

Review of the National Land Transport Programme

Glossary

Auckland Council	(AC)
Auckland Transport	(AT)
New Zealand Transport Agency	(NZTA)
National Land Transport Programme	(NLTP)
Regional Land Transport Programme	(RLTP)
Government Policy Statement on Transport	(GPS)
National Land Transport Fund	(NLTF)

Executive Summary

The NZTA launched the 2012-2015 NLTP on 29 August. This paper summarizes the NLTP and sets out its implications for AT. The NLTP comprises transport activities included in each region's RLTP or delivered nationally by NZTA and the NZ Police.

Key aspects of committed and recommended activities of the NLTP including Auckland's local share are:

- \$1.6bn for state highway new infrastructure
- \$968m for local road new infrastructure
- \$ 890m for public transport services

Recommendations

It is recommended that the Board:

- i) Receive this report

Strategic Context

The primary focus of the new NLTP is to give effect to the GPS which was reported to the Board in August 2011. Investment is targeted to activities that best support economic growth and productivity, improve road safety, and provide a range of travel choices.

Regional land transport programmes are the building block for the NLTP. However, these programmes included more activities than there is funding available nationally. Accordingly, the NLTP prioritises activities nationally to best give effect to the GPS and allocates NLTF funding to obtain the best value for money from the programme.

Background

The NZTA launched the 2012-2015 NLTP on 29 August 2012. The main purpose of which is to allocate the National Land Transport Fund which is collected from road users through vehicle registration fees and fuel taxes.

For transport projects and activities to be included in the NLTP they have to be either included in a RLTP (including state highway projects) or be an activity delivered nationally by NZTA or NZ Police.

AT activities listed in the NLTP are broken down into Committed, Approved, Probable and Reserve. Committed and Approved activities are very likely to receive NZTF funds. Business cases will need to be prepared for Probable and Reserve activities, Probable activities will have a higher priority than Reserve activities.

The NLTP does not provide a fixed amount of funding for AT. Operational activities are funded en-masse per year whereas capital expenditure projects rely on individual business cases to justify NLTF investment. AT can therefore have more certainty regarding the amount of NZTA funding available for operational expenditure than it can for capital expenditure.

Table 1 below shows the impact of NLTP funding availability for Auckland.

Table 1 NLTF funding availability for Auckland

Activity class	NLTF funding 2009 – 2012 (\$M)	Auckland Committed /Approved (\$M) 2012-15	Auckland Probable (\$M) 2012-15	Auckland Reserve (\$M) 2012-15	NLTF Total 2012-15 (\$M)
1	2	3	4	5	3+4+5=6
New & Improved State Highways	1,514	1,355	138	2	1,495
Maintenance & Renewals of State Highways	268	298	0	0	298
PT Services	340	411	38	4	453
Maintenance & Renewal of local Roads	220	297	0	0	297
New & Improved Infrastructure for local Roads	121	191	136	59	387
PT Infrastructure	97	26	38	23	87
Road safety promotion	20	16	0	0	16
Walking & Cycling AT + HNO	23	2	17	20	39
Transport planning AT + HNO+AC	13	1	20	0	21
TOTAL	\$2,615	\$2,597	\$387	\$108	3,093

Notes

- Funding from the National Land Transport Fund only, does not include funding from Auckland.
- The variable FAR agreement between NZTA and AT has reduced NLTF funding in 2009-12 but increased funding in 2012-15
- Column 1 shows the main activity classes which relate to Auckland, (Walking and Cycling and Transport Planning show shared funding for NZTA state highways (HNO), AT and AC)
- Column 2 shows the funding claimed by NZTA state highways and AT in 2009 – 2012 for comparison purposes.
- Column 3 shows the committed or approved funds in the NLTP for Auckland.
- Column 4 shows the probable funds in the NLTP for Auckland.
- Column 5 shows the reserve funds in the NLTP for Auckland.
- Column 6 shows the total potential funding available for Auckland from the NLTF.

