

Te Tauākī Kaupapa Here a te Kāwanatanga mō ngā waka whenua | Draft Government Policy Statement on land transport 2024/25-2033/34

August 2023

Not Government policy



He kupu nā te Minita | Ministerial foreword

New Zealand's land transport system is among our greatest physical assets. The roading network underpins our economy and provides lifelines for communities and businesses across the country.

The draft GPS 2024 sets out the Government's transport priorities and guides investments of over \$6 billion from the National Land Transport Fund, and around \$1.5 billion from local government, each year.

This is a record increase in investment in our transport network. It includes a significant boost in road maintenance budgets, supporting recovery and strengthening the resilience of the entire transport system.

We recognise cost pressures on the National Land Transport Fund and the need to increase revenue for essential maintenance for our roads. That is why this draft GPS 2024 proposes to increase revenue by 34 percent over 2024 – 2026 compared to the previous cycle of 2021 – 2023. This means expenditure will increase from \$15.5 billion to \$20.8 billion, enabling us to better maintain our roads and services.

The North Island weather events have added a level of urgency to this task. Budget 2023 allocates \$6 billion to fund the initial phase of a National Resilience Plan, focused initially on rebuilding from Cyclone Gabrielle and then on closing the infrastructure deficit that has built up in this country over decades.

To date, we have allocated about \$1.3 billion towards reinstating transport networks affected by the North Island weather events, with a further \$419 million allocated over seven years towards transport resilience.

We are also investing heavily in mass rapid transit projects, rail, and walking and cycling pathways to ensure people have options in the way they move around, while also driving down emissions. The draft GPS 2024 includes a Strategic Investment Programme, which provides a view of some of the most significant sections of the transport network that require intervention and is expected to guide Waka Kotahi's consideration of projects. Signalling the importance of these projects alongside our commitments to road maintenance and public transport services will ensure that we deliver transformative changes to our transport system, without compromising its core functions.

MINISTERIAL FOREWORD

The draft GPS 2024 proposes significantly more transport expenditure than ever before. However, the land transport funding system is facing significant pressure due to rising demands and costs. The Government has not increased fuel taxes and road user charges since September 2020. Without more funding, we will not be able to restore cyclone-damaged roads and maintain and improve our roading network to the standards that New Zealanders reasonably expect. We must ensure the network is fit for future generations of New Zealanders and able to withstand the damage from the extreme weather events.

We're proposing a two cent per litre increase in petrol taxes and equivalent increases in road user charges for the first six months, another two cent increase the following six months, then four cents a litre more in each of the following two years. This will generate around \$1.4 billion to be fully dedicated to improving our transport network. This is consistent with the historical norm of semi regular increases, prior to 2020. To keep the increases as small as possible, we are also proposing additional top ups of funding and financing over the next three years.

I invite you to provide feedback on the priorities and proposals in the draft GPS 2024 and provide your views about the future of our transport system.



Hon David Parker
Minister of Transport



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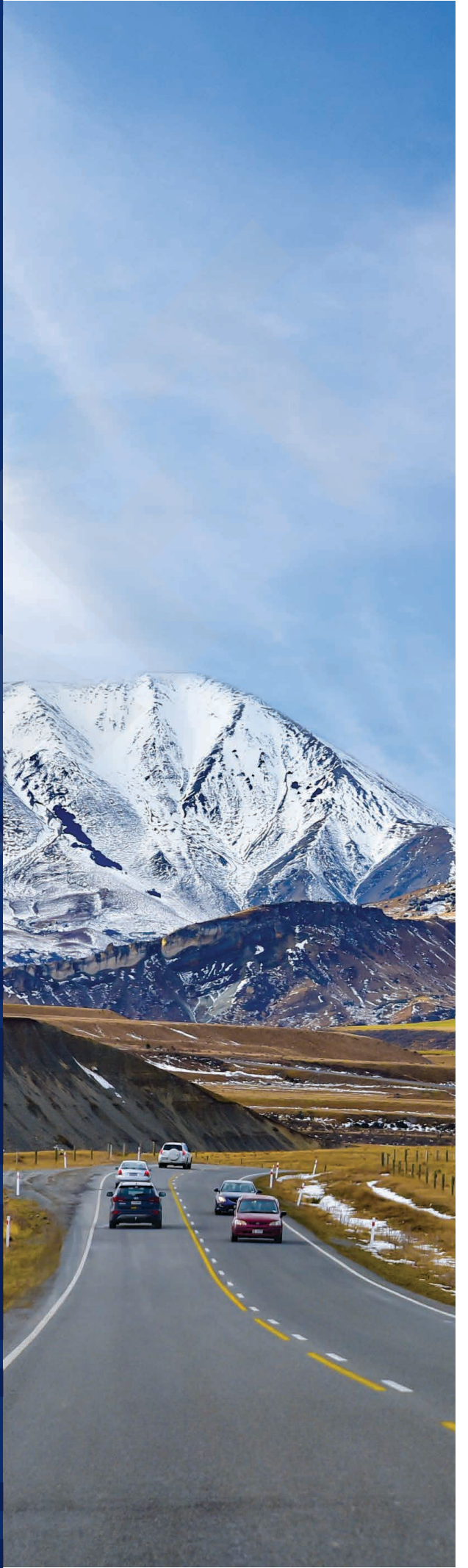
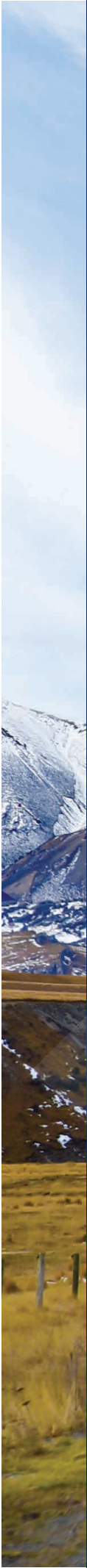
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Section 1.

Overview of GPS 2024



OVERVIEW OF GPS 2024

The Government Policy Statement on land transport 2024/25-2033/34 (GPS 2024) outlines the Crown’s land transport investment strategy over the next ten years, the funding available, and where funding should be directed to deliver on this strategy.

GPS 2024 provides direction and guidance to those who are planning, assessing, and making decisions about land transport investment. The roles and responsibilities of the key players in this system are outlined in Section 2.

GPS 2024 expresses the Crown’s land transport investment strategy and consists of five sections:

- 01 Overview
- 02 Roles and responsibilities
- 03 Strategic priorities
- 04 Investment in land transport
- 05 Statement of Ministerial expectations

Section 2:
Roles and responsibilities

This section describes the role of the GPS in land transport investment and the responsibilities of the different players in the system.

Section 3: Strategic priorities

The six strategic priorities for GPS 2024 are outlined below. These strategic priorities reflect the need to rebuild after recent weather events and strengthen the resilience of the entire transport system. These priorities must be supported by firm foundations, which is why GPS 2024 includes as a priority maintaining and operating our existing transport system, including our roads and public transport services.

The strategic priorities are national land transport objectives under section 68(3) of the Land Transport Management Act 2003 (the LTMA). Together, these priorities support environmental sustainability, resilience and security, economic prosperity, access, and healthy and safe people. These strategic priorities underpin the work of all government transport agencies. The priorities will guide investment decisions by Waka Kotahi NZ Transport Agency (Waka Kotahi) and its co-investment partners, including local authorities and KiwiRail.

Figure 1: Strategic priorities for GPS 2024



Maintaining and operating the system

The condition of the existing transport system is efficiently maintained at a level that meets the current and future needs of users.



Increasing resilience

The transport system is better able to cope with natural and anthropogenic hazards.



Reducing emissions

Transitioning to a lower carbon transport system.



Safety

The primary focus of this priority is to make transport substantially safer for all.



Sustainable urban and regional development

People can readily and reliably access social, cultural, and economic opportunities through a variety of transport options. Sustainable urban and regional development is focused on developing resilient and productive towns and cities that have a range of low-emission transport options and low congestion.



Integrated freight system

Well-designed and operated transport corridors and hubs that provide efficient, reliable, resilient, multi-modal, and low-carbon connections to support productive economic activity.

OVERVIEW OF GPS 2024**Section 4:
Investment in land transport**

The Government directs funding to activities that help deliver on these priority areas through multiple funding sources. Different funding sources will focus on contributing to different strategic priorities and programmes. For example, the Government has developed specific funds for emissions reduction and climate adaptation projects. In contrast, the priority for available funding from the National Land Transport Fund (NLTF) is to ensure the ongoing operation and maintenance of the system.

The NLTF receives revenue of over \$6 billion each year. Waka Kotahi determines the specific activities funded from the NLTF based on the direction provided by the GPS. A key focus of GPS 2024 is maximising what can be delivered in the short-term with available revenue, while optimising investment to achieve longer-term objectives. Over the next decade, a significant portion of the NLTF is committed to maintaining and operating the system. This includes continuing to deliver public transport, maintaining state highways and local roads, maintaining the rail network, promoting road safety and road policing. The NLTF also needs to meet its debt repayment obligations (see [page 41](#)).

The Government is increasingly supporting the NLTF with Crown funding. Over the next three years (2024/25 – 2026/27), there is forecast to be \$7.6 billion of Crown investment in addition to the \$20.8 billion in forecast NLTF revenue. Crown investment includes programmes targeting emissions reduction and climate adaptation, funded from the Climate Emergency Response

Fund (CERF). Additional Crown funding supports other programmes including the recovery and rebuild from North Island weather events in 2023, the National Resilience Plan, the New Zealand Upgrade Programme (NZUP), the City Rail Link (CRL), Auckland Light Rail (ALR) and the Rail Network Investment Programme (RNIP).

The Government expects to make further announcements about how it will provide additional funding for Cyclone Gabrielle recovery efforts, and advance other strategic priorities, in the coming months and future Budgets.

**Section 5:
Ministerial expectations**

Section 5 of GPS 2024 includes several specific, formal expectations from the Minister of Transport (the Minister) to Waka Kotahi setting out how the Minister expects Waka Kotahi to give effect to the GPS. In summary, the Minister expects Waka Kotahi to deliver on the results and outcomes sought in GPS 2024 in a manner that:

- delivers value for money
- makes most efficient use of the NLTF to deliver on outcomes aligned with the strategic priorities
- carefully considers the most effective ways to “build back better” so the transport system is optimised to support future expectations, including better resilience to adverse weather conditions. This is likely to include finding ways to make the most of the considerable maintenance and renewals work programme to improve, rather than just replace, the existing asset base.

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Section 2. Roles and responsibilities



ROLES AND RESPONSIBILITIES

Role of the GPS

The GPS outlines the Crown’s ten-year land transport investment strategy, the objectives and outcomes the Crown is seeking from the land transport system, and guides Waka Kotahi and local authority investment.

This longer-term strategic approach is necessary because transport investments often have long-lead times, high costs and leave long legacies. The LTMA 2003 sets out the full scope and requirements for the GPS.

The GPS is focussed on making the most of the Government’s transport investment, comprising the NLTF and any additional Crown funding. Waka Kotahi allocates the NLTF to transport investments in accordance with the GPS, while projects delivered through Crown appropriations will generally align with GPS priorities but may also contribute to wider outcomes.

The GPS sets out the expected available NLTF funding to contribute to the outcomes sought, and how the Government wants NLTF funding to be allocated across different types of activities (for example, roads, public transport, active transport, or road safety). It also describes other contributions the Crown has allocated to progress its land transport investment strategy. Local government often supplements the NLTF and other Crown funding with its own funding (‘local share’) to help meet the cost of investments that benefit their communities. This is discussed further in **Section 4**.

Crown funding commitments vary over time and do not necessarily align with the release of a GPS. **Section 3** signals the types of investments that are likely to attract direct Crown funding in the future, while **Section 4** outlines existing Crown funding commitments.

The land transport investment strategy and direction on allocation of NLTF funding guide local government and Waka Kotahi on the type of activities that should be included in Regional Land Transport Plans (RLTPs) and the National Land Transport Programme (NLTP).

Responsibilities

The Minister of Transport

The Minister of Transport (the Minister) must issue a GPS covering the Crown's land transport investment strategy (among other things), that covers a period of six financial years. The Minister must review the Crown's land transport investment strategy at least once every three financial years.

Except for rail investments and road policing, the Minister is not responsible for individual NLTF funding decisions.

The Minister must be satisfied that the GPS contributes to the purpose of the LTMA 2003. Before issuing a GPS, the Minister is required to have consulted Waka Kotahi, and have regard to the views of Local Government New Zealand (LGNZ) and representative groups of land transport users and providers.

The Minister submits transport investments for Crown funding consideration, through the annual Budget process. Activities delivered through Crown appropriations will generally align with GPS priorities but may also contribute to wider outcomes.

Te Manatū Waka is responsible for strategy, policy, funding, monitoring and regulation of New Zealand's transport system

Te Manatū Waka Ministry of Transport

Te Manatū Waka Ministry of Transport (the Ministry) is responsible for strategy, policy, funding, monitoring and regulation of New Zealand's transport system. It advises the Minister on transport matters, including regulation and investment, to improve wellbeing and liveability, as described in the Transport Outcomes Framework.

The Ministry leads advice on the Crown's longer-term land transport investment strategy (for inclusion in GPS and beyond the next decade). This includes advising on the role that transport system revenue sources and investments have in achieving the Government's longer-term goals such as reducing emissions, ensuring climate resilience, and reducing road deaths and serious injuries. The Ministry also provides annual advice on Crown funding decisions.

The Ministry works in partnership with Waka Kotahi to consider how expectations on Waka Kotahi may fit with future GPS's and wider Government priorities.

As part of the wider government commitment to the Māori-Crown relationship, the Ministry has a responsibility to engage with Māori and consider Māori outcomes. The Ministry's commitment to this is expressed in its Māori strategy Hei Arataki.

ROLES AND RESPONSIBILITIES

Local government

Local government works to promote the social, economic, environmental and cultural well-being of their communities.

Regional councils, territorial authorities and unitary councils lead long-term planning for their localities. This includes Long Term Plans, Regional Policy Statements, Regional Public Transport Plans, District Plans, Spatial Plans, and RLTPs.

RLTPs set out objectives, policies and priorities for transport networks and services in each region for at least ten years. RLTPs include activities that seek NLTF co-funding and must also include all regionally significant expenditure to be funded from non-NLTF sources. This may include Crown funding contributions.

Local government collaborates with Waka Kotahi, Kāinga Ora and others to progress investments that align with the Government's land transport investment strategy in the GPS. As the largest co-funder of NLTP projects, local government has an important role in identifying strong, evidence-based projects and programmes for investment. They work closely with Waka Kotahi to make sure projects run smoothly from proposal to delivery. Critically for the GPS, this includes engaging with stakeholders and communities on land transport projects and broader transport strategies, consistent with an array of legislative requirements.

An RLTP must contribute to the purpose of the LTMA 2003, which seeks an effective, efficient and safe land transport system in the public interest. It is also required to be consistent with the GPS.

Local governments are partnering with Waka Kotahi and the Ministry to develop urban light fleet Vehicle Kilometres Travelled (VKT) reduction programmes, with an initial focus on programmes for Tier 1¹ urban environments. Local government engages extensively with local communities as part of its planning processes. Reflecting the LTMA 2003, local government also has a responsibility to engage and partner with Māori and understand the Treaty of Waitangi context in which they operate.

Waka Kotahi NZ Transport Agency

Waka Kotahi works with a range of partners across central and local government to plan, invest in, build, manage and operate the land transport system within the priorities and outcomes set in the GPS. It leads on the state highway programme, nationally delivered programmes (such as speed camera monitoring) and delivers other investments on behalf of the Crown, such as NZUP and several initiatives funded out of the CERF.

Waka Kotahi collaborates with local government and other agencies to develop integrated plans for transport and land use. It supports local government to develop capability and create quality RLTPs, which it draws from to create the NLTP and allocate the NLTF to give effect to the GPS. Waka Kotahi also supports the Ministry in advising Government on how Crown funding could supplement NLTF and local share contributions to better deliver on GPS 2024 priorities (or wider priorities specified by the Government).

1. Tier 1 urban environments include: Auckland (Auckland Council), Christchurch (Canterbury Regional Council, Christchurch City Council, Selwyn District Council and Waimakariri District Council), Wellington (Wellington Regional Council, Wellington City Council, Porirua City Council, Hutt City Council, Upper Hutt City Council, Kāpiti Coast District Council), Tauranga (Bay of Plenty Regional Council, Tauranga City Council and Western Bay of Plenty District Council), and Hamilton (Waikato Regional Council, Hamilton City Council, Waikato District Council and Waipa District Council).

In partnership with the Ministry, Waka Kotahi is developing a national VKT reduction plan that will guide VKT reduction programmes.

Additionally, Waka Kotahi is responsible for advising the Minister of Transport on KiwiRail's RNIP and the funding of rail activities within it, including providing advice on alignment with the LTMA 2003 and the New Zealand Rail Plan. Waka Kotahi has a role monitoring the delivery of the RNIP. It also provides recommendations on Police activities to be funded from the GPS.

