MINISTRY OF TRANSPORT
TE MANATŪ WAKA

27 August 2025 OC250681

Hon Chris Bishop **Action required by:**

Minister of Transport Wednesday, 3 September 2025

DETAILED REPORT BACK ON THE ROADS OF NATIONAL SIGNIFICANCE (RONS) PROGRAMME

Purpose

Following a request from your office on 20 May 2025 for a detailed report back on the Roads of National Significance (RoNS) Programme, this briefing provides expenditure, revenue, phasing, and governance and assurance options to support delivery of the RoNS Programme.

This briefing will inform a discussion between the Minister, the Ministry of Transport and NZTA on 3 September 2025. s 9(2)(f)(iv) [redacted]

Key points

- The RoNS Programme will be the most complex and expensive infrastructure programme in New Zealand's recent history. NZTA's latest estimate indicates that the total cost to deliver the 17 new RoNS will likely be over $56 billion, and the individual RoNS projects have medium to low Benefit Cost Ratios (BCRs) (0.7 to 3.1). NZTA have also indicated that an additional $49 billion will be required to fully deliver the RoNS Programme.
- In addition to the RoNS Programme, over the next 20-years $163 billion from the NLTF is projected to be invested into the land transport network including the Waitematā Harbour Connections s 9(2)(f)(iv) [redacted] the Northwest Busway s 9(2)(f)(iv) [redacted] and potential rail investments s 9(2)(f)(iv) [redacted] If all proposed projects are delivered in full, total Crown expenditure on land transport over the next 20 years would be over a quarter of trillion dollars s 9(2)(f)(iv) [redacted]
- The relative value of the RoNS Programme will need to be assessed against other major capital transport investments planned, s 9(2)(f)(iv) [redacted] The Ministry recommends all proposed projects and programmes be considered and prioritised through the development of GPS 2027.
- As part of GPS 2024, increases to Fuel Excise Duty (FED) (and Road User Charge (RUC) equivalent) of 12, 6 and 4 cents per litre in 2027, 2028 and 2029 respectively were signalled – and these increases are expected to generate $1.2 billion per annum for the National Land Transport Fund (NLTF) from 2029.

The Ministry and NZTA have developed options for how the RoNS Programme could be delivered and funded

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

User charges are the preferred funding source for land transport investment

- You have choices about the overall mix of tools to fund the RoNS Programme. The Ministry recommends prioritising project user charges (e.g. tolling) first and general user charges (e.g. FED and RUC) second as the preferred funding sources for land transport investments.

s 9(2)(b)(ii), s 9(2)(i)

- s 9(2)(f)(iv)
- s 9(2)(f)(iv), s 9(2)(i)

s 9(2)(f)(iv)

- NZTA estimates that NLTF expenditure over the next 20 years is $163 billion, including $12 billion on debt (including PPPs), $121 billion on continuous programmes, and $30 billion on improvements (including Local Road Improvements, Walking and Cycling Improvements, Public Transport Infrastructure and State Highway Improvements).
- s 9(2)(f)(iv)
- s 9(2)(f)(iv)

Risks facing the delivery of the RoNS Programme

s 9(2)(f)(iv)

Recommendations

We recommend you:

1 **note** that in addition to the RoNS Programme, over the next 20-years, over a quarter of a trillion dollars s 9(2)(f)(iv) will be invested in land transport, including $161 billion through the NLTF, $56 billion on the RoNS Programme, and s 9(2)(f)(iv) on other mega projects

2 **note** that the cost to deliver the 17 Roads of National Significance (RoNS) Programme is likely to be over $56 billion – and NZTA has advised that additional revenue of $49 billion is required to deliver the RoNS Programme

3 **note** that the 12, 6 and 4 cent per litre increase in Fuel Excise Duty (FED) (and Road User Charge (RUC) equivalent) signalled as part of the Government Policy Statement on land transport 2024 (GPS 2024) are expected to generate $1.2 billion per annum in revenue for the National Land Transport Fund (NLTF) from 2029

4 **note** that the options presented in this briefing are a preliminary version, and further analysis and/or options can be developed

Prioritisation of investment in the RoNS Programme

5 **note** the RoNS projects have a medium to low value for money (BCRs between 0.7 and 3.1), and should be assessed against other major transport capital projects

6 s 9(2)(f)(iv) Yes / No

7 Yes / No

8 Yes / No

s 9(2)(f)(iv)

s 9(2)(f)(iv)

[redacted]

Tim Herbert
Manager, Investment
Investment and Monitoring
27 / 8 / 2025

Hon Chris Bishop
Minister of Transport
..... / ..... / .....

Minister's office to complete:

☐ Approved ☐ Declined

☐ Seen by Minister ☐ Not seen by Minister

☐ Overtaken by events

Comments

Contacts

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DETAILED REPORT BACK ON THE ROADS OF NATIONAL SIGNIFICANCE (RONS) PROGRAMME

Background

1 As part of the Government Policy Statement on land transport 2024 (GPS 2024), the Government re-introduced the Roads of National Significance (RoNS) Programme. GPS 2024 included a list of 17 new RoNS,[1] and stated that each should be four-laned, grade-separated highways, with all funding, financing and delivery options considered to deliver these in stages and as quickly as possible.

2 The RoNS Programme represents one of the most complex and expensive infrastructure programmes in New Zealand's recent history – with NZTA's latest estimate placing the total cost to deliver the 17 new RoNS at over $56 billion,[2] with $49 billion of the programme currently unfunded.

3 s 9(2)(f)(iv) This will inform a discussion between the Minister, the Ministry of Transport and NZTA on 3 September.

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

NZTA has developed investment cases for the RoNS projects

5 Since GPS 2024 was published in June 2024, NZTA has been developing investment cases for 13 of the 17 RoNS. Of the remaining four, two are currently under construction (Ōtaki to North of Levin and Takitimu North Link Stage 1), and one is seeking Requests for Proposals (RFP) (Northland Expressway Stage 1 (Warkworth to Te Hana)). s 9(2)(f)(iv)

6 Given this, Takitimu North Link Stage 1, Ōtaki to North Levin and the Northland Expressway Stage 1 (Warkworth to Te Hana), have been excluded from the options presented in this briefing, as they are expected to be delivered through baseline funding.

7 Some of NZTA's investment cases do not reflect the full scope of the RoNS projects as outlined in GPS 2024. These include Mill Road (only Stage 1), Hawