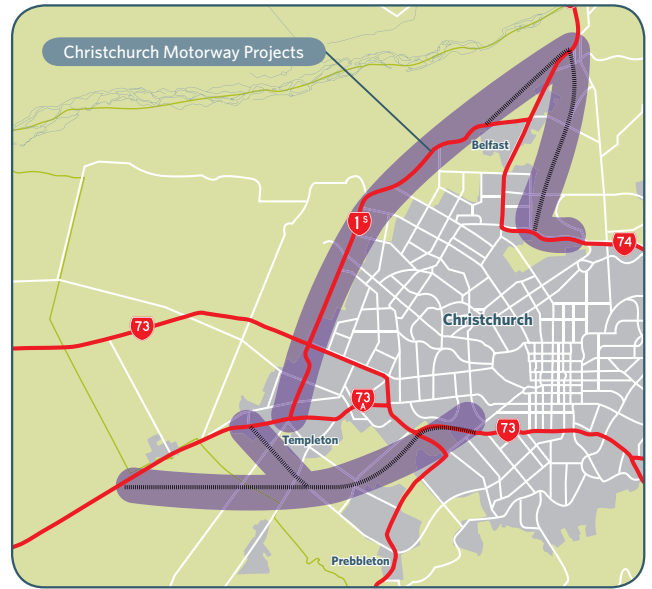


# ROADS OF NATIONAL SIGNIFICANCE

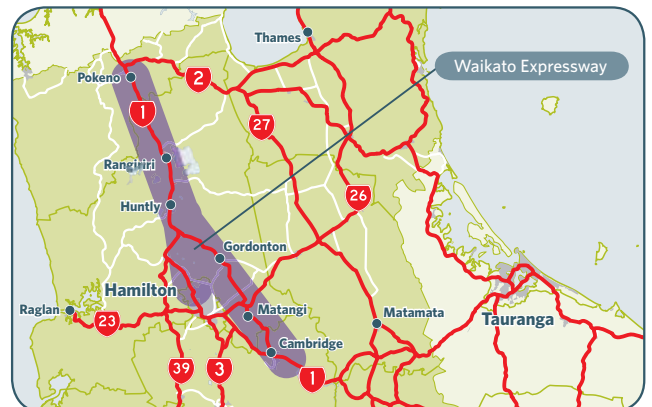
## AUCKLAND



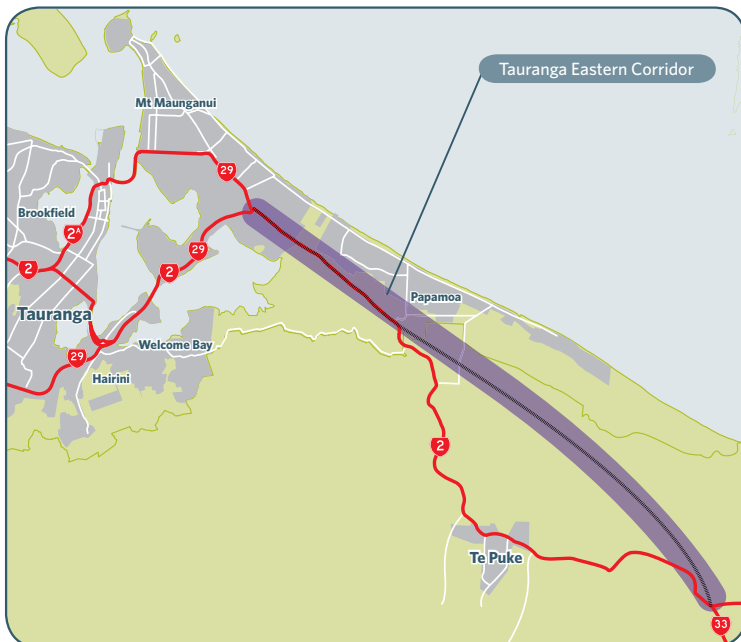
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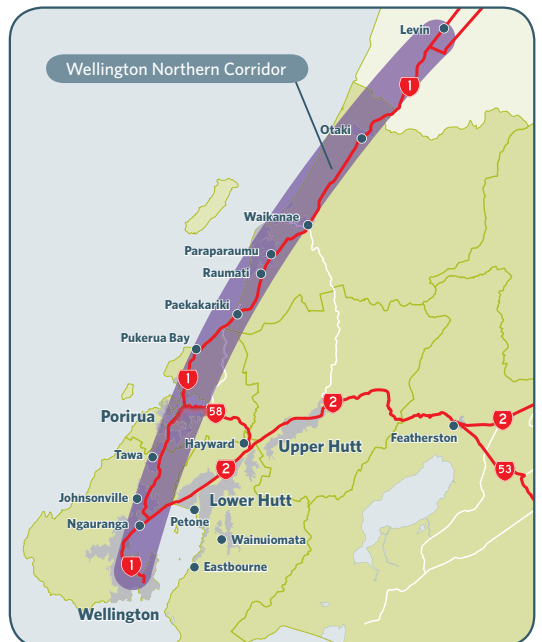
## WAIKATO



## BAY OF PLENTY



## WELLINGTON



# Other significant projects

Excluding RoNS, table 1 summaries other significant projects, in which the NLTP will invest during 2009–12.

**Table 1: Other significant projects**

Region	Organisation	Project name/s	Strategic fit
Northland	Whangarei District Council	Lower Hatea River crossing (CBD urban arterial)	Easing severe congestion
Northland	Whangarei District Council	Porowini Avenue extension	Easing congestion
Auckland	Rodney District Council	PENLINK (urban arterial)	Easing severe congestion
Auckland	North Shore City Council	Albany arterial road improvements	Easing severe congestion
Auckland	NZTA	SH18, Constellation to Albany interchange upgrade	Easing severe congestion; Western Ring Route RoNS
Auckland	North Shore City	East Coast/Lake/Glenfield arterial roads improvements	Easing severe congestion
Auckland	North Shore City	Taharoto/Wairau Road bus priority	Easing severe congestion
Auckland	Auckland City Council	AMETI (public transport priority measures)	Easing severe congestion
Auckland	Auckland City Council	Tiverton/Wolverton Roads arterial improvements	Easing severe congestion
Auckland	Auckland City Council	Green Lane/Great South Road arterial road improvements	Easing severe congestion
Auckland	HNO, NZTA	SH1, Newmarket Viaduct	Easing severe congestion; improving freight movement
Auckland	Auckland City Council	Dominion Road arterial bus priority measures	Easing severe congestion
Auckland	Waitakere City Council	New Lynn transit-oriented development	Easing severe congestion
Auckland	Waitakere City	Lincoln Road improvements (urban arterial)	Easing severe congestion; compliment Western Ring Route RoNS
Auckland	Manukau City Council	Nesdale/Liverpool Roads arterial improvement	Easing severe congestion; complement Western Ring Route
Auckland	Manukau City Council	Smales/Ormiston/Preston /East Tamaki arterial roads improvements	Easing severe congestion
Auckland	Various	Road - rail crossings	Easing severe congestion; improving safety
Auckland	Auckland Regional Transport Authority (ARTA)	Auckland integrated fare solution	Easing severe congestion; improving public transport
Auckland	ARTA	Rail station improvements	Easing severe congestion; improving public transport
Waikato	Hamilton City Council	Wairere Drive capacity improvements (urban arterial)	Easing severe congestion; complement Waikato Expressway RoNS
Waikato	NZTA	SH2, Maramarua deviation	Improving safety; easing severe congestion; improving freight movement
Waikato	NZTA	SH25, Kopu Bridge	Easing severe congestion; improving tourist movement
Waikato	Taupo District Council	East Taupo arterial	Improving freight/tourism movement
Bay of Plenty	Tauranga City Council	Pyes Pa bypass	Easing congestion
Bay of Plenty	NZTA	SH2, Tauranga northern arterial	Easing severe congestion; improving freight movement
Central	Napier City Council	Prebensen Drive four-laning	Improving freight movement
Central	Tararua District Council	Pahiatua Track improvements	Improving freight movement
Wellington	NZTA	SH2/58, Hayward's interchange	Easing severe congestion; improving freight movement
Wellington	NZTA	SH2, Melling interchange	Easing severe congestion; improving freight movement
Wellington	Wellington City Council	CBD bus priority measures	Easing severe congestion; improving public transport
Wellington	Greater Wellington	Rail station improvements	Easing severe congestion; improving public transport
Wellington	Greater Wellington	Real-time passenger information system	Easing severe congestion; improving public transport
Canterbury	Christchurch City Council	Wigram/Magdala arterial improvement	Easing severe congestion; complement Chch motorways RoNS
Otago	Dunedin City Council	Portobello Road arterial improvements	Easing congestion; improving tourist movement
Otago	NZTA	SH1, Caversham four-laning	Easing severe congestion; improving freight movement
Otago	Dunedin City Council	Harbour arterial	Easing congestion; improving freight movement
Southland	Invercargill City Council	Tiwai Bridge	Improving freight movement



# The land transport funding system

The funding sources for New Zealand's transport infrastructure and services funded through the NLTP are:

- funds from the National Land Transport Fund (NLTF)
- funds managed on behalf of the Ministry of Transport
- funds from approved organisations (the local share<sup>4</sup>)
- funds from supplementary sources.

## The NLTF

Revenue for the NLTF comes from a number of sources including:

- fuel excise duty
- road user charges
- motor vehicle registration and licensing fees
- Crown appropriations to the NLTF.

Fuel excise duty, road user charges and motor vehicle registration and licensing fees are defined in the LTMA as land transport revenue and are paid into the NLTF for land transport purposes only. In addition, the government sometimes makes Crown appropriations into the NLTF, such as the stimulus package appropriation.

The NLTF is used to fund:

- activities delivered by approved organisations
- state highway activities (see pages 34–8)
- the Road Policing Programme (see page 42–3)
- NZTA-managed activities, such as sector training and research (see page 50–1)
- the NZTA's own activities (other than state highway activities), such as transport planning (see page 51) and managing the funding allocation system (see page 53).

## Funds managed on behalf of the Ministry of Transport

The NZTA also allocates funds to three activities through the NLTP, on behalf of the Ministry of Transport, that are not funded from the NLTF.

They are:

- regional development funds: funding that meets specific regions' specific needs, where a lack of investment is limiting regional development
- SuperGold Card funding: funding that provides for concession fares for SuperGold Card holders on public transport services
- the 'Canterbury Transport Project' – a collaborative transport planning partnership initiative between all Canterbury local authorities and the NZTA.

These activities, while included in the programme, are not subject to the LTMA. However, they are managed in a similar way to other NLTP activities to simplify the fund-allocation process.

## Funds from approved organisations – the local share

Land transport activities managed or delivered on a regional basis by approved organisations are part-funded from the NLTF according to the relevant funding assistance rate<sup>5</sup>. The local share may come from rates or other sources, such as developer contributions, borrowing and investments.

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4 The local share is the portion of the total cost of an activity that is provided by an approved organisation.

5 The funding assistance rate is the percentage of the total cost of an approved activity that the NZTA pays.

## Supplementary funding sources

Supplementary funding sources for transport activities can include:

- development and financial contributions from land developers, recognising the benefits to their developments arising from transport infrastructure improvements
- betterment<sup>6</sup> contributions from landowners who benefit from road improvements
- other contributions from approved organisations, community groups or other entities, such as funding from the Accident Compensation Corporation (ACC)
- funds generated from road tolls for new land transport infrastructure.

## Organisations funded through the NLTP

The NZTA provides funding to:

- local authorities (comprising city and district councils) and unitary authorities<sup>7</sup>, to:
  - fund jointly the maintenance, renewal and improvement of local roads and passenger transport infrastructure
  - implement initiatives that improve the operation of current transport networks and services, by addressing transport demand, user behaviour and mode share through activities such as community programmes.
- The NZTA provides an average of 50 percent financial assistance for maintenance programmes and more for improvement projects, with the local share from rates and other local authority revenue providing the balance
- regional councils, unitary authorities and the Auckland Regional Transport Authority (ARTA) to provide passenger transport services, undertake transport demand management and coordinate activities to transfer freight from road to rail and coastal shipping. The NZTA's financial assistance for these activities can vary
- local authorities in Northland and Tairāwhiti (Gisborne and Wairoa) to fund regional development roading. The NZTA fully funds this activity outside the NLTP
- the Department of Conservation and the Waitangi Trust to fund some roads under their control, such as access to the West Coast glaciers, or access to the Treaty Grounds
- itself to fund New Zealand's state highway system, including state highway maintenance, renewal and improvements, the promotion of walking and cycling, and passenger transport-related state highway projects. This is generally 100 percent funded by the NZTA, although local government, toll and developer contributions may also contribute to project funding
- itself for nationally delivered and managed activities, such as sector training and research, education and management of the funding allocation system.

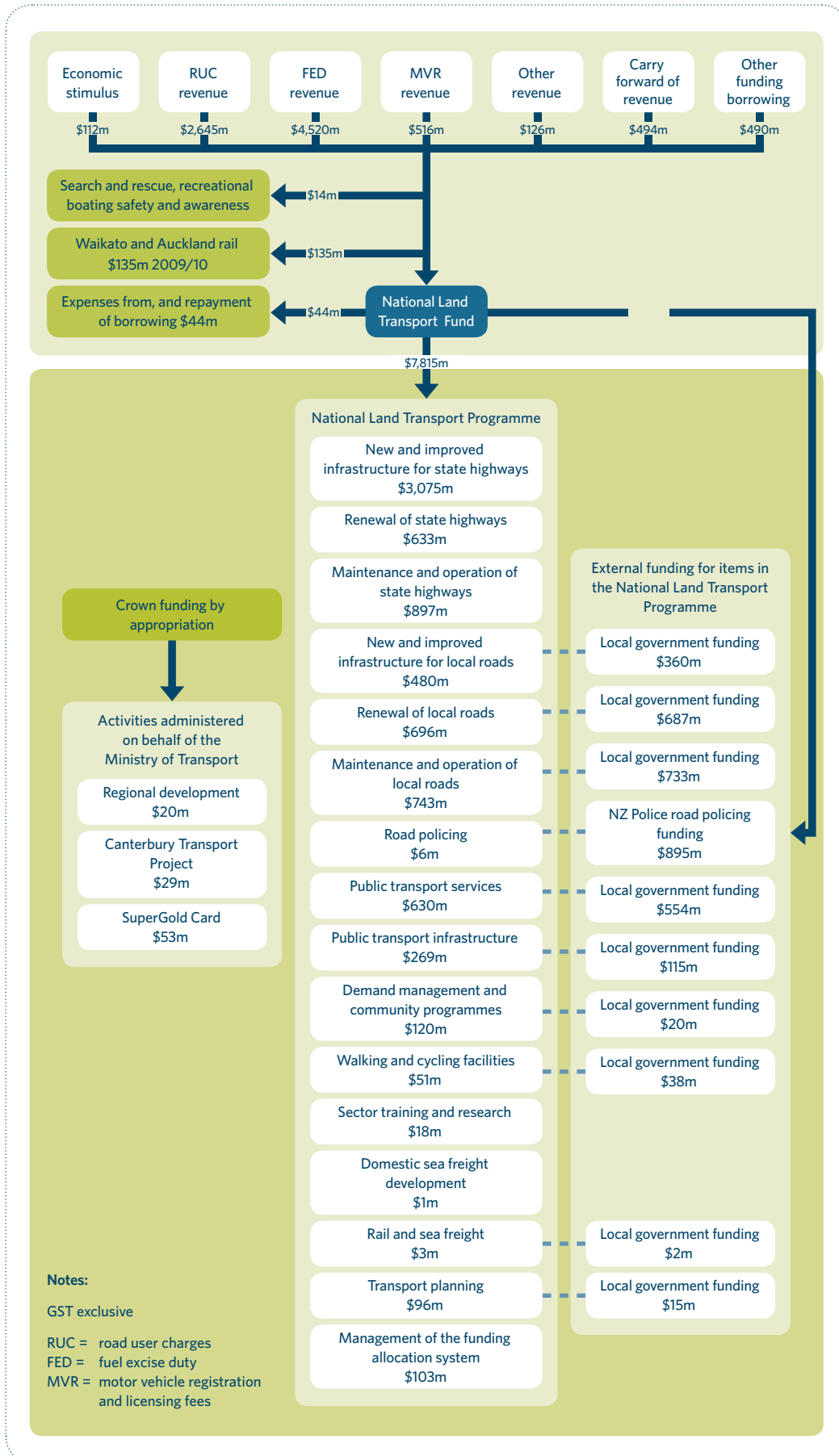
Increasingly, funding for land transport initiatives from traditional sources, such as petrol excise duty and road user charges, is being supplemented by new sources, such as borrowing supported by tolling, and local contributions.

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<sup>6</sup> 'Betterment' is the increased value of land arising from improved access.

<sup>7</sup> A unitary authority is a local authority that undertakes the additional functions of a regional council.

Figure 2: Funding for the NLTP



# Revenue and expenditure – looking ahead over the next 10 years

The NZTA's 10-year financial forecast (see page 19) spans the years 2009/10 to 2018/19. It details the revenue the NZTA expects to receive and its anticipated allocation to activities through the NLTP.

The figures for the three years between 2009/10 and 2011/12 reflect the NZTA's allocations for expenditure in those years. Revenue and expenditure figures in subsequent years reflect anticipated revenue and expenditure, and as with all forecasts are imprecise. However, they give effect to the GPS by being within the ranges it specifies and targeting its expenditure levels.

The forecast of anticipated revenue and expenditure is shown in Figure 3.

## Revenue forecast

The anticipated funding in the 10-year forecast was developed using the GPS proposed levels of revenue, forecasts of revenue and feasible funding from other sources.

The anticipated revenue is principally derived from fuel excise duty, road user charges and motor vehicle registration fees. The forecasts reflect both current fees, duties and charges and changes to these indicated in the GPS.

The NZTA expects to draw down all funds on hand, and to potentially make use of the allowable variation between expenditure incurred and funding available, as described in the GPS. It also expects to investigate funding from other sources to augment the funds available through the National Land Transport Fund (NLTF).

## Expenditure forecast

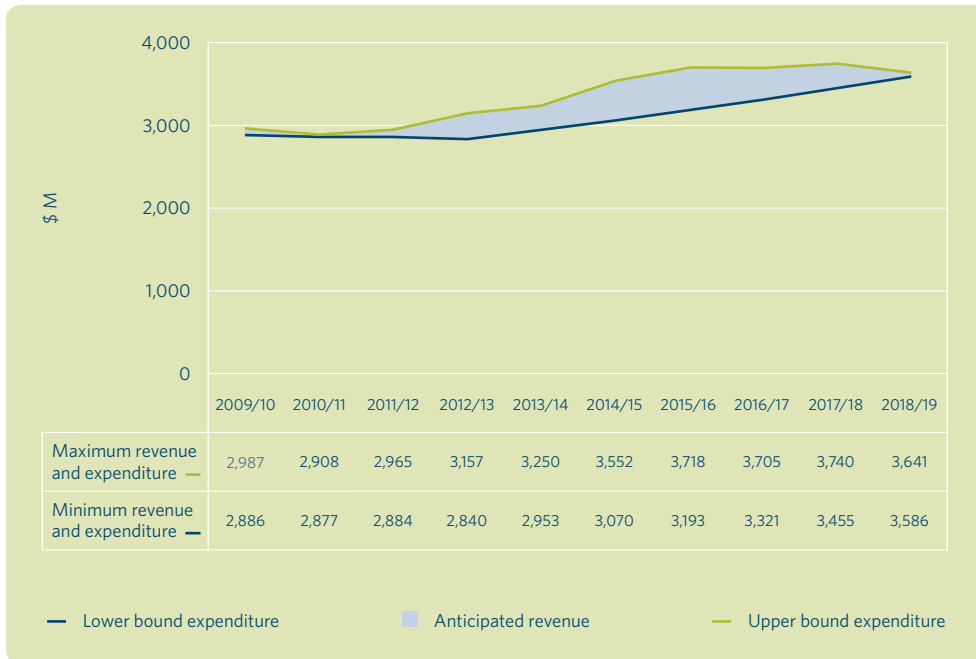
The anticipated expenditure in the 10-year forecast takes into consideration the funding available, the impacts sought from funding and the targeted expenditure in the GPS, and priorities for transport investment in regional land transport programmes.