The following are the key highlights;

- Significant funding for State highway improvements including:
 - \$1.15 billion for continued construction of the Western Ring Route motorway road of national significance, including the Waterview Connection tunnels and
 - about \$40m to continue development of the Puhoi-to-Wellsford road of national significance
- Significant increase in Public Transport Services. This will;
 - allow a full review of the bus network to improve services
 - allow EMU funding.
 - permit additional services, eg Hobsonville ferry and improved airport bus services.
 - balance national and local funding in areas where previously only local funding was available, eg ferry wharf operations and maintenance.
- Significant increase in Road Improvements funding, approximately a third of which is funding for the AMETI project.
- Reduction in PT Infrastructure funding reflects the reduction in funds allocated to this area in the GPS.
- Increase in local roading maintenance and renewals funding. The increase includes repayment of the variable FAR agreement funds. In areas where there has been a small increase over the previous NLTP funding levels, rising unit costs may reduce the benefits of the increase in this NLTP.
- Reduction in road safety promotion reflects the reduction in funds allocated to this area in the GPS.

Conclusions

The NLTP reflects the direction given in the GPS by not significantly increasing or reducing the funding allocations for many activity classes, notably maintenance and renewal of local roads and state highways as well as passenger transport infrastructure.

The largest state highway projects are situated in the Auckland region as are the majority of the new and improved local road projects. There will be a substantial increase in funding for public transport services over the next three years, which will enable funding for the EMU's, the bus network improvements and new ferry services. It will also allow for the increase in rail access charges.

All NZTA funding is subject to local share being available; if the local share allocation was to change via the Annual Plan process then this would impact on the amount of NZTA funding received.

Attachments

- Attachment 1** NZTA media release - NZTA announces details of \$12 billion transport investment
- Attachment 2** NZTA media release – NZTA announces \$3.4 billion transport investment for Auckland
- Attachment 3** NZTA media release – 2012 -15 National Land Transport Programme Questions and Answers

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29 August 2012

NZTA announces details of \$12 billion transport investment

The NZ Transport Agency has today announced the details of a \$12.28 billion programme of investment in New Zealand's land transport system over the next three years.

The NZTA Board has confirmed investment levels for 14 separate activity classes included in the 2012/15 National Land Transport Programme (NLTP), which cumulatively represent a \$12.28 billion investment in New Zealand's land transport system, including \$9.38 billion from the National Land Transport Fund (NLTF).

The NLTP is a partnership between local authorities (who invest funding from ratepayers) and the NZTA (which develops the programme and invests funds from road users through the NLTF).

NZTA Chief Executive Geoff Dangerfield said the 2012/15 NLTP would see major projects delivered and key transport corridors improved across the country, building on a decade of sustained investment and preparing New Zealand's transport networks for the next ten years and beyond.

"This is an investment in New Zealand's future. Funding from the NLTP will be targeted where it is most needed to ensure that the country's transport networks are well connected, well maintained and deliver the best results for individual travellers, communities and businesses. These investments will make our roads safer, help our economy grow and give people more choice about how they travel."

Mr Dangerfield said the 2012/15 NLTP followed the direction outlined in the Government Policy Statement on land transport funding (GPS), with a focus on creating transport solutions that will support economic growth, improve safety, provide people with a range of transport choices and deliver the best possible value for money.

"A high-performing transport system that supports improved productivity, economic growth and safety is a key priority for the government, and it is the primary objective of this NLTP."

Mr Dangerfield said the total investment in the country's transport system over the next three years would be even greater than the \$12.28 billion in the NLTP when combined with additional spending planned by local authorities outside of the NLTP, as well as direct investments by government in rail and other transport initiatives.

He said the programme would deliver results in communities across New Zealand, with a particular focus on growing Canterbury and supporting the recovery of Christchurch after the earthquakes, progressing the roads of national significance, and on Auckland where there are significant opportunities for improved transport to support the city's contribution to New Zealand's economic growth.