In addition to the LTMA 2003 requirements for Māori engagement and in accordance with the principles of the Treaty of Waitangi, Waka Kotahi shares the Crown's commitment to the Māori-Crown partnership, which is expressed in its Māori Strategy: Te Ara Kotahi/Our Māori Strategy.

Waka Kotahi, as a Crown agent, is a participant in the Carbon Neutral Government Programme, along with all government departments and departmental agencies. Waka Kotahi voluntarily reports its climate-related disclosures to demonstrate how the agency is managing climate-related risk.

KiwiRail

KiwiRail owns and maintains the national rail network infrastructure. KiwiRail is responsible for planning, operating and maintaining the rail network. It also provides freight, tourism and commuter services, property services and the Interislander ferry service.

KiwiRail is responsible for developing and delivering the three-year Rail Network Investment Programme (RNIP). Consistent with the GPS and RLTP planning processes, the RNIP also includes an indication of significant rail network activities expected in the next RNIP and a ten-year forecast. The funding signals in the GPS and the investment priorities in the New Zealand Rail Plan guide the development of the RNIP.

The RNIP is funded from the NLTF, through the rail network activity class and the public transport infrastructure activity class for metropolitan rail activities, supported by Crown funding.

Auckland Transport and Greater Wellington Regional Council fund and deliver metropolitan rail public transport services, with assistance from the NLTF. KiwiRail supports these activities, funded by the NLTF and access agreements with these parties, by maintaining, renewing, and improving the metropolitan rail networks.

ROLES AND RESPONSIBILITIES

Ministry of Housing and Urban Development and Kāinga Ora Homes and Communities

The Ministry of Housing and Urban Development (HUD) is responsible for strategy, policy, funding, monitoring and regulation of New Zealand's housing and urban development system. HUD administers and tracks progress on the Government Policy Statement on Housing and Urban Development (GPS-HUD) and the national Māori housing strategy (MAIHI Ka Ora) which set the Government's long-term vision, direction, and priorities for housing and urban development.

Kāinga Ora is the Government's public housing landlord. It also has roles in urban development including delivery, partnering and facilitation.

The vision of the GPS-HUD is that everyone in Aotearoa New Zealand lives in a home, and within a community, that meets their needs and aspirations. The GPS-HUD also highlights that land transport that is good for people and the planet is critical to transforming housing and urban outcomes for New Zealanders, including improving housing supply, choice, and affordability. At the same time, decisions that shape our urban areas play a major role in shaping people's transport options and choices.

Together, this GPS 2024 and the GPS-HUD provide strategic direction to help our towns and cities to function well, support growth and to invest in transport infrastructure and services needed to support this.

Ministry for the Environment

The Ministry for the Environment (MfE) is leading the reforms of New Zealand's resource management system. These reforms will replace the Resource Management Act 1991 with three Acts covering the natural and built environment; spatial planning; and climate change adaptation. Each of these focus areas need to integrate with the development of transport infrastructure and services to provide resilient, liveable spaces and achieve our environmental objectives.

MfE has also led the development of the first Emissions Reduction Plan (ERP) and the National Adaptation Plan (NAP). The ERP sets four transport targets that are approximately equivalent to a 41 percent reduction in transport emissions by 2035 compared to 2019 levels. The transport actions in the ERP and the NAP inform the strategic priorities and results sought in GPS 2024.

The resource management reforms aim to better enable development, while protecting and restoring the environment, give proper recognition to the principles of Te Tiriti o Waitangi and to Te Ao Māori, better prepare New Zealand to adapt to climate change, and improve system efficiency and effectiveness. Under these reforms, the Resource Management Act 1991 will be replaced with three new pieces of legislation, two of which are currently before Parliament.² These reforms are expected to improve transport and land-use investment planning through Regional Spatial Strategies, which will see central government, local government and Māori working together with communities to identify how their region will grow, adapt, and change over the next thirty-plus years.

2. The Spatial Planning Bill and the Natural and Built Environment Bill are both before Parliament. A separate Bill is expected to be introduced to Parliament in 2023 covering climate adaptation, following public consultation on the early policy ideas for the Climate Adaptation Act in mid-2022.

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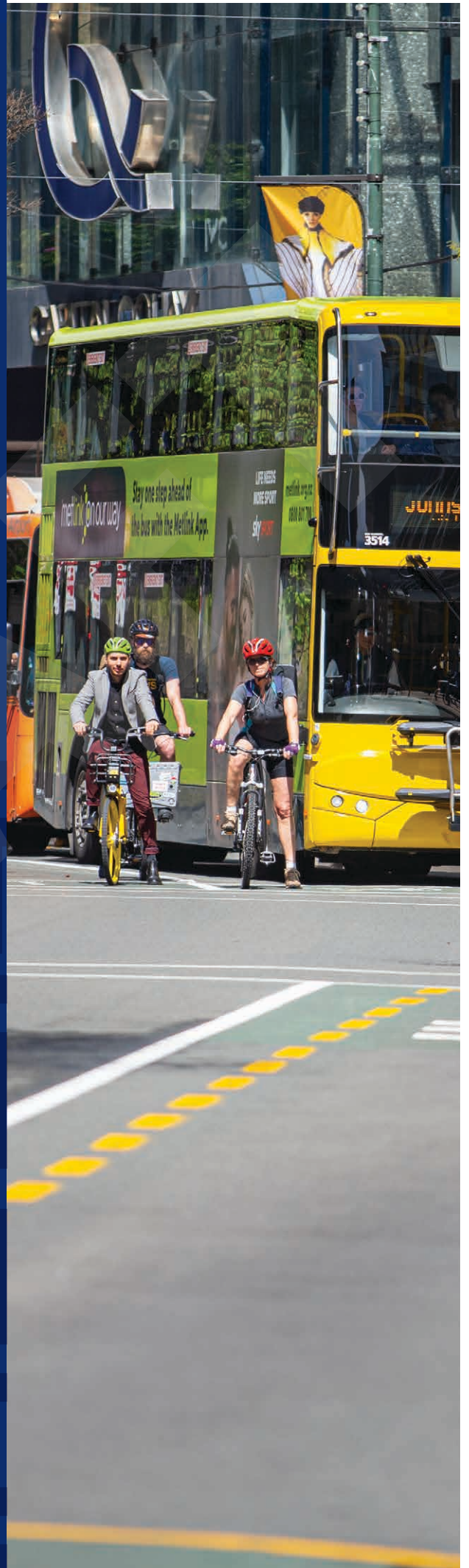
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Section 3. Strategic priorities



STRATEGIC PRIORITIES

This section sets out the strategic priorities, or objectives, for the national land transport system over the next ten years and the expected contribution to longer term outcomes.

The strategic priorities are aspirational, long-term in nature and are expected to be advanced through investment from a variety of different sources.

This section also outlines a strategic investment programme that aligns with the strategic priorities, and is expected to serve as a focus for any new investment.

The strategic priorities and the strategic investment programme reflect the results the Crown aims to achieve from the allocation of funding from the NLTF under section 68(1)(a) and national land transport objectives and policies under section 68(3) of the LTMA 2003 in combination with investment from other sources.

This section also outlines how decision-makers should consider the needs of different users when making investments contributing to the strategic priorities, and how progress will be measured against the outcomes sought.

Strategic Direction

-  Maintaining and operating the system
-  Increasing resilience
-  Reducing emissions
-  Safety
-  Sustainable urban and regional development
-  Integrated freight system

Strategic context

The land transport system needs to improve wellbeing and liveability

Transport is about people. It determines how people get to work and school, influences how they connect with their whānau and communities, and determines when they have the materials, equipment, and services they need. Transport enables and shapes broader social, economic and environmental outcomes. New Zealand's transport system should support everyone to get where they need to go, access the things they need, spend time with the people they care about, and take part in the activities that are meaningful to them.

Transport is also a critical enabler of new housing supply. Effective integrated land use and transport planning and investment can ensure that the places where people live are accessible and connected to employment, education, social and cultural opportunities.

The Transport Outcomes Framework (Figure 2) describes how the transport system is intended to support and improve intergenerational wellbeing and liveability across five outcome areas. Prioritising interventions that deliver benefits across multiple strategic objectives (rather than simply assessing trade offs between objectives) will help to deliver a range of positive outcomes for New Zealand.

Figure 2: Transport outcomes framework

Inclusive access

Enabling all people to participate in society through access to social and economic opportunities, such as work, education, and healthcare.

Economic prosperity

Supporting economic activity via local, regional and international connections, with efficient movements of people and products.

Healthy and safe people

Protecting people from transport-related injuries and harmful pollution, and making active travel an attractive option.

Environmental sustainability

Transitioning to net zero carbon emissions, and maintaining or improving biodiversity, water quality, and air quality.

Resilience and security

Minimising and managing the risks from natural and human-made hazards, anticipating and adapting to emerging threats, and recovering effectively from disruptive events.



STRATEGIC PRIORITIES

How transport investment contributes to the Government’s response to climate change

Our investment approach will support a move towards a low-carbon, sustainable transport system, while also improving our resilience to climate change by protecting against physical risks and making better decisions in the face of uncertainty.

In 2022 the Government introduced the ERP and the NAP to support a whole of government response to climate change. The ways in which the GPS 2024 will guide investment in the land transport system and contribute to the ERP and NAP are outlined below.

The Emissions Reduction Plan sets the context for reducing transport emissions

Reducing transport emissions is critical for reaching New Zealand’s net zero emissions target by 2050. In 2019, transport was responsible for 39 percent of carbon emissions and 17 percent of New Zealand’s total gross emissions, with most of these emissions coming from light vehicles (e.g., cars) with internal combustion engines.

To deliver the ERP, we need to reduce transport emissions by 41 percent (from 2019 levels) by 2035 and reach net zero emissions by 2050.

GPS 2024 will help deliver on the ERP by guiding appropriate investments

The GPS 2024 guides investment that supports the ERP. Crown funding may support all four of the transport targets listed below, whereas the NLTF will primarily support Target 1 – to reduce VKT by light vehicles.

For example, the NLTF will support changes and improvements that make it easier and more attractive for people to travel by public transport, walking and cycling. To a lesser extent, the NLTF will also support Target 3 to reduce freight emissions by investing in rail and coastal shipping. Target 2 and Target 4 are less likely to be substantively supported by NLTF investment and will require other interventions and funding sources.

The Government is pursuing these targets through broader interventions, including regulatory interventions that are beyond the investment focus of this GPS. For example, the Government has introduced initiatives to accelerate the uptake of cleaner vehicles. Many of these actions are outlined in the transport chapter of the ERP.

The ERP sets four transport targets to be met by 2035 to enable us to meet these commitments:

T1. Reduce total vehicle kilometres travelled (VKT) by the light fleet by 20 percent (relative to projected growth) through improved urban form and providing better travel options, particularly in our largest cities

T2. Increase zero-emissions vehicles to 30 percent of the light vehicle fleet

T3. Reduce emissions from freight transport by 35 percent

T4. Reduce the emissions intensity of transport fuel by 10 percent.

The National Adaptation Plan outlines how we adapt to climate change to improve resilience and security

Climate adaptation considers our resilience to extreme weather events, and our ability to respond effectively to incremental change, such as rising sea levels. The first NAP contains strategies, policies and actions that will help New Zealanders adapt to the changing climate – reducing the potential harm of climate change, as well as seizing opportunities that arise. The NAP recognises the importance of an integrated approach to management across multiple sectors. The recent extreme weather has highlighted the interdependencies and risks of co-locating multiple forms of infrastructure (e.g., power, water, and telecommunications).

There are a range of transport sector actions in the NAP, including Waka Kotahi developing and implementing a national climate adaptation plan for land transport and integrating adaptation into its investment decision-making. Waka Kotahi published its climate adaptation plan Tiro Rangi in December 2022.

GPS 2024 guides investment that supports the NAP. As with the ERP, Crown funding and the NLTF are both expected to support the NAP and improve the resilience of our transport infrastructure.

The Government has committed an initial \$6 billion towards a National Resilience Plan to support significant medium and long-term infrastructure investments which focus on the resilience of New Zealand's critical infrastructure, including transport, with plans for further funding in future Budgets. Given recent weather events, the programme will first focus on projects that support recovery and building back better.

➤ **The recent extreme weather has highlighted the interdependencies and risks of co-locating multiple forms of infrastructure**

STRATEGIC PRIORITIES

Strategic priorities for GPS 2024

Six strategic priorities set direction for the system.

These are:

- Maintaining and operating the system
- Increasing resilience
- Reducing emissions
- Safety
- Sustainable urban and regional development
- Integrated freight system.

These priorities overlap and complement one another. For example, investments in the rail system and port infrastructure will lead to stronger inter-regional connections, contributing to sustainable regional development, while making freight movements safer and more resilient. Investment to enable greater mode choice in freight movements will also enhance resilience and reduce emissions.



Strategic priority: Maintaining and operating the system

Primary objective

The condition of the existing transport system is efficiently maintained at a level that meets the current and future needs of users.

Contribution to transport outcomes

- **Healthy and safe people** – the level of safety across the network is maintained and opportunities are taken through maintenance activities to improve the safety, and health outcomes, of the network.
- **Economic prosperity** – efficiency gains are realised from better utilising existing infrastructure, and key routes are maintained to ensure reliable and efficient movement of people and freight.
- **Inclusive access** – the level of service across the network ensures equitable access across all modes, opportunities are taken through maintenance activities to reallocate road space for bus lanes or active transport modes.
- **Resilience and security** – maintenance activities provide a resilient network that is able to adapt to changes over time and incorporate new technologies.
- **Environmental sustainability** – using lower carbon materials, reducing waste, supporting a circular economy, and making use of nature-based solutions to improve resilience to climate change.

How we will deliver these outcomes

New Zealand's existing land transport system is one of our most important and valuable assets. It requires ongoing care to keep at a standard that meets the needs of New Zealanders.

Deferred investment in maintenance can result in the deterioration of assets that can be costly and disruptive to fix. Efficient and effective maintenance and operation of transport networks are crucial investments.

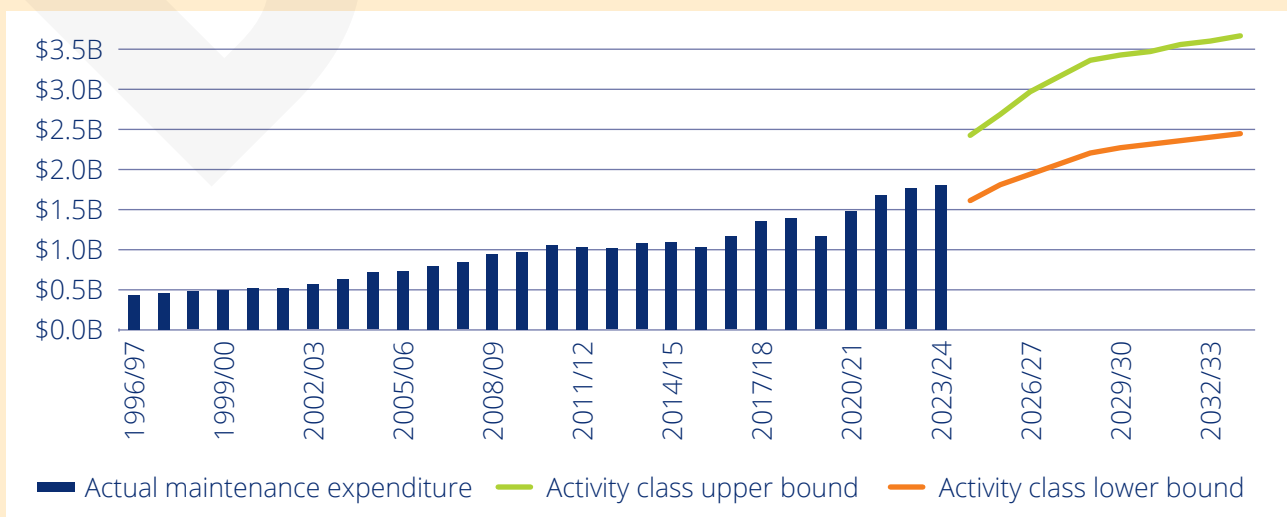
Maintaining and operating the land transport system is a core enabler for the delivery of all other strategic priorities and outcomes. Extreme weather events caused by climate change are taking a greater toll on the condition of the network, increasing the size of the maintenance task. Other threats to resilience and security also need to be considered, including seismic activity and other physical risks.

Figure 3 shows that, after being relatively flat from 2008/09 to 2015/16, funding for maintenance has increased significantly in recent years and received

a further substantial increase in this GPS. The previous period of flat expenditure, and increased pressures on our roading network, mean that we will need to ensure we are investing in the right places at the right time to make the most of the available funding.

The Government expects there will be a focus on achieving value for money through all maintenance and renewals programmes. Decisions need to be based on the needs and contribution within the wider network – rather than necessarily replacing “like-for-like”. This may, for example, mean resilience and safety improvements, or creating additional space for a bus lane or active transport. This requires asset management plans that are forward-looking and outcomes-focused, so that they can anticipate the necessary long-term changes and integrate those changes into maintenance schedules. This should also involve using a maintenance need as a trigger to reshape the network to meet current and future needs, including adjusting the required levels of service to be consistent with the One Network Framework.