The anticipated expenditure reflects the GPS's new priorities, with a greater emphasis on new and improved state highway activities, in particular on RoNS. It is based on an activity level similar to that in the 2008/09 NLTP, plus:

- increased expenditure on local road and state highway operation, maintenance and renewal
- increased expenditure on state highway improvements, and in particular on the implementation of RoNS
- increased funding for public transport services and infrastructure.



**Figure 3: Anticipated revenue and expenditure, 2009–2018**



**Notes:**

The anticipated revenue reflects the use of all fuel excise duties, road user charges and motor vehicle registration fees dedicated to transport.

Expenditure is forecast at a similar activity level to that in the GPS.

**Assumptions**

When allocating funds to activity classes and forecasting revenue and expenditure, the NZTA has relied on certain sources for information and assumptions. These include:

- forecasts of revenue provided by the Ministry of Transport-led revenue forecasting group, whose membership includes the NZTA and the Treasury
- an assumption that economic circumstances will be as forecast by that group, its advisors and the Treasury
- forecasts of exchange rates and fuel prices provided by the Treasury, and an assumption that while international fuel prices may be volatile over the period of the NLTP, no circumstances will arise that cause a fundamental change in supply and prices from those forecast.

The NZTA has also assumed that:

- the regional land transport programmes developed by local authorities will remain in alignment with their long-term council community plans, including the way in which they interpret and implement their plans
- implementation of a proportion of improvement projects proposed by approved organisations<sup>8</sup> won't proceed as first programmed (as has occurred in recent years), despite their being included in regional land transport programmes
- fuel excise duties, road user charges and motor vehicle registration fees will change in line with the government's intentions outlined in the GPS.

<sup>8</sup> An 'approved organisation' is a public organisation approved under section 23 of the LTMA. It's usually a regional council, a local authority or another public organisation.

# Allocating funding to activity classes

To produce the impacts the GPS seeks to achieve, the NZTA uses the 16 GPS activity classes to group similar types of transport activities and allocate the NLTF funding. These activity classes are:

- new and improved infrastructure for state highways
- renewal of state highways
- maintenance and operation of state highways
- new and improved infrastructure for local roads
- renewal of local roads
- maintenance and operation of local roads
- road policing
- public transport services
- public transport infrastructure
- demand management and community programmes
- walking and cycling facilities
- sector training and research
- domestic sea freight development
- rail and sea freight
- transport planning
- management of the funding allocation system (including performance monitoring).

The GPS describes the types of activity in each activity class. The NZTA allocates funds to the activity classes, demonstrating how much expenditure is expected on each type of activity. Activity class funding is allocated to the highest-priority activities within each activity class.



**Table 2: GPS definitions of activity classes**

<b>Activity Class</b>	<b>Definition</b>
New and improved infrastructure for State highways	Allocate funding for State highway capital improvements and manage the delivery of a State highway improvement programme.
Renewal of State highways	Allocate funding for the renewal of existing State highway infrastructure and manage the development and delivery of a renewal programme for existing State highways. These activities are capital expenditure items arising from the deterioration of existing roading infrastructure. The activities are required to minimise the long-term cost of retaining serviceable State highway infrastructure.
Maintenance and operation of State highways	Allocate funding for the maintenance and operation of existing State highway infrastructure and for the management, delivery and procurement of operation and maintenance activities. Operation and maintenance activities include operation of traffic signals, maintenance of planted areas, providing information on travel times, alternative routes or safety information to travellers, and patching of small road defects.
New and improved infrastructure for local roads	Allocate funding, in addition to funding from approved organisations, for capital improvements to local roads.
Renewal of local roads	Allocate funding, in addition to funding from approved organisations, for the renewal of local roading infrastructure and management of the renewal activities. These activities are capital expenditure items arising from the deterioration of existing roading infrastructure. The activities are required to minimise the long term cost of retaining serviceable local roading infrastructure.
Maintenance and operation of local roads	Allocate funding, in addition to funding from approved organisations, for the routine maintenance and operation of local roading infrastructure. Maintenance and operation activities include: operation of traffic signals, maintenance of planted areas, providing information on travel times, alternative routes or safety information to travellers and patching of small road defects.
Road policing	Allocate funding to road policing activities to be delivered by NZ Police.
Public transport services	Allocate funding, in addition to funding from approved organisations, for public road, rail and ferry (except for commercial services) and total mobility transport services.
Public transport infrastructure	Allocate funding, in addition to funding from approved organisations, for the renewal and improvement of road and ferry infrastructure to support public transport services. Rail infrastructure is generally excluded from this activity class as the intention is to fund this outside the National Land Transport Fund.
Demand management and community programmes	Manage or purchase activities which promote safe and sustainable use of land transport networks and services including: <ul style="list-style-type: none"> <li>• initiatives to improve the performance of the land transport system by changing transport demand</li> <li>• initiatives to encourage a change in travel behaviour</li> <li>• national and local advertising on land transport related issues</li> <li>• national and local promotion of walking and cycling</li> <li>• nationally managed road safety education in schools</li> <li>• providing information and education for drivers, operators, road controlling authorities and others.</li> </ul>
Walking and cycling facilities	Allocate funding, in addition to funding from approved organisations, to new and improved walking and cycling infrastructure for transport purposes. Walking and cycling facilities include: cycle paths, cycle lanes, new footpaths, facilities for crossing roads, shelters and bicycle parking facilities.

Activity Class	Definition
Sector training and research	Develop the competence and capacity of the sector to develop and implement land transport programmes by providing information, education and support to organisations and their agents. Allocate funding for research into land transport issues.
Domestic sea freight development	Seek proposals, and allocate seed funding, for the development of new or improved coastal shipping freight services and related infrastructure, and for studies of the feasibility of such services in order to increase the freight volumes carried by this transport mode.
Rail and sea freight	Allocate funding, in addition to funding from approved organisations, for initiatives in regional land transport plans that encourage the movement of freight by rail and coastal shipping (including barging) instead of by road to reduce the cost of road freight to the community.
Transport planning	Allocate funding, in addition to funding from approved organisations, for: <ul style="list-style-type: none"> <li>development of regional land transport strategies and regional land transport plans, as well as the operation of regional transport committees</li> <li>development of service, network and asset management plans by approved organisations and in relation to State highways</li> <li>undertaking studies and strategies that contribute to strategic, service, network or asset management plans of approved organisations or for State highway networks.</li> </ul>
Management of the funding allocation system, including performance monitoring	Manage the allocation and expenditure of funding through the National Land Transport Programme. This includes the development and administration of: <ul style="list-style-type: none"> <li>the National Land Transport Programme</li> <li>associated procurement procedures, policies and guidelines</li> <li>performance agreements with approved organisations funded through the National Land Transport Programme</li> <li>provide assistance and advice to approved organisations and Regional Land Transport Committees.</li> </ul> <p>The National Land Transport Programme includes activities described in regional land transport plans, the agency's own activities (other than State highway activities) and research, education and training activities delivered by external parties.</p> <p>Monitor and report on land transport inputs, activities, impacts and consequences, monitor and enforce taxi compliance, and administer the Crash Analysis System.</p>

Source: Appendix 2 of *Government policy statement on land transport funding*, May 2009.

More detail on the activities in the activity classes can be found in the NZTA's *Planning, programming and funding manual* available at [www.landtransport.govt.nz/funding/ppfm](http://www.landtransport.govt.nz/funding/ppfm)

## Selecting allocations for each activity class

The GPS specifies funding ranges for each activity class for each year between 2009/10 and 2018/19. The NZTA is required to allocate funds to suitable activities within this range, and also to meet the targeted expenditure for the NLTP as a whole.

When developing the NLTP, the NZTA considered the government's priorities for land transport investment and the impacts it wishes to achieve through the use of NLTF, as set out in the GPS. This guided how it would allocate the funds available to each activity class, consistent with the GPS funding ranges. Table 4 illustrates the framework for this work.



**Table 3: Selecting allocations for activity classes**

Activity class	Key funding level drivers	Funding level
New and improved infrastructure for state highways	<p>Regional land transport programmes (RLTPs).</p> <p>Long- term council community programmes (LTCCPs).</p> <p>State highway plan.</p> <p>New strategic direction:</p> <ul style="list-style-type: none"> <li>RoNS.</li> <li>Freight and tourism strategic investments.</li> <li>Maximising access to significant markets and areas of employment or economic growth.</li> </ul>	As high as possible to maximise progress on the RoNS and for economic growth and productivity impacts.
State highway operation, maintenance and renewal	<p>New strategic direction:</p> <ul style="list-style-type: none"> <li>Making best use of existing infrastructure.</li> <li>Service levels and infrastructure condition.</li> </ul>	At an appropriate level that ensures the asset condition is maintained to achieve target levels of service, but that there is sufficient funding pressure to realise efficiency gains.
New and improved infrastructure for local roads	<p>RLTPs.</p> <p>LTCCPs.</p> <p>New strategic direction:</p> <ul style="list-style-type: none"> <li>Supporting RoNS.</li> <li>Freight and tourism strategic investments.</li> <li>Key urban arterials that maximising access to significant markets and areas of employment or economic growth.</li> </ul>	At a realistic and achievable level given significant constraints on local share funding.
Local road operation, maintenance and renewal	<p>RLTPs.</p> <p>LTCCPs.</p> <p>New strategic direction:</p> <ul style="list-style-type: none"> <li>Making best use of existing infrastructure.</li> <li>Service levels and infrastructure condition.</li> </ul>	At an appropriate level that ensures that the asset condition is maintained to achieve target levels of service, but that there is sufficient funding pressure to realise efficiency gains.
Public transport infrastructure	<p>RLTPs.</p> <p>LTCCPs.</p> <p>New strategic direction:</p> <ul style="list-style-type: none"> <li>Infrastructure funding gaps in Auckland and Wellington.</li> <li>Optimising public transport networks.</li> <li>Addressing severe congestion.</li> </ul>	As required to ensure that the appropriate Auckland and Wellington rail investments are undertaken, and a balance of other high- and medium-priority investments.
Walking and cycling facilities	<p>RLTPs.</p> <p>LTCCPs.</p> <p>New strategic direction:</p> <ul style="list-style-type: none"> <li>Model communities.</li> <li>Addressing congestion.</li> </ul>	At a realistic and achievable level given significant constraints on local share funding, and as required to ensure that the targeted approach will be progressed.
Public transport services	<p>RLTPs.</p> <p>LTCCPs.</p> <p>New strategic direction:</p> <ul style="list-style-type: none"> <li>Focus on established networks in areas of severe congestion.</li> <li>Optimising public transport networks.</li> <li>Stricter requirement for farebox policy.</li> </ul>	At an appropriate level that ensures that the service levels are maintained to within target levels, supporting service growth in these areas, while ensuring sufficient funding pressure to realise long-term efficiency and farebox gains.
Demand management and community programmes	<p>NZTA <i>Statement of intent</i>.</p> <p>RLTPs.</p> <p>LTCCPs.</p> <p>New strategic direction:</p> <ul style="list-style-type: none"> <li>Focus on proven successes in areas of high congestion and delivery of the road safety strategy.</li> </ul>	At a reduced level that continues investment in areas with proven results.
Transport planning	<p>NZTA <i>Statement of intent</i>.</p> <p>RLTPs.</p> <p>LTCCPs.</p> <p>New strategic direction:</p> <ul style="list-style-type: none"> <li>Planning for economic growth and productivity.</li> <li>Planning for efficiency gains.</li> </ul>	As determined by the (rigorously assessed and tested) proposal quality, with a focus on lifting effectiveness.
Management of the funding allocation system	<p>NZTA <i>Statement of intent</i>.</p> <p>New strategic direction:</p> <ul style="list-style-type: none"> <li>Customer service and reducing compliance costs.</li> <li>More efficient funding allocation system.</li> </ul>	<p>At an appropriate level that ensures the funding decisions are optimal.</p> <p>Significant opportunities to add value, reduce compliance costs and maximise investment returns by improving this part of the processes.</p>
Rail and sea freight Domestic sea freight development	Existing contracts.	Only for existing commitments with no new funding approvals.

Activity class	Key funding level drivers	Funding level
Sector training and research	NZTA <i>Approach to research</i> . Economic development. Best use of existing network assets and activities.	As determined by the proposal quality, with a focus on lifting effectiveness.
Road policing	Road Policing Programme Strategic direction: <ul style="list-style-type: none"> <li>2010 and 2020 Road Safety Strategies.</li> </ul>	At an appropriate level that applies baseline increases and allows for opportunities to increase service levels where adequate business cases can be made.

**Table 4: Allocation of funds to activity classes**

Activity classes in NLTP	2008/09 allocations*	2008/09 forecast out-turn*	2009/10 allocations	2010/11 allocations	2011/12 allocations	2009/12 N total	2009/12 R/C/T total	2009/12 allocation total
Components of an activity class	\$M	\$M	\$M	\$M	\$M	\$M N	\$M R,C,T	\$M Total
<b>New and improved infrastructure for state highways</b>								
Roads of National Significance			235.0	484.0	640.0	635.5	723.5	1,359.0
Other improvement projects	831.0		709.7	492.1	337.3	1,082.9	456.2	1,539.1
Minor improvements	33.0		30.0	30.0	30.0	90.0	-	90.0
Administration			28.9	28.9	28.9	86.7	-	86.7
<b>Total</b>	<b>864.0</b>	<b>1,019.2</b>	<b>1,003.5</b>	<b>1,035.0</b>	<b>1,036.2</b>	<b>1,895.0</b>	<b>1,179.7</b>	<b>3,074.7</b>
<b>Renewal of state highways</b>								
Periodic maintenance	197.0		213.5	186.4	186.4	586.2	-	586.2
Preventive maintenance	5.0		7.9	8.0	8.0	23.9	-	23.9
Administration			7.6	7.6	7.6	22.9	-	22.9
<b>Total</b>	<b>202.0</b>	<b>189.0</b>	<b>229.0</b>	<b>202.0</b>	<b>202.0</b>	<b>633.0</b>	<b>-</b>	<b>633.0</b>
<b>Maintenance and operation of state highways</b>								
Routine maintenance and operations	247.0		251.0	251.1	251.1	753.2	-	753.2
Emergency works	32.0		36.1	37.0	38.0	111.1	-	111.1
Administration			10.9	10.9	10.9	32.7	-	32.7
<b>Total</b>	<b>279.0</b>	<b>318.1</b>	<b>298.0</b>	<b>299.0</b>	<b>300.0</b>	<b>897.0</b>	<b>-</b>	<b>897.0</b>
<b>New and improved infrastructure for local roads</b>								
Improvement projects	196.7		147.9	127.5	104.0	206.2	173.2	379.4
Minor improvements	34.3		32.1	29.0	29.0	90.0	-	90.0
Administration			4.0	3.5	3.0	10.6	-	10.6
<b>Total</b>	<b>231.0</b>	<b>171.1</b>	<b>184.0</b>	<b>160.0</b>	<b>136.0</b>	<b>306.8</b>	<b>173.2</b>	<b>480.0</b>
<b>Renewal of Local roads</b>								
Periodic maintenance	211.0		217.7	222.2	226.0	665.9	-	665.9
Preventive maintenance	5.0		5.3	4.7	4.8	14.8	-	14.8
Administration			5.0	5.1	5.2	15.3	-	15.3
<b>Total</b>	<b>216.0</b>	<b>205.0</b>	<b>228.0</b>	<b>232.0</b>	<b>236.0</b>	<b>696.0</b>	<b>-</b>	<b>696.0</b>
<b>Maintenance and operation of Local roads</b>								
Routine maintenance and operations	184.0		183.1	184.8	187.1	555.0	-	555.0
Emergency works	53.0		55.5	57.8	58.4	171.7	-	171.7
Administration			5.4	5.5	5.5	16.3	-	16.3
<b>Total</b>	<b>237.0</b>	<b>225.5</b>	<b>244.0</b>	<b>248.0</b>	<b>251.0</b>	<b>743.0</b>	<b>-</b>	<b>743.0</b>
Road policing	273.0	272.8	289.0	298.0	308.0	895.0	-	895.0
<b>Public transport services</b>								
Public transport services			183.8	193.7	204.2	581.7	-	581.7
Administration			16.2	16.3	15.8	48.3	-	48.3
<b>Total</b>	<b>191.0</b>	<b>183.0</b>	<b>200.0</b>	<b>210.0</b>	<b>220.0</b>	<b>630.0</b>	<b>-</b>	<b>630.0</b>
Public transport infrastructure	144.0	103.0	162.0	50.0	57.0	145.8	123.2	269.0
<b>Demand management and community programmes</b>								
Locally delivered programmes			18.5	16.5	14.6	49.6	-	49.6

Activity classes in NLTP	2008/09 allocations*	2008/09 forecast out-turn*	2009/10 allocations	2010/11 allocations	2011/12 allocations	2009/12 N total	2009/12 R/C/T total	2009/12 allocation total
Components of an activity class	\$M	\$M	\$M	\$M	\$M	\$M N	\$M R,C,T	\$M Total
Administration			0.4	0.4	0.3	1.1	-	1.1
NZTA costs			23.1	23.1	23.1	69.2	-	69.2
<b>Total</b>	<b>54.0</b>	<b>50.2</b>	<b>42.0</b>	<b>40.0</b>	<b>38.0</b>	<b>120.0</b>	<b>-</b>	<b>120.0</b>
<b>Walking and cycling facilities</b>								
Walking and cycling facilities	18.0		19.6	16.6	13.7	35.7	14.2	49.9
Administration			0.4	0.4	0.3	1.1	-	1.1
<b>Total</b>	<b>18.0</b>	<b>20.8</b>	<b>20.0</b>	<b>17.0</b>	<b>14.0</b>	<b>36.8</b>	<b>14.2</b>	<b>51.0</b>
Sector training and research	6.0	6.1	6.0	6.0	6.0	18.0	-	18.0
Domestic sea freight development	6.0	0	1.0	-	-	1.0	-	1.0
Rail and sea freight	2.0	1.5	1.0	1.0	1.0	3.0	-	3.0
<b>Transport planning</b>								
Transport planning	39.0		26.9	26.9	26.9	80.6	-	80.6
NZTA costs			5.1	5.1	5.1	15.4	-	15.4
<b>Total</b>	<b>39.0</b>	<b>37.8</b>	<b>32.0</b>	<b>32.0</b>	<b>32.0</b>	<b>96.0</b>	<b>-</b>	<b>96.0</b>
Management of the funding allocation system	38.0	37.8	36.7	34.1	32.4	103.2	-	103.2
<b>Total</b>	<b>2,800.0</b>	<b>2,840.9</b>	<b>2,976.2</b>	<b>2,864.2</b>	<b>2,869.6</b>	<b>7,219.7</b>	<b>1,490.3</b>	<b>8,710.0</b>
<b>Activities funded on behalf of MOT</b>								
Regional development	10.0	10.0	10.0	10.0	-			20.0
Supergold card	18.0	18.0	18.0	18.0	18.0			54.0
Canterbury transport planning	4.5	4.5	29.0					29.0

**Note:**

This table has different allocations to activity classes than those shown in the NZTA's *Statement of intent* because it has the allocations to activity classes approved by the NZTA Board in August 2009, whereas the *Statement of intent* was based on indicative allocations to activity classes.