There will be significant increases in the level of investment for many activities, including:

- \$4.1 billion investment in local roads (14% increase from 2009/12 actual spend)
- \$5.1 billion investment in state highways (7% increase from 2009/12 actual spend)
- \$1.7 billion investment in public transport (21% increase from 2009/12 actual spend)

Mr Dangerfield said investment through the 2012/15 NLTP would continue to progress the roads of national significance, key routes which will improve access to New Zealand's ports and markets and are linked to our five largest centres of economic activity – Auckland, Hamilton, Tauranga, Wellington and Christchurch.

The first of the seven roads of national significance, Auckland's Victoria Park Tunnel, was completed earlier this year, ahead of budget and on schedule. The remaining six roads of national significance being progressed under this NLTP are:

- Christchurch Motorways
- Waikato Expressway
- Tauranga Eastern Link
- Puhoi to Wellsford
- Auckland's Western Ring Route (including the Waterview Connection)
- Wellington Northern Corridor

The \$1.74 billion to be invested in New Zealand's public transport system through the 2012/15 NLTP will provide funding for the capital investment in rolling stock in both Wellington and Auckland, the final implementation of Auckland's integrated fares system, and the completion of Wellington's real-time public transport information system.

Approximately \$2.8 billion will be invested through the NLTP in activities which directly or indirectly improve road safety (a 5% increase on the previous three years), including \$1.0 billion for road policing and road safety promotion.

The preparation of the 2012/15 NLTP has been informed by 16 regional transport committees and Auckland Transport developing and submitting regional land transport programmes outlining activities to be prioritised for NLTP funding. Mr Dangerfield said the NZTA would continue working closely with councils as the NLTP was implemented over the next three years.

National and regional NLTP documents, Q&As and other information is available on the NZTA website at www.nzta.govt.nz.

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29 August 2012

NZ Transport Agency – Auckland region

NZTA announces \$3.4b transport investment for Auckland

The NZ Transport Agency has announced the details of a \$3.4b programme of investment in the Auckland region's transport system over the next three years.

The NZTA's Regional Director for Auckland, Stephen Town, says the committed and recommended investment in Auckland for 2012-15 will include \$1.6b for state highways, \$968m for local roads and \$890m for public transport. Funding for key projects to help improve transport across Auckland includes:

- \$1.15 billion for continued construction of the Western Ring Route motorway road of national significance, including the Waterview Connection tunnels
- About \$260m supporting roading and public transport improvements required for the Auckland Manukau Eastern Transport initiative (AMETI).
- About \$40m to continue development of the Puhoi-to-Wellsford road of national significance
- \$29m for investment in the Dominion Road corridor to ease congestion and improved safety for drivers, public transport, walkers and cyclists
- Around \$54m for the Albany Highway Corridor - to improve the North Shore arterial for all road users. The total project cost is estimated at \$90m
- \$16m for the airport and south-west Auckland transport link - to investigate options for improved transport links, including between the CBD and airport
- \$28.9m recommended investment in regional road safety promotion
- \$3.9m for committed regional cycling and walking projects.

Mr Town said the \$890m investment in public transport was made up of \$802m of committed and recommended services and infrastructure together with other activities still to be developed. This would help fund the new electric trains and their depot, and the introduction of integrated ticketing on trains, buses and ferries.

The investment in Auckland is part of a \$12.3 billion investment in New Zealand's land transport system set out in the 2012/15 National Land Transport Programme (NLTP), including \$9.4 billion from the National Land Transport Fund (NLTF). The NLTP is a partnership between local authorities (who invest funding from ratepayers and prioritise activities and projects for funding) and the NZTA (which develops the programme and invests NLTF funds collected from road users through vehicle registration fees and fuel taxes).

Mr Town says that over and above the \$3.4b committed for investment in the region for 2012/15, additional funding will also be available through the NLTP for investment in more activities/projects in Auckland as they are developed over the course of the next three years.