Figure 3: Previous and Forecast NLTF Share of Road Maintenance Expenditure



STRATEGIC PRIORITIES



**Strategic priority:
Increasing resilience**

Primary objective

The transport system is better able to cope with natural and anthropogenic hazards.

Contribution to transport outcomes

- **Healthy and safe people** – improvements to roads, public transport and walking and cycling networks will reduce deaths and injuries, and support more physically active travel.
- **Resilience and security** – anticipating and adapting to natural hazards and the effects of climate change will increase collective resilience and security.
- **Economic prosperity** – transport networks will be less susceptible to disruption, reducing barriers to participation in educational, employment and economic opportunities.

How we will deliver these outcomes

New Zealand experiences a wide range of natural hazards – from earthquakes and volcanoes to extreme weather events, erosion, and landslides. Climate change is increasing the severity and frequency of some of those hazards, including flooding, and gradually increasing hazards associated with rising sea-levels. This is putting increasing pressure on the sector’s capacity and resources to respond to climate-related events. The impacts are often particularly acute in rural areas due to a lack of alternate routes and the travel distances to access markets and services.

The strategic priorities work together to improve resilience. For example, maintenance and renewal programmes will recognise the impacts of climate change, with appropriate drainage upgrades and mitigation measures put in place to manage risks. A freight system that better integrates roads, rail and our port infrastructure will improve resilience when land transport disruptions occur.

While it is important to respond to events when they occur, urgent work is also required to proactively reduce the impacts of climate change over time. This includes, for example, considering managed retreat and the retirement of ‘at risk’ assets, reducing known hazards, and taking measures to reduce future risk, such as nature-based solutions to absorb rainfall.

Aspects of resilience are covered by different strategies including the National Disaster Resilience Strategy, the National Adaptation Plan, the Waka Kotahi 2018 Resilience Framework, Future Development Strategies (and joint spatial plans), the RNIP and the Waka Kotahi Climate Adaptation Plan (Tiro Rangi).

Increasing resilience to the current and future impacts of climate change will be delivered through:

- building capability at central and local government to assess, plan and deliver the necessary investments and services needed for a transport network that is both resilient and contributes to other outcomes
- building a dynamic understanding of the transport system's overall exposure to risks and the interdependencies with other systems (especially lifeline utilities)
- reducing exposure to known hazards and proactively reducing future risk through strategic investment (e.g., by building in locations that are informed by flood/hazard mapping and using climate scenario analysis)
- ensuring all new infrastructure is fit for a changing climate
- strengthening resilience to long-term climate impacts and other hazards when making decisions to maintain, upgrade, repair or replace existing infrastructure
- embedding nature-based solutions, where suitable (for example, creating a wetland to slow run-off)
- implementing Tiro Rangī, the Waka Kotahi Climate Adaptation Plan.



Strategic priority: Reducing emissions

Primary objective

Transitioning to a lower carbon transport system.

Contribution to transport outcomes

- **Environmental sustainability** – land transport investment will contribute to reducing greenhouse gas emissions. This will improve outcomes for the natural and built environment.
- **Healthy and safe people** – people will be less exposed to harmful levels of land transport-related pollution. Improvements to roads, public transport and walking and cycling networks will reduce deaths and injuries and support more physically active travel.
- **Economic prosperity** – transport networks will provide affordable, accessible and low-emissions choices for New Zealanders to participate in educational, employment and economic opportunities, and move freight.

STRATEGIC PRIORITIES

How we will deliver these outcomes

The Government's overall transport investment programme will need to reduce emissions. This will involve NLTF and direct Crown investment.

The GPS expects that:

- Waka Kotahi will satisfy itself that each three-year NLTP contains a programme of activities that:
 - makes an appropriate contribution to the 2035 transport emissions reduction targets, within the available NLTF funding, the NLTP's scope of influence, the expectations set out in **Section 4** of this GPS, and other interventions to reduce emissions including land transport investment outside of the NLTF
 - meets the expectations set out in **Section 5** of this GPS, and
 - takes into account other interventions that impact on greenhouse gas emissions (including land transport investment outside of the NLTF).

This will involve prioritising interventions that can deliver emissions reduction and benefits across a range of strategic priorities and outcomes.

VKT reduction programmes will be developed and delivered for urban areas to meet VKT reduction targets. Waka Kotahi, councils, iwi, businesses, communities, and other Crown entities are expected to work together to develop urban VKT reduction programmes that identify investments and other measures that make it easier and more attractive for people to move using public transport or active modes. Investments that reduce VKT are expected to be included in RLTPs to inform investments made under the NLTP and future Crown funding decisions.

For the avoidance of doubt, the GPS does not expect that every individual investment within the NLTP must reduce emissions. For example, we expect the NLTP to include safety improvements, such as median barriers, that will not reduce emissions on their own. Other safety improvements, such as traffic calming and speed management, may be effective ways of delivering safety benefits while also reducing emissions. The right intervention will depend on the circumstances.

Prioritising emissions reduction will look different depending on local circumstances. For example, we expect the NLTF to prioritise activities that improve the reach, frequency and quality of public transport. But we know that shifting travel from cars to public transport will often be easier to achieve and result in larger emissions reductions in urban areas. Improving walking and cycling facilities, and low/zero-emissions vehicles are likely to play a greater role in mitigating climate change in some regions. Increasing adoption of low/zero emissions vehicles is supported by non-NLTF funding levers such as the Clean Car Discount.



Strategic priority: Safety

Primary objective

Transport is made substantially safer for all.

Contribution to transport outcomes

- **Healthy and safe people** – safer roads, streets, footpaths, cycleways and public transport facilities will enable more New Zealanders to travel by active modes, which can help improve people's health, and reduce deaths and serious injuries.
- **Economic prosperity** – well-designed and safe travel networks support productive economic activity as a result of fewer serious crashes, better public health outcomes and more reliable travel times.
- **Inclusive access** – a larger number of New Zealanders will have access to public transport services and safe options for active modes to travel to the places they need to go.
- **Resilience and security** – increasing the range of options people have for travel and reducing the risk from natural and man-made hazards.
- **Environmental sustainability** – safe roads, streets, footpaths, cycleways and public transport facilities will enable more people to travel by public transport and active modes, which will help reduce emissions and manage demand on the transport system.

How we will deliver these outcomes

The Government has committed to a target of reducing deaths and serious injuries on our roads by 40 percent by 2030. This will be delivered through five focus areas:

- Infrastructure improvement and speed management
- Vehicle safety
- Work-related road safety
- Road user choices
- System management.

GPS 2024 will contribute to several of these focus areas by further embedding our road safety principles into infrastructure planning, design, operations, maintenance, and investment decision-making. Safety expenditure will include investment in safe infrastructure (including for public transport and active modes), speed management, road policing, safety cameras and promoting safe behaviour.

➤ **GPS 2024 will further embed our road safety principles into infrastructure planning, design, operations, maintenance and investment decision-making**

STRATEGIC PRIORITIES



**Strategic priority:
Sustainable urban and
regional development**

Primary objective

People can readily and reliably access social, cultural, and economic opportunities through a variety of transport options. Sustainable urban and regional development is focused on increasing housing supply, choice and affordability, and developing resilient and productive towns and cities through effective transport networks that provide a range of low-emission transport options and low congestion.

Contribution to transport outcomes

- **Economic prosperity** – efficient and effective transport networks, underpinned by reliable and frequent public transport systems, integrated with active travel networks, will help to manage road congestion, enable efficient flows of people and goods, and support housing and urban growth.
- **Healthy and safe people** – more active travel will support physical and mental health. Safe walking and cycling infrastructure and more travel by public transport will reduce deaths and serious injuries, and reduce illness caused by air pollution.
- **Inclusive access** – a larger number of New Zealanders will have access to public transport services and safe options for active modes to travel to the places they need to go.
- **Environmental sustainability** – reduced private vehicle travel and more travel by low-emission modes, such as active modes and public transport will reduce greenhouse gases and pollutants. Improving resilience such as better integrating nature-based

solutions can support broader environmental and biodiversity outcomes.

- **Resilience and Security** – improving transport network design and integrating planning across multiple disciplines will reduce the risk of disconnected communities and reduce the harm caused during emergency events.

How we will deliver these outcomes

Sustainable urban and regional development involves improving the quality of life in our urban and regional centres. By improving access, affordability, community connectivity and environmental outcomes, we will see more efficient land use and resource use. This GPS supports the achievement of well-functioning urban environments as specified in the National Policy Statement on Urban Development 2020.

Transport is a key enabler of housing supply choice and affordability. Urban planning and transport planning/investment will be closely co-ordinated, via current and future Urban Growth Partnerships, to support increased housing supply, and higher density development along well-connected transport corridors and in town centres. It will also give people more choices about where they live and work, and how they travel, by improving access to a range of transport modes and making it easier to access places using public transport and active modes. Traffic and congestion can be better managed by implementing policies and programmes that reduce the need for users to travel long distances and enable others to use dedicated active travel routes and frequent public transport services.

New Zealand's economy is also built on our regions. Ensuring our regional communities have the infrastructure and services they need to thrive and grow, boosts regional economies, and creates jobs. The Government wants to make regional economies stronger and more resilient to improve

the economic prospects, wellbeing and living standards of all New Zealanders. Many of these initiatives, which are designed to better align land use plans with transport, will focus on the biggest urban centres. However, it is also important to consider smaller towns and cities, particularly housing availability, affordability, and equity issues.

This will be delivered by:

- implementation of changes via the resource management system, including those that enable significantly more housing in urban areas (via the National Policy Statement on Urban Development 2020 and implementing Medium Density Residential Standards) close to economic, social and cultural opportunities connected to public transport, walking and cycling routes
- Waka Kotahi, the Ministry of Housing and Urban Development, Kāinga Ora and other Crown agencies partnering with local authorities as they develop their Future Development

- Strategies and VKT Reduction Programmes demand management tools, including greater use of road pricing and parking management
- investing in networks for rapid transit/public transport, cycling, walking and freight, and maintaining them at the required level of service for the demand
 - investing in metropolitan rail as part of the implementation of the New Zealand Rail Plan and support rail investigations and route protection actions to meet the emission reduction challenge
 - investing in new and maintaining existing inter-regional public transport connections
 - ensuring development is resilient to the current and future effects of climate change
 - Waka Kotahi and Public Transport Authorities will adopt the Sustainable Public Transport Framework and commit to decarbonising public transport by 2035.



STRATEGIC PRIORITIES



**Strategic priority:
Integrated freight system**

Primary objective

Well-designed and operated transport corridors and hubs that provide efficient, reliable, resilient, multi-modal, and low-carbon connections to support productive economic activity.

Contribution to transport outcomes

- **Healthy and safe people** – efficient freight movement and shifting the movement of freight from road to rail and coastal shipping, where appropriate, will reduce the safety risks of travel and improve air quality.
- **Resilience and security** – improving transport connections, alternative and multi-modal routes and integration of freight networks will boost the ability of the transport system to respond to and recover from disruptions.
- **Environmental sustainability** – decarbonising freight by increasing movement of freight by lower emissions transport modes (including rail and coastal shipping) will reduce carbon emissions and other pollutants.
- **Economic prosperity** – improving the resilience and efficiency of freight routes will help to reduce the cost of moving goods and services around New Zealand, easing pressure on people’s cost of living and supporting a more productive overall economy.

How we will deliver these outcomes

These outcomes require a long-term and coordinated approach to our national freight network. This will be achieved in part through:

- Finalising and implementing the New Zealand freight and supply chain strategy
- Managing resilience risk on important regional corridors where disruptions cause the highest economic and social cost
- Improving the safe and efficient movement of freight by taking the needs of freight operators into consideration in transport design and urban planning, and through network optimisation and optimal vehicle regulation
- Enabling greater mode choice and efficiency through more integrated networks – to enable freight to travel on the most carbon efficient mode and route, such as the rail network
- Improving mode choice for moving freight by coastal shipping, by investing in infrastructure and supporting services and relevant research.

While it is important to boost the share of freight carried by lower emissions modes like rail and coastal shipping, 70 percent of freight travels under 100 km and is largely in urban settings. Therefore, the road freight sector will continue to carry the largest volume of freight in our supply chain. We will continue to work with the sector to build a resilient network, including through increased investment in maintenance. Consistent with the ERP, the Government will also work on policy options to accelerate the uptake of lower emissions road freight options.

The Government is committed to continuing to invest in rail through the RNIP to achieve the priorities set out in the New Zealand Rail Plan. This includes investing to restore rail freight and provide a platform for future investments for growth where they align with outcomes sought through the GPS.

The Ministry is leading the development of the New Zealand freight and supply chain strategy, which seeks to identify what is needed to optimise the system in the coming decades. The GPS will support this strategy.

Strategic Investment Programme

The Government has identified a number of strategic projects that it considers present an opportunity for transformational change, and to develop an integrated, sustainable, resilient, safe, and low-carbon land transport network.

The projects included in the strategic investment programme are listed below.

The authority to approve a Rail Network Investment Programme (RNIP) and NLTF funding for an RNIP sits with the Minister of Transport. For the non-rail projects, decision rights for funding from the NLTF rests solely with Waka Kotahi. But by highlighting these projects, the Minister expects that their strategic importance will be given particular consideration during NLTF development, given their alignment and potential impact on the wider government priorities outlined in this document.

The Strategic Investment Programme has been used to inform the Activity Class ranges on page 48, and any additional funding provided to the NLTF.

- **Warkworth to Whangārei**
State Highway 1, including:
 - Te Hana to Brynderwyns
 - Warkworth to Wellsford
 - Whangārei to Brynderwyns

- **Auckland Northwest Rapid Transit**

- **Auckland rail third and fourth rail mains**

- **Avondale to Onehunga rail link**

- **Auckland and Wellington Metropolitan Level Crossing Upgrade and Removal Programme**

- **Cambridge to Piarere**
State Highway 1

- **Tauranga to Tauriko**
State Highway 29

- **Napier to Hastings**
State Highway 2

- **Wellington CBD to Airport**
State Highway 1 – Second Mount Victoria Tunnel and upgrades to Basin Reserve/Arras Tunnel

- **Wellington CBD to Island Bay**
Mass Rapid Transit

- **Nelson (Rocks Road) shared path**
State Highway 6

- **Nelson – Hope Bypass**
State Highway 6

- **Christchurch Northern Link**
State Highway 1

- **Ashburton Bridge**
State Highway 1

STRATEGIC PRIORITIES

Government commitments

In addition to the Strategic Investment Programme, the Minister expects that, where appropriate, the development of the NLTP should be informed by the following:

- Road to Zero Safety Strategy
- New Zealand Rail Plan
- Auckland Transport Alignment Project (ATAP)
- Let's Get Wellington Moving (LGWM)
- Emissions Reduction Plan (ERP)
- National Adaptation Plan (NAP)
- Disability Action Plan
- Inter-regional public transport

Many of these programmes are expected to be supported by a mixture of NLTF and direct Crown funding. The extent of NLTF funding is subject to Waka Kotahi decisions to approve activities within the programmes (except for the New Zealand Rail Plan, where the Minister approves funding of activities).

Some of these programmes also rely on “local share” contributions. It will be important for councils and Waka Kotahi to consider how NLTF, Crown and local funds can be optimally used to meet the Government’s expectations. We expect Waka Kotahi to take an integrated investment approach across funding sources to ensure the NLTF can be leveraged to deliver the greatest benefits across multiple priorities and outcomes.

Waka Kotahi, working closely with approved organisations, is expected to report to the Minister on any investment and delivery progress towards these commitments.

Road to Zero Safety Strategy

'Road to Zero' is focused on making our roads safer, by providing a map for change, with a vision of a New Zealand where no one is killed or seriously injured on our roads. Road to Zero sets a target of a 40 percent reduction in deaths and serious injuries by 2030 (from 2018 levels). It charts a path to achieving this with a focus on infrastructure improvements and speed management; vehicle safety; work-related road safety; road user choices and system management.

Road to Zero activities will be delivered across the state highway and local road improvement and safety activity classes.

New Zealand Rail Plan

The New Zealand Rail Plan outlines the Government's vision and priorities for rail. The vision is for New Zealand's national rail network to provide modern transit systems in our largest cities, and to enable increasing volumes of freight to be moved off the roads and onto rail. Over the next decade investment is needed to achieve a reliable and resilient national rail network. This requires investment in both the national rail freight network and our metropolitan rail networks.

The rail network activity class was created to support investment in KiwiRail's national rail network to restore rail freight and provide a platform for future investments for growth in rail freight. The NLTF is one contributor to funding this alongside the Crown's direct contribution. The public transport infrastructure activity class also delivers rail network investment within the Auckland and Wellington metropolitan networks.

The Government is committed to continuing to invest in rail through the RNIP to achieve the priorities set out in the New Zealand Rail Plan and outlined in this GPS 2024. This includes investing in the national rail network to promote rail freight and future metro investments where they align to the outcomes sought.

Auckland Transport Alignment Project (ATAP)

ATAP is a strategic initiative between the Government and Auckland Council to develop a transformative transport programme that addresses Auckland's key challenges over the next 30 years and beyond. ATAP is funded by a mixture of sources, including the NLTF, Auckland Council local share and Crown funding for the City Rail Link, NZUP and the Covid Response Recovery Fund (CRRF).