**Table 5: Funding commitments**

Activity classes in NLTP	2009/10	2010/11	2011/12	2009/12	2009/12 total N	2009/12 total R/C/T	2009/12 total unallocated funds	2009/12 total allocation funds
Components of an activity class	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M
<b>New and improved infrastructure for state highways</b>								
Roads of National Significance	220.3	375.7	267.1	863.1	322.2	540.9	495.9	1,359.0
Other improvement projects	683.1	420.1	215.2	1,318.5	1,017.6	300.8	220.6	1,539.1
Minor improvements	30.0	30.0	30.0	90.0	90.0	-	-	90.0
Administration	26.9	23.1	14.3	64.2	64.2	-	22.5	86.7
<b>Total</b>	<b>960.3</b>	<b>848.9</b>	<b>526.6</b>	<b>2,335.8</b>	<b>1,494.1</b>	<b>841.7</b>	<b>739.0</b>	<b>3,074.7</b>
<b>Renewal of state highways</b>								
Periodic maintenance	213.5	186.4	186.4	586.2	586.2	-	-	586.2
Preventive maintenance	-	-	-	-	-	-	23.9	23.9
Administration	7.6	7.6	7.6	22.9	22.9	-	-	22.9
<b>Total</b>	<b>221.1</b>	<b>194.0</b>	<b>194.0</b>	<b>609.1</b>	<b>609.1</b>	<b>-</b>	<b>23.9</b>	<b>633.0</b>
<b>Maintenance and operation of state highways</b>								
Routine maintenance and operations	251.0	251.1	251.1	753.2	753.2	-	-	753.2
Emergency works	17.6	-	-	17.6	17.6	-	93.5	111.1
Administration	10.9	10.9	10.9	32.7	32.7	-	-	32.7
<b>Total</b>	<b>279.5</b>	<b>262.0</b>	<b>262.0</b>	<b>803.5</b>	<b>803.5</b>	<b>-</b>	<b>93.5</b>	<b>897.0</b>
<b>New and improved infrastructure for local roads</b>								
Improvement projects	134.7	79.6	32.1	246.3	132.5	113.8	133.1	379.4

	2009/10	2010/11	2011/12	2009/12	2009/12 total N	2009/12 total R/C/T	2009/12 total unallocated funds	2009/12 total allocation
Activity classes in NLTP								
Components of an activity class	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M
Minor improvements	32.1	29.0	29.0	90.0	90.0	-	-	90.0
Administration	3.8	2.4	1.4	7.6	7.6	-	3.0	10.6
<b>Total</b>	<b>170.5</b>	<b>111.0</b>	<b>62.4</b>	<b>343.9</b>	<b>230.0</b>	<b>113.8</b>	<b>136.1</b>	<b>480.0</b>
<b>Renewal of local roads</b>								
Periodic maintenance	217.7	222.2	226.0	665.9	665.9	-	-	665.9
Preventive maintenance	0.2	-	-	0.2	0.2	-	14.6	14.8
Administration	4.9	5.0	5.1	15.0	15.0	-	0.3	15.3
<b>Total</b>	<b>222.8</b>	<b>227.2</b>	<b>231.1</b>	<b>681.1</b>	<b>681.1</b>	<b>-</b>	<b>14.9</b>	<b>696.0</b>
<b>Maintenance and operation of Local roads</b>								
Routine maintenance and operations	183.1	184.8	187.1	555.0	555.0	-	-	555.0
Emergency works	13.2	-	-	13.2	13.2	-	158.5	171.7
Administration	4.4	4.2	4.2	12.8	12.8	-	3.6	16.3
<b>Total</b>	<b>200.7</b>	<b>188.9</b>	<b>191.3</b>	<b>580.9</b>	<b>580.9</b>	<b>-</b>	<b>162.1</b>	<b>743.0</b>
Road policing	289.0	298.0	308.0	895.0	895.0	-	-	895.0
<b>Public transport services</b>								
Public transport services	180.3	188.4	197.3	566.0	566.0	-	15.7	581.7
Administration	15.5	15.6	15.0	46.1	46.1	-	2.2	48.3
<b>Total</b>	<b>195.8</b>	<b>204.0</b>	<b>212.3</b>	<b>612.1</b>	<b>612.1</b>	<b>-</b>	<b>17.9</b>	<b>630.0</b>
Public transport infrastructure	121.3	16.7	8.5	146.5	126.3	20.2	122.5	269.0
<b>Demand management and community programmes</b>								
Locally delivered programmes	17.2	-	-	17.2	17.2	-	32.5	49.6
Administration	0.4	-	-	0.4	0.4	-	0.8	1.1
NZTA costs	22.9	-	-	22.9	22.9	-	46.4	69.2
<b>Total</b>	<b>40.4</b>	<b>-</b>	<b>-</b>	<b>40.4</b>	<b>40.4</b>	<b>-</b>	<b>79.6</b>	<b>120.0</b>
<b>Walking and cycling facilities</b>								
Walking and cycling facilities	17.5	9.7	10.4	37.6	34.7	2.9	12.3	49.9
Administration	0.4	0.2	0.2	0.8	0.8	-	0.3	1.1
<b>Total</b>	<b>17.9</b>	<b>10.0</b>	<b>10.6</b>	<b>38.4</b>	<b>35.5</b>	<b>2.9</b>	<b>12.6</b>	<b>51.0</b>
Sector training and research	6.0	6.0	6.0	18.0	18.0	-	-	18.0
Domestic sea freight development	-	-	-	-	-	-	1.0	1.0
Rail and sea freight	0.7	0.7	0.5	1.8	1.8	-	1.2	3.0
<b>Transport planning</b>								
Transport planning	13.4	3.8	3.8	20.9	20.9	-	59.7	80.6
NZTA costs	5.1	5.1	5.1	15.4	15.4	-	-	15.4
<b>Total</b>	<b>18.5</b>	<b>8.9</b>	<b>8.9</b>	<b>36.3</b>	<b>36.3</b>	<b>-</b>	<b>59.7</b>	<b>96.0</b>
<b>Management of the funding allocation system</b>								
	36.7	34.1	32.4	103.2	103.2	-	-	103.2
<b>Total</b>	<b>2,781.1</b>	<b>2,410.4</b>	<b>2,054.7</b>	<b>7,246.2</b>	<b>6,267.5</b>	<b>978.7</b>	<b>1,463.8</b>	<b>8,710.0</b>
<b>Activities funded on behalf of MOT</b>								
Regional development	4.0			4.0			16.0	20.0
Supergold card	18.0	18.0	18.0	54.0			-	54.0
Canterbury transport planning	29.0			29.0			-	29.0

Table 6 sets out the estimated expenditure for each activity class in each region during 2009-2012. Note it shows estimates only; actual expenditure will differ from the estimates when:

- the priority for an activity at the time it is funded differs from the indicative priority for category 2<sup>9</sup> projects
- projects are delivered sooner or later than expected
- costs differ from those expected
- other fund sources change.
- The expenditure not regionalised is on projects delivered nationally, such as the national road safety advertising campaign, or on activities such as emergency works where the regional split is not yet known.

**Table 6: Regional estimated expenditure by activity class**

Activity class	Northland	Auckland	Waikato	Bay of Plenty	Gisborne	Hawkes Bay	Taranaki	Manawatu/ Wanganui	Wellington
New & improved infrastructure for state highways	85.8	1,501.8	481.8	248.3	11.6	69.1	52.2	53.1	178.2
Renewal of state highways	55.1	96.7	96.1	68.4	17.2	31.7	16.4	40.8	21.3
Maintenance of state highways	44.3	159.4	104.3	69.8	21.3	27.7	17.2	40.3	67.3
New & improved infrastructure for local roads	34.5	189.4	73.3	14.9	5.3	11.4	3.7	24.2	51.3
Renewal of local roads	49.5	144.5	78.1	24.3	16.1	33.8	23.5	64.3	42.9
Maintenance of local roads	39.4	113.7	60.8	40.5	17.9	31.1	20.0	46.2	42.5
Public transport services	2.5	346.5	25.6	16.6	0.5	5.6	3.5	6.8	144.5
Public transport improvements	-	172.1	0.6	1.6	-	0.0	-	1.7	58.1
Demand management & community programmes	2.2	21.0	5.7	3.6	0.6	0.9	1.0	2.3	5.5
Walking and cycling	-	24.6	4.4	0.7	-	0.3	1.3	-	3.5
Transport planning	4.0	32.6	7.8	6.4	1.3	2.6	0.8	2.3	6.0
<b>Sub total</b>	<b>317.3</b>	<b>2,802.2</b>	<b>938.4</b>	<b>495.1</b>	<b>91.5</b>	<b>214.1</b>	<b>139.6</b>	<b>282.1</b>	<b>621.0</b>

Activity class	Nelson	Marlborough	Tasman	Canterbury	West Coast	Chatham Islands	Otago	Southland	Total
New & improved infrastructure for state highways	7.1	16.6	29.8	260.8	19.0	-	42.0	17.5	<b>3,074.7</b>
Renewal of state highways	4.9	7.9	13.5	58.2	16.3	-	39.0	25.6	<b>609.1</b>
Maintenance of state highways	6.6	10.2	24.9	65.9	41.5	-	47.9	37.5	<b>785.9</b>
New & improved infrastructure for local roads	0.6	2.1	1.7	23.6	6.7	2.9	21.3	13.1	<b>480.0</b>
Renewal of local roads	2.2	6.6	10.3	61.6	11.1	6.9	69.2	36.2	<b>680.9</b>
Maintenance of local roads	3.2	6.6	7.3	60.1	13.3	1.6	44.0	19.5	<b>567.4</b>
Public transport services	1.1	0.4	-	61.6	0.2	-	11.6	3.0	<b>630.0</b>
Public transport improvements	0.9	-	-	31.2	-	-	2.8	-	<b>269.0</b>
Demand management & community programmes	0.5	0.4	0.5	4.4	0.3	0.0	3.3	1.0	<b>53.1</b>
Walking and cycling	1.4	-	0.7	2.8	1.0	0.1	10.3	0.1	<b>51.0</b>
Transport planning	0.5	0.5	1.1	6.0	1.3	0.0	3.6	1.6	<b>78.4</b>
<b>Sub total</b>	<b>29.0</b>	<b>51.3</b>	<b>89.7</b>	<b>636.2</b>	<b>110.8</b>	<b>11.4</b>	<b>294.8</b>	<b>155.1</b>	<b>7,279.6</b>
<b>Nationally delivered / not regionalised</b>									<b>1,430.4</b>
<b>Total NLTP</b>									<b>8,710.0</b>

9 'Category 1' status applies to an activity that is ready for funding approval. 'Category 2' status applies to an activity that the NZTA can anticipate funding within the three years of the NLTP, but does not currently meet category 1 requirements.

# Allocating funds to activities within activity classes

## Listing activities in the NLTP

The NLTF can only be used to fund activities listed in the NLTP. The tables in the regional sections of the NLTP list:

- activities that have been given funding approval and represent committed funding
- activities that the NZTA anticipates may be given funding approval during 2009-2012 (category 2 activities). More activities are listed than will be funded because many do not progress as planned by those proposing them
- reserve activities that are expected to be funded beyond 2009-2012, but might be funded in 2009-2012 if circumstances justify it
- activities that are not expected to be funded because they have too low a priority to warrant funding.

Also shown for completeness are activities funded outside the NLTF. These are SuperGold card, regional development, and Canterbury transport projects, which are funded outside the NLTF but administered by the NZTA on behalf of the Ministry of Transport.

## Activities considered for inclusion in the NLTP

The activities to be funded within each activity class in the NLTP are:

- selected from the regional land transport plans developed by 17 regions around the country, or
- national activities (excluding state highways) delivered or managed by the NZTA, or
- road policing activities proposed by New Zealand Police and recommended by the NZTA to the Minister of Transport.

The regional land transport programmes have been approved by 16 regional transport committees and ARTA. Each regional land transport programme sets out the transport activities the region proposes to be included in the NLTP and funded from the NLTF in 2009-2012, and automatically includes:

- road operations, maintenance, renewal and minor road improvement works delivered by local authorities, the Department of Conservation and the Waitangi Trust
- continuing public transport services delivered by local authorities.

Each regional land transport programme also includes, where the regional transport committee has chosen to include and prioritise them:

- road operation, maintenance, renewal and minor road improvement works on state highways that are delivered by the NZTA
- proposals to improve passenger transport services
- significant local road and state highway improvement projects, including those on RoNS.

The approach required in Auckland is different from those of the other regions. There, the ARTA Board developed and adopted a regional land transport programme that prioritised every activity.

The NZTA considers the proposals in regional land transport programme when deciding which activities to list in the NLTP. It considers:

- the priority given to each activity in the regional land transport programme, in the manner used in each region
- the proposed funding plan for each regional land transport programme, and the affordability of the proposed programme from both an NLTF perspective and a local share and supplementary funds perspective
- the proposed programming of activities

- the integration of activities in each regional land transport programme
- the eligibility of activities for funding.

The transport priorities in regional land transport programmes have a great degree of commonality with the NZTA's investment priorities and those stated in the GPS- so most activities listed in regional land transport programmes are candidates for inclusion in the NLTP. However, the NZTA has excluded from consideration activities with objectives that don't align with the NZTA's investment priorities, or where the type of work doesn't meet the NZTA's funding criteria.

## Prioritising and programming activities

The NZTA prioritises candidate activities for inclusion in the NLTP so that it can direct the available funding to the highest-priority activities and obtain the best value for money from the funding available.

After prioritising all candidate activities, it considers which of the highest-priority activities are affordable and will be listed in the NLTP as likely to be funded in 2009-2012, and which have too little priority to warrant funding and might be programmed for funding beyond 2009-2012.

When prioritising and programming activities and allocating 'C' (Crown), 'R' (regionally distributed) and 'N' (nationally distributed) funds, the NZTA:

- considers the priority of activities in regional land transport programmes and the transport priorities for each region as described in each regional land transport programme
- proposals' priority order (established using the NZTA's framework)
- proposals' affordability in the 10-year period, considering the C, N and R funds available in each year
- the priority of related activities or packages
- the stage that proposals have reached in terms of investigation, design and construction, and the factors that could delay (or speed up) implementation
- the expected reliability of cost estimates.

The NZTA also considers whether to approve funding for projects that are ready for implementation. Where funding approval has been given, the projects are included with a 'funding approved' status in the regional and national activity tables. The remaining activities will be considered for funding approval during 2009-2012 when they are ready for implementation.

Because the NZTA prioritises activities on a national basis, drawing on activities from many regional land transport programmes, there is some divergence between regional and national prioritisations. And, as there are more activities listed in regional land transport programmes than can be funded from the NLTP in each activity class, not all of them can be funded.

Many activities are in the early stages of development and their final priority cannot be determined when the NLTP is prepared. They are listed with an indicative priority. The NZTA has also allowed for some activities not going ahead as proposed. For this reason, more activities are listed in the NLTP than can be funded.

## Multi-year funding for activities

Funds are generally allocated in three ways:

- as a three-year amount, with annual budgets, for ongoing activities such as road maintenance and public transport services
- as a three-year amount, with annual budgets, for groups of small activities such as minor improvement works and routine road improvement works
- as a lump sum amount for a stand-alone project, with annual budgets for the duration of the project.

## Delivery of programmes within allocation

Expenditure is expected to match the annual budgets and be within the total approved funding amount.

The NZTA expects those best able to control cost risks to manage them. This means it takes responsibility for managing cost risks for the state highway programme, and expects local authorities to manage the risks for their programmes.

Funding allocations and approvals are not indexed against inflation. We do not expect to vary funding approvals to fund cost increases except in special circumstances. Organisations are expected to ensure that expenditure for ongoing activities such as road maintenance and public transport services are delivered within the allocations set out in the NLTP, and that the scope of activities is well managed so that activity costs remain affordable.

Programme managers are expected to control projects' scope so that costs don't change from those given funding approval. Note that approved funding is not indexed against inflation because the NZTA has little scope to do this; instead, programme managers are expected to deliver activities within the funding provided.

### **Funding for groups of activities**

This NLTP introduces the concept of a funding allocation for groups of activities. Groups of activities are introduced to simplify administration of funding for routine road works. An allocation of funds is made for groups of similar activities delivered in one region by an organisation. The allocation represents the amount of funding set aside in the NLTP for those activities in order that the organisation can be confident about the level of funding it can expect over three years. The tables in the regional sections of the NLTP show which individual activities are expected to be funded through each group allocation. The funding approval for individual activities is generally managed between the NZTA's regional office and the relevant organisation. The funding allocated to groups of activities can be varied when the circumstances warrant through the normal NLTP review process.

### **Allocating funds to improvement activities**

When allocating funds to improvement activities (new and improved infrastructure for local road and state highways, walking and cycling facilities and public transport infrastructure), the NZTA allocates the available funds to the highest-priority activities that will be implemented during 2009-2012 to ensure that it obtains maximum value for money from all the funds available.

It uses three stages to allocate the available funds:

- 'C' funds are allocated to activities in accordance with their purpose as set out in schedule 2 clause 14 of the Land Transport Management Amendment Act 2008.
- 'R' funds are then allocated to proposed activities judged to have the highest priority in each region. In this way they effectively set a minimum improvement programme level in each region.
- 'N' funds are then allocated to the highest-priority activities in each activity class not funded by C or R funds. N funds are allocated to activities on the basis of national priority order until the funding available to each activity class is fully allocated.

R funds are generally allocated at the rate they are expected to be available.

The funding source for category 2 projects is indicative only. This is because the projects have not been finally prioritised as their development is incomplete.

When allocating funds to activities, the NZTA considers the likelihood of activities proceeding, and the possibility that category 2 activities may have higher or lower profiles than the indicative priorities listed in the regional tables.

Large projects are sometimes funded from several funding sources.

In the past, 'C' funds were provided as separate funding for the NLTP. This ceased when all fuel excise duty and road user charges funding was dedicated to the NLTF.

The NZTA must now ensure that it provides funding for activities once funded by C funds, and by the times specified in the LTMA. It will continue to nominate a funding source as 'C' to indicate how this is achieved on a project-by-project basis.

## **Regional allocations and programme details**

Allocations for each region for all activity classes, including road policing activities, are shown in the tables in each separate regional NLTP document. All amounts exclude GST.



# Managing the 2009-2012 NLTP

In implementing the NLTP in the next three years to 2011/12, the NZTA will:

- consider proposals from local authorities and regional transport committees to vary the NLTP
- consider applications from approved organisations and NZTA for funding approval of category 2 activities listed in the NLTP
- ensure revenue and expenditure are managed effectively so that the NLTP remains affordable.

## Variations to the NLTP

Variations to the NLTP will be managed through a monthly review process, and result from three sources:

- Proposals directly to the NZTA from local authorities for variations to local road maintenance and renewal programmes, base passenger transport programmes and minor capital works outside Auckland. In these cases the variations to the NLTP become variations to the relevant regional land transport programmes.
- Proposals from regional transport committees for variations to activities prioritised in regional land transport programmes. Before proposing such variations, regional transport committees must consider whether the variations are of such significance to warrant consultation, using the significance policies adopted when developing their regional land transport programmes.
- Variations initiated by the NZTA in response to amendments to the GPS, such as:
  - changes to the forecast revenue and expenditure
  - new issues or opportunities.

Most variations are expected to be transfers of allocations between activity classes to fund unbudgeted expenses on emergency works or to transfer funds from an under-spent activity class to one where they can be used for high-priority activities. Funding approvals will only increase in exceptional circumstances.

Variations proposed by local authorities or regional transport committees generally relate to:

- changes in activities' scope
- changes to activities' expected outcomes, affecting their priority
- proposals to add new activities to the NLTP.

Changes to the status of activities already in the NLTP, or their cost estimates or programming, are not considered variations because they arise either during the normal course of events in preparing and implementing activities or through updates to information. They are managed directly between the NZTA and the relevant programme managers.

When considering proposed variations to this NLTP, the NZTA will generally follow the same processes as those used in developing and adopting it. If a proposal has enough priority considering the funds remaining to be allocated in 2009-2012, and the other activities in the NLTP, it will be added to the NLTP. The associated funding request will be considered in the same way as other funding requests for activities listed in the NLTP.

It may be necessary to vary the NLTP if local authorities' annual plans (adopted in mid-2010 and 2011) contain significant changes to transport activities to be funded through the NLTP. Significant funding decisions and variations made to the NLTP will be posted on the NZTA's website at [www.nzta.govt.nz](http://www.nzta.govt.nz).

## Category 2 activity funding approval

The NZTA will consider funding proposals for NLTP category 2 projects as part of its monthly review cycle during 2009-2012. Most will be managed by NZTA regional offices directly with the relevant local authorities to simplify procedures and ensure prompt responses.

Funding approval for activities that are funded through a group allocation will be managed through NZTA's regional offices. The activity tables included in each regional document show the likelihood of funding approval for category 2 activities taking into account their indicative priority and the

funding a available within each activity class. An activity has been given a reserve status if it has an indicative priority which makes it unlikely to be funded.

The NZTA's assessment framework will be used to:

- prioritise any proposed projects
- consider their priorities alongside others the NZTA expects to fund
- consider the remaining funding to be allocated.