"The NLTP is a dynamic programme, and while the total amount of additional investment in the region over and above the \$3.4b already committed won't be known until the end of the 12/15 period, it could be significant."

Mr Town says the 2012/15 NLTP follows the direction outlined in the Government Policy Statement on land transport funding (GPS), with a focus on creating transport solutions that will support economic growth, improve safety, provide people with a range of transport choices and deliver the best possible value for money.

"It's a balanced package of investment across a wide range of transport activities designed to help keep Auckland moving forward."

Mr Town says that while the 2012/15 NLTP represents a significant investment in New Zealand's transport system, with the country facing tight economic conditions, not all proposed activities could be funded.

There is no committed or recommended investment for the City Rail Link while Auckland Transport completes route protection and property acquisitions, nor for the \$180m PENLINK project – a new road connection between Whangaparaoa Peninsula and SH1.

"We've been working closely with Auckland Transport for several months to ensure that funding is carefully targeted to the areas and the activities where it is needed the most and where it will deliver the best outcomes for the greatest number of people in the region," Mr Town says.

The preparation of the 2012/15 NLTP has been informed by 16 regional transport committees and Auckland Transport developing and submitting regional land transport programmes outlining activities to be prioritised for NLTP funding.

Mr Town says the NZTA will continue working closely with councils as the NLTP is implemented over the next three years.

National and regional NLTP documents, Q&As and other information is available on the NZTA website at www.nzta.govt.nz.

ENDS

The NZ Transport Agency works to create transport solutions for all New Zealanders – from helping new drivers earn their licences, to leading safety campaigns to investing in public transport, state highways and local roads. Follow us on twitter @nzta_news.

For more information please contact:-

Ewart Barnsley

2012-15 National Land Transport Programme

Questions and Answers

1. What is the National Land Transport Programme (NLTP)?

The NZ Transport Agency (NZTA) develops a National Land Transport Programme (NLTP) every three years to give effect to the Government policy statement on land transport funding (GPS). The NLTP sets out the activities that address the transport priorities of the GPS using the funding provided in the GPS for different activities.

The NLTP is a partnership between local authorities (who invest funding from ratepayers) and the NZTA (which develops the programme and invests funds from road users through the NLTF).

To be included in the NLTP activities have to be:

- included in a regional land transport programme (including those concerning state highways), and proposed for funding from the National Land Transport Fund, or
- an activity that will be delivered nationally by the NZTA or NZ Police.

2. What is the primary focus of this NLTP?

In giving effect to the GPS, investment through this NLTP reflects the NZTA's commitment to delivering value for money from existing and planned land transport activities. Our investment is targeted to activities that best support economic growth and productivity, improve road safety, and provide a range of travel choices.

3. How has the NLTP been developed?

The NLTP is a partnership between local authorities (who invest funding from ratepayers) and the NZTA (which develops the programme and invests funds from road users through the NLTF).

The preparation of the 2012/15 NLTP has been informed by regional transport committees and Auckland Transport, which have developed regional land transport programmes outlining activities to be prioritised for NLTP funding.

Public submissions on draft regional programmes were reflected by the regional transport committees in the final regional programmes that went to the NZTA for consideration for inclusion in the NLTP.

This regional perspective has enabled the NZTA to build an overview of land transport requirements, and to align regional and national views to the extent possible in deciding on the most appropriate investment levels to give effect to the priorities the government outlined in the GPS.

4. How does the NLTP reflect regional land transport programmes?

Regional land transport programmes (RLTPs) have been an essential building block for the NLTP. However, these programmes generally included more activities than there is

funding available, locally, regionally and nationally. Accordingly, the NLTP prioritises activities nationally to best give effect to the GPS and allocates funding to obtain the best value for money from the programme.