Auckland is currently developing the Auckland Integrated Transport Plan, which will present the short and long-term strategic priorities for Auckland across an integrated network. The Minister and the Mayor of Auckland have jointly commissioned this work to develop a set of shared transport outcomes for Auckland and expect key decisions to be finalised prior to 1 July 2024, when GPS 2024 takes effect. Any changes to ATAP will need to reflect the challenging funding environment, with the NLTF and local share under increasing pressure.

It is expected that ATAP will inform the Auckland RLTP and the Auckland component of the NLTP.

STRATEGIC PRIORITIES

Let's Get Wellington Moving (LGWM)

LGWM is a joint initiative between Wellington City Council (WCC), Greater Wellington Regional Council (GWRC), and Waka Kotahi to make major investments over 20 years in mass rapid transit, walking and cycling, public transport, and state highway improvements to support urban development in Wellington City.

Emission Reduction Plan (ERP)

New Zealand's first ERP laid down the challenge: we need to reduce our transport emissions by 41 percent by 2035 (from 2019 levels) and largely decarbonise transport by 2050. The ERP sets four transport targets, outlined in **Section 3**.

To meet these targets, we need to focus on three things:

- Making it easier to get around without a car
- Helping people and businesses make the switch to zero emission vehicles
- Encouraging low-emissions freight options.

National Adaptation Plan (NAP)

The first NAP was published in August 2022. It contains Government-led strategies, policies and actions that will help New Zealanders adapt to the changing climate and its effects.

Major actions signalled in the NAP include:

- a platform to work with Māori on climate actions
- risk, resilience and adaptation information portals which will provide access to information, and a rolling programme of targeted guidance
- a programme of work to unlock investment in climate resilience.

Disability Action Plan

The Disability Action Plan 2019-2023 identifies outcomes and work programmes to advance implementation of the United Nations Convention on the Rights of Persons with Disabilities and the New Zealand Disability Strategy 2016-2026. The GPS 2024 relates most directly to the Accessibility work programme.

Inter-regional public transport

Through this GPS the Government signals its intention to make improvements to the inter-regional passenger transport network through a dedicated activity class that will enable partnership with other parties including local government, KiwiRail, and the private sector, to begin developing new inter-regional public transport services, including rail. In addition, the Government is already investing in inter-regional rail passenger transport, through the Te Huia and Capital Connection services.

Meeting the land transport needs of different users

Users of the land transport system have a diverse range of needs, and it is critical that the system is accessible to all New Zealanders.

This includes, for example, disabled people, low-income earners, and people of different ages, genders, and ethnicities. Transformational change to the transport system creates opportunities to address existing inequities. Care will be needed to avoid further entrenching disparities that already exist.

Māori

Decision-makers across the transport system have responsibilities³ to work in partnership with Māori and in a way that is consistent with the Government's commitments to te Tiriti o Waitangi. In the land transport system, this means:

- demonstrating good governance (kāwanatanga) by ensuring Māori interests are considered and addressed at all levels
- actively protecting tino rangatiratanga and enabling Māori to exercise kaitiakitanga with respect to natural, physical, and spiritual resources
- ensuring equitable outcomes for all users of the land transport system.

A focus for GPS 2024 is on ensuring Māori aspirations for the transport system are better reflected at the strategic level. This will require enduring partnerships across the system – between the Ministry of Transport, Waka Kotahi, KiwiRail and local government, with relevant whānau, hapū and iwi, and national organisations.

3. The principal statutory obligations with respect to Māori are set out under section 4 of the Land Transport Management Act 2003.

STRATEGIC PRIORITIES

Supporting rural and regional communities

GPS 2024 recognises the diverse transport needs of communities across New Zealand. Transport is essential for ensuring connections between primary production and markets, as well access to social opportunities such as health, education, and work.

Local funding pressures, exposure to natural hazards, and the increasing pressures of climate change are placing stress on our rural and regional communities to maintain these connections. It is critical that sufficient funding is available to maintain networks to the condition required to ensure they are safe, resilient, sustainable, and accessible.

Through the NAP, we expect that new funding and asset management tools will be developed that support councils to better manage land transport infrastructure. New investment to improve resilience will be expected once the necessary plans and strategies are in place. In the short-term, the land transport sector will continue to work collaboratively to share insights and tools and improve decision-making.

Key strategic priorities for rural and regional communities include resilience, maintaining and operating the existing system, safety, and better freight integration. Funding for activities that reduce emissions in these areas should be encouraged where it delivers value for money consistent with the GPS.

Supporting disabled people

‘Inclusive access’ is one of the main outcomes sought in the Transport Outcomes Framework. Disabled people need access to transport services so that they have equitable access to key locations such as work, study, shops, and community spaces. Transport operators are required to make “reasonable accommodations” so that disabled people have equitable access to the services these companies provide. Investment decision-makers also need to consider how their investments will impact on disabled people so that the transport system enables people with disabilities to access these opportunities.

➤ **Transport is essential for ensuring connections between primary production and markets, as well as access to social opportunities such as health, education and work**

How progress will be measured

The Ministry and Waka Kotahi have together developed a GPS monitoring framework for GPS 2024.

The framework in **Appendix 6** shows how the strategic priorities, action plans and policies work together to deliver the intended outcomes. Draft outcome indicators are detailed in Table 1 below. These indicators will be updated as part of ongoing framework development. Waka Kotahi is expected to report on these outcomes, as well as progress on specific actions that will be required

to deliver the GPS 2024. **Section 5** provides further detail about how the Minister expects Waka Kotahi to plan, manage and report on its investment activity.

Value for money is embedded throughout the framework, recognising that a range of factors influence this. Waka Kotahi is expected to report on how value for money is achieved, depending on the type of investment, the business case phase, the level of complexity, affordability or uncertainty that may need to be considered. Focussing only on traditional indicators of economic efficiency (such as Benefit-Cost Ratio) is not sufficient on its own to improve value for money.



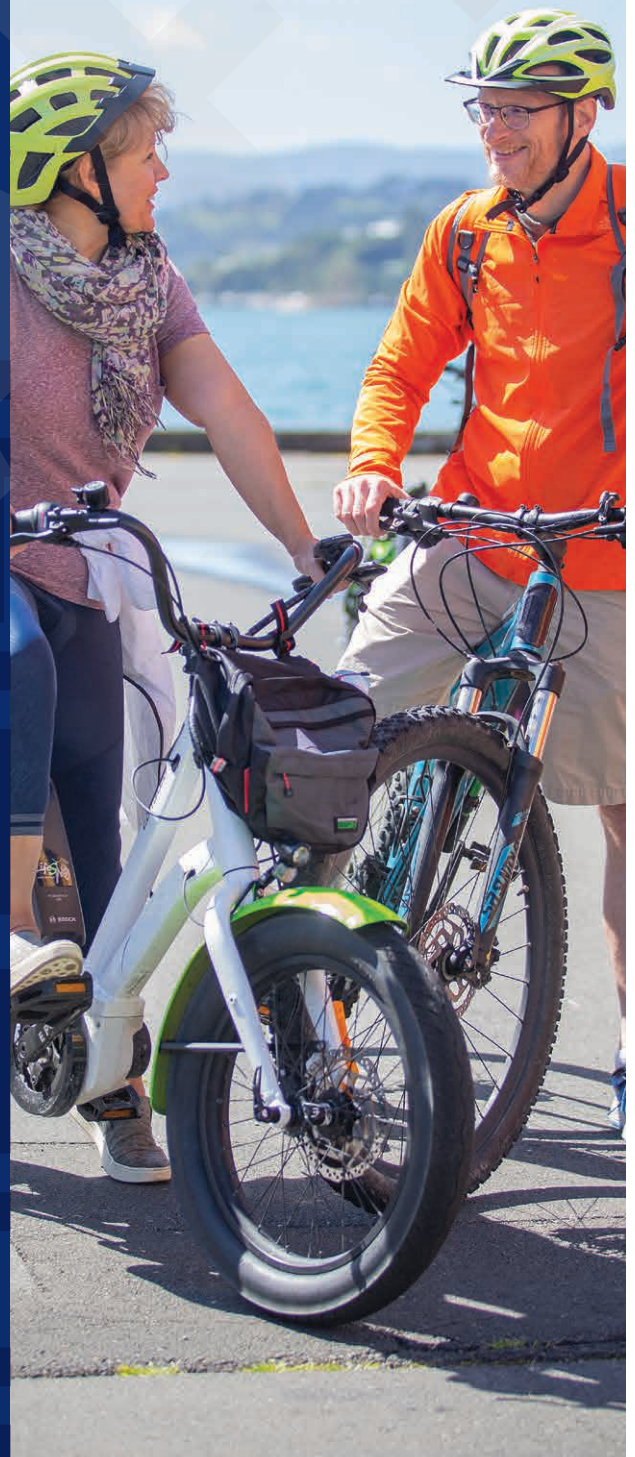
STRATEGIC PRIORITIES

Table 1: Monitoring the outcomes sought

Strategic priority	Contribution to Transport Outcomes	Measures we will use to monitor progress
Maintaining and operating the system	Investments in maintenance renewals and replacements support base asset condition	<ul style="list-style-type: none"> Proportion of the state highway network that meets minimum asset condition requirements Proportion of travel on smooth roads (local roads) Asset sustainability ratio (state highways)
Increasing resilience	Existing infrastructure will have increased adaptive capacity	<ul style="list-style-type: none"> Percentage of high-risk, high-impact routes with a viable alternative (also a measure under “Integrated freight system”) The proportion of unplanned state highway road closures resolved within standard timeframes
	Urban planning and development will minimise risk of climate change to communities	<ul style="list-style-type: none"> Te Manatū Waka will work with Waka Kotahi and other agencies to develop improved adaptation and resilience measures
Reducing emissions	The ERP will be on track to achieve its emissions reduction targets	<ul style="list-style-type: none"> Greenhouse gas emissions from the land transport system Light vehicle kilometres travelled Proportion of light vehicle fleet that are no/low carbon vehicles Emissions from freight transport
Safety	The system is on track to achieve the Road to Zero targets	<ul style="list-style-type: none"> Deaths and serious injuries (DSIs) on the land transport system – Target 40 percent reduction by 2030 Head-on, run-off-road and intersection DSIs DSIs involving low safety rating vehicles
Sustainable urban and regional development	Reduced reliance on cars in urban areas	<ul style="list-style-type: none"> Increase access to social and economic opportunities by public transport and active modes Mode share of PT and active modes Proportion of new housing with access to frequent public transport Perceived safety of walking and cycling Percentage of people that view active modes as an attractive and feasible alternative to driving for their most recent journey Private vehicle occupancy
	Improved transport journeys	<ul style="list-style-type: none"> Commute length Trip rate (measure of how often people leave their homes) Predictability on key urban roads (good indication of urban congestion) User experience by mode (increasing for shared and active modes)
Integrated freight system	Improved freight supply chain efficiency	<ul style="list-style-type: none"> Rail travel time reliability (freight)
	More freight is moved by low carbon modes	<ul style="list-style-type: none"> Freight mode share
	Freight routes are more resilient	<ul style="list-style-type: none"> Proportion of outages that are restored within agreed timeframes Number of rail freight derailments Percentage of high-risk, high-impact routes with a viable alternative

Section 4. Investment in land transport

This section describes how different funding and financing sources will contribute to land transport investments and sets NLTF activity class funding ranges.



INVESTMENT IN LAND TRANSPORT

Context for investment

The focus of Government Policy Statements on land transport are on transport outcomes that are addressed by direct and ongoing investment.

For example, regulatory changes such as vehicle safety standards, speed limits and pollution emission standards, also play a critical role in improving safety and reducing emissions. Integrated transport and planning tools and investment in rural broadband can also help to connect communities and help reduce the need to travel. Often a combination of levers will be required to achieve any one outcome.

Infrastructure investment is one of the levers we use to achieve transport outcomes. However, funding of transport infrastructure and services is only one way of achieving transport outcomes – there are many other ways to influence those outcomes.

When it comes to direct investment in land transport services and infrastructure, the following intervention hierarchy applies.

Figure 4: Intervention hierarchy



The infrastructure intervention hierarchy should be applied when generating and considering alternatives and options. The intervention hierarchy is used to help drive value for money by promoting low-cost investment ahead of more costly physical infrastructure and technological investment.

Given the constrained funding environment, it is more important than ever that:

- investment planning works through the intervention hierarchy and considers all the other levers available for the land transport system to influence outcomes, before investing in a transport infrastructure improvement solution

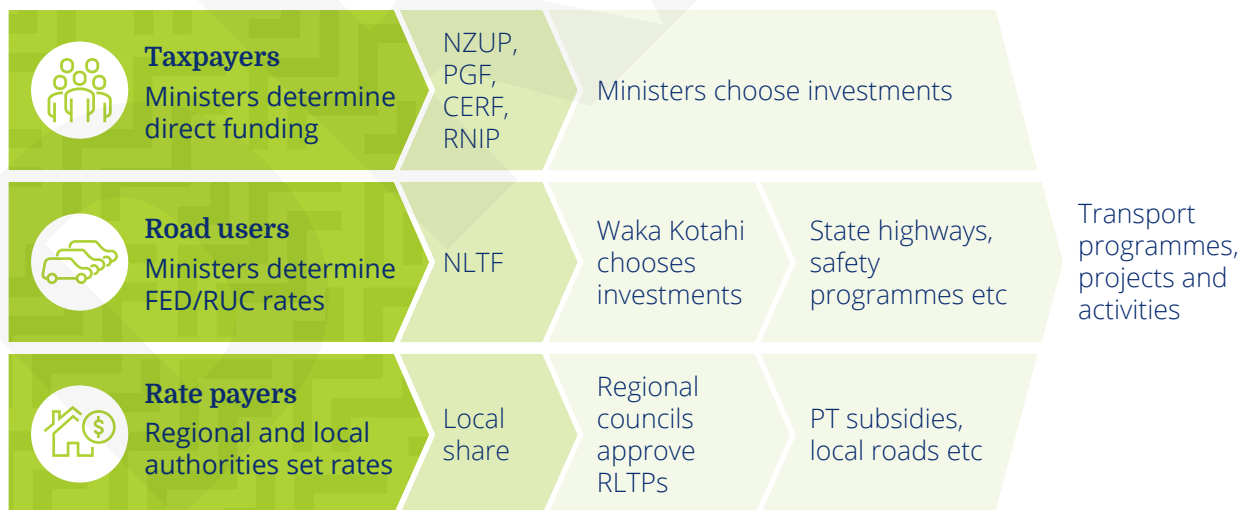
- all spending provides value for money. This means robust options analysis, seeking opportunities to deliver co-benefits across multiple outcomes, and ensuring fit-for-purpose investment processes.

Sources of land transport investment

The table opposite summarises some of the key considerations for how different funding sources are used for land transport investment.

The main funding pathways for land transport investment are shown in Figure 5.

Figure 5: Main Land⁴ Transport funding flows



4. For clarity, this diagram does not attempt to show every funding pathway. For example, Ministers determine the Crown 'top-up' for rail to go to the NLTF and approve the RNIP. Ministers have also provided additional funding to the NLTF for flood recovery works.

INVESTMENT IN LAND TRANSPORT

Table 2: Main sources of land transport investment

National Land Transport Fund (NLTF)	<ul style="list-style-type: none"> • The NLTF is a dedicated fund for maintaining and developing local and national transport infrastructure, services and activities. • The NLTF is largely made up of revenue from fuel excise duty (FED) and road user charges (RUC). Smaller amounts of revenue come from motor vehicle registration and licensing, the sale of surplus land and property, tolls and freight rail track user charges. • Waka Kotahi also has access to debt facilities to manage short-term cashflow issues, and for other purposes, as prescribed by the Crown from time to time. • Waka Kotahi is responsible for allocating NLTF funding to give effect to the GPS. This includes contributing to the results sought in Section 3, which guide investments to support the Transport Outcomes Framework: inclusive access, economic prosperity, healthy and safe people, environmental sustainability and resilience and security. • The NLTF will fund activities in accordance with the activity class ranges set in the GPS. • The NLTF is required to fund previously approved activities (subject to narrow exceptions) and debt commitments. • For GPS 2024, the priority for funding from the NLTF is to ensure the ongoing operation and maintenance of the system. The activity class ranges in the GPS allocate approximately 60 percent of funding towards the maintenance, operation and optimisation of the existing land transport system over the next ten years. This is in accordance with the Maintaining and Operating the System strategic priority and as a core enabler for the delivery of all other strategic priorities and outcomes. • Available funding beyond maintenance, operation and optimisation of the existing system will be prioritised to fund improvement activities to contribute to the strategic priorities.
Climate and Emergency Response Fund (CERF)	<ul style="list-style-type: none"> • Revenue from the Emissions Trading Scheme is allocated to CERF. • Cabinet allocates CERF funding to support emissions reductions and reducing vulnerability or exposure to the impacts of climate change, including the implementation of the ERP and NAP. • CERF funding may be used to support the implementation of transport activities, as a means of supplementing investments made through the GPS 2024 with a focus on emission reduction and/or mitigating the impacts of climate change.
Direct Crown funding	<ul style="list-style-type: none"> • Cabinet may choose to allocate additional funding for transport projects to support the achievement of GPS or wider government priorities that are not affordable within the NLTF. • These tend to be investments that are very large; projects that have multiple objectives; or investments that respond to specific events or wider strategic needs. This may include, for example, major infrastructure projects, regional development projects and large-scale system shocks (e.g., COVID-19 or recovery from natural disasters). • There will typically be a broader set of considerations applied to these investments than to projects and activities that centre purely on transport objectives. When proposing investments for Crown funding, Cabinet is responsible for determining the rationale for investment and relative priority. • Officials have responsibility for ensuring that Ministers are well informed before making such decisions, including providing advice about the fit of a proposed investment with relevant government strategies and plans such as the ERP, the NAP and the NPS-UD. The nature of direct Crown funding is such that the timing of its approval does not necessarily align with the publication of a GPS.
Local share	<ul style="list-style-type: none"> • Regional councils, unitary authorities and territorial authorities – collectively known as ‘local government’ – play a key role in the transport planning and funding system. • Local government is responsible for developing, maintaining and operating a large network of local roads and for delivering public transport infrastructure and services. It also has a key role in achieving integrated transport planning. • Local government contributes ratepayer funding towards activities in the NLTP that it is responsible for delivering, and this supplements investment from the NLTF. • These activities include local road construction, operations and maintenance; public transport infrastructure and services; and walking and cycling infrastructure.