The NZTA expects to be able to fund category 2 projects in 2009-2012 if they are submitted for funding approval at the rate that has occurred in the past. If this rate increases, or project costs increase or revenue falls, the NZTA may need to programme projects later than proposed.

## Managing revenue and expenditure

In developing the NLTP, the NZTA is required to ensure that:

- expenditure in each activity class is within the GPS ranges
- total expenditure matches the GPS target and is within its variation limits
- cumulative expenditure doesn't increase to more than \$200 million above the cumulative funds available, or more than \$400 million with the Minister of Transport's agreement.

The main risks to delivering the NLTP are:

- revenue risks: the risk that revenue is not as expected
- programming risks: the risk that activities aren't implemented and claims submitted and paid when expected, so expenditure isn't incurred when expected
- cost risks: the risk that activities don't cost what is expected
- outcome risks: the risk that prioritised and funded activities don't have the impacts expected of them.

Because revenue and expenditure may differ from budget, the NZTA must carefully monitor and manage revenue and expenditure in 2009-2012 to meet the GPS's financial targets. During 2009-2012 it expects to work with each approved organisation to review progress on implementing proposed activities and forecast expenditure. This process will ensure that:

- all available funds are made available for the highest-priority activities as they are implemented
- future funding allocations are planned using the most up-to-date implementation plans.

## Multi-year funding for groups of activities and for projects

This NLTP allocates multi-year funding for many groups of activities in order to streamline funding administration and give local authorities funding confidence.

Multi-year funding comprises almost 60 percent of the NLTP's anticipated expenditure for five groups of activities:

- Local road and state highway operation, maintenance and renewal programmes (34 percent of the NLTP).
- Public transport services (7 percent).
- Small conventional road improvement projects (6 percent).
- The Road Policing Programme (10 percent).

Thirty percent of the NLTP is allocated to large state highway projects, 7 percent to large public transport infrastructure and local roading projects, and the remainder to other activity classes.

Because such a large proportion of expenditure goes to multi-year funding for groups of activities, it's important to ensure that it's spent as expected and, if programmes fall behind, that opportunities are identified and seized to use available funds for other high-priority projects.

## Budgets and cash flow

Stand-alone projects implemented over several years are given funding approval for their expected costs, with expected annual cash flows.

Expenditure is generally expected to match the annual cash flow budgeted for multi-year groups of activities and for projects, with only minor variations in cash flow between years. However, if progress is significantly delayed in any year, the NZTA will agree to carry forward unspent cash flow after considering whether:

- the delay is reasonable, recoverable and affordable within three years, or
- whether the activity level in 2009-2012 will be reduced and that for 2012-2015 potentially increased.

### Reviewing allocations to activity classes

The NZTA will periodically review allocations to activity classes to ensure the funding available is targeted at the highest-priority projects and the NLTP remains affordable. This could result in changes to the funding allocated to activity classes – especially funding not yet committed to particular activities. When reviewing allocations, the NZTA will consider:

- the amount of revenue collected compared with budgets and forecasts of revenue
- the activities' costs compared to budget
- the activities' delivery to programme
- the Investment and Revenue Strategy and GPS requirements.

### Additional funding sources

The NZTA supports using supplementary funds to expand the rate at which high-priority projects in the NLTP can be implemented. It is pursuing tolling opportunities (such as that used for the Northern Gateway Toll Road) so that projects can be advanced.

The NZTA has little direct control over NLTF revenue. Instead, if there is a material change in anticipated revenue for the NLTP, it adjusts the allocations to activity classes unless other funding sources are available.

The NZTA welcomes funding proposals for projects that use supplementary funding sources, particularly for its work on the state highway improvement programme (see page 33).

### Managing cost risks

The NZTA expects those best able to control cost risks to manage them. This means the NZTA takes responsibility for managing cost risks for the state highway programme, and expects local authorities to manage the risks for their programmes.

Programme managers are expected to control projects' scope so that costs don't change from those given funding approval. Note that approved funding is not indexed against inflation because the NZTA has little scope to do this; instead, programme managers are expected to deliver activities within the funding provided.

Any significant changes will be shown on the NZTA's website at [www.nzta.govt.nz](http://www.nzta.govt.nz).



# NLTP activities by activity class

## State highway improvements

Activity class: New and improved infrastructure for state highways

This activity class covers the funding for state highway capital improvements, which includes:

- investment in infrastructure and systems (such as ramp metering) to maximise the use of existing networks
- new roading links and structures
- additional capacity on existing roading links
- improvements to address safety and efficiency issues on existing roads
- strengthening, upgrading or replacing structures such as bridges.

### Funding priorities

State highway improvements given the highest NZTA priority are those that deliver the greatest impacts in economic growth and productivity. In this NLTP that means investing:

- in RoNS, or
- in activities that have the potential to make major contributions to national economic growth and productivity on freight and tourism routes, or routes that are critical for maximising access to significant markets and areas of employment or economic growth.

The next priority for funding is where significant improvements are possible in one or more of:

- the risk and number of fatal and serious injuries
- the implementation of a relevant road safety strategy
- journey time reliability on key routes
- severe urban congestion
- capacity constraints
- risk from natural hazard or other transport operations disruptions.

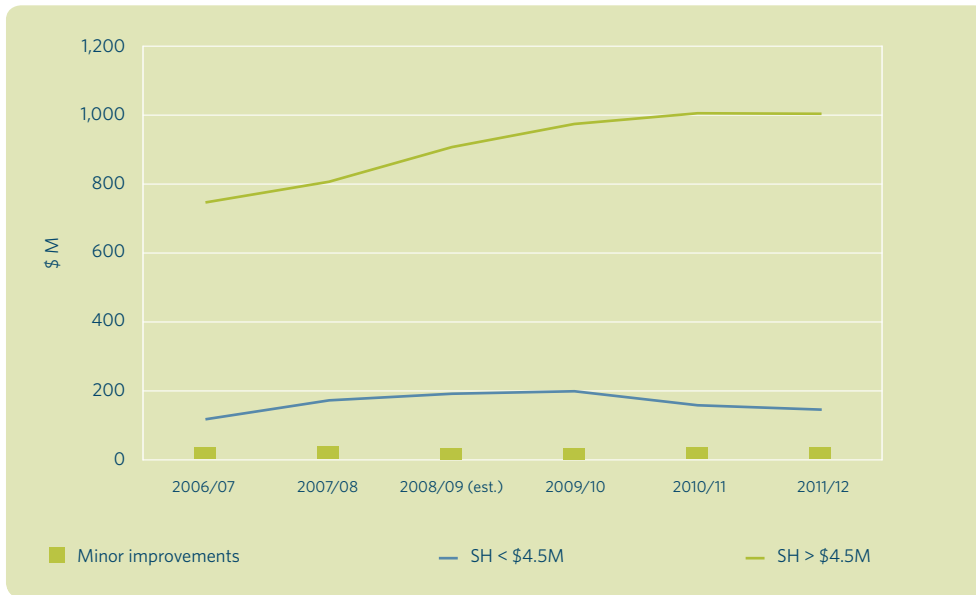
The NZTA seeks to ensure effective transport solutions, and where these involve large, complex projects and packages aims to deliver on:

- improving integration within and between transport modes, as appropriate
- providing solutions that integrate land transport, land use and other infrastructure, as appropriate
- supporting networks from a national perspective
- provide the most efficient and effective transport solutions.

### Funding allocated

This NLTP allocates a record \$3.075 billion in funding for state highway improvements activities during 2009-2012. Figure 4 illustrates the spending breakdown among large, group (less than \$4.5 million cost per project) and minor improvements.

**Figure 4: State highway improvements – funding by project type**



However, while this NLTP invests additional funding in activities designed to stimulate economic development and growth, the NZTA cannot afford, within the NLTF funding constraints, to complete all the elements of the roads of national significance within 10 years.

This means that trade-offs will be required across the range of state highway activities, so that funding is used most effectively to deliver best value for money from a national perspective. It introduces more complex risks (mainly because of the relative weight of large projects), requiring the NZTA to consider innovative, value-for-money solutions for maintaining, improving and operating the network.

As part of its 'Jobs and Growth Plan', the government has allocated an additional \$142.5 million to advance selected state highway projects (of which \$107 million is available in 2009-2012). These include:

- replacing Kopu Bridge on SH25
- safety improvements on the Rimutaka Hill and Matahorua Gorge on SH2
- the Christchurch Southern Motorway extension
- the Hawke's Bay Expressway southern extension.

An additional \$100 million will target small and medium-sized projects and pavement renewals throughout New Zealand that improve safety and efficiency.

R and N funds will be allocated to projects according to their priority and the availability of R funds in each region.

Table 7 outlines the funding allocation, which is based on the NZTA's priorities and has the aim of delivering the GPS's desired impacts.

**Table 7: Funding for state highway improvements, 2009-2012**

New and improved infrastructure for state highways	Expected funding (\$'000)			Total
	2009/10	2010/11	2011/12	
Committed projects	739,321	668,209	367,754	1,775,284
New projects	205,329	307,936	609,510	1,122,775
New minor improvements	30,000	30,000	30,000	90,000
Administration	28,895	28,895	28,895	86,685
<b>Total</b>	<b>1,003,545</b>	<b>1,035,040</b>	<b>1,036,159</b>	<b>3,074,744</b>

Committed projects include the:

- Victoria Park Tunnel and Newmarket Viaduct projects in Auckland
- Tauranga Harbour link
- Hawke's Bay Expressway southern extension
- Dowse to Petone interchange
- Christchurch Southern Motorway extension.

Significant projects seeking funding approval in the 2009-2012 NLTP include the:

- Waterview connection in Auckland
- Te Rapa bypass in Hamilton
- Tauranga Eastern Link
- Memorial Avenue to Yaldhurst four-laning in Christchurch
- Homer Tunnel investigation in Southland.

Smaller activities are managed as group projects in each region. The regional tables identify the funding allocated to groups of small state highway activities. Expenditure is expected to be within these allocations over 2009-2012. The allocations may be varied over 2009-2012 in response to differences between the indicative priority for activities shown in this NLTP and the final priority assessed when the activities are ready for implementation, and to changes to implementation programmes. These variations may lead to variations in group allocations between regions to ensure funding is allocated to the highest priority activities.

## State highway operation, maintenance and renewal

The two activity classes: renewal of state highways; and maintenance and operation of state highways cover the funding of the operation, maintenance and renewal of state highways to ensure that they continue to deliver a reliable service.

Operation and maintenance activities for state highways include:

- pavement and drainage maintenance
- road markings
- road corridor maintenance, including vegetation control and grass mowing, and the maintenance of roadside furniture such as signs and guard rails
- the operation of traffic management centres, traffic signals and other access control and information systems.

Renewal activities arise from the deterioration of the roading infrastructure, and aim to minimise the long-term costs of retaining it. They include:

- resurfacing roads
- replacing culverts or street-lighting infrastructure
- renewing bridge abutments and road pavements.

## Funding priorities

State highway operation, maintenance and renewal activities given the highest NZTA priority are those that:

- make the most efficient and effective use of the existing infrastructure on key routes to reduce congestion
- optimise service levels for safety and road network security and resilience
- undertake timely interventions to make the best use of existing infrastructure
- manage adverse environmental effects from land transport.

State highway operation, maintenance and renewal service levels reflect these priorities. They consider economic imperatives to use the network to move freight and people efficiently, as well as meet users' expectations in terms of delineation, consistency, appearance and ride comfort.

Maintaining existing assets effectively ensures that the network can deliver on these expectations and retain its value and utility. For example:

- signage and delineation, together with appropriate wet road skid resistance, are major contributors to the safety record
- appropriate road surfaces and drainage prolong the lives of roads and minimise the highways' impact on adjacent communities
- traffic management, including traffic signals, variable message signage, contra-flow lanes, incident management and road condition reports, contributes to reducing congestion and increasing the network's reliability and availability.

An accelerated programme of new construction in the past five years (and envisaged for the next 10 years) is increasing demand for maintenance funding. In particular, the operation and maintenance of facilities such as tunnels increase costs significantly.

The 2008/09 annual survey of the state highway network indicates that, while most of the parameters are reasonably consistent with previous years, the trend for rutting on the network has risen significantly. The recent growth in heavy vehicle travel, together with the ageing road pavements, has resulted in worsening pavement condition. Increased pavement renewal works are funded in this NLTP to address this trend and reduce the risk of road failure.

Initiatives are already in place to address congestion issues, enabling road users to make informed choices on when and how to travel, and reduce delays at bottlenecks. Others planned for 2009-2012 include:

- in Auckland, traffic management technologies such as ramp signalling, closed-circuit television and variable message signing
- in Wellington, lane-control signals and variable mandatory speed management signs
- in Christchurch, the completion of the Traffic Management Unit
- nationally, an expanded variable message sign network, a national operations centre, a comprehensive weather prediction model that will improve safety management processes, and a greater NZTA involvement in incident responses.

## Funding allocated

This NLTP allocates a record \$1,530 million for the ongoing maintenance and operation of state highways. In addition, the government's economic stimulus package allocate \$15 million to further support an increased pavement renewals programme in 2009/10.

The NZTA is expected to manage its programmes efficiently and effectively and will do so within the funding allocations provided. The NZTA is also expected to review its activities continually to ensure that they deliver value for money, and will take steps to improve their efficiency.

An allocation of \$111 million has been set aside in the NLTP for emergency reinstatement, to enable an effective response to any adverse events happening during 2009-2012. A separate allocation for preventive maintenance has also been established for non-routine work required to protect the serviceability of the road corridor.

All activities are funded from N funds. Expenditure is expected to be managed to stay within the three-year allocation.

Table 8 summarises the funding allocated to state highway operation, maintenance and renewal.

**Table 8: Funding for state highway operation, maintenance and renewal, 2009–2012**

	Expected funding (\$'000)			Total
	2009/10	2010/11	2011/12	
Maintenance and operations	251,106	251,106	251,106	753,318
Renewals	213,374	186,374	186,374	586,122
<b>Maintenance block programme</b>	<b>464,480</b>	<b>437,480</b>	<b>437,480</b>	<b>1,339,440</b>
Administration	18,520	18,520	18,520	55,560
Preventive maintenance	8,000	8,000	8,000	24,000
Emergency reinstatement	36,000	37,000	38,000	111,000
<b>Total maintenance allocation</b>	<b>527,000</b>	<b>501,000</b>	<b>502,000</b>	<b>1,530,000</b>

An additional \$27 million in 2010/11 and \$31 million in 2011/12 have been requested to fund an increased pavement renewal rate. No funding approval has been given for this work. This funding request will be reviewed and prioritised in 2009/10 considering trends in performance measures, such as indicators of pavement deterioration, and input costs before any further funding approval is given.

The challenge in future will be to improve this investment's effectiveness by extracting the maximum value from past and current investments and carefully targeting expenditure to agreed service levels. This will require a management approach that levers off any decreased cost pressures on input prices during the delivery of maintenance operations and uses whole-of-life assessment principles in treatment selection.

## Local road improvements

Activity class: New and improved infrastructure for local roads

This activity class provides funding assistance to approved organisations for capital improvements to local roads, including:

- new traffic management facilities eg traffic signals
- replacements of bridges and other structures
- road reconstruction and new roads
- minor improvements (small projects costing less than \$250,000).

### Funding priorities

Local road projects accorded the highest NZTA priority are those that make a significant contribution to:

- RoNS, which include local roads that the NZTA has identified<sup>10</sup> as critical to the operation of a RoNS, or
- national economic growth and productivity in freight routes, tourism routes or urban arterials critical for maximising access to significant markets and areas of employment or economic growth.

Projects assessed as having a medium strategic fit are those that contribute to significant improvements in one or more of:

- the risk of fatal and serious injuries
- the implementation of a relevant road safety strategy
- key routes in relation to one or more of: journey time reliability; severe urban congestion; capacity constraints; and risk from natural hazard or other transport operation disruptions.

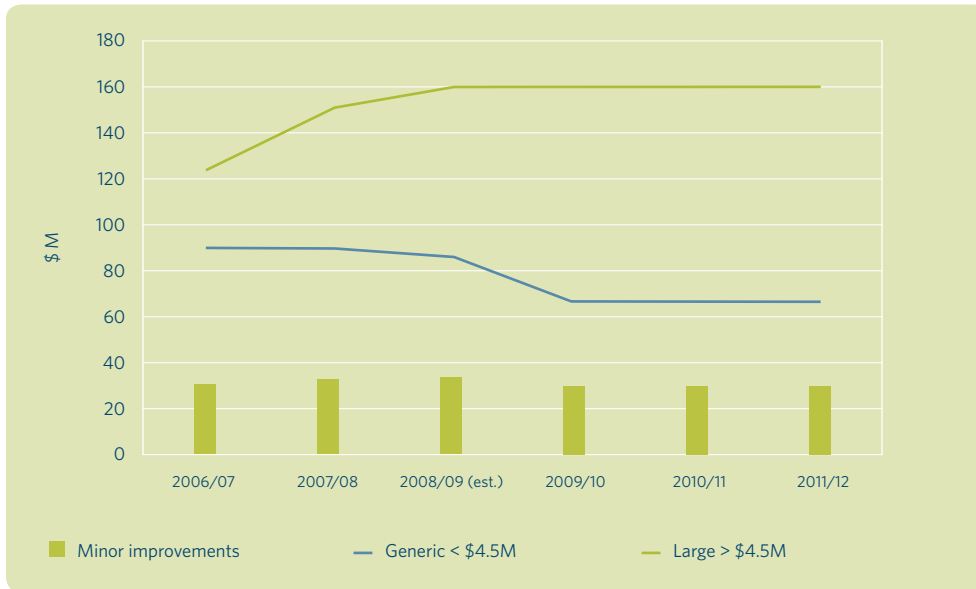
By number, most of the NLTP's local road improvement projects are small scale, providing improvements in transport networks for a wide range of communities throughout New Zealand. Typically, they are delivered as part of the 'minor improvements' allocation or as groups of generic projects (with costs of less than \$4.5 million per project).

<sup>10</sup> These roads and/or services will be identified by the NZTA in consultation with relevant stakeholders.



By value, a small number of higher-priority, large projects make up a substantial proportion of this activity class, continuing a trend of larger projects being funded by approved organisations with NZTA funding assistance. Figure 5 shows the split among minor improvements, generic projects and large projects over time. The forecast expenditure is shown spread evenly over the three years of the NLTP.

**Figure 5: Local road improvements – funding by project type**



**Funding allocated**

The funding allocated to this activity class is below the GPS midpoint but reflects the level of 2008/09 funds claimed for local roads at around \$160 million per year. This recognises that economic conditions forecast for the next three years make it unlikely that approved organisations, in general, will be in a position to increase the local share from ratepayers and developer contributions for local roading projects. There are indications that some approved organisations will reduce expenditure on local road improvements in favour of maintenance and other priorities.

R and N funds will be allocated to projects based on their priority and the availability of R funds in each region. A limited provision for funding transport improvements for deprived communities<sup>11</sup> continues into the 2009-2012 NLTP through the availability of T funds<sup>12</sup>.

Table 9 summarises the funding allocations for local road improvement projects.

**Table 9: Funding for local road improvements, 2009-2012**

New and improved infrastructure for local roads	Expected funding (\$'000)			
	2009/10	2010/11	2011/12	Total
Committed projects	116,185	51,938	4,830	<b>172,953</b>
New projects	37,815	78,062	101,170	<b>217,047</b>
New minor improvements	30,000	30,000	30,000	<b>90,000</b>
<b>Total</b>	<b>184,000</b>	<b>160,000</b>	<b>136,000</b>	<b>480,000</b>

Committed higher-priority projects include:

- Taupo District Council’s East Taupo Arterial
- Invercargill City Council’s Tiwai Bridge replacement
- Auckland City Council’s Tiverton Road/Wolverton Street project.

<sup>11</sup> These are established communities in areas of high socio-economic deprivation (NZDep2006 Index of Deprivation of 8 or higher).

<sup>12</sup> T funds are allocated to areas of high social deprivation as determined by a Ministry of Health index. The funds focus on areas with significant transport issues affecting an established community.

Significant projects seeking funding approval in the 2009-2012 NLTP include:

- Auckland and Manukau City Councils' Auckland Manukau Eastern Transport Initiative (the AMETI project)
- Rodney District Council's PENLINK project
- Waitakere City Council's New Lynn town centre development
- Christchurch City Council's Wigram/Magdala grade separation link.