5. How much money will be invested in land transport through the NLTP over the next 3 years?

Total investment in this NLTP is \$12.28 billion. This includes investment by the NZTA (from the National Land Transport Fund) of \$9.38 billion and is an increase of 8% on the 2009–12 NLTP (actual spend).

Key highlights of NLTP investment over the next three years:

- The total investment in local roads is estimated at \$4.06 billion– a 14% increase on the 2009–12 NLTP actual spend.
- The total investment in New Zealand’s state highway network is estimated at \$5.14 billion – a 7% increase on the 2009-12 NLTP actual spend.
- An investment of \$1.74 billion is forecast for public transport– a 21% increase on the 2009–12 NLTP actual spend.

6. What projects will the NLTP invest in over the next three years?

The attached list provides a snapshot of some of the key projects and activities which will be progressed over the next three years from investment through the 2012-15 NLTP. A full list of regional projects and activities included in the NLTP is available on-line at www.nzta.govt.nz

7. How does the NZTA determine levels of funding for different activities?

The Government Policy Statement on Land Transport Funding (GPS) sets out what the Government expects to be achieved from its investment in land transport through the National Land Transport Fund. It states the Government’s expectations as to how large the investment should be, broadly how it will be spent and how the revenue for it will be raised.

The GPS sets expenditure ranges for particular areas also known as activity classes. Examples include new and improved infrastructure for local roads, maintenance and operation of state highways and public transport services. The NZ Transport Agency must allocate funding from the NLTF within these funding ranges.

In giving effect to the GPS, the NZTA has recognised that the Government’s priority for land transport investment is to support national economic growth and productivity. Investing in high quality infrastructure and services will contribute to that outcome by encouraging safe and efficient movement of people and freight.

8. Will the NLTP change during its three year life cycle?

The NLTP is a dynamic programme which will be reviewed and updated regularly to reflect approved variations to programmes, with the latest version available on the NZTA’s website at www.nzta.govt.nz from 30 August.

9. What criteria does the NZTA use in deciding which activities to invest in?

The NZTA has developed its Investment and Revenue Strategy as the means for prioritising potential investment opportunities. It uses three key criteria to determine the relative priority of a transport activity and whether it will be included in the NLTP:

Strategic fit

Assessment of strategic fit considers how well the transport activity aligns with the NZTA's strategic direction. Strategic fit ensures that the activities the NZTA approves for funding address significant opportunities and issues from a national perspective.

Effectiveness

The effectiveness rating is about the contribution the proposed investment will make towards achieving a particular strategic outcome. Higher ratings are provided for those proposals that provide long-term, integrated and enduring solutions.

Economic efficiency

This factor considers how efficiently resources are used to deliver the solution and whether the proposal represents value for money.

10. How does the NZTA manage its dual role as funder and provider when developing the NLTP?

The NZTA Highway and Network Operations Group (HNO) is responsible for delivering and managing the state highway network. The Land Transport Management Act requires that the NZTA give a similar level of scrutiny to its own activities to be included in the NLTP as it does to activities proposed by approved organisations. As a consequence, the activities put forward by HNO through regional land transport programmes for the NLTP are assessed by a separate business group in the NZTA using the same assessment criteria that are applied to approved organisations. Following that assessment, and any changes required as a result, the state highway activities are recommended to the NZTA Board by the same business group that scrutinised the programme.

11. Where can we get a copy of the NLTP document?

The NLTP has been published on the NZTA website. While the NLTP is not being released in paper format, a summary document, 'NLTP at a Glance', is downloadable from the website. Tables showing activity class allocations and the activities included in the NLTP can be downloaded in PDF format for printing.