Investment delivered through the National Land Transport Fund

The Government is proposing to make a substantial increase in the funds available to the NLTF.

The Government is proposing to make a substantial increase in the funds available to the NLTF. Including all contributions, revenue available to the NLTF will rise from \$15.5 billion in 2021/22-2023/24 to \$20.8 billion in 2024/25-2026/27, an increase of 34 percent.

This additional funding will be used to ensure that New Zealanders have a quality roading network that is resilient, and the transport system is optimised to support future expectations. This includes being resilient to adverse weather conditions. Given the recent weather events, the programme will also focus on projects that support recovery and building back better. Investment in maintenance and operation of the system will also be a key focus for GPS 2024.

In March 2022, the Government cut FED and RUC rates by 25 cents a litre to provide cost of living relief through the global energy crisis, triggered by the war in Ukraine. The FED and RUC cuts concluded on 1 July 2023. Balancing the increase in FED/RUC, following removal of the 25-cent reduction, is critical to minimising the cost increases that households are facing.

A balance has been struck which covers the critical increase in investment by funding this through:

- Proposed gradual increases in FED and RUC
- Hypothecation of traffic infringement fee revenue to the NLTF
- Crown grants
- A Crown loan.

In proposing this combination of revenue sources, the Government has aimed to balance:

- The cost pressures on household and business budgets

- The need for more investment to maintain and improve the resilience of transport infrastructure
- Significant price increases in the sectors that provide transport infrastructure and services
- The absence of a FED/RUC increase to the NLTF since September 2020⁵
- The value of maintaining price signals for road users to help to manage demand
- Delivery constraints.

These factors have led to the proposed funding package, totalling \$20.8 billion of expenditure over the first three years of GPS 2024. While recognising the desirability of additional expenditure, ultimately that must be balanced against affordability and delivery constraints.

Proposed increases to FED and RUC

The Government is proposing to return to the previous practice of regular, small increases in FED/RUC to maintain the spending power of the NLTF (see Figure 6). Officials advised the Government that it should make larger increases to FED/RUC to provide most of the additional funding from this source. However, the amount that would be required to fund the NLTF in full would be a one-off increase of 30 cents per litre to fund the essential expenditure and another one-off increase of 8 cents per litre to fund the Strategic Investment Programme.

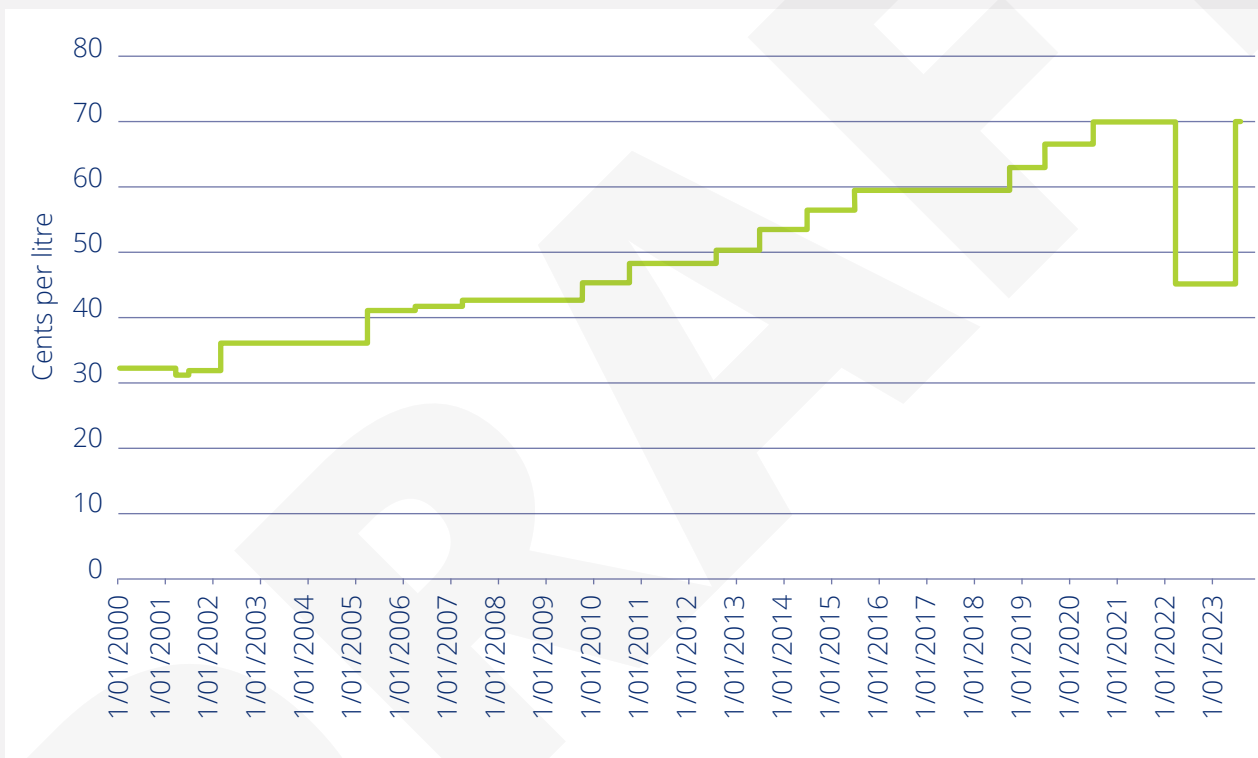
Given the significant impact that this would have on the cost of living for many households, the Government does not consider that an increase of this kind would be acceptable. Accordingly, the draft GPS proposes to supplement the NLTF with direct Crown funding and financing to reduce the size of the proposed FED/RUC increases.

To ensure that revenue matches investment, and the land transport system continues to be maintained, we propose two six-monthly 2 cents per litre increases for the first year, followed by two annual 4 cents per litre increases, reaching

5. Noting that the Government supported households from March 2022 to June 2023 with temporary reductions in FED and RUC. During this time, Crown funding maintained expected cashflows into the NLTF.

INVESTMENT IN LAND TRANSPORT

Figure 6. Previous changes to rate of Fuel Excise Duty



a total of 12 cents per litre in July 2026. A 2 cent per litre increase is the equivalent to an additional cost per week of \$0.44 to the average motorist, increasing to \$2.64 per week by July 2026.

The proposed increase, phased in by July 2026, will generate an additional \$1.4 billion in revenue over 2024-27. This additional revenue will, in part, be used to meet the rising costs of maintaining roads, which is forecast to cost between \$5.4 billion and \$8.1 billion over 2024-27.

Hypothecation of traffic infringement fee revenue to the NLTF

Fee revenue from traffic offences currently goes into the Crown account. To help deliver on the critical investment in land transport required through GPS 2024 and reflecting the safety-focus of traffic infringement notices, it is now proposed that infringement fees will be hypothecated to the NLTF where it will be directed to support safety investments through the Road to Zero programme. Infringement fees currently amount to approximately \$100 million per annum.

Crown grants

The Government is proposing to provide Crown grants totalling \$2.9 billion to the NLTF over the period 2024/25-2026/27. This will include \$500 million from the CERF, which will be directed to the Walking and Cycling Activity Class to increase uptake of walking and cycling and reduce emissions.

Crown loan

The final funding component is a Crown loan of \$3.1 billion. This will be repaid over ten years from the additional FED and RUC revenue.

Together, FED/RUC increases, Crown grants, a Crown loan and traffic infringement fee hypothecation will ensure the essential expenditure necessary to maintain our land transport infrastructure and the continued operation of transport services.

Future of the Revenue System

The proposals above will provide confirmed revenue for the period 2024/25-2026/27. However, as some of this revenue is coming from one-off grants, expected revenue drops in 2027/28.

The land transport system is undergoing major transitions. This involves: a shift from private cars to active modes or public transport; moving more freight from road to rail and coastal shipping; a move to decarbonise transport modes; and changes in where we live and work. Consequently,

revenue from road users will be impacted. At the same time, additional investment is required to support emissions reduction and safety programmes.

The Government has commenced a review, called Future of the Revenue System (FoRS) to determine how land transport should be funded in the future, to ensure sustainability in the long-term. The Ministry is currently examining options, with a view to public consultation in early 2024. Detailed design work and development of the preferred options, and staged implementation, will come after that. It is expected that this work will be completed in time to inform GPS 2027.

It is expected that the Government's transport funding approach for the period from 2027/28 will be informed by the results of the FoRS review.

National Land Transport Programme

The LTMA requires Waka Kotahi to prepare and adopt a NLTP, for the following three financial years. The NLTP must:

- contribute to the purpose of the LTMA
- give effect to the GPS, and
- take into account any:
 - regional land transport plans
 - national energy efficiency and conservation strategy
 - relevant national policy statement and any relevant regional policy statements or plans that are for the time being in force under the Resource Management Act 1991.

Table 3: National Land Transport Fund expected revenue 2024/25 to 2029/30

	2024/25 \$m	2025/26 \$m	2026/27 \$m	2027/28 \$m	2028/29 \$m	2029/30 \$m
NLTF revenue	6,200	6,800	7,750	5,400	5,450	5,500

INVESTMENT IN LAND TRANSPORT

Table 4: National Land Transport Programme funding ranges 2024/25 to 2029/30

	2024/25 \$m	2025/26 \$m	2026/27 \$m	2027/28 \$m	2028/29 \$m	2029/30 \$m
Expenditure target	5,550	6,000	6,450	4,750	5,000	5,150
Maximum expenditure	5,850	6,300	6,750	5,050	5,300	5,450
Minimum expenditure	5,150	5,600	5,600	4,550	4,800	4,950

Note this expenditure target relates specifically to NLTF spend i.e., Waka Kotahi share (excluding local share contributions and other external funding sources).

Table 4 shows the total expenditure target along with the maximum and minimum for the ten years of GPS 2024. The expenditure target for the NLTP reflects the NLTF funding that can be invested into land transport activities' net of expected debt repayments (see **Appendix 3**). It is based on the expected level of NLTF revenue (noting that additional revenue decisions relating to 2027/28 onwards are yet to be taken), the net impact of borrowing and any surpluses carried forward from one financial year into the next.

Allowable reasons for varying the expenditure targets

The Minister may vary the expenditure targets. Where it is likely that actual revenue levels will vary significantly from expenditure targets or it is not possible to spend at the expected rate (e.g., a pandemic), the Ministry and Waka Kotahi will advise the Minister on options for aligning expenditure and revenue.

Allowable variation

Waka Kotahi is required to match its expenditure to the target expenditure set out in Table 4. However, it is also legally required to limit its spending to the levels of available revenue in the NLTF. Because both the timing and levels of revenue and expenditure are subject to

uncertainty, the LTMA 2003 provides for an 'allowable variation' to be set in a GPS as a way of managing any imbalances that arise.

In practice this 'allowable variation' is determined by the loan facilities provided to Waka Kotahi as these set the limit on the extent to which expenditure from the NLTF can exceed revenue inflows. For the avoidance of doubt, in GPS 2024 the allowable variation is the sum of all borrowing made available to Waka Kotahi by the Minister of Transport and the Minister of Finance, reduced over time as that borrowing is drawn down.

Policy on borrowing for the purposes of managing the delivery of the NLTP

At times borrowing will be required to manage the delivery of the NLTP. Borrowing increases available funding in the short-term, which can be used to manage cash flow, cope with unexpected shocks or to deliver additional activities. However, in the future there will be a corresponding decrease in available funding as the borrowing is repaid.

A change in how borrowing is reported is being implemented in this GPS. The activities funded though borrowing will be reported at the time of the investment as expenditure in the appropriate activity class. Repayment of borrowing will be reported as expenditure from the NLTF, separate from activity class spend. Put simply, although the

NLTF will be responsible for repayment of the borrowing, the interest and debt repayments will be reflected separately from the activity class ranges in GPS 2024.

The Ministry will work with Waka Kotahi to develop reporting practices to ensure both the spend on activities funded from borrowing and the repayments of borrowing are clearly reported. This includes borrowing drawn down before 1 July 2024.

At the time of publishing this GPS, formal arrangements are in place for Waka Kotahi to

use several borrowing facilities. Table 5 provides details of these arrangements. A forecast of the expected debt repayments over the next six years is presented in **Appendix 3**. If additional borrowing facilities are required, Waka Kotahi must seek approval from the Ministers of Finance and Transport.

Two of the facilities relate to revolving credit. These provide access to committed funding to manage fluctuations in cash flow – either due to seasonal variations or shocks.

Table 5 Waka Kotahi borrowing facilities

Borrowing Facility	Purpose of borrowing	Size of facility	Amount drawn down*	Repayment Period
Management of cash flow (revolving credit facility)	To manage seasonal cash flow variations in the NLTF	\$250m	\$0	Annually
Revenue and expenditure shocks (revolving credit facility)	To manage any unexpected fluctuation in revenue or expenditure	\$250m	\$150m	Within 4 years of draw down
Auckland Transport Package	To progress the Auckland Transport package	\$375m	\$318m	Before 30 June 2027
Tauranga Eastern Link	To bring forward construction of the Tauranga Eastern Link	\$107m	\$107m	To be repaid through future tolls revenue by June 2050
Housing Infrastructure Fund	To accelerate transport projects that support housing development	\$357m	\$46m	Before June 2031
COVID-19	To manage the shortfall in revenue resulting from COVID-19	\$425m	\$332m	Before 30 June 2027
2021-24 NLTP facility	To address the gap between planned investments in the NLTP and level of investment required to deliver GPS 2021 priorities	\$2b	\$500m	10 years from drawdown
2024-27 NLTP facility	To address the gap between planned investments in the NLTP and level of investment required to deliver GPS 2024 priorities	\$3.1b	\$0	10 years from drawdown

Note: This list does not include lending facilities related to Waka Kotahi's regulatory functions.

*Amounts drawn down as at 30 June 2023.

Activity class framework

The NLTF funds activity classes, each of which represent a grouping of similar activities.

The activity class funding ranges outlined in Table 6 provide signals about the balance of investment expected across the GPS. The focus of the investment in the activity classes is on maintaining and operating the system, with additional investment coming from other sources to support the other strategic priorities.

For each activity class, a funding range is given with an upper and lower expenditure limit. Waka Kotahi is responsible for allocating funding within these ranges to specific activities, while also staying within the overall expenditure target.

There may be additional funding from other sources (such as Crown funding or local government) towards some projects and activities. Except for rail (see [page 49](#)), any funding from other sources is additional to the expenditure target and the activity class funding ranges.

GPS 2024 allocates funding ranges to twelve activity classes. The activity classes are:

- Public transport services
- State highway maintenance
- Local road maintenance
- Investment management
- Rail network
- Public transport infrastructure
- State highway improvements
- Local road improvements
- Safety
- Walking and cycling improvements
- Coastal shipping
- Inter-regional public transport.

The activity classes follow on from GPS 2021, with the addition of one new activity class, *Inter-regional public transport* and renaming the Road to Zero activity class to be the *Safety* activity class.

Inter-regional public transport activity class

Inter-regional public transport will play a crucial role in achieving our emissions reduction targets. Currently there are two inter-regional public transport rail services, Te Huia (between Hamilton and Auckland) and the Capital Connection (between Palmerston North and Wellington). The inter-regional public transport activity class provides for investment in existing and new inter-regional services, encouraging Regional Councils and Unitary Authorities to work together to expand and improve inter-regional public transport service offerings.

This activity class also provides funding to support the delivery of new services. This activity class will work in a similar way to the Coastal Shipping activity class in the 2021-24 GPS, by providing a dedicated funding source to partner with other players to develop and deliver new services. It is expected that Waka Kotahi will develop key principles and objectives shortly after the Government has responded to the Select Committee Inquiry into the Future of Inter-Regional Passenger Rail, and that Waka Kotahi will then work with public transport agencies, KiwiRail, and the private sector to support proposals that will extend and improve services. The Government expects this activity class will initiate extensions to inter-regional passenger rail, but it can also be applied to other forms of Inter-regional public transport including bus and ferry services.