The proportion of funding likely to be allocated to large projects in the 2009-2012 NLTP will mean less funding for lower-priority projects. This reinforces the need to manage the programme closely to ensure that available funding is allocated according to priority. Funding approval for any large project will be dependant on agreeing a funding and implementation plan to ensure the cashflow from the NLTP can be managed.

Funding has been allocated to groups of similar activities delivered by an organisation in a region. That organisation can be confident that this funding will be available to fund the activities it has within the group as indicated in the regional tables. NZTA expects that the projects within the group will have a similar priority overall to that shown in the regional tables when they are fully developed and ready for funding approval, and that expenditure on these generic roading projects will be within the funding allocated to each group activity.

The NZTA will respond to programme variations proactively; if some higher-priority, larger projects are not advanced for funding, perhaps owing to local share funding difficulties, it will consider allocating that funding to projects of the next closest priority.

## Local road operations, maintenance and renewal

Activity class: Renewal of local roads, Maintenance and operation of local roads

These two activity classes provide funding assistance to local authorities for:

- renewing local roads, through:
  - the renewals portion of the block-funded maintenance programme
  - preventive maintenance
- operating and maintaining local roads, through:
  - the maintenance and operations portion of the block-funded maintenance programme
  - emergency reinstatement.

The NLTP allocates a 'block' of funding to each programme, which provides approved organisations with the flexibility to manage their programmes to deliver the greatest financial and roading benefits. The only exceptions to this approach are emergency reinstatement and preventive maintenance, which are funded on a project or event basis.

Activities included in the maintenance block are those necessary to provide a secure and resilient transport network and to maximise the transport efficiency of existing infrastructure. They cover:

- network management and control, including network inspections, performance monitoring, inventory data upkeep and legalisation of the existing road reserve
- the operation of the network and traffic monitoring infrastructure, including the costs of running the traffic management centres, incident response and power for street lighting, and a cost share for upgrading rail crossing warning devices
- routine maintenance activities to keep assets operating at required service levels, including pothole patching, grading, street sweeping, snow clearing, grass mowing, handrail painting, stream clearing and guardrail strike repairs
- renewal activities related to replacing components of the existing roading infrastructure (pavements, bridges, traffic signals etc) owing to normal deterioration. Some minor improvements can be undertaken as part of renewal work, but only when they are the most cost-efficient options.

'Emergency reinstatement' involves repairing and restoring roading infrastructure after adverse events such as earthquakes and rainstorms. Approved organisations apply for funding assistance as and when damage happens, from an allocation set aside in the NLTP for this purpose.

In the past few years, expenditure has been much higher as a result of floods in the lower North Island, Hawke's Bay/Gisborne region and Northland. In 2009-2012, \$171 million has been allocated for local road emergency works. This includes funding of commitments from events in previous years.

'Preventive maintenance' is non-routine work required to protect the road network's serviceability and to minimise the threat of road closures. The NLTP provides \$15 million for preventive maintenance works in 2009-2012. Approved organisations will be able to request this funding from the NLTP for activities identified during 2009-2012.

Apart from commitments for work already underway, no specific project recommendations have been made for approval as part of adopting the NLTP.

## Funding priorities

The NZTA's priorities for the operation, maintenance and renewal of local roads are to:

- make efficient and effective use of the existing infrastructure on key routes to reduce congestion
- optimise service levels for safety and road network security and resilience
- undertake timely interventions to make the best use of existing infrastructure
- manage adverse environmental effects from land transport.

The funding constraints on lower-priority programmes will require greater efficiencies in large-scale routine maintenance and renewal activities, limits to the number of incremental improvements and reassessments of service levels on low-volume networks.

The local roading network is eight times the length of the state highway network, and a large proportion comprises sealed and unsealed low-volume roads.

Managing large roading networks with variable traffic volumes is a challenge for all road-controlling authorities. Seasonal fluctuations in travel, weather and ground conditions can affect asset deterioration as much as traffic does, and pavements can fail quickly under a small change in demand. Funding must be managed efficiently and carefully to ensure the total network provides appropriate service levels for all road users.

National averages for network performance indicators have remained steady for the past few years, although there is some variance regionally. Some local networks, such as those in Waikato, Opotiki, Wanganui, Mackenzie and Timaru, show marginal improvements while others, such as those in Waitakere, Dunedin, Auckland, Wellington and Gisborne, are below average.

## Funding allocated

This NLTP allocates \$1,439 million for these activity classes in 2009-2012.

The NZTA expects that approved organisations will manage their programmes efficiently and effectively and within the funding allocations provided because there is no provision for indexing funding approvals in the NLTP and funding approvals will only be increased in exceptional circumstances. It also expects that they will continually review their activities to ensure they are delivering value for money, and will take steps to improve their efficiency.

All activities within these two activity classes are funded from N funds because R funds are allocated to improvement projects.

**Table 10: Funding for local road operations, maintenance and renewal, 2009-2012**

	Expected funding (\$000)			Total
	2009/10	2010/11	2011/12	
Maintenance and operations	182,631	185,543	187,477	555,651
Renewals	217,983	221,895	225,807	665,685
<b>Maintenance block programme</b>	<b>400,614</b>	<b>407,438</b>	<b>413,284</b>	<b>1,221,336</b>
Administration	10,386	10,562	10,716	31,664
Preventive maintenance	5,000	5,000	5,000	15,000
Emergency reinstatement	56,000	57,000	58,000	171,000
<b>Total maintenance allocation</b>	<b>472,000</b>	<b>480,000</b>	<b>487,000</b>	<b>1,439,000</b>

As with the state highway operation, maintenance and renewal activity class, the challenge in future will be to improve this investment's effectiveness by extracting the maximum value from past and current investments and carefully targeting expenditure to agreed service levels. This will require a management approach that levers off any decreased cost pressures on input prices during the delivery of maintenance operations and using whole-of-life assessment principles in treatment selection.

## Road policing

The road policing activity class, known as the Road Policing Programme (RPP), is the programme of land transport enforcement activities delivered by New Zealand Police. Its key purpose is to improve road safety by reducing the deaths and injuries on New Zealand roads in accordance with the Road Safety to 2010 Strategy, and its successor, *Safer journeys* (the road safety strategy to 2020).

The RPP is included in this NLTP to integrate the planning, funding and delivery of road policing activities with other NLTP activities that also contribute to improving land transport particularly with regard to safety. The programme for 2009-2012 has been prepared by the NZTA and approved by the Minister of Transport, in consultation with the Minister of Police, and in accordance with the LTMA.

### Funding priorities

The priority areas for road policing funding are those that align with road safety strategies and analysis and deliver the greatest reductions in road trauma – that is, activities that address the fatal five road safety issues of speed, drink/drugged driving, restraint wearing, dangerous/careless driving and high-risk drivers.

Road policing also focuses on commercial driving, community engagement, incident and emergency management and resolutions.

### NZTA commitment to road policing

Road policing is essential to improving road safety. The NZTA is committed to supporting and working with New Zealand Police to reduce road trauma by developing innovative operational and technological solutions to make the best use of NLTF resources.

New technological developments that enable New Zealand Police to carry out its duties more effectively include digital mobile and fixed speed cameras, red-light intersection cameras, electronic ticketing, automatic number plate recognition and in-car technologies such as mobile data terminals to support 'police vehicles as police stations'.

### Funding allocated

At this stage, approved funding for the 2009-2012 RPP is below its GPS funding range (see Table 11). The programme will be subject to funding variations during the three years in order to respond to the emerging strategic context, and in particular to *Safer journeys*.

**Table 11: Funding for New Zealand Police activities, 2009-2012**

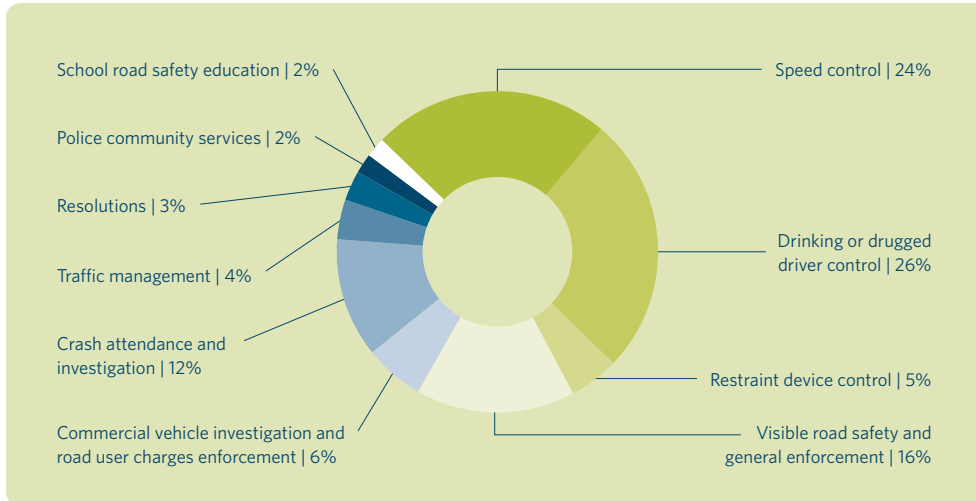
	2009/10 (\$000)	2010/11 (\$000)	2011/12 (\$000)
Approved RPP	282,071	284,581	284,925

Road policing activities are grouped as follows:

- Strategic road policing: proactive road policing activities addressing the 'fatal five' road safety issues through speed control, drinking and/or drugged driver control, restraint device control, visible road safety and general enforcement (addressing dangerous/careless driving, high-risk drivers, and other traffic law), and commercial vehicle investigation and road user charges enforcement.
- Community engagement on road policing: proactive road policing activities by Police community services and school road safety education.
- Road policing incident and emergency management: crash attendance and investigation, and traffic management.
- Road policing resolutions: sanctions and prosecutions, and court orders.

Figure 6 displays policing activities by funding level. More than 70 percent of this funding is dedicated to proactive strategic road policing, the purpose of which is to directly deter crashes and the resulting trauma.

**Figure 6: Road policing funding by activity**



More details of police activities can be found in Appendix 1 on pages 54–8 of this document, while details of the RRP for 2009/10 can be viewed at [www.police.govt.nz/service/road](http://www.police.govt.nz/service/road). The work programmes for 2010/11 and 2011/12 will also be published on the site when they become available. Region-specific details of the RPP can be found in the regional sections of this NLTP.

## Funding

Police activities are N funded.

## Public transport services

The public transport services activity class provides funding assistance to regional authorities (or local authorities under regional authority delegation) to deliver public transport services and operations. It covers:

- bus services
- passenger ferry services
- passenger rail services
- public transport facilities, operations and maintenance
- total mobility operational funding (transport assistance for people with disabilities).

## Funding priorities

Public transport services activities with the highest NZTA priority are those that have the potential to make significant improvements in one or more of:

- peak-time public transport patronage in major urban areas with severe congestion
- optimising public transport services and infrastructure
- farebox recovery rates.

Those with a medium strategic fit have potential for significant improvements in one or more of:

- transport choice in major urban areas, particularly for those with limited access to cars or who are vulnerable to fuel price changes
- transport interconnections and ease of changing modes in major urban areas
- safety, including implementing a relevant road safety strategy
- network security and resilience
- reducing the adverse environmental effects from land transport.

As part of its commitment to improving public transport networks' effectiveness by extracting the maximum value from past and current investments, the NZTA is developing a national farebox policy framework that will provide direction for regional authorities.

### Funding allocated

This NLTP allocates \$630 million to the public transport services activity class for the 2009-2012 NLTP, as detailed in Table 12. This is near the midpoint of the GPS funding range of \$585 million to \$675 million, and represents a 30 percent increase on the allocation for the previous three-year period.

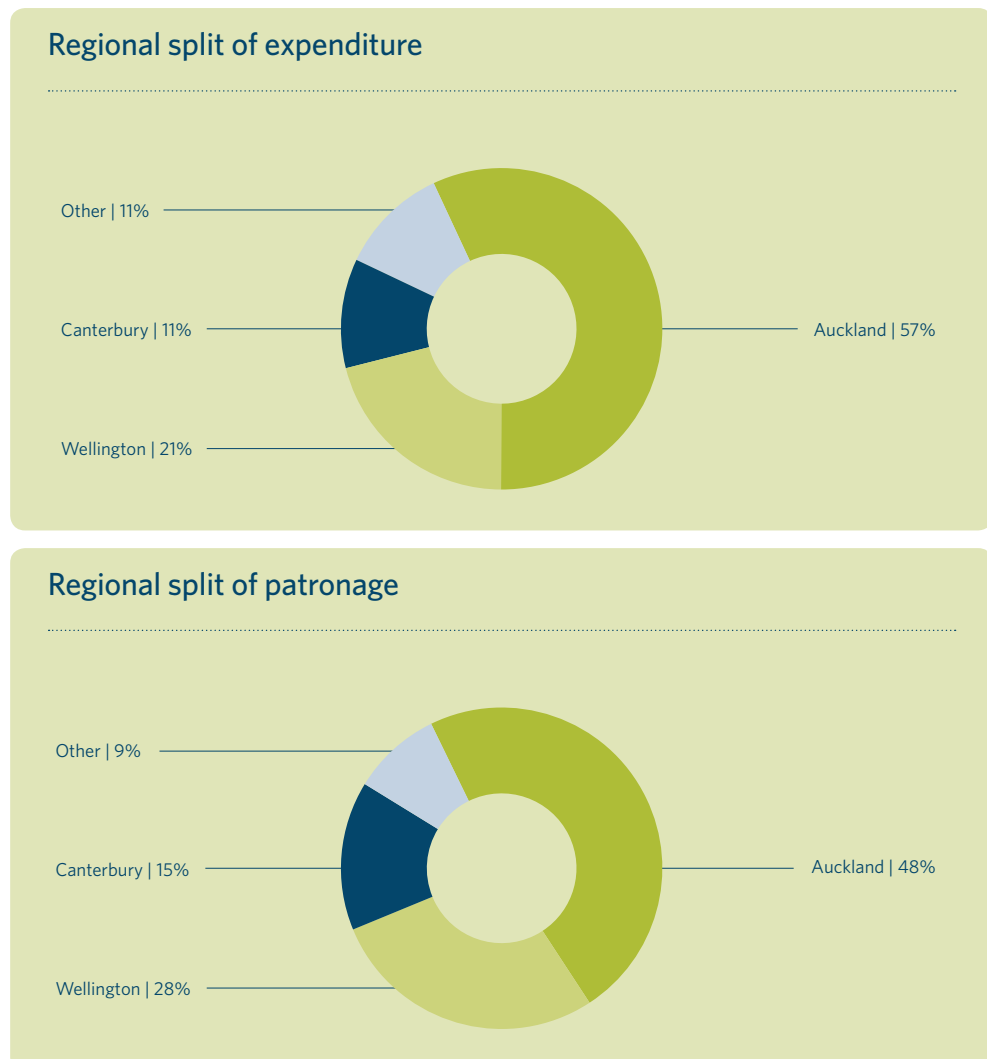
**Table 12: Funding for public transport services and operations, 2009-2012**

	Expected funding (\$'000)			
	2009/10	2010/11	2011/12	TOTAL
Base programme	195,775	204,000	212,325	612,100
New initiatives	4,000	6,000	7,900	17,900
<b>Total</b>	<b>199,775</b>	<b>210,000</b>	<b>220,225</b>	<b>630,000</b>

The funding allocation reflects the NZTA's priorities, with about 89 percent allocated to the major urban centres of Auckland, Wellington and Christchurch. Figure 7 illustrates the allocations and existing patronage levels.

Funding for public transport services and operational base programmes is allocated as block funding. This means regional authorities have the flexibility to move the funding to cover variability in the delivery of programme activities, as long as the total expenditure stays within the overall allocation.

**Figure 7: Public transport operations funding and patronage breakdown**



Over time, patronage levels in Auckland are expected to grow to become more closely aligned with NLTP expenditure, while operations are expected to become more efficient to optimise the return from investments in infrastructure and services.

The NZTA expects that regional authorities will manage their programmes efficiently and effectively and within the funding allocations provided because there is no provision for indexing funding approvals in the NLTP and funding approvals will only be increased in exceptional circumstances. It also expects that they will continually review their services to ensure that they are delivering value for money, and will take steps to improve their efficiency.

This NLTP includes a provision of \$18 million for new service starts in key areas. Requests for new service and operational initiatives include:

- integrated ticketing and ferry operations improvements in Auckland
- bus services and supporting operations in Queenstown
- service improvements in Tauranga
- a reconfiguration of the bus service in and around New Plymouth
- additional services in Palmerston North
- additional services in Hawke's Bay.

Funding for any new initiatives will be allocated based on an assessment of each proposal against the NZTA's priorities. Low-priority initiatives are unlikely to be funded.

## Public transport infrastructure

The public transport infrastructure activity class provides funding assistance for 'public transport road improvements' and 'public transport infrastructure works' undertaken by regional councils, local authorities, ARTA and the NZTA (as part of state highways infrastructure activities).

Activities comprise:

- public transport road improvements: public transport-related infrastructure on any road constructed or re-designated specifically to enable the movement of high-occupancy road vehicles
- public transport infrastructure works for new, improved or replacement public transport infrastructure, such as passenger rail, ferry, bus and multi-modal stations, exchanges, waiting areas and shelters costing more than \$20,000, park and ride facilities, station access, and real-time information and ticketing system infrastructure.

### Funding priorities

Public transport infrastructure projects that have high NZTA priority are those that demonstrate a potential to make significant improvement in one or more of:

- peak-time public transport patronage in major urban areas with severe congestion
- optimising public transport services and infrastructure.

Projects with a medium strategic fit are those that demonstrate potential to make significant improvements in one or more of:

- transport choice in major urban areas, particularly for those with limited access to cars or who are vulnerable to fuel price changes
- public transport network and interchange capacity constraints in major urban areas
- transport interconnections and ease of changing modes in major urban areas
- safety, including implementing a relevant road safety strategy
- network security and resilience.

The funding allocation for 2009-2012 recognises the number of large, high-priority projects, many of which are required urgently in large urban areas, especially in Auckland and Wellington.

A funding loan of \$32.8 million to Auckland Regional Council will assist the council with local share constraints for rolling stock that was planned to be funded from regional fuel tax.

From 2009/10, the NZTA will not be responsible for funding new rail rolling stock, track- and signalling-related activities or station platforms in Auckland or Wellington. This change will consolidate the funding of all these activities directly from the Crown.

### Funding allocated

This NLTP allocates \$269 million to the public transport infrastructure activity class for the 2009-2012, as set out in Table 13. This is towards the upper end of the GPS range, and similar to the spend in the previous three-year period.

**Table 13: Funding for public transport infrastructure, 2009-2012**

	Expected funding (\$'000)			
	2009/10	2010/11	2011/12	TOTAL
Commitments	114,200	10,100	1,900	126,200
New projects	15,100	39,900	55,100	110,100
ARC loan	32,800	0	0	32,800
<b>Total</b>	<b>162,100</b>	<b>50,000</b>	<b>57,000</b>	<b>269,100</b>

Significant projects and groups of projects seeking funding approval in the 2009-2012 NLTP include:

- an Auckland integrated fares system
- Auckland Stage 2 rail stations
- AMETI – Sylvia Park
- Auckland ferry terminal upgrades
- Auckland central business district tunnel investigation
- peak congestion relief and optimising a group of generic projects.
- Christchurch bus exchange
- Queenstown SH6A multi-modal corridor.

R and N funds will be allocated to projects according to their priorities and the availability of R funds in the regions.

### Demand management and community programmes

The demand management and community programmes (DMCP) activity class is a new classification in the GPS. It comprises a mix of national activities delivered by the NZTA and local activities delivered by approved organisations.

The DMCP includes the management or purchase of activities that promote safe and sustainable use of the land transport networks. These activities include:

- changing transport demand to improve network performance
- encouraging travel behaviour change
- national and local advertising on land transport-related issues
- national and local promotion of walking and cycling
- road safety education in schools
- education and information for users, operators and approved organisations
- implementing national and local strategies.

Approved organisations submit annual programmes for approval, being combinations of low-cost activities targeting identified community and road safety issues. The combinations of activities are unique to each approved organisation, but use tools and resources created nationally by the NZTA.