2012-15 National Land Transport Programme – regional snapshot

The list below provides a snapshot of some of the projects and activities which will be progressed over the next three years from investment through the 2012-15 National Land Transport Programme (NLTP). A full list of regional projects and activities included in the NLTP is available on-line at www.nzta.govt.nz

Auckland & Northland

- Western Ring Route road of national significance (including Waterview Connection twin tunnels) – ongoing investigation, design & construction of sections
- Puhoi to Wellsford road of national significance – ongoing investigation
- Public transport integrated fares system, real-time traveller information, passenger trains and facilities for Auckland – ongoing implementation
- Auckland Manukau Eastern Transport Initiative (AMETI) - ongoing investigation, design & construction of sections
- Auckland Dominion Road Corridor Upgrade – design & construction
- Second Waitemata Harbour Crossing – ongoing investigation & route protection
- South-western Multi-modal Airport Rapid Transport strategy – investigation, design & construction
- Multi Modal East West Corridor - investigation
- Northland corridor resilience projects to reduce flooding impact
- Brynderwyn Hill safety barriers – investigation, design & construction
- SH1 Whangarei route efficiency improvements – ongoing construction
- Freight route upgrades – construction
- SH16 Central Auckland connection cycleway – investigation, design & construction

Waikato & Bay of Plenty

- Waikato Expressway road of national significance – ongoing investigation, design & construction of sections
- Tauranga Eastern Link road of national significance – ongoing construction
- Completion of the Atiamuri bridge near Mangakino to improve freight capacity
- Rotorua Eastern Arterial – ongoing investigation
- Hairini Link in Tauranga – complete investigation, then design & construction
- Hamilton City Ring Road – ongoing construction
- Maunganui Rd – Girven Rd intersection improvements – design & construction
- SH2 and SH29 safe system corridor programme – investigation & design

Gisborne, Hawke's Bay, Taranaki, Manawatu & Whanganui

- Improved links to ports in Napier, Gisborne, and Taranaki
- Improvements around the Waiwhakaiho Bridge in New Plymouth – design & construction
- Safety improvements around Normanby Bridge – construction
- Hawke's Bay Port access improvements – includes Whakatu Outlet New Arterial Link, Expressway/Pakowhai Road intersection – investigation & design
- Implementation of New Plymouth and Hastings Model Communities Walking and Cycling initiatives continue
- Whakaruatapu Bridge replacement between Woodville and Dannevirke - construction
- Saddle Road Alternative to Manuwatu Gorge between Ashurst and Woodville – design & construction
- Freight route upgrades – construction

Wellington

- Wellington Northern Corridor road of national significance – ongoing investigation, design & construction of sections
- Public transport integrated fares system, real-time traveller information, passenger trains and facilities – ongoing implementation
- Planning traveller choices through the Wellington Public Transport central spine study
- Ngauranga to Petone cycleway/walkway – investigation & design (and construction of the project is sufficiently developed during the 2012-15 NLTP period)

Nelson, Marlborough & Tasman

- Freight route upgrades – construction
- Replacing the Dashwood bridge to improve journey time and safety – construction
- Nelson walking, cycling and schools improvements package – investigation, design & construction
- Safety and traffic management improvements along Waimea Road in Nelson – design & construction

Canterbury & West Coast

- Christchurch Motorways road of national significance – ongoing investigation, design and construction of corridors
- Canterbury state highway and local road networks – ongoing reinstatement of damaged infrastructure
- Lyttelton Tunnel Safety Retrofit System – design & construction
- Replacement of Waitaki Bridges at Kurow – construction
- Replacement of Rough River Bridge on Atarau Road to support freight movement between Greymouth and Reefton – construction
- Cycle clip-on for Taramakua River Bridge on the national cycle way near Greymouth – investigation & design
- Freight route upgrades – construction

Otago, Southland & Chatham Islands

- Replace the Te One Bridge to service the connection between Waitangi and Owenga in the Chatham Islands – design & construction
- Edendale realignment between Gore and Invercargill to improve safety and freight efficiencies – design & construction
- Homer Tunnel safety improvements – investigation & design
- Dunedin's Caversham state highway improvements – stage 2 – construction
- Freight route upgrades – construction
- South Dunedin strategic cycle network improvements – construction