Safety activity class

The Safety activity class represents an update to the Road to Zero Activity Class introduced through GPS 2021. Investment through the Safety Activity Class will be targeted towards interventions that support reductions in deaths and serious injuries, including in Road Policing, Automated Enforcement, and Road Safety Promotion.

The difference between the Road to Zero Activity Class and the Safety Activity Class, is that safety infrastructure and speed management will now be funded from the State Highway Improvements and Local Roads Improvements Activity Classes. This will better integrate the wider network and deliver a wider range of outcomes.

Activity Classes are defined in detail in **Appendix 1**.

INVESTMENT IN LAND TRANSPORT

Activity class expenditure upper and lower limits

Table 6 below sets out the activity class funding ranges for 2024/25 – 2033/34.

Table 6: Activity classes and funding ranges

Activity Class		GPS 2024 Funding range						Forecast funding range			
		2024/25 \$m	2025/26 \$m	2026/27 \$m	2027/28 \$m	2028/29 \$m	2029/30 \$m	2030/31 \$m	2031/32 \$m	2032/33 \$m	2033/34 \$m
Continuing programmes											
Public transport services	Upper	850	930	1,020	1,090	1,170	1,270	1,340	1,440	1,550	1,670
	Lower	580	640	700	740	800	870	920	990	1,070	1,150
State highway maintenance	Upper	1,360	1,540	1,700	1,810	1,920	1,960	1,990	2,030	2,060	2,100
	Lower	890	1,020	1,100	1,170	1,250	1,280	1,300	1,330	1,360	1,380
Local road maintenance	Upper	1,080	1,160	1,280	1,360	1,440	1,470	1,490	1,520	1,540	1,570
	Lower	720	790	840	890	960	980	1,000	1,020	1,040	1,060
Investment management	Upper	85	90	90	90	95	95	100	100	105	110
	Lower	65	70	70	70	75	75	80	80	85	90
Rail network	Upper	590	610	620	570	570	570	580	580	580	580
	Lower	490	510	180	120	120	120	120	120	120	120
Improvements											
Public transport Infrastructure	Upper	1,010	1,060	1,110	840	860	880	890	900	910	920
	Lower	520	570	620	460	480	500	500	500	500	500
State highway Improvements	Upper	1,420	1,520	1,720	500	500	500	500	500	500	500
	Lower	1,020	1,120	1,220	200	200	200	200	200	200	200
Local road improvements	Upper	400	400	410	410	420	420	420	430	430	430
	Lower	150	150	160	160	170	170	170	180	180	180
Safety	Upper	600	610	620	630	630	630	640	640	640	650
	Lower	500	510	520	530	530	530	540	540	540	550
Walking and cycling improvements	Upper	330	330	340	310	320	320	330	330	340	340
	Lower	160	170	170	180	180	190	190	200	200	210
Coastal shipping	Upper	20	20	20	20	20	20	20	20	20	20
	Lower	15	15	15	15	15	15	15	15	15	15
Inter-regional public transport	Upper	50	50	50	-	-	-	-	-	-	-
	Lower	20	20	20	-	-	-	-	-	-	-

Crown funding for land transport

Direct Crown funding supplements the NLTF, increasing the amount of funding available to achieve the strategic objectives.

A full view of Government transport funding needs to incorporate the NLTF and these other funding pools. Crown funding is appropriated by Parliament for a particular purpose and is (usually) spent by Waka Kotahi or KiwiRail acting as the Crown's delivery agent.

Table 7: Total land transport investment⁶

Activity Class	2024/25-2026/27					2027/28-2023/34				
	NLTF \$m		Crown \$m	Total \$m		NLTF \$m		Crown \$m	Total \$m	
	Lower	Upper				Lower	Upper			
Public transport services	1,920	2,800	773	2,693	3,573	6,540	9,530	1,084	7,624	10,614
State highway maintenance	3,010	4,600	-	3,010	4,600	9,070	13,870	-	9,070	13,870
Local road maintenance	2,350	3,520	-	2,350	3,520	6,950	10,390	-	6,950	10,390
Investment management	205	265	-	205	265	555	695	-	555	695
Rail network	503	1,508	3,355	3,858	4,863	840	4,030	138	978	4,168
Public transport infrastructure	1,710	3,180	1,326	3,036	4,506	3,440	6,200	76	3,516	6,276
State highway improvements	3,360	4,660	1,793	5,153	6,453	1,400	3,500	326	1,726	3,826
Local road improvements	460	1,210	203	663	1,413	1,210	2,960	68	1,278	3,028
Safety	1,530	1,830	-	1,530	1,830	3,760	4,460	-	3,760	4,460
Walking and cycling improvements	500	1,000	-	500	1,000	1,350	2,290	-	1,350	2,290
Coastal shipping	45	60	-	45	60	105	140	-	105	140
Inter-regional public transport	60	150	-	60	150	-	-	-	-	-
Other										
Debt and PPP repayments	2,748	2,748	-	2,748	2,748	6,864	6,864	-	6,864	6,864
Unallocated revenue*	2,376	n/a	-	2,376	n/a	-	-	-	-	-
Crown expenditure that doesn't map to an Activity Class e.g., regulatory, clean car discounts, etc	-	-	147	147	147	-	-	83	-	83
Totals	20,777	27,531	7,597	28,374	35,128	42,084	64,929	1,774	43,775	66,703

*Based on BEFU 2023 NLTF revenue forecasts.

6. Note that NLTF Rail Network investment in Table 6 doesn't reconcile with Table 5 because of direct Crown funding into this Activity Class. Direct Crown funding has been removed from the Rail NLTF Activity Class in Table 6 to avoid double counting.

INVESTMENT IN LAND TRANSPORT

Direct Crown funding for the 2024/25-2026/27 period currently stands at \$7.6 billion (see Table 7: Total land transport investment and **Appendix 4**). The largest components of this are NZUP funding and support for RNIP.

As many of the NZUP projects are underway (if not completed) the 2024/25-2026/27 NZUP expenditure shown in Table 7 is an estimate of the residual funding from the original allocation that remains to be spent in this period.

The Government has also announced funding of \$6 billion for a National Resilience Plan and that it expects to announce further funding to support the regions affected by the recent extreme weather events. Transport investments have received an initial share of this funding, with further decisions likely.

Major Government commitments to direct funding for transport investment programmes and projects currently include:

- **Cyclone Gabrielle interim emergency relief package**
- **New Zealand Upgrade Programme**
- **Climate Emergency Response Fund**
- **Rail Network Investment Programme**

Details of all direct Crown commitments are listed in **Appendix 4**.

Cyclone Gabrielle emergency relief

The Government initially committed \$525 million to Waka Kotahi for Cyclone Gabrielle emergency relief, and \$200 million to support the reinstatement of operating sections of the rail network. In July, it confirmed a further \$567 million to Waka Kotahi for immediate works on state highways in Tairāwhiti, Wairoa, Hawke’s Bay, Coromandel and Northland from the \$6 billion National Resilience Plan. The Government has also indicated that more support will be provided once there is a clearer picture of the costs to each region.

The New Zealand Upgrade Programme

In January 2020, the Government committed \$12 billion to the NZUP. The transport component of this funding (\$8.9 billion) is supporting specific projects that further the Government’s ambition for the transport system. NZUP reflects the Government’s balanced transport policy with investments across road, rail, public transport and walking and cycling infrastructure. It is a significant investment programme that builds on investment made through the NLTF and is delivering important projects that will speed up travel times, ease congestion and make our roading and rail networks safer and more resilient.

Major NZUP projects include:

- **Penlink** – providing a two-lane road and a shared walking and cycling path bridge which will provide improved travel times between Whangaparāoa and wider Auckland
- **Melling Transport Improvements** – providing a safer, more resilient and accessible transport system in Lower Hutt, as well as supporting flood protection and revitalisation of the Hutt Valley

- **The Queenstown Package** – providing locals and visitors with better access to public transport and improved, safer connections for those who walk or ride bikes
- **A third main rail line between Westfield and Wiri in Auckland** – enabling more frequent and reliable passenger and freight rail services
- **Extending Auckland's electrified rail network** from Papakura to Pukekohe.

Many NZUP projects have already been completed. Details of progress with the programme can be found at www.nzta.govt.nz/nzupgrade.

Climate Emergency Response Fund (CERF)

The CERF provides a dedicated funding source for public investment on climate-related initiatives, using proceeds from the Emissions Trading Scheme. CERF funding can support other funding sources, such as the NLTF and local government revenue, to accelerate improvements to transport infrastructure and services that support emissions reduction and/or reduce vulnerability or exposure to the impacts of climate change.

Through Budget 2022 and Budget 2023, \$1.259 billion of CERF funding (not including \$585 million for the, now discontinued, clean car upgrade (scrappage) and social leasing car schemes), was allocated to transport investments.

Announcement of any additional CERF transport initiatives is likely to be linked to the annual government budget process.

Rail

Every three years KiwiRail is required to prepare the RNIP for the Minister of Transport to approve. The RNIP outlines the set of rail network activities KiwiRail proposes to deliver over the next three years and a 10-year investment forecast for the national rail network. KiwiRail must take into account the purpose of the LTMA, and the current GPS on land transport, when developing the RNIP.

The first RNIP was approved by the Minister in June 2021. Additional funding was also provided through the annual Crown Budget process to the NLTF to support investment in the RNIP. This Crown support is included as NLTF revenue and in the relevant Activity Class in Table 6.

Other

In addition to the major investments described above, the Government has provided direct Crown funding to other transport initiatives such as the Super Gold card fare subsidies, PT bus decarbonisation, City Rail Link and planning for Auckland Light Rail.

\$1.259 billion

of CERF funding was allocated to transport investments through Budget 2022 and Budget 2023

INVESTMENT IN LAND TRANSPORT

Changes to transport funding and prioritisation processes in NLTP 2024-27

Process for collating and assessing 'bids' for different funding channels

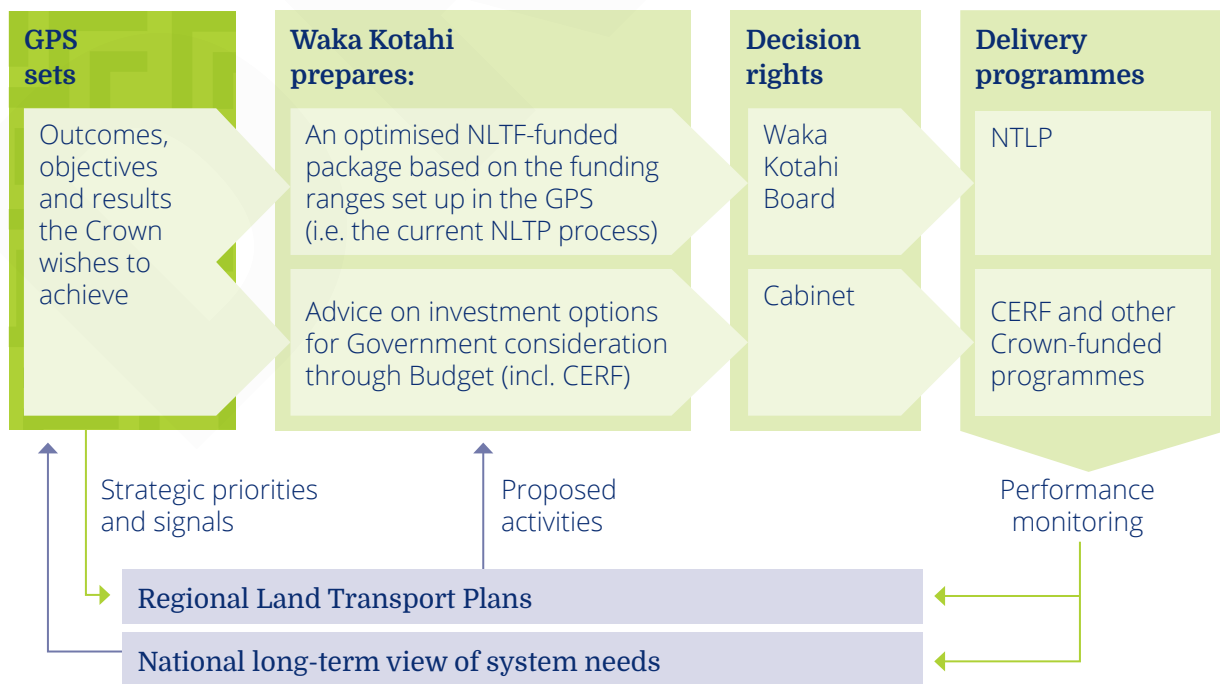
Transport investment funding and decision-making is becoming increasingly complex. Over the period of this GPS, the Government may wish to consider making additional investments to support progress towards the strategic priorities, especially where there is not sufficient revenue available within the NLTF. The high-level process is outlined in Figure 7 below.

The Government already uses Waka Kotahi expertise to advise on and/or implement directly funded transport investment decisions. This sits within the statutory functions of Waka Kotahi but

outside of the autonomous role it plays with respect to the NLTF. This aspect of the Waka Kotahi's role is facilitated through direction under the Crown Entities Act 2004, or by letters of agreement between the Minister and the Waka Kotahi Board.

Working with the Ministry, Waka Kotahi is expected to identify and advise on time critical investment programmes for Crown funding consideration, where supplementing the NLTF and local share funding could better deliver GPS 2024 priorities (or wider priorities specified by the Government). This expectation is included in Section 5.

Figure 7: New funding decision process



Mass Rapid Transit Projects

Mass Rapid Transit (MRT) projects are likely to require additional Crown funding due to their scale and their broader and more complex range of benefits and outcomes, particularly as these projects become city-shaping in that they significantly impact economic decisions, such as where people choose to live and work. Work is planned to develop a comprehensive framework for funding, financing and integrating decision-making processes for MRT projects, with new policy expected after GPS 2024 is adopted. This work is expected to outline how the NLTF is used to support the operation and maintenance of new and supporting infrastructure and how different government policy levers work together to deliver the best outcomes.

Current MRT projects are at various stages in the investment pipeline, and include:

Northern Busway enhancements

A Detailed Business Case has identified a number of enhancements to improve the reach and attractiveness of the Northern Busway, which is experiencing passenger growth exceeding that of both the rail network and the rest of the bus network in Tāmaki Makaurau Auckland. The project includes station and platform upgrades as well as improved bus priority on State Highway 1 and local roads in the city centre. These projects will be rolled out as funding is made available and as growth requires.

City Rail Link

This is the only MRT project in the construction phase. To realise the full benefits of CRL, several improvements are required to other parts of the metro rail network, notably the removal of level crossings, to increase the throughput of people across the whole system. These projects are funded separately and prioritised in the ATAP programme.



INVESTMENT IN LAND TRANSPORT**Auckland Light Rail**

This proposed light rail corridor serves to connect the Auckland Airport and Māngere with the city centre. The Indicative Business Case estimated a cost of \$14.6 billion to deliver the entire route. The project is now in the Detailed Business Case phase. Updated cost estimates, a phasing plan, and route and station locations are expected to be announced after GPS 2024 is adopted.

Waitematā Harbour Connections

Nationally significant resilience, network capacity and travel choice deficiencies across the Waitematā Harbour need to be addressed over the coming decades through a significant improvement that includes rapid transit, road, and active mode improvements. An Indicative Business Case to direct future investment is scheduled for completion in 2024. It is expected to include provision for a rapid transit connection to the City Centre.

Northwest Rapid Transit Corridor

Urban development to the northwest of Auckland will be supported by a new rapid transit corridor connecting Westgate with the city centre. This will take the pressure off the overburdened State Highway 16 and provide a lower-carbon transport alternative to serve the expected population growth in this area. Interim improvements, including longer bus priority lanes and the Te Atatū and Lincoln Road interchanges, are currently being delivered.

Any new investment or improvements in this corridor should allow for an eventual grade separated public transport service to be operated, and ensure provision is made for connection

points with other services (e.g., rail stations and bus interchanges). New investments may include strategic land acquisition to secure those connection points. Any grade separation should also ensure that at future stages the type of service could be upgraded (i.e., bus rapid transit being upgraded to a light rail or metro type operation). Any future investment should also ensure interlinkages with other services (e.g. rail stations and bus interchanges) to produce a step-change improvement in travel choice and network capacity to the wider northwest part of Auckland.

Let's Get Wellington Moving

This programme seeks to provide more attractive travel choices and reshape how people get around Wellington. The MRT elements of LGWM are now entering the Detailed Business Case phase, investigating light rail or bus rapid transit options to the south from the Wellington Railway Station.

New metropolitan rapid transit programmes

Through the Urban Growth Partnerships the Crown, iwi and local government have developed joint spatial plans to ensure all our Tier 1 cities grow successfully over time. Underpinning all the spatial plans are shifts towards greater use of public transport and active modes. The key implementation action to achieve this is establishing a core network of rapid and frequent public transport corridors as future 'spines' for these urban areas. New networks that will become key enablers of future urban development and transport planning include the Hamilton-Waikato Metro Rapid Transit network, the Greater Christchurch Mass Rapid Transit corridor, and the Tauranga-Western Bay of Plenty Frequent Public Transport network.