Activities are identified through the annual road safety action planning process, in response to community-identified needs, or through a strategic planning process to address congestion or travel behaviour issues.



## Review of the DMCP activity class

The NZTA Board has requested a review of the DMCP activity class to provide evidence of the benefits and value for money that its programmes deliver.

Accordingly, the funding for this activity class is approved for 2009/10 only, with the review expected to establish the funding direction for the subsequent two years. One result of the review is expected to be the development of guidelines and processes to ensure that demand management and community programmes are supported by evidence of benefits and value for money.

## Funding priorities

DMCP activities accorded the highest NZTA priority are those that have the potential to:

- deliver a significant part of, or significantly support, a relevant road safety strategy, and/or
- achieve change in travel behaviour in a way that will reduce severe congestion in major urban areas.

DMCP activities of medium strategic fit are those that have the potential to deliver significant improvements in one or more of:

- safety, including implementing a relevant road safety strategy
- transport choices in major urban areas, particularly for those with limited access to cars or who are vulnerable to fuel price changes
- adverse environmental effects from land transport
- public health outcomes.

Activities delivered by approved organisations and the NZTA are expected to have proven effectiveness or be supported by sufficient evidence and planning that demonstrates their strategic fit, effectiveness and value for money.

## Funding allocated

This NLTP allocates \$42 million for 2009/10, as summarised in Table 14.

**Table 14: Funding for DMCP activities, 2009/10**

	Expected funding (\$000)
Commitments	1,179
New activities	40,405
Administration	416
<b>Total</b>	<b>42,000</b>

Activities funded by approved organisations are classified by theme. Table 15 summarises the 2009/10 funding allocations, which are made up of activities targeting specific areas.

**Table 15: Funding for local authority community programmes by targeted theme, 2009/10**

Activity theme	2009/10 (\$000)
Alcohol	1,005
Community travel planning/car pooling	801
Cycling (including Bike Wise)	1,704
Driver education and licensing	1,680
Fatigue	256
General coordination/administration	2,950
Intersections	436
Neighbourhood accessibility plans	447
Other initiatives	1,105
Restraints	714
School travel plans	2,317
Speed	626
Unallocated (contested) community fund	423
Vehicles (heavy vehicles, motorcycles, mobility scooters, cycles)	336
Walking (including Feet First)	1,257
Workplace travel plans	1,307
Drive to the conditions	182
Demand management activities	20
<b>Total</b>	<b>17,566</b>

Nationally delivered activities are not classified by theme, but each addresses an identified road safety issue or national priority area. This NLTP allocates \$23 million to these activities, which include:

- advertising (drink-driving, fatigue, Māori and Pacific, safety belts, speed, vehicle safety, research and evaluation)
- national promotion programmes (TraffiNZ, Safe 2 Go, Safe with Age, Tracks are for Trains, Practice, Feet First, Walking School Bus)
- walking and cycling programme (strengthening user group networks, cyclist skills training, Getting There implementation, Bike Wise, conference sponsorship, Neighbourhood Accessibility Plans)
- community resources and guidelines
- the Rightcar and Fuelsaver websites.

The NZTA intends to request that programmes for 2010/11 and 2011/12 be submitted following the review of this activity class, aligned with local authorities' annual plan processes.

## Walking and cycling facilities

The walking and cycling facilities activity class covers the construction of new and improved walking and cycling facilities by local authorities and the NZTA. These include:

- cycle paths and lanes
- new footpaths
- crossing and parking facilities
- lighting and signage.

All activities funded are required to be part of current walking and cycling strategies.

## Funding priorities

Walking and cycling projects given the highest NZTA priority are those that are part of model walking and cycling communities,<sup>13</sup> with the objective of reducing congestion in main urban areas.

<sup>13</sup> The NZTA Model Communities Plan is in development and due to be released in December 2009.

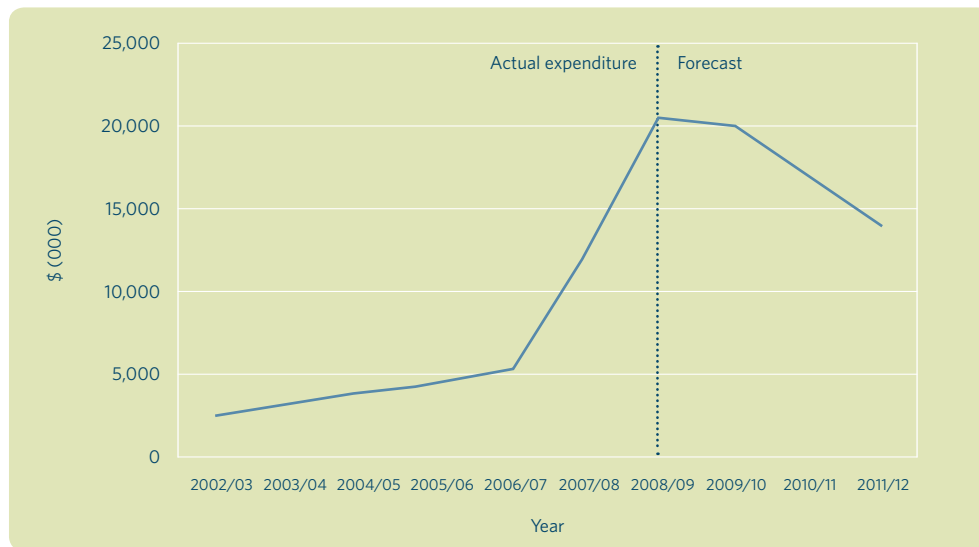
Projects that have a medium strategic fit are those with potential to make significant improvements in one or more of:

- safety, including implementing a relevant road safety strategy
- links to complete or complement existing key walking and cycling networks with the objective of reducing congestion in main urban areas.

Typically, walking and cycling activities have tended to be small projects of less than \$1 million in construction costs. However, an increasing commitment to walking and cycling networks is being reflected in larger and more complex projects being submitted for funding through the NLTP.

Figure 8 illustrates the substantial increased in demand for walking and cycling funding in the past few years. Note that the historic and forecast expenditure does not include walking and cycling components associated with roading infrastructure improvements and renewals that are incorporated in other activity classes. The \$20.3 million spend in 2008/09 is above the allocation of \$18 million, which is in line with the average \$17 million per year allocated in the 2009-2012 NLTP.

**Figure 8: NLTF spending on walking and cycling activities since 2002**



### Funding allocated

This NLTP allocates \$51 million for the walking and cycling activity class for 2009-2012. This is approximately the midpoint of the GPS funding range of \$30 million to \$75 million and reflects the activity class's role in providing increased mode choice and resilience in the transport network. Based on the level of submissions, the NZTA expects strong demand for the funding available.

Funding commitments of \$13 million for previously approved projects means that the funding available for new projects has reduced.

**Table 16: Funding for walking and cycling activities, 2009-2012**

	Expected funding (\$'000)			Total
	2009/10	2010/11	2011/12	
Commitments	9,289	1,561	2,196	13,046
Model communities provision	0	2,000	5,000	7,000
New projects	10,261	13,056	6,489	29,806
Administration	450	383	315	1,148
<b>Total</b>	<b>20,000</b>	<b>17,000</b>	<b>14,000</b>	<b>51,000</b>

R and N funds will be allocated to projects based on their priority and the availability of R funds in each region.

## Sector training and research

The GPS defines the sector training and research activity class as 'training for the purpose of developing the competence and capacity of the sector to develop and implement land transport programmes by providing information, education and support to organisations and their agents, and research for the purpose of allocating funding for research into land transport issues'.

### Sector training

The NZTA manages sector training by contracting external parties to deliver activities that align with its strategies for land transport.

These include, for example, supporting graduate and postgraduate programmes in transportation, bursaries for postgraduate studies and the development of training materials relating to roading infrastructure construction and maintenance.

### Sector research

Sector research is managed by the NZTA's Research Programme, through which the NZTA commissions innovative research that contributes to an affordable, integrated, safe, responsive and sustainable land transport system.

### Funding priorities

The NZTA's Research Programme aligns with NZTA's priorities for research funding, giving increased priority to:

- research with the greatest potential to improve the valuation of contributions to economic growth and productivity, and the benefits of land transport activities
- activity management research to improve the performance of land transport activities and assets
- integrated land use and transport systems research to improve the efficiency of transport management and integrated land use.

It maintains its focus on research into:

- transport demand management
- safety, security and public health
- sustainable land transport
- the environmental impacts of land transport.

### The NZTA's commitment to sector research

The NZTA's commitment to sector research is documented in its *Approach to research* and the research funding process available through the NZTA's website. The approach contains the strategic direction and funding framework and will be updated for 2010/11 and 2011/12 to ensure it aligns with the land transport sector's strategic development.

### Funding allocated

Table 17 summarises the funding for sector training and research activities for 2009/10. The 2010/11 and 2011/12 programmes will be developed and funded in accordance with a revised version of the NZTA's *Approach to research*. More details can be found in Appendix 2 on page 59.

**Table 17: Funding for sector training and research, 2009/10**

Sector research and training activities for 2009/10	2009/10 funding (\$000)
2009/10 training activities total	1,292.5
2009/10 Research Programme total	4,343.4
Management	364.1
Sector training and research total	6,000.0

## Funding

Sector training and research activities are N funded.

## More information

Appendix 2 on page 59 and [www.landtransport.govt.nz/research/index.html](http://www.landtransport.govt.nz/research/index.html) contain more information about the NZTA's sector training and research programme.

## Domestic sea freight development

This activity class provides seed funding for the development of new or improved coastal shipping freight services and related infrastructure. The funding is being phased out during 2009-2012, being used only for committed activities.



## Rail and sea freight

This activity class funds initiatives in regional land transport programmes that encourage freight movement by rail and coastal shipping instead of by road, with the aim of reducing the costs of road freight to the community. The funding is being phased out during 2009-2012, being used only for committed activities.

## Transport planning

The 'transport planning' activity class provides funding for planning in three main categories:

- Regional land transport planning; that is, the development and management of regional land transport strategies and regional land transport programmes, plus funding for regional transport committee operations.
- Studies and strategies that contribute to strategic, service, network or asset management plans.
- Activity management planning (AMP) covering service provision, network management and asset management.

Regional land transport strategies and regional land transport programmes are statutory documents that each region must develop in accordance with the LTMA. Regional land transport strategies set out the transport issues and outcomes for the region and the strategic options for achieving those outcomes. Regional land transport programmes identify the transport projects and programmes that each region proposes for funding through the NLTP. Funding covers these documents' preparation and management, including consultation, approval, variation, monitoring and reporting. All regional land transport strategies must be reviewed during 2009-2012.

Studies and the development of strategies and their implementation plans are the building blocks for transport projects and packages and support the development and reviews of regional land transport strategies. The value that these ultimately deliver depends on the quality of the studies, strategies and implementation plans that underpin them. Effectively, they link the outcomes sought

in the GPS to regional land transport strategies and implementation plans, and are funded because they lead to:

- better transport programmes
- integration between land use and transport planning, and between the projects and programmes included in implementation plans
- early agreement between sector stakeholders on transport strategies and implementation plans
- more transparent and simplified funding decisions and processes.

Activity management planning covers a wide range of transport activities, including:

- regional passenger transport plans, which each regional council must develop during 2009-12
- asset management plans
- road safety action plans (RSAPs)
- procurement strategies, which each approved organisation must develop and have endorsed by the NZTA by October 2010
- risk management strategies, including safety and environmental management strategies.

Studies and plans should draw on previous work, focus on high-priority issues and opportunities and lead to agreed implementation plans.

### **Funding priorities**

Transport planning activities given the highest NZTA priority involve the development of strategies and implementation plans that will:

- for road renewal, maintenance and operations:
  - optimise the use and service levels of existing infrastructure on key networks or routes
  - deliver timely interventions to meet agreed service levels for other infrastructure
- where service levels are linked to the contribution of a key network, route or other infrastructure to economic growth and improved productivity
- for demand management and community programmes:
  - significantly assist the implementation of the Road Safety to 2010 Strategy<sup>14</sup>, or
  - achieve a change in travel behaviour that will significantly reduce severe congestion in major urban areas
- for public transport services:
  - significantly improve peak-time public transport patronage in major urban areas with severe congestion
  - optimise the efficiency of existing services and infrastructure
  - improve farebox recovery rates
- for public transport infrastructure:
  - improve economic growth and productivity through significant increases in public transport patronage during peak times in major urban areas with severe congestion
- for walking and cycling facilities:
  - implement activities in model walking and cycling communities to reduce congestion in main urban areas
- for state highways and local roads:
  - develop or improve RoNS including local roads and/or services identified as critical to RoNS operation, or
  - make major contributions to national economic growth and productivity in freight or tourism routes<sup>15</sup>, or urban arterials critical for maximising access to significant markets and areas of employment or economic growth.

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<sup>14</sup> Refer to the Ministry of Transport Road Safety to 2010 Strategy, which will be replaced by the Road Safety to 2020 Strategy (to be released in December 2009).

<sup>15</sup> Refer to the NZTA Freight and Tourism Plan – interim in development, final to be released in December 2009.

## Funding allocated

This NLTP allocates funding for the development of regional land transport strategies and regional land transport programmes, and the operation of regional transport committees, as a contribution based on the size and cost of each region's transport programme. Funding assistance is provided to approved organisations, and to the NZTA for state highways, for studies and the development of strategies and activity management plans. All transport planning funding will be sourced from N funds.

**Table 18: Funding for transport planning, 2009-12**

	Expected funding (\$'000)			
	2009/10	2010/11	2011/12	Total
Regional land transport planning	4,350	4,371	4,433	13,154
Studies, strategies & AMP - commitments	9,200	0	0	9,200
Studies, strategies & AMP - new activities	13,307	22,486	22,424	58,217
Nationally delivered activities	5,143	5,143	5,143	15,429
<b>Total</b>	<b>32,000</b>	<b>32,000</b>	<b>32,000</b>	<b>96,000</b>

Funding for regional land transport planning was approved when the NLTP was adopted by the NZTA Board.

Most other studies and plans are included as category 2 projects, and will be considered for funding approval when they are ready to commence and have agreed terms of reference.

## Management of the funding allocation system

This activity class provides funding for the NZTA to allocate and manage funding expenditure through the NLTP. It includes developing and administering:

- the NLTP-associated procurement procedures, policies and guidelines
- performance measurement systems for activities funded through the NLTP, and their impacts
- assistance and advice to approved organisations and regional transport committees.

Table 19 summarises the allocations for this activity class.

**Table 19: Funding for management of the funding allocation system, 2009-12**

	2008/09 (\$'000)	2009/10 (\$'000)	2010/11 (\$'000)	2011/12 (\$'000)
Management of the funding allocation system	37,800	36,670	34,140	32,450

This funding illustrates the efficiency gains expected of the NZTA in its operations - achievable through:

- simplifying funding procedures
- ensuring that the NZTA's regional offices have a stronger role alongside transport partners in formulating transport strategies and programmes.

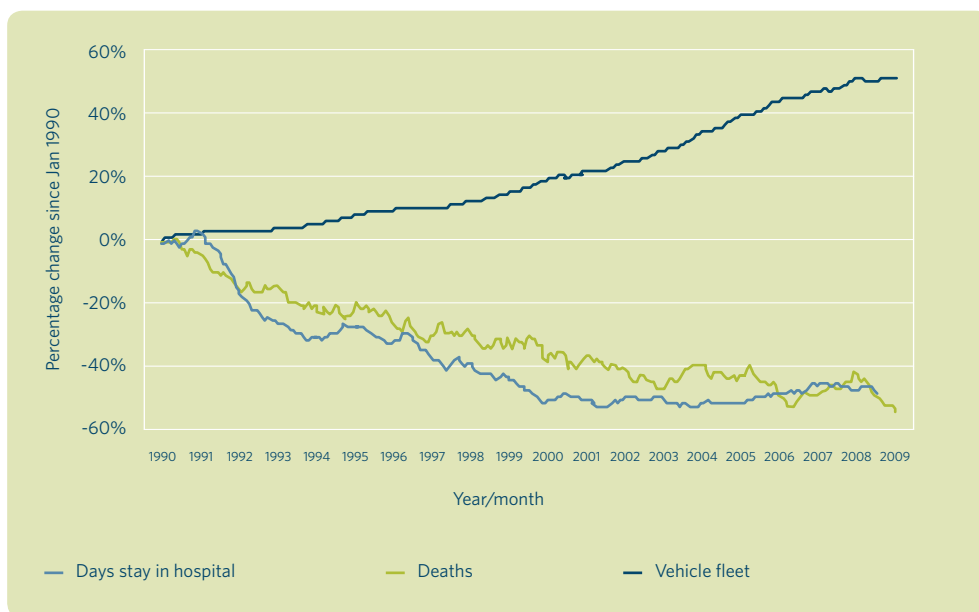
As set out in the NZTA's *Statement of intent*, we will focus on:

- improving the transport system by influencing transport decision making and by targeting transport investment to activities that assist economic growth and productivity through smarter infrastructure investment, better use of infrastructure space, and improved asset management
- improved customer service and reducing compliance costs by streamlining the funding allocation process.

# Appendix 1: Road policing supporting information

As noted on pages 42-3, the Road Policing Programme (RPP) is included in this NLTP to integrate the planning, funding and delivery of road policing activities with other NLTP activities that also contribute to improving land transport particularly with regard to safety. More information about the programme can be found at [www.police.govt.nz/resources](http://www.police.govt.nz/resources).

**Figure 9: Road crash casualties and vehicle fleet compared to 1990**



The RPP for 2009-2012 has been approved by the Minister of Transport in consultation with the Minister of Police and in accordance with the LTMA. However, as a baseline programme it is likely to develop between 2009/10 and 2011/12 in response to the emerging strategic context and in particular *Safer journeys*, the road safety to 2020 strategy.

Table 20 summarises the funding approval for 2009-2012. Table 22 on page 56 provides details of the funding for 2009/10.

**Table 20: Funding for New Zealand Police activities, 2009-12**

	2009/10 (\$000)	2010/11 (\$000)	2011/12 (\$000)
2009-2012 Road Policing Programme	282,071	284,581	284,925

## The RPP context

The RPP comprises four parts:

1. Strategic context and road safety progress.
2. New Zealand Police road policing delivery arrangements.
3. The detailed 2009/10 work programme for New Zealand Police, including:
  - descriptions of New Zealand Police road policing delivery units, such as the highway patrol, strategic traffic units, the commercial vehicle investigation unit, traffic alcohol groups, crash analysis and reconstruction teams and road policing analysts
  - activity descriptions
  - associated performance measures
  - levels of activity to be delivered to local authority areas throughout New Zealand.



4. A glossary of terms and additional information such as the geographic relationship table between NZTA regions, police districts, police areas, local authorities and regional councils.

In preparing the RPP, the NZTA has taken into account the Road Safety to 2010 Strategy and the New Zealand Police Road Policing to 2010 Strategy. In addition, and in accordance with the LTMA, it has considered RLTSs and how road policing activities:

- contribute to economic development
- help to deliver safety and personal security
- improve access and mobility
- protect and promote public health
- ensure environmental sustainability
- align with the National Energy Efficiency and Conservation Strategy.

*Safer journeys* will, in addition to evaluation and monitoring considerations, underpin any variations to the 2009-2012 programme, which will be for the purpose of maximising road policing's contribution to a safe land transport system in alignment with the strategic context.

## Road policing activities

Table 21 summarises the road policing activities funded through the RPP. Detailed descriptions, results sought, performance criteria and other information about the activities can be viewed at [www.police.govt.nz/resources](http://www.police.govt.nz/resources).

**Table 21: New Zealand Police road policing activities**

Group	Activity name	Brief description of activity
Strategic road policing	Speed control	Detecting and deterring speed offending, including using speed cameras, in accordance with risk.
	Drinking or drugged driver control	Detecting and deterring drink/drug-drive offending and targeting recidivist drink/drug-driver risk groups.
	Restraint device control	Enforcing breaches of front and rear restraint laws, including child restraints.
	Visible road safety and general enforcement	Enforcement addressing dangerous/careless driving, high-risk drivers and other traffic law (including overtaking, following distances, driver licensing, unauthorised street and illegal drag races, smoky and noisy vehicles).
	Commercial vehicle investigation and road user charges enforcement	Risk-targeted enforcement of commercial operators, drivers and vehicles for safety, road user charges, speed, load security, etc.
Road policing incident and emergency management	Crash attendance and investigation	Managing road crashes and investigating cause factors.
	Traffic management	Maintaining traffic flows, both regular and post crash.
Road policing resolutions	Resolutions	Managing road policing sanctions, prosecutions and court orders.
Community engagement on road policing	Police community services	Road safety action planning with partners, community liaison, consultation and activities.
	School road safety education	Classroom delivery of approved road safety programmes.

## New Zealand Police funding

Table 22 summarises, by activity, the funding and full-time equivalent (FTE) New Zealand Police staff for 2009/10. The regional section of the NLTP also shows FTEs by regional area allocations, where they are sub-grouped by local authority or local authority cluster.

Each FTE delivers 1500 productive hours of police time. The New Zealand Police 2009/10 hourly rate for FTEs, calculated by dividing the total funding (\$282.071 million) by the total hours (2,647,080), is \$106.56, which is a fully 'over-headed' FTE hourly rate in that all costs involved with road policing are built into the cost of an hour, including the costs of personnel, vehicles, equipment, communications and accommodation, and other costs such as the information systems and technology required for road policing.

In summary, the RPP funds, through the hourly rate, all corporate overheads as well as the direct costs of road policing. These include the Traffic Camera Office and Police Infringement Bureau, equipment, eg 'stop buses' and breath-testing devices, vehicle-weighing devices, speed equipment and its calibration, and depreciation, which funds capital items such as New Zealand Police vehicles.

**Table 22: New Zealand Police component of the 2009-12 NLTP for 2009/10: RPP by road type activity category and activity**

Activity category and activity	2009/10 New Zealand Police funding (\$'000)	2009/10 FTE
<b>Activity category: State highways</b>		
Speed control <sup>1</sup>	31,650.2	198.0
Drinking or drugged driver control	11,261.2	70.5
Restraint device control	2,405.1	15.0
Visible road safety and general enforcement	14,858.6	93.0
Total state highway	60,175.1	376.5
<b>Activity category: Rural local roads</b>		
Speed control <sup>1</sup>	6,064.3	37.9
Drinking or drugged driver control	7,382.4	46.2
Restraint device control	1,628.8	10.2
Visible road safety and general enforcement	4,270.3	26.7
Total rural local roads	19,345.8	121.0
<b>Activity category: Urban roads</b>		
Speed control <sup>1</sup>	29,315.5	183.4
Drinking or drugged driver control	53,155.0	332.6
Restraint device control	10,114.1	63.3
Visible road safety and general enforcement	26,348.4	164.8
Total urban roads	118,933.0	744.1
<b>Activity category: Network-wide road policing</b>		
Commercial vehicle investigation and road user charges enforcement	17,281.8	106.0
Crash attendance and investigation	34,696.8	217.1
Traffic management	11,935.7	74.7
Total network-wide road policing	63,914.3	397.8
<b>Activity category: General road policing support</b>		
Resolutions	7,976.0	49.9
Police community services	5,008.3	31.3
School road safety education	6,718.5	42.0
Total general road policing support	19,702.8	123.2
Funding and FTE totals	282,071.0	1,762.6

**Notes:**

Highway patrol delivery, speed camera person hours (119,000) and enhanced alcohol compulsory breath testing (CBT) project delivery are, along with delivery by other New Zealand Police units, included in the above activities. Revenue, offsetting other costs, that applies to New Zealand Police activities in this programme for 2009/10 and is to be received by the Commissioner from sources other than the NLTF, is forecast to total \$2.402 million.

1 This activity incorporates 119,000 programmed traffic camera person hours. A minimum of 98,770 traffic camera hours has also been programmed.

**Road type categories**

A simple road type hierarchy is used to plan the delivery of 'strategic' road policing activities. These activities directly and proactively target reductions in death and injuries through addressing the fatal five road safety issues: speed, alcohol, restraints, dangerous and careless driving, and high-risk drivers.

The road network in New Zealand is made up of roads designed for different purposes and to cope with widely varying traffic flows. The roads are consequently engineered to different standards. The total length of the road type, traffic volumes, the social cost<sup>[1]</sup> of crashes, risk and crash density are all factors that may influence how much effort should be put into improving safety on particular types of roads and the sorts of interventions that may be useful.

For these reasons, road type is linked to risk and to the type of road policing deployed. For example, nearly 60 percent of the social cost of road crashes occurs on rural roads which are over 80 percent of the length of the network.

Conversely, 37 percent of the social cost of crashes occurs on open road state highways which make up only 11 percent of the New Zealand roading network. This is because traffic on them is much more concentrated than on other open roads which make up 71 percent of the network and incur 21 percent of the nation’s social cost of crashes. However it is the social cost on the latter road types that has been increasing during recent years.

The road type hierarchy is consistent with the detailed road type and crash data categories in the Ministry of Transport’s Crash Analysis System:

- H – State highways includes any state highway where the speed limit is greater than 70 kilometres per hour (km/h) – normally 80km/h or 100km/h.
- R – Rural local roads includes any road or street that isn’t an urban road or state highway, where the speed limit is greater than 70km/h – normally 80km/h or 100km/h.
- U – Urban roads includes any road or street where the speed limit is 70km/h or less and includes a state highway where the speed limit is 70km/h or less.

## Delivering road policing

### New Zealand Police delivery units

Table 23 lists, by delivery unit, the 1762.6 New Zealand Police FTEs who will deliver the 2009/10 RPP. More detail on delivery units can be found in the full RPP at [www.police.govt.nz/resources](http://www.police.govt.nz/resources).

**Table 23: Road policing resources by New Zealand Police delivery unit**

Delivery unit	Total FTE
Highway patrol	234.0
Strategic traffic units <sup>1</sup>	368.9
General Duties Branch - strategic road policing	368.9
Auckland Motorways unit (excl TAG)	60.8
Targeted Alcohol Groups (TAG)	145.3
Traffic camera operations	79.3
Rural arterial units	30.0
Urban arterial units <sup>2</sup>	7.0
Strategic road policing – National Road Safety Committee test area	5.0
Commercial Vehicle Investigation Unit	106.0
Prosecution services	41.3
Youth Education Service	42.0
General Duties Branch - reactive road policing <sup>3</sup>	274.1
<b>Total</b>	<b>1,762.6</b>

**Notes:**

- 1 Guiding rule: Strategic traffic units deliver 50 percent of strategic road policing ie speed control, drinking or drugged driver control, restraint device control and visible road safety and general enforcement, which includes addressing dangerous/ carelessness driving, high-risk drivers and other traffic law.
- 2 Urban arterial units deliver strategic road policing activities and police community services activities.
- 3 Reactive road policing includes crash attendance and investigation, traffic management, court orders and police community services activities.

Allocating resources by road policing categories provides New Zealand Police with the flexibility to address road safety issues at the local level in accordance with analysed risk, inter-agency road safety action planning and risk-targeted patrol plans (see ‘Coordinating interagency road safety delivery’ on page 58).

## Coordinating interagency road safety delivery

### Road safety action planning

Planning road policing by road type enables enforcement activities to be integrated with the planning that road-controlling authorities undertake in managing their land transport networks.

Likewise, interagency road safety action planning synchronises the delivery of engineering, education and enforcement activities to deliver joint results for the land transport sector and achieve value for money. It is one of the essential platforms for delivering road safety – a world best-practice process used by road safety partners in regions throughout New Zealand for planning and implementing road safety interventions.

Effective road safety action planning requires a collaborative approach from participating partners to address and mitigate road safety risks, especially in terms of the fatal five road safety issues for their local areas.

Participating partners in New Zealand include regional and local authorities, the NZTA, New Zealand Police, ACC and other road safety stakeholders relevant to each area. Together, the partners agree on regional and/or local road safety risks, identify objectives, set targets, undertake road safety actions and monitor and, on a quarterly basis, review progress in achieving the road safety targets.

### Risk-targeted patrol plans and crash books

Risk-targeted patrol plans (RTPPs) are critical to the success of the risk-targeted road policing model.

Operational tasking documents, their primary aim is to allocate enforcement to known safety risks by location and time. RTPPs are issued to both dedicated road policing and general duties staff. They are analysed and used by frontline supervisors to direct enforcement work tactically to support RSAP objectives.

'Crash books'<sup>16</sup> are a major basis for the RTPP process, and analysis required to support the RTPP process is carried out by road policing analysts. RTPPs incorporate a complete feedback loop for analysts, supervisors and patrol officers to ensure that enforcement actions taken are reported promptly and that the progress of those actions is measured.

### Road policing flexibility

Road policing resources are allocated by road type for activities including speed control, drinking or drugged driver control, restraint device control and visible road safety and general enforcement (addressing dangerous/careless driving, high-risk drivers and other traffic law).

The delivery of these activities can be fine-tuned at the local level to address risk, in accordance with RSAPs, including network safety coordination projects, RTPPs and crash books.

## RPP monitoring and reporting

The New Zealand Police RPP at [www.police.govt.nz/resources](http://www.police.govt.nz/resources) provides details of road policing allocations at local authority and local authority cluster levels by activity (ie speed, drink-driving, restraint use etc).

The results of these activities are monitored and reported on by delivery, intermediate outcomes (eg speed, drink-driving and restraint wearing rates) and final outcomes (deaths and injuries). The tracking of both delivery and outcomes is vital in planning, funding and programming road policing resources.

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<sup>16</sup> Crash books are analytical documents that provide long-term risk profiles of stretches of roads, groups of intersections and geographical areas within police districts or areas.

## Appendix 2: Sector training and research supporting information

Sector training and research activities for 2009/10 are outlined on pages 50–51. This appendix provides more detail about the activity class, with further information available at [www.landtransport.govt.nz/research/index.html](http://www.landtransport.govt.nz/research/index.html).

### Sector training

The NZTA has committed to developing a strategic framework for sector training during 2009/10. Currently, the activity class comprises a collection of activities that the NZTA and its legacy organisations have contracted external parties to deliver in alignment with strategies for land transport.

Commitments include funding for graduate and postgraduate programmes in transportation, bursaries for post-graduate studies and the development of training materials relating to the construction and maintenance of roading infrastructure.

In developing the needs analysis for the strategic framework, the NZTA will identify:

- requirements to align sector training with the GPS, the NZTA's investment direction and longer-term needs
- sector aspirations for building capability.

### Sector research

The NZTA's *Approach to research* outlines the strategic context underpinning the Research Programme, defines the research that qualifies for funding, sets out the transport sector's priority research needs and details the application and funding process. During 2009/10 the NZTA will be reviewing the Approach against the investment direction for the sector, and the revised strategic framework will be used in preparing the 2010/11 and 2011/12 Research Programmes.

The Research Programme provides contestable funding for research applicable to the wider transport sector. It is made up of two components:

- 'Industry-generated' research, which comprises projects developed by researchers in conjunction with the land transport industry or end users, such as local authorities (often called 'bottom-up' research).
- 'Directed research', which comprises research projects the NZTA commissions and for which it requests tenders (often called 'top-down' research).

Projects are contracted to external researchers according to seven 'key research areas' defined in the NZTA's *Approach to research*.

Table 24 lists funding allocations to the seven key research areas for the 2009/10 Research Programme.

**Table 24: Key research area allocations, 2009/10**

NZTA <i>Approach to research</i> key research area	Targets for allocation range (%)	2009/10 recommended allocation			Key research area (%)
		Committed funding (\$000)	New funding (\$000)	Total funding (\$000)	
Economic development	10–25		657.0	657.0	15
Activity management	20–30	1,045.6	274.3	1,319.9	31
Integrated land and transport systems	10–25		426.0	426.0	10
Transport demand management	10–15	168.0	120.0	288.0	7
Safety, security and public health	10–15	266.0	362.0	628.0	15
Environmental impacts of land transport	10–15	184.8	345.0	529.8	12
Sustainable land transport	10–15	123.9	288.4	412.3	10
<b>Total</b>	<b>80–140</b>	<b>1,788.3</b>	<b>2,472.7</b>	<b>4,261.0</b>	<b>100</b>

The NZTA's *Approach to research* can be viewed at [www.ltsa.govt.nz/research/overview.html](http://www.ltsa.govt.nz/research/overview.html) and the research funding process at [www.landtransport.govt.nz/research/documents/approach-to-research-200912.doc](http://www.landtransport.govt.nz/research/documents/approach-to-research-200912.doc).

## Funding allocated

Table 25 summarises the funding for sector training and research activities.

**Table 25: Funding for sector training and research, 2009/10**

Sector training activities for 2009/10	2009/10 funding (\$000)	Forward commitments (\$000)
Committed funding	1,142.5	930.0
New/renewed activities	150.0	
2009/10 training activities total	1,292.5	
<b>Sector research activities for 2009/10</b>		
Committed funding	1,788.3	327.7
2009/10 new initiatives	2,282.7 <sup>1</sup>	1,059.0 <sup>2</sup>
Directed research	150.0	
Research Programme support	122.4	
2009/10 Research Programme total	4,343.4	
<b>Corporate overheads</b>		
Corporate overheads total	364.1	
<b>Sector training and research total</b>	<b>6,000.0</b>	

Notes:

- 1 \$190,000 of the total funding of \$2,472,700 is being cash flowed to 2010/11 because of the later start of this NLTP, resulting in \$2,282,700 being funded during 2009/10.
- 2 This includes the \$190,000 in forward commitments from 2009/10.

## Assessing, developing and managing the Research Programme

### Industry-generated research

Most of the NZTA's Research Programme budget is dedicated to industry-generated research, which comprises projects developed by researchers in conjunction with the land transport industry or end users, such as local authorities.

Funding for this research is allocated via a competitive two-stage process:

- The NZTA invites expressions of interest (EOIs) from researchers to carry out research that aligns with key research areas specified in the *Approach to research*. Proposals must align with one or more key research areas and address one or more of the suggested research needs within each area (although, to provide for innovation, these research needs are guides rather than prescriptive). The NZTA considers the EOIs together with the Research Reference Group (RRG), which is chaired by the NZTA and comprises experts who represent stakeholder groups such as local authorities, regional councils, transport planners, consultants, contractors, universities, road users, pedestrians/cyclists, the government transport sector, environmental interests, public health and injury prevention interests, land transport policing, New Zealand transport research funders and the Australian research community. A shortlist is prepared.
- Requests for proposals are sent to researchers whose projects are on the shortlist. When received, these proposals are assessed in detail by the NZTA and the RRG, and the programme of industry-generated research is recommended to the Board for approval.

### Proposal assessments

The proposal assessment and shortlisting process adheres to a rigorous approach outlined in the *Approach to research*. It is undertaken by NZTA staff with appropriate expertise as well as RRG members.

## Research report dissemination

The Research Programme's effectiveness depends on research results being disseminated to, and understood by, the right audiences. The NZTA facilitates information transfer through initiatives such as:

- publishing research reports and making them freely available on its website, with email notifications to interested parties. Users include researchers, interested individuals from overseas, government agency representatives and interest groups
- publishing the quarterly *NZTA research* newsletter, which profiles published research reports, publicises recently released research reports and describes each project approved for funding
- hosting seminars/workshops on key research findings in conjunction with professional and industry organisations
- increasing the links between the Research Programme and its education and training capability development initiatives
- requiring researchers to address information transfer in their proposals.



## Liaising with other transport research funders

The NZTA is one of a number of organisations in New Zealand that fund transport-related research. Recognising the importance of these groups collaborating to ensure their research strategies are complementary and coordinated, the NZTA currently:

- include the other main relevant funding organisations on the RRG
- fosters ties with other research organisations in New Zealand and overseas to improve the knowledge of, and contribution to, each other's programmes
- holds a post on the Foundation for Research, Science and Technology's equivalent of the RRG.

## Funding

Sector training and research activities are N funded.

**Table 26: Sector training and research activities**

Organisation	Project title	Total NLTF funding (\$'000)	Previous NLTF funding (\$'000)	2009/10 NLTF (\$'000)	2010/11 NLTF (\$'000)	2011/12 NLTF (\$'000)
<b>Sector training</b>						
<b>Committed activities</b>						
Auckland University	Post graduate programmes in transportation	690.0	115.0	230.0	230.0	115.0
Canterbury University	Post graduate programmes in transportation	690.0	115.0	230.0	230.0	115.0
Infratrain NZ	Civil infrastructure industry training, assessment and skills research	1,500.0	1,000.0	500.0		
NZ Institute of Highway Technology	Bachelor of Engineering Technology (Highways) degree course	150.0	120.0	30.0		
NZTA	Andrew Justice Scholarship (offered every second year)	130.0		65.0		65.0
Auckland and Canterbury Universities	Engineering scholarships (annual allocation)	90.0		30.0	30.0	30.0
NZTA	Foundation certificate in Injury prevention (annual allocation)	112.5		37.5	37.5	37.5
NZTA	Professional development for Co-ordinators (annual allocation)	60.0		20.0	20.0	20.0
Category 2 - new activities						
Various	New training activities			150.0		
<b>Sector research</b>						
<b>Committed - existing activities</b>						
<b>Activity management</b>						
Opus Central Laboratories	Long life porous asphalt	130.0	105.0	25.0		
Opus Central Laboratories	Multi-grade bitumens	134.0	126.0	8.0		18.0
University of Canterbury	Benchmarking the readiness of Road Controlling Authorities to meet their obligations under the CDEM Act 2002	78.1	30.0	48.1		
Department of Civil and Environmental Engineering, University of Auckland	Decision tool to mitigate prestressed concrete bridge corrosion	60.0	40.0	20.0		10.0
Department of Civil and Environmental Engineering, University of Auckland	Design of prestressed concrete bridges to resist shear	42.0	38.0	4.0		10.0
Pavespec Ltd	Development of tensile fatigue pavement design criteria for modified aggregates	82.0	55.5	26.5		
University of Auckland	Earthquake resistant design of bridges - abutment/backfill influences on response and retrofit decisions	30.0	21.0	9.0		9.0
University of Auckland	Retrofit assessment of bridge pile foundations	30.0	21.0	9.0		9.0
University of Auckland/Opus Intl Consultants	Data collection and monitoring strategies for asset management of NZ road bridges	105.0	60.0	45.0		
Pavement Management Services/R&D Consultants/University of Auckland	Enhancing the application of roughness measurement and deterioration	130.0	45.0	85.0		
Opus Central Laboratories	Pavement rehabilitation initiation	105.0	46.0	59.0		
Opus Central Laboratories	Screening bridges for potentially high dynamic loads using profile variance	59.0	45.0	14.0		
Opus Central Laboratories	Concrete pile durability in South Island bridges	133.0	53.0	80.0		28.0
Opus Central Laboratories/EDI Works	Asphalt durability	170.0	55.0	115.0		
NZTA/Opus International Consultants/University of Auckland	Are chipseals waterproof enough on high volume roads?	1,073.0	575.0	498.0		230.0
<b>Transport demand management</b>						
University of Canterbury	Travel demand behaviour change with increasing fuel price as a function of affluence for a similar activity cohort	140.0	88.7	51.3		
Massey University/Otago Polytechnic	"I'll just take the car" - how can the urban environment and bicycle transportation be improved to discourage automobile use for short trips?	118.0	51.4	66.6		
Ian Wallis Associates	Improving bus service reliability	95.0	60.0	35.0		
Opus Central Laboratories/Fulton Hogan	Minimising traffic delay during resealing	80.0	65.0	15.0		
<b>Safety, security and public health</b>						
Opus International Consultants	Effectiveness of transverse road markings on reducing vehicle speeds	68.5	47.5	21.0		