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Section 5. Statement of Ministerial expectations



STATEMENT OF MINISTERIAL EXPECTATIONS

The Act provides for the Minister, as part of the GPS, to make a statement of their expectations of how Waka Kotahi gives effect to the GPS on land transport.

The purpose of the statement is to provide greater clarity about government policies and objectives relevant to Waka Kotahi’s implementation of the GPS. The statement is specific to the GPS and is in addition to the statutory objectives and functions in Part 4 of the LTMA, the Crown Entities Act 2004, and general public sector advice and guidance such as the Codes of Conduct and Model Standards promulgated by the Public Service Commission.

These expectations on Waka Kotahi are supplemented by the annual letter of expectations provided by the Minister of Transport, relating to the wider role of Waka Kotahi.

Waka Kotahi is expected to demonstrate how it is giving effect to these expectations, working with the Ministry to agree an appropriate reporting and publication format, to be agreed with the Minister prior to GPS 2024 coming into effect. Existing Waka Kotahi reporting mechanisms are likely to be appropriate, including its:

- Statement of Intent and Statement of Performance Expectations
- Assessment of how the NLTP gives effect to GPS 2024
- Annual Report on the NLTF and Annual Report on Waka Kotahi
- Annual reporting on matters relating to the RNIP.

Deliver GPS outcomes in a way that provides value for money

The Minister expects Waka Kotahi to use the NLTF to contribute to the results sought in Section 3 in a manner that provides value for money throughout the investment lifecycle by efficiently and effectively allocating the NLTF to activities.

When developing the NLTP, the Minister expects Waka Kotahi will:

- **Incorporate GPS 2024 priorities into its investment prioritisation framework:** prior to publishing the NLTP, establish, implement, and publish its investment decision-making approach (including rules, criteria and procedures) to prioritising and managing investments in the NLTP that contribute to the GPS outcomes in a way that demonstrates value for money. This includes giving consideration to how the Ministry's Value for Money Assessment Model may be incorporated and applied to the activity classes.
- **Consider the full range of options and alternatives:** to contribute to the outcomes in Section 3, require consideration of options that prioritise integrated planning, demand management and making the best use of the existing system ahead of new infrastructure investment, consistent with the Intervention Hierarchy.
- **Ensure a robust programme and portfolio approach:** ensure investments are not undertaken in a "siloed" manner, but rather delivery is integrated in a way that maximises available funding, the delivery of benefits and value for money.
- **Set performance expectations:** report on the expected costs and benefits from its investment decisions and describe the monitoring and risk management approaches that will be in place to drive value for money and to manage risk.
- **Evaluate its performance:** determine whether the expected benefits of its investments are being realised, and the progress it is making towards the outcomes and results sought in its NLTP.



STATEMENT OF MINISTERIAL EXPECTATIONS

Investments must be efficient and effective

The Minister expects Waka Kotahi to demonstrate that its decisions to approve funding for activities have been reasonably informed by evidence of:

- expected benefits and costs (both monetised and non-monetised) and the level of uncertainty associated with benefit and cost estimation.
- potential for funding contributions from the beneficiaries and users of the investments, including local government revenue sources, pricing (e.g., parking demand management) and forms of user charges.

Below are specific areas that the Minister expects Waka Kotahi to focus on when investing towards the results and outcomes sought in Sections 3 and 4 in a manner that provides value for money.

➤ **“Build back better” has several dimensions but generally means upgrading rather than just replacing**

Building back better and achieving value for money from maintenance and renewals spend

Waka Kotahi will need to carefully consider the most effective ways to “build back better” so the transport system is optimised to support future expectations, be fit for purpose, and be resilient to future system shocks. “Build back better” has several dimensions but generally means upgrading rather than just replacing. This may, for example, occur as part of routine maintenance activities, when replacing flood-damaged structures, or when proactively constructing an alternative to a route that has been identified as fragile. While additional funding is being provided to rebuild or replace damaged infrastructure, Waka Kotahi also needs to find ways to leverage its considerable maintenance and renewals work programmes to contribute to the wider set of outcomes within GPS 2024, rather than just replace the current asset, during routine maintenance activities.

The Minister expects that Waka Kotahi will:

- adopt an asset management approach, consistent with the One Network Framework and, where appropriate, adaptive decision-making, that achieves the best value for money for maintenance and operations for the funding allocated and takes a whole of life approach to decision-making
- prior to renewing long-term contracts, review how to contract for maintenance and renewals activities in a way that:
 - ensures an effective, competitive and sustainable workforce and supply chain to deliver both response and maintenance services;
 - demonstrates value for money in the delivery of response and maintenance services;
 - encourages innovation and best practice to drive both efficient and effective maintenance and response outcomes;
 - prioritises the effective integration of improvement activities into routine maintenance schedules, where feasible; and
 - gives the Government confidence that programme management and governance is in place to effectively share risk and support innovation with the private sector.
- when considering any changes to the State Highway network, assess and where appropriate incorporate into all improvement options (including renewals and maintenance) the provision of public transport to meet current and future demand. Any changes should take into account local and regional plans, and population growth projections. Additionally, the Minister expects Waka Kotahi to work with and support regional and local authorities to include the same considerations when developing investment proposals relating to local transport networks.

Growth in the capacity, frequency and quality of public transport services is critical to our future. High quality public transport supports economic productivity through the efficient movement of growing populations, provides safe and affordable travel options for New Zealanders, and supports the achievement of our emissions reduction objectives. While we cannot change decisions of the past, it is essential we ensure that infrastructure planning and investment decisions take account of both immediate and anticipated public transport requirements of each corridor, looking out 30–50 years.

The impact of substantively repurposing and/or expanding transport corridors to respond to changing demands is extremely high. This can include the direct financial costs of improvements, as well as the time and disruption costs for road users and for those who live and work alongside the corridor. This is especially the case in geographically constrained areas – predominantly in our major urban centres – where we are, and will continue to face, increasingly difficult decisions about how to integrate additional public transport capacity into heavily space-constrained transport corridors.

➤ **The Minister expects Waka Kotahi will demonstrate how it is investing and collaborating with the sector to build capability in innovative and efficient transport infrastructure and service delivery**

STATEMENT OF MINISTERIAL EXPECTATIONS

Building sector capability

The Minister expects that Waka Kotahi will:

- Demonstrate how it is investing and collaborating with the sector to build capability in innovative and efficient transport infrastructure and service delivery, including accelerating existing, or developing new programmes to build planning and delivery excellence for:
 - asset management and network planning processes that use the One Network Framework;
 - integrated investment planning, monitoring and evaluation that stops poorly aligned investment earlier in, and before the investment pipeline, improving system delivery and efficiency;
 - programme management and governance, including effective community engagement and risk sharing; and
 - wider government commitments, including the ERP, the Carbon Neutral Government Programme and the NAP.

Waka Kotahi to set targets for, and report on, its operating costs

The Minister expects Waka Kotahi will:

- prior to July 2024, set annual targets for its own NLTF-related costs as a proportion of the NLTF, broken down by activity class (net of debt repayments) and publish these targets in its Statement of Performance Expectations.
- report on its performance against its annual targets for its own NLTF related costs in its Annual Report, including explaining reasons for any variances against those targets.

Climate change and the NLTP

The Minister expects that Waka Kotahi will, when adopting the NLTF-funded programme:

- be satisfied that the overall NLTP makes an appropriate contribution to the transport emissions reduction targets of the ERP in accordance with the direction in the reducing emissions strategic priority above (Page 20).
- be satisfied that the NLTP makes an appropriate contribution to delivery of the NAP.
- within each region, be satisfied that the NLTP makes an appropriate contribution to any relevant urban light VKT reduction programme.

Waka Kotahi is expected to report on how its new NLTF investment decisions are contributing to the Government's emissions reduction objectives, working with the Ministry to agree an appropriate publication format.

Maximising revenue

The Minister expects Waka Kotahi will:

- develop a strategic approach to the acquisition and disposal of land and other property interests (land and/or property rights).
- review existing land holdings and route protection or land acquisition strategies to determine alignment with the strategic approach described above.
- ensure that net revenue available to the NLTF is maximised. This includes pursuing all available sources and ensuring there is full transparency and accountability on the collection of revenue, particularly in relation to RUC investigations and enforcement.

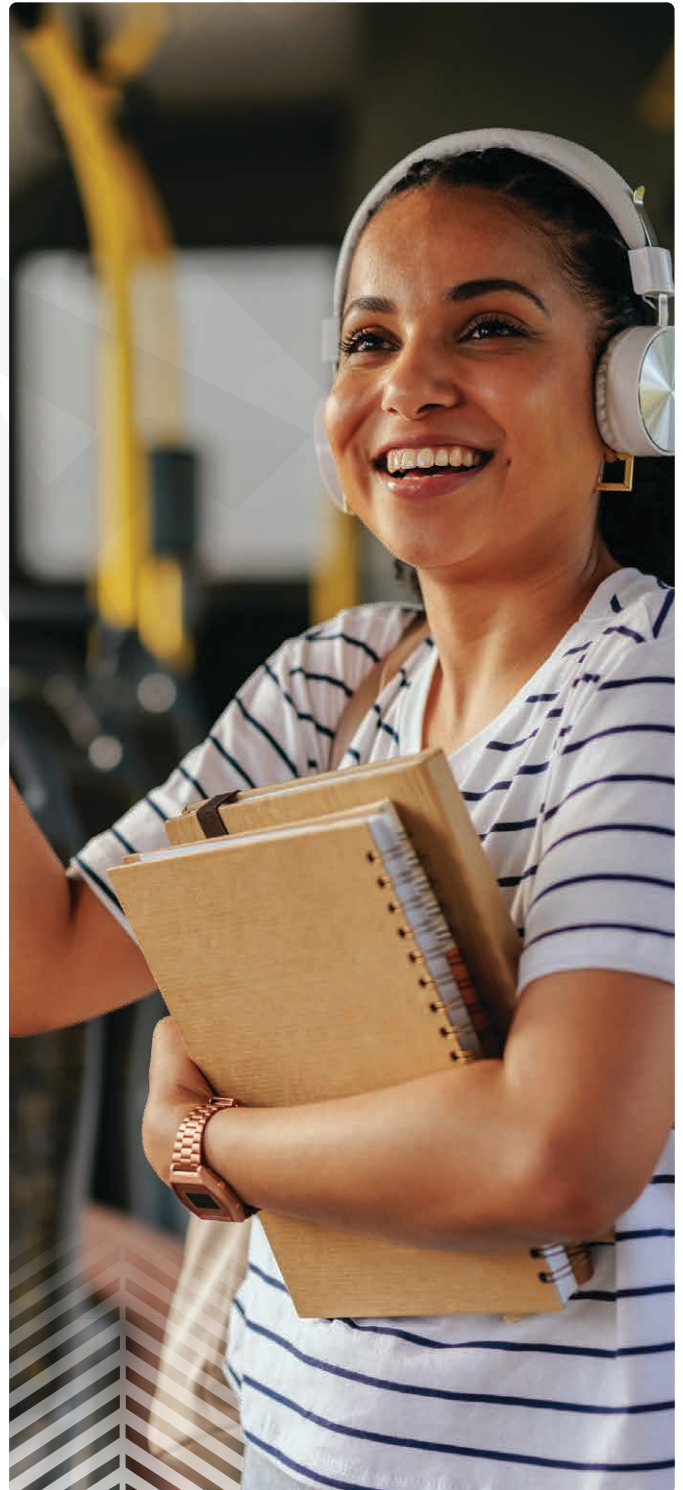
Waka Kotahi to advise the Government on priority activities for Crown funding

Additional Crown funding will likely be required to make significant progress on GPS 2024 priorities, such as addressing climate change.

As part of the annual Crown Budget process, the Minister expects Waka Kotahi will:

- determine investment programmes that progress GPS 2024 priorities for Crown funding consideration, informed by available evidence included in relevant national and regional strategies and plans, including RLTPs and spatial plans.
- work with the Ministry of Transport to advise the Government on investment programmes that support GPS 2024 priorities (or wider priorities specified by the Government).

The Crown Budget process occurs annually and does not always align with RLTP and NLTP development. It is acknowledged that full information on activities that Waka Kotahi considers a high priority against GPS 2024 priorities, but that do not qualify for NLTF funding, will not necessarily be available when Crown Budget decisions are made each year.



APPENDIX 1

Appendix 1.

Activity class definitions

Each activity class directs NLTF funding towards different types of activities. Each activity class can invest in every step of the intervention hierarchy including:

- Integrated planning
- Demand management
- Making the best use of the existing system
- New infrastructure.

The below definitions outline which activities can be funded from each activity class.

Public Transport Services

- Investment in the operation and maintenance of existing public transport networks, to improve utilisation and/or maintain the level of service.
- Investment in new public transport services to improve the level of service and support an increase in uptake of public transport.

Public Transport Infrastructure

- Investment in the maintenance, renewal of, or improvements to existing public transport infrastructure to improve utilisation.
- Investment in new public transport infrastructure to improve the level of service and support an increase in the uptake of public transport.

Walking and Cycling Improvements

- Investment to improve the level of service and increase uptake of walking and cycling (including micro mobility).

Safety

- Investment in road policing and associated equipment
- Investment in automated enforcement
- Investment in road safety promotion and system management
- Investment to support behavioural changes to improve road safety outcomes.

Local Road Improvements

- Investment to optimise the utilisation and/or improve levels of service across all modes on the local road network.

State Highway Improvements

- Investment to optimise the utilisation and/or improve levels of service across all modes on the state highway network.

State Highway Maintenance

- Investment in the ongoing maintenance, operations, and renewal of the state highway network to deliver an appropriate level of service across all modes.
- Urgent response to transport network disruptions to restore an appropriate level of service.

Local Road Maintenance

- Investment in the ongoing maintenance, operations, and renewal of the local road network to deliver an appropriate level of service across all modes.
- Urgent response to transport network disruptions to restore an appropriate level of service.

Investment Management

- Investment in the management and delivery of transport planning. This includes the development of Regional Land Transport Plans (RLTPs), the development of Activity Management Plans (AMPs), the development of speed management plans, parking management plan, development of Programme Business Cases (PBCs) and the delivery of post implementation reviews.
- Investment in integrated land use and transport planning, including long term system planning, urban growth plans, transport emissions reduction plans, climate adaptation plans, VKT reduction plans, and Regional Spatial Strategies.
- Investment in the management and delivery of research into land transport issues to support sound system planning and investment.
- Investment into funding allocation management. This includes the development of and administration of the National Land Transport Programme (NLTP), associated funding and procurement procedures, policies and guidelines, funding agreements with approved organisations, assistance and advice to approved organisations and regional land transport committees.

Coastal Shipping

- Investment in coastal shipping to support the efficiency and sustainability of the coastal shipping sector and achieve decarbonisation and safety outcomes.

Rail Network

- Investment in a reliable and resilient national rail network, including enabling KiwiRail to deliver ongoing maintenance, renewals and improvements to the rail network.

Inter-Regional Public Transport

- Investment to partner with other players to develop and deliver new, extended and improved services.
- Investment to support planning for new inter-regional public transport services, with a focus on rail but can also be applied to inter-regional bus and ferry services.

APPENDIX 2

Appendix 2. Changes from GPS 2018 through to GPS 2024

GPS 2024 builds on the strategic direction of GPS 2018 and GPS 2021, and also reflects changes in the funding environment.

The table below shows how the strategic priorities have evolved through GPS 2018 and GPS 2021 to GPS 2024.

The other major change is the funding environment. GPS 2024 describes the Crown's land transport investment strategy and seeks to achieve more than what can be achieved through NLTF funding alone. It outlines a process whereby advice on investments will be provided to the appropriate decision-maker(s) for funding through the NLTF, and other Crown funding sources.

GPS 2018	GPS 2021	GPS 2024
n/a	n/a	Maintaining and operating the system The condition of the existing transport system is efficiently maintained at a level that meets the current and future needs of users.
n/a	n/a	Increasing resilience The transport system is better able to cope with natural and anthropogenic hazards.
Environment Reduced greenhouse gas emissions, as well as adverse effects on the local environment and public health.	Climate change Transform to a low carbon transport system that supports emissions reductions, aligned with national commitments, while improving safety and inclusive access.	Reducing emissions Transitioning to a lower carbon transport system.
Safety A safe transport system, free of death and serious injury.	Safety Develop a transport system where no-one is killed or seriously injured.	Safety Transport is made substantially safer for all.