Organisation	Project title	Total NLTF funding (\$'000)	Previous NLTF funding (\$'000)	2009/10 NLTF (\$'000)	2010/11 NLTF (\$'000)	2011/12 NLTF (\$'000)
Opus Central Laboratories	Introduction of improved methods for measurement of the road reflection properties of road surfaces to improve safety	115.0	95.0	20.0		
Opus Central Laboratories	Determining the mechanisms and types of non-motor vehicle injuries to pedestrians using the transport system, and indicated infrastructural implications	150.0	75.0	75.0		
Opus Central Laboratories	Investigation of passing lane safety benefits, including upstream and downstream areas	80.0	35.0	45.0		
TERNZ	Improving transport around schools	96.0	59.0	37.0		
Traffic Engineering Solutions	Improved multi-lane roundabout designs for all road users	121.0	69.0	52.0		
Department of Civil and Environmental Engineering, University of Auckland	Seismic design of NZ highway bridges under non-uniform multiple support ground excitations	38.5	22.5	16.0		9.6
<b>Environmental impacts of land transport</b>						
University of Canterbury	Determination of personal exposure to traffic pollution while travelling by different modes	127.9	73.1	54.8		
Opus Central Laboratories	Environmental and financial costs and benefits of warm asphalts	43.0	28.0	15.0		
Landcare Research	Improving the benefit-cost ratio for highways through multi-use management	150.0	35.0	115.0		
<b>Sustainable land transport</b>						
University of Otago/University of Auckland/Massey University/Synergia	Health effects of intervening in the trip to work	20.5	12.3	8.2		4.1
NIWA	Tools for assessing exposure to land transport emissions	135.2	82.0	53.2		
Ian Wallis Associates	Appraisal of the effectiveness of increased public transport funding	88.0	71.0	17.0		
Ian Wallis Associates	The costs of congestion reappraised	88.0	42.5	45.5		
<b>New approvals</b>						
<b>Economic development</b>						
TERNZ Ltd	Fleet management commitment to fuel efficiency	120.0		55.0		65.0
Ian Wallis Associates Ltd	Car Passenger Valuations of Quantity and Quality of Time Savings	139.0		139.0		
DMK Consulting	Econometric models for public transport (PT) forecasting - Elasticity estimates and forecasting models	123.0		123.0		
Ian Wallis Associates Ltd	The Benefits of Public Transport: Option and Non-use Values	90.0		90.0		
Ian Wallis Associates Ltd	NZ Bus Policy Model	90.0		90.0		
Ian Wallis Associates Ltd	Sustainability Implications of Road Investment	95.0		95.0		
Hyder Consulting Ltd	Scoping approach and measuring the impact of indexing unit cost parameters in cost-benefit analysis	65.0		65.0		
<b>Activity management</b>						
NZ Heavy Engineering Research Association	Steel/Concrete Composite Bridge Design Guide	150.0		82.3		67.7
Tonkin & Taylor	Extending Pavement Life: Documentation of distress mechanism of premature failures in unbound granular pavements and validation of criteria for their prevention	124.0		62.0		62.0
Opus International Consultants	Characterisation and Use of Stabilised Materials in Transportation Projects in New Zealand	135.0		65.0		70.0
Opus Central Laboratories	Potential of the Wehner-Schulze test to predict the on road skid resistance performance of NZ aggregates.	65.0		65.0		
<b>Integrated land use and transport systems</b>						
Trips Database Bureau (TDB)	National Travel Profiling - Trips, Trends & Travel Prediction (part B)	125.0		90.0		35.0
CityScope Consultants	Best Practice Guidelines for Land Use Transport Project Implementation	78.8		78.8		
McCormick Rankin Cagney	The value of integrating land use and transport - Sylvia Park as a case study	84.6		84.6		
Beca Infrastructure Ltd	Reallocation of Road Space	132.7		132.7		
Trips Database Bureau (TDB)	Second Edition of Report 209 (Trips and Parking Related to Land Use)	40.0		40.0		

Organisation	Project title	Total NLTf funding (\$'000)	Previous NLTf funding (\$'000)	2009/10 NLTf (\$'000)	2010/11 NLTf (\$'000)	2011/12 NLTf (\$'000)
<b>Transport demand management</b>						
Booz and Company	Company cars - Understanding the impacts of company car policy on strategic transport targets	120.0		120.0		
<b>Safety, security and public health</b>						
NiWA	Detailed observations and validated modelling of the air quality impact of traffic on roadside communities	300.0		115.0	115.0	70.0
Beca Infrastructure Ltd	Crash Prediction Models for Signalised Intersections: Signal Phasing and Geometry	145.0		145.0		
Beca Infrastructure Ltd	Rural Crash Prediction Models - Next Generation (Main Study)	193.0		102.0	91.0	
<b>Environmental impacts of land transport</b>						
NiWA	Evaluation of Innovative Stormwater Treatment Devices for Removing Contaminants in Road Runoff	277.5		132.0	145.5	
Landcare Research	Life time environmental impacts of road transport infrastructure and construction	225.0		143.0	82.0	
NiWA and Emissions Impossible Limited	Are the Harmful Emissions from New Zealand's Light Duty Vehicle Fleet Improving?	70.0		70.0		
<b>Sustainable land transport</b>						
Capital Research Ltd	Improving combined use of physical activity/health and transport datasets	69.1		33.4	35.7	
Abley Transportation Engineers (with Beca Infrastructure)	Predicting Walkability	90.0		90.0		
Opus Central Laboratories	Demand for transport services - Impact on networks of older person travel as the population of New Zealand ages	115.0		85.0	30.0	
Traffic Design Group Limited	Generation of walking, cycling and public transport trips - pilot study	80.0		80.0		
<b>Nationally managed activities</b>						
External delivery	Editing and publishing of research programme newsletters and reports			122.4		
Various	Directed research funding allocation - category 2			150.0		

## Key (for tables)

<b>FTE staff</b>	The number of full time equivalent NZ Police staff allocated to the activity.
<b>Phase type</b>	The phase type of the project phase listed on this row.
	S Study
	I Investigation
	D Design
	C Construction
	P Property purchase
<b>NLTP status</b>	The status of the programme within the 2009/12 NLTP.
	COM A commitment carried forward from previous years.
	APP Approved new works, allocations approved for expenditure on the related project or programme.
	CAT2 Projects included in the NLTP which have not been given funding approval, but may be considered for funding during 2009/12 and, based on information submitted to the NZTA, are expected to meet the requirements for funding. Funding applications for the projects are expected during the course of 2009/12.
	RES Projects included in the NLTP which have not been given funding approval and are not likely to be promoted for funding during 2009/12 either due to expenditure being programmed beyond 2009/12 or because preliminary assessment of their profile (based on submitted information) gives them a priority below that expected to be funded in 2009/12.
<b>Funding priority</b>	
	Probable Category 2 activities which, based on information submitted to the NZTA, probably have sufficient priority to warrant funding.
	Possible Category 2 activities which, based on information submitted to the NZTA, possibly have sufficient priority to warrant funding, subject to funding being available.
	Res. A Reserve activities indicatively programmed over 2009/12 that, based on the information submitted to the NZTA, have a lower indicative profile and priority and are therefore not expected to be affordable unless there is a significant improvement in priority and funding is available.
	Res. B Reserve activities indicatively programmed to start beyond 2011/12 which would be considered for funding during 2009/12 should circumstances warrant, considering their priority and the availability of funding.
	Not fundable Types of activity that are not funded through the NLTP, or activities with such low priority that funding is not contemplated.
	<b>SH</b> The state highway associated with the project or programme.
	<b>WC</b> Work category.
	<b>Profile</b> A three letter string describing the strategic fit of the activity and the effectiveness and efficiency of the solution. H is High, M is Medium, and L is Low.
<b>Total phase costs \$000</b>	The total cost of the project phase for all years, including local share subsidy.
<b>Prev. spend \$000</b>	The total spent to date on the phase for all years, including local share subsidy.
	<b>%FAR</b> The funding assistance rate applying to the phase.
	<b>NLTF</b> The total cost to be spent in 2009/12 on implementing the phase and the funding from the National Land Transport Fund available for this.
<b>Indicative funding source</b>	The funding source of the project phase. The funding source is definite for commitments or approved new works. It is indicative for Cat 2, and will potentially change.
	C Crown funds allocated in accordance with schedule 2, clause 14 of the Land Transport Amendment Act 2008.
	T Community transport funds allocated in accordance with NZTA policy set out in general circular 08/12 to meet transport needs for communities in areas of high socio-economic deprivation.
	R Regionally distributed funding from the named region.
	N Nationally distributed funds.

## Work categories

001 Regional land transport planning and management	215 Structures component replacements	511 Bus services
002 Studies and strategies	221 Environmental renewals	512 Passenger ferry services
003 Activity management plans	222 Traffic services renewals	513 Bus and passenger ferry concession fares
111 Sealed pavement maintenance	231 Associated improvements	514 Passenger transport facilities operations and maintenance
112 Unsealed pavement maintenance	241 Preventive maintenance	515 Passenger rail services
113 Routine drainage maintenance	321 New traffic management facilities	517 Total mobility operations
114 Structures maintenance	322 Replacement of bridges and other structures	519 Wheelchair hoists
121 Environmental maintenance	323 New roads	521 Total mobility flat rate payments
122 Traffic services maintenance	324 Road reconstruction	531 Passenger transport infrastructure
123 Operational traffic management	325 Seal extension	533 Passenger transport road improvements
124 Cycle path maintenance	331 Property purchase (state highways)	711 Strategic road policing
131 Level crossing warning devices	332 Property purchase (local roads)	712 Incident and emergency management
141 Emergency reinstatement	333 Advance property purchase	713 Road policing resolutions
151 Network and asset management	341 Minor improvements	714 Community engagement in land transport
161 Property management (state highways)	421 Demand management	811 Research programme
171 Financial grants	432 Community programmes	812 National education and promotion programmes
211 Unsealed road metalling	442 Sea freight operations	813 Training and support programme
212 Sealed road resurfacing	445 Rail freight infrastructure	911 Programme management
213 Drainage renewals	446 Sea freight infrastructure	912 Performance monitoring
214 Sealed road pavement rehabilitation	451 Pedestrian facilities	913 Crash analysis system
	452 Cycle facilities	

# Appendix 3: Nationally delivered or managed activities

Phase	Regional priority	Profile	Status	Work category	Indicative FAR*	Total phase cost	2009/10 NLTf (\$000)	2010/11 NLTf (\$000)	2011/12 NLTf (\$000)	Funding priority	Funding source*
<b>NZ Transport Agency</b>											
<b>New &amp; improved infrastructure for state highways</b>											
Toll Systems Project - Stage 1		Construction	Com	323	100%	22,814.2	2,100.0	-	-	N	N
Unallocated							41,251.2	180,266.7	494,967.7	N/R/C	N/R/C
<b>Renewal of state highways</b>											
Preventive maintenance - unallocated							7,851.3	8,017.3	8,017.3	N	N
<b>Operation and maintenance of state highways</b>											
Emergency works - unallocated							18,526.5	36,982.7	37,982.7	N	N
<b>New &amp; improved infrastructure for local roads</b>											
Unallocated						13,227.0	47,956.7	71,964.4		N/R/C	N/R/C
<b>Renewal of local roads</b>											
Preventive maintenance - unallocated							5,056.7	4,720.2	4,787.9	N	N
<b>Operation and maintenance of local roads</b>											
Emergency works - unallocated							42,338.3	57,755.6	58,394.0	N	N
<b>Public transport infrastructure</b>											
Unallocated							40,727.0	33,298.2	48,468.1	N/R/C	N/R/C
<b>Public transport services</b>											
Public transport services - unallocated							3,522.2	5,254.2	6,889.3	N	N
<b>Demand management &amp; community programmes</b>											
AADEF - SADD		Implementation	App.	432	100%	-	315.0	-	-	N	N
Advertising - general administration		Implementation	App.	432	100%	-	26.0	-	-	N	N
Awards Programme		Implementation	App.	432	100%	-	177.2	-	-	N	N
Community Resources and Guidelines		Implementation	App.	432	100%	-	148.1	-	-	N	N
Cyclist Skills Training		Implementation	App.	432	100%	-	183.3	-	-	N	N
Drink Driving		Implementation	App.	432	100%	-	3,485.1	-	-	N	N
Fatigue		Implementation	App.	432	100%	-	763.5	-	-	N	N
Foundation Certificate in Injury Prevention		Implementation	App.	432	100%	-	40.6	-	-	N	N
Getting There Implementation		Implementation	App.	432	100%	-	171.3	-	-	N	N
Intersection Behaviour		Implementation	App.	432	100%	-	3,227.6	-	-	N	N
Maori and Pacific		Implementation	App.	432	100%	-	1,120.1	-	-	N	N
#REF!		Implementation	App.	432	100%	-	164.5	-	-	N	N
#REF!		Implementation	App.	432	100%	-	102.2	-	-	N	N
Research and Evaluation		Implementation	App.	432	100%	-	1,229.4	-	-	N	N
Right Car / Fuel Saver		Implementation	App.	432	100%	-	354.1	-	-	N	N

Phase	Regional priority	Profile	Status	Work category	Indicative FAR*	Total phase cost	2009/10 NLTf (\$'000)	2010/11 NLTf (\$'000)	2011/12 NLTf (\$'000)	Funding priority	Funding source*	
Safe 2 Go		Implementation	App.	432	100%	-	116.7	-	-	N	N	
Safe with Age		Implementation	App.	432	100%	-	600.0	-	-	N	N	
Safety Belts		Implementation	App.	432	100%	-	433.8	-	-	N	N	
School Road Safety Education (Road Sense)		Implementation	App.	432	100%	-	1,871.7	-	-	N	N	
Speed		Implementation	App.	432	100%	-	3,303.1	-	-	N	N	
Strengthening User Group Networks		Implementation	App.	432	100%	-	940.7	-	-	N	N	
Tactical		Implementation	App.	432	100%	-	1,275.3	-	-	N	N	
Tracks are for Trains		Implementation	App.	432	100%	-	971	-	-	N	N	
TraffINZ		Implementation	App.	432	100%	-	501	-	-	N	N	
Travel Planning Education (WSB, Feetfirst)		Implementation	App.	432	100%	-	549.8	-	-	N	N	
Vehicle Safety		Implementation	App.	432	100%	-	1,084.8	-	-	N	N	
Walking and Cycling Programme (Bikewise)		Implementation	App.	432	100%	-	479.5	-	-	N	N	
Youth and Novice Driver (Practice)		Implementation	App.	432	100%	-	558.4	-	-	N	N	
Early Childhood Networks Advice		Implementation	N/F									
		Implementation	N/F									
<b>Locally delivered programmes - unallocated</b>							<b>1,338.2</b>	<b>16,537.3</b>	<b>14,582.3</b>	<b>N</b>	<b>N</b>	
NZTA costs - unallocated							213.1	23,082.0	23,082.0			
<b>Walking and cycling facilities</b>												
Unallocated							2,095.3	6,889.1	3,319.9			N/R
<b>Transport planning</b>												
Corridor Study on Regional Customer Service needs Strategy		Study	Com	002	100%	200.0	200.0	-	-	N	N	
Freight Requirements Corridor Study		Study	Com	002	100%	300.0	300.0	-	-	N	N	
National Safety Corridor Strategy Development		Study	Com	002	100%	300.0	300.0	-	-	N	N	
National State Highway Update		Study	Com	002	100%	100.0	100.0	-	-	N	N	
Optimisation Corridor Studies		Study	Com	002	100%	1,265.0	1,265.0	-	-	N	N	
Safekids - Child Restraint Campaign		Implementation	App.	432	100%	-	35.0	-	-	N	N	
Long Term Pavement Performance Monitoring Project		Implementation	App.	003	100%	3,250.0	650.0	650.0	650.0			
Unallocated						-	13,473.0	23,104.3	23,098.6		N	
<b>Rail freight and sea freight</b>												
NZTA Central Log Rail Implementation Funding		Construction	Com	441	100%	975.0	400.0	300.0	275.0			
Tangiwai to Centre Port Rail Freight		Construction	Com	441	100%	820.0	250.0	350.0	220.0			
Tangiwai to Centre Port Rail Freight		Construction	Com	441	100%	820.0	250.0	350.0	220.0			

# Glossary

Activity	A land transport output or capital project, or both.
Activity class	A grouping of similar activities.
Approved organisation	A public organisation approved under section 23 of the LTMA. It's usually a regional council, a local authority or another public organisation.
ARTA	Auckland Regional Transport Authority.
ATMS	Advanced traffic management system.
Benefit cost ratio	The ratio that compares the benefits accruing to land transport users and the wider community from implementing a project or providing a service, with that project's or service's costs.
Betterment	The increased value of land arising from improved access.
Category 1 activity	An activity that is ready for funding approval.
Category 2 activity	An activity that the NZTA can anticipate funding within the three years of the NLTP, but does not currently meet category 1 requirements.
Crash book	An analytical document that provides long-term risk profiles of stretches of roads, groups of intersections and geographical areas within police districts or areas.
Farebox recovery	An arrangement in which a proportion of total operating costs is recovered through public transport fare revenue.
Fuel excise duty	A tax imposed by the government on fuel that is used to fund land transport activities.
Funding assistance rate	The percentage of the total cost of an approved activity that the NZTA pays.
GPS	The Government policy statement on land transport funding - the government's statement of its short- to medium-term goals for transport investment.
Impact	The contribution made to help achieve the government's economic, social and environmental objectives.
Investment and Revenue Strategy	A high-level direction-setting and prioritisation tool that helps the NZTA to balance competing priorities and select the best possible mix of activities for funding.
Land transport	Transport on land by any means and the infrastructure, goods and services facilitating that transport, including: <ul style="list-style-type: none"><li>▪ coastal shipping (including transport by means of harbour ferries, or ferries or barges on rivers or lakes) and associated infrastructure</li><li>▪ the infrastructure, goods and services (including education and enforcement), the primary purpose of which is to improve public safety in relation to that transport.</li></ul>
Local road	A road (other than a state highway) in the district, and under the control, of a local authority.
Local share	The portion of the total cost of an activity that is provided by an approved organisation.
Long-term council community plan (LTCCP)	Produced by each local authority, a plan that describes its activities and provides a long term focus for its decision-making. It must cover a period of 10 consecutive financial years though it is prepared every three years.

Land Transport Management Act 2003 (LTMA)	The main act governing the land transport planning and funding system.
Ministry of Transport	The government's principal transport policy adviser that both leads and generates policy, and helps to set the vision and strategic direction for the future of transport in New Zealand.
Model community	A community that aims to reduce congestion by providing user-friendly environments for walking and cycling.
Motor vehicle registration and licensing fees	The Motor Vehicle Register is established under the Transport (Vehicle and Driver Registration and Licensing) Act 1986, and records details of vehicles that are registered to operate on the road. Motor vehicle registration and licensing fees are defined as land transport revenue.
NLTF/National Land Transport Fund	The set of resources, including land transport revenue, that are available for land transport activities under the NLTP.
NLTP/National Land Transport Programme	A three-yearly programme of investment in land transport infrastructure and services from the NLTF.
Pavement	The road structure that is constructed on the subgrade and supports the traffic loading.
Public transport	Passenger transport services provided or subsidised by local and central government.
Regional Transport Committee	A committee required to be established by every regional council or unitary authority comprising a range of representatives, including from the regional council, local authorities, the NZTA, one representing each of the five transport objectives and one from a cultural perspective. Its main functions are to prepare an RLTS and an RLTP.
Regional land transport programme (RLTP)	A three-yearly land transport infrastructure and services proposal for funding from the National Land Transport Fund prepared by a Regional Transport Committee. In Auckland, the RLTP is prepared by ARTA.
Regional land transport strategy (RLTS)	A strategy that every Regional Transport Committee, on behalf of the regional council, must prepare, and consult on to provide guidance on the land transport outcomes the region seeks. The RLTS must be produced every six years, cover 30 years and contribute to its vision.
Road-controlling authorities	Authorities and agencies, including the NZTA, local authorities, the Waitangi Trust and the Department of Conservation, that have a legal responsibility for roading.
Road user charges	Charges on diesel and heavy vehicles paid to the government and used to fund land transport activity.
Roads of national significance	Seven New Zealand roads identified by the GPS whose further development 'will have national benefits to the roading network and to national economic development' and that 'require significant development to reduce congestion, improve safety and support economic growth'.
RPP/Road Policing Programme	The programme of land transport enforcement activities delivered by New Zealand Police.
RSAP/Road safety action plan	A plan developed at the local level to address road safety issues in the area.
RTPP/Risk-targeted patrol plan	New Zealand Police operational tasking documents used to allocate strategic road policing resources to known safety risks by location and time.
State highway	A road operated by the NZTA, as defined by the LTMA.
Unitary authority	A local authority that undertakes the additional functions of a regional council.
Vehicle kilometres travelled	The total annual vehicle kilometres travelled in an area.

## Our contact details

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