GPS 2018	GPS 2021	GPS 2024
<p>Access</p> <p>Providing increased access to economic and social opportunities.</p>	<p>Better travel options</p> <p>Provide people with better travel options to access places for earning, learning, and participating in society.</p>	<p>Sustainable urban and regional development</p> <p>People can readily and reliably access social, cultural, and economic opportunities through a variety of transport options. Sustainable urban and regional development is focused on developing resilient and productive towns and cities that have a range of low-emission transport options and low congestion.</p>
<p>Enabling transport choice and access.</p>	<p>Improving freight connections</p> <p>Improve freight connections to support economic development.</p>	<p>Integrated freight system</p> <p>Well-designed and operated transport corridors and hubs that provide efficient, reliable, resilient, multi-modal and low-carbon connections to support productive economic activity.</p>
<p>Value for money</p> <p>Delivers the right infrastructure and services to the right level at the best cost.</p>	<p>GPS 2021 embedded the value for money throughout the GPS as a principle that should always be expected from investments. GPS 2021 encourages co-benefits to be considered when developing business cases (e.g., for health, resilience, or environmental sustainability).</p>	<p>GPS 2024 retains the principle that value for money should always be expected from investments.</p> <p>GPS 2024 encourages co-benefits to be considered for both maintenance and new investment activities.</p> <p>GPS 2024 has a greater focus on long-term value and recognises that different indicators will be required, depending on the decisions being made.</p>

APPENDIX 3

Appendix 3. Expected debt repayments

	2024/25 \$m	2025/26 \$m	2026/27 \$m	2027/28 \$m	2028/29 \$m	2029/30 \$m
Expected debt repayment	650	800	1,300	1,150	950	950

Appendix 4. Crown direct funding commitments to land transport

	2024/25 \$000s	2025/26 \$000s	2026/27 \$000s	2027/28 \$000s	2028/29 \$000s	2029/30 \$000s	2030/31 \$000s	2031/32 \$000s	2032/33 \$000s	2033/34 \$000s
KiwiRail Maintenance & renewal of rail network	339,200	338,300								
KiwiRail Investment - Crown Contribution	723,637	353,291	79,538							
Rail - grants	38,263	349,852	12,909	3,770	3,770	3,770	3,770	3,770	3,770	3,770
PGF Rail projects	9,900									
SuperGold card - admin	95	95	95	95	95	95	95	95	95	95
SuperGold Card - Public Transport Concessions	36,777	36,777	36,777	36,777	36,777	36,777	36,777	36,777	36,777	36,777
Public Transport Community connect concessions	183,874	184,659	187,818	106,182	106,182	106,182	106,182	106,182	106,182	106,182
Clean car standard - operation	11,842	11,842	11,842	11,842	11,842	11,842	11,842	11,842	11,842	11,842
Clean vehicle discount scheme - admin	8,000	8,000	8,000							
NZ Upgrade Program Funding	1,153,990	766,497	821,370	217,340	116,330	111,860				
PT Bus decarbonisation	13,695	13,695	13,695	13,695	13,695	13,695	13,695	13,695	9,405	4,730
Public Transport Workforce Sustainability	31,900	33,300								
ALR detailed planning	720									
Auckland City Rail Link Targeted Hardship Fund	587									
Auckland City Rail Link - Operating	1,900									
Enabling the Timely Delivery of City Rail Link	618,634									
Auckland City Rail Link - MYA	178,081	59,500								
Lower North Island Rail Integrated Mobility	424,800									
Regional resilience	72,000	78,000	79,000	50,000	45,000	40,000				
Electric Vehicle Charging Infrastructure	36,678	50,678								
NIWE response and recovery funding	177,000									
Total	4,061,573	2,284,486	1,251,044	439,701	333,691	324,221	172,361	172,361	168,071	163,396

APPENDIX 5

Appendix 5. Glossary

Activity

Defined in the LTMA as a land transport output or capital project, or both.

Activity class

Refers to a grouping of similar activities.

Active modes

Transport by walking, cycling or other methods, which involve the direct application of kinetic energy by the person travelling.

Approved organisations

Organisations eligible to receive funding from Waka Kotahi for land transport activities. Approved organisations are defined in the LTMA 2003.

Benefits

Measurable improvements from investment in programmes and projects.

Benefits realisation

A process that demonstrates whether or not (and how well) the anticipated results have been achieved.

Capacity of network

The amount of movement of people and/or goods that the network can support at a given time.

Co-benefits

Additional outcomes associated with a strategic priority.

Demand management

Demand management refers to interventions which change the demand for transport. These interventions may seek to influence how, when and where people travel and freight is transported. The purpose of demand management is to ensure the transport system is utilised efficiently and

effectively, and to reduce the negative impacts of travel and freight movement. Mode shift is one way of managing demand.

Emissions Trading Scheme (ETS)

The New Zealand Emissions Trading Scheme. The ETS requires businesses to surrender one 'emissions unit' (known as an NZU) to the Government for each tonne of emissions they emit. NZUs are tradeable. The ETS limits emissions by limiting the number of NZUs available to emitters (i.e., that are supplied into the scheme).

Fuel Excise Duty (FED)

Fuel Excise Duty is a tax imposed by the government to fund land transport activities. FED includes excise duty paid on liquid petroleum gas and compressed natural gas (in addition to petrol excise duty), but these account for a very small proportion of overall fuel excise.

Hypothecation

The direct allocation of all income from a tax or charge (e.g., Fuel/Petrol Excise Duty or Road User Charges) to a particular type of activity (e.g., the National Land Transport Fund).

Lead investment

Investment which acts as a catalyst for future development.

Land Transport Management Act 2003 (LTMA 2003)

The main Act governing the land transport planning and funding system.

Land transport revenue

Revenue paid into the Fund under the LTMA 2003.

Local road

Defined in the LTMA 2003 as a road (other than a state highway) in a district that is under the control of a territorial authority.

Local share

The contribution that communities make (through local government) towards transport projects that have shared national and local benefits.

Maintenance

Care and upkeep of infrastructure so that it can deliver a defined level of service, while leaving the fundamental structure of the existing infrastructure intact.

Micro-mobility

Light, short haul modes of transport such as electric scooters, skateboards, share-bicycles.

Ministry of Transport (the Ministry, MoT)

The Government's principal transport policy adviser that leads and generates policy, and helps to set the vision and strategic direction for the future of transport in New Zealand.

Mode neutral

Mode neutrality means considering all transport options for moving people and freight, including multi-modal options, when identifying the best, value-for-money transport solutions to deliver transport outcomes.

Mode shift

Replacement of one travel mode with another. For example, a reduction in short car journeys due to replacement by public transport, walking or cycling.

Motor vehicle registration and licensing fees

Motor vehicles pay a registration fee when first registered to enter the fleet, and an annual licence fee to legally operate on the road network. Motor vehicle registration and licensing fees are defined as land transport revenue. The fees are intended to contribute to the maintenance of the Motor Vehicle Register where the details of motor vehicles are recorded.

National Land Transport Fund (NLTF, the Fund)

The set of resources, including land transport revenue, that are available for land transport activities under the National Land Transport Programme.

National Land Transport Programme (NLTP)

A programme, prepared by Waka Kotahi, that sets out the land transport activities which are likely to receive funding from the National Land Transport Fund. The NLTP is a three-yearly programme of investment in land transport infrastructure and services from the Fund.

New Zealand Rail Plan

The Government's plan that will guide investment to be made through the rail investment programme to achieve a reliable, resilient and safe rail network.

One Network Framework

A tool, prepared by Waka Kotahi, to help establish transport network function, performance measures, operating gaps and potential interventions for each road and street type.

Petrol Excise Duty (PED)

Petrol Excise Duty is a tax imposed by the Government on petrol and is used to fund land transport activities.

Primary outcome

The most important and relevant outcome of a strategic priority.

Public transport

Passenger transport infrastructure and services contracted by local and central government which may include shared on-demand services identified in Regional Public Transport Plans as integral to the public transport network. Interregional passenger transport by means of a rail vehicle.

APPENDIX 5

Rail Network Investment Programme (RNIP)

A ten-year plan of projects, guided by the New Zealand Rail Plan, to achieve a reliable, resilient and safe rail network. The programme is written by KiwiRail and approved by the Minister of Transport with guidance from Waka Kotahi.

Mass Rapid Transit (MRT)

A quick, frequent, reliable and high-capacity public transport service that operates on a permanent route (road or rail) that is largely separated from other traffic.

Regional Land Transport Plans (RLTPs)

Plans prepared by Regional Transport Committees, that set out each region's transport objectives and policies for a period of at least 10 years. This includes bids for funding from the NLTP.

Regional Transport Committees (RTCs)

A transport committee, which must be established by every regional council or unitary authority for its region. The main function of a regional transport committee is to prepare an RLTP.

Results

The outcomes that the Crown wishes to achieve from the allocation of funding from the National Land Transport Fund. They are expressed by a measure change, and are impacted by the level of investments, activities and deliverables required to realise the change.

Road controlling authorities (RCAs)

Authorities and agencies that have control of the roads, including Waka Kotahi, territorial authorities, Auckland Transport, the Waitangi Trust and the Department of Conservation.

Road User Charges (RUC)

Charges on diesel and heavy vehicles paid to The Government and used to fund land transport activity.

State highways

A road designated as such by Waka Kotahi, as defined by the LTMA 2003.

Track user charges (TUC)

Charges paid for access to/use of the rail tracks.

Total Mobility Scheme

The Total Mobility Scheme provides subsidised licensed taxi services to people who have an impairment that prevents them from making a journey unaccompanied, on a bus, train or ferry in a safe and dignified manner.

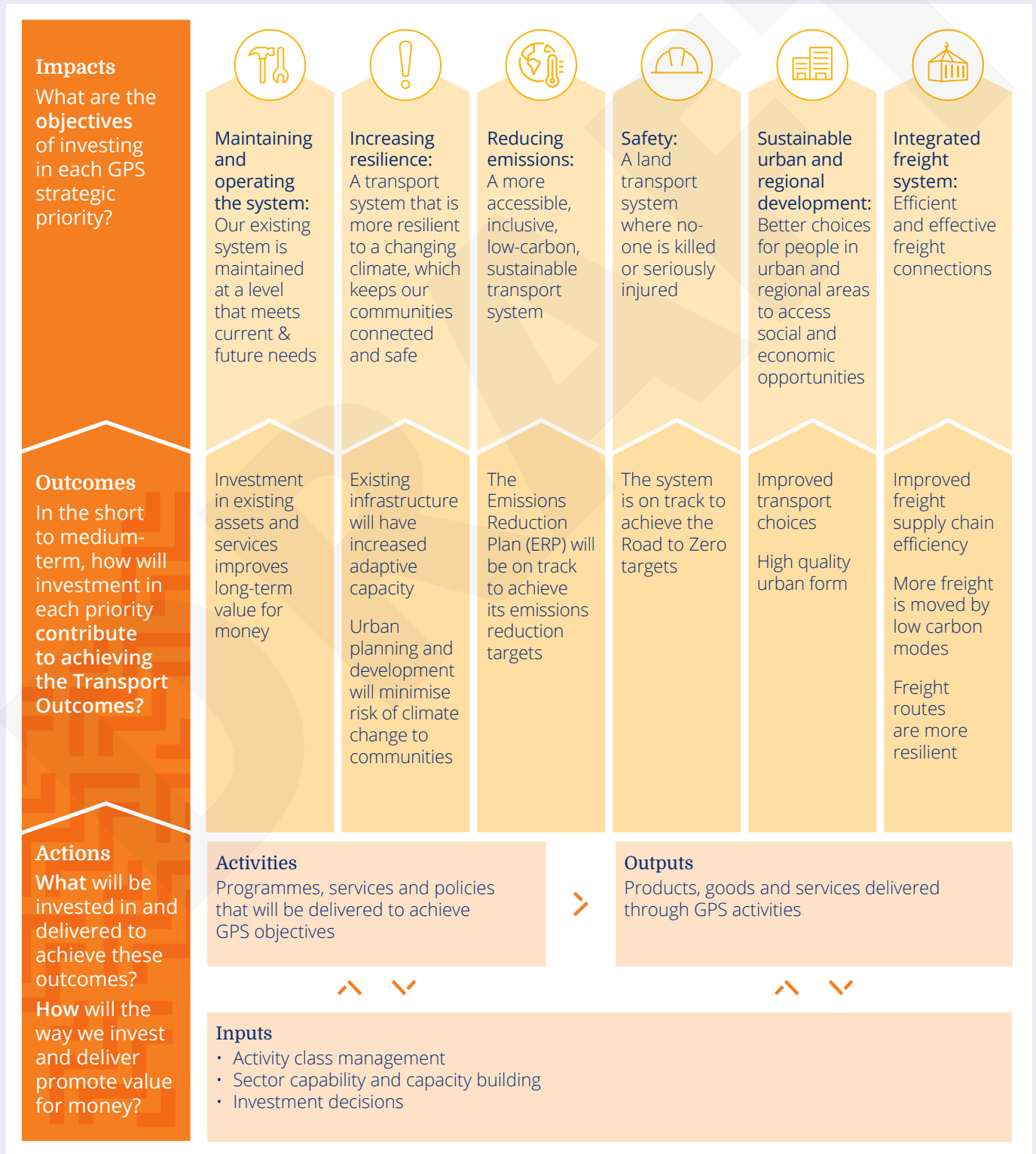
Urban Environment

Any area of land (regardless of size, and irrespective of local authority or statistical boundaries) that is, or is intended to be, predominantly urban in character; and is, or is intended to be, part of a housing and labour market of at least 10,000 people.

Waka Kotahi, the NZ Transport Agency (Waka Kotahi)

The government agency with statutory functions to manage the funding of the land transport system and manage the state highway system.

Appendix 6. GPS Monitoring framework



APPENDIX 7

Appendix 7.

Change compared to GPS 2021

Activity Class		2024/25 \$m	2025/26 \$m	2026/27 \$m	2027/28 \$m	2028/29 \$m	2029/30 \$m	2030/31 \$m
Continuing programmes								
Public transport services	Upper	↗ 30	↗ 30	↗ 100	↗ 140	↗ 200	↗ 270	↗ 310
	Lower	↗ 150	↗ 200	↗ 250	↗ 270	↗ 320	↗ 380	↗ 410
State highway maintenance	Upper	↗ 340	↗ 500	↗ 640	↗ 730	↗ 810	↗ 810	↗ 800
	Lower	↗ 90	↗ 190	↗ 230	↗ 260	↗ 300	↗ 300	↗ 280
Local road maintenance	Upper	↗ 260	↗ 320	↗ 420	↗ 480	↗ 540	↗ 540	↗ 540
	Lower	↗ 20	↗ 70	↗ 110	↗ 140	↗ 190	↗ 190	↗ 190
Investment management	Upper	↘ -10	↘ -5	↘ -5	↘ -5	●	↘ -5	●
	Lower	↘ -10	↘ -10	↘ -10	↘ -10	↘ -10	↘ -10	↘ -5
Rail network	Upper	↗ 420	↗ 440	↗ 450	↗ 400	↗ 400	↗ 400	↗ 410
	Lower	↗ 370	↗ 390	↗ 60	●	●	●	●
Improvements								
Public transport Infrastructure	Upper	↗ 230	↗ 230	↗ 260	↗ 30	↗ 50	↗ 30	↗ 20
	Lower	↗ 180	↗ 230	↗ 270	↗ 110	↗ 130	↗ 130	↗ 120
State highway Improvements	Upper	↗ 470	↗ 620	↗ 920	↘ -150	↘ -50	↗ 50	↗ 50
	Lower	↗ 270	↗ 420	↗ 620	↘ -250	↘ -150	↘ -150	↘ -100
Local road Improvements	Upper	↗ 140	↗ 270	↗ 280	↗ 270	↗ 280	↗ 280	↗ 270
	Lower	↗ 40	↗ 100	↗ 110	↗ 110	↗ 110	↗ 110	↗ 110
Safety	Upper	↘ -400	↘ -430	↘ -450	↘ -450	↘ -480	↘ -510	↘ -530
	Lower	↘ -400	↘ -420	↘ -440	↘ -440	↘ -470	↘ -490	↘ -510
Walking and cycling improvements	Upper	↗ 215	↗ 215	↗ 225	↗ 190	↗ 200	↗ 200	↗ 210
	Lower	↗ 85	↗ 95	↗ 95	↗ 100	↗ 100	↗ 110	↗ 110
Coastal Shipping	Upper	↗ 20	↗ 20	↗ 20	↗ 20	↗ 20	↗ 20	↗ 20
	Lower	↗ 15	↗ 15	↗ 15	↗ 15	↗ 15	↗ 15	↗ 15
Inter-regional Public Transport	Upper	↗ 50	↗ 50	↗ 50	●	●	●	●
	Lower	↗ 20	↗ 20	↗ 20	●	●	●	●

Notes:

- The Safety Activity Class was previously called Road to Zero. The main change between these is that the Safety Activity Class does not include any funding for safety infrastructure. The funding for safety improvements has been reallocated to State Highway and Local Road Improvements, to enable safety improvements to be delivered as part of the wider improvements programme. It is expected that the overall level of funding going towards safety projects will remain constant.

Ngā Uara Te Manatū Waka Te Manatū Waka Values



WHAKAPAKARI
IMPROVING OUTCOMES



AKO
CAPABILITY DEVELOPMENT



MAHI TAHI
WORKING TOGETHER



RANGATIRATANGA
EMPOWERING
AND LEADING



KAITIAKITANGA
GUARDIANSHIP AND
PROTECTION



WHANAUNGATANGA
COLLABORATION
AND UNITY



MANAAKITANGA
CARING FOR AND
VALUING OTHERS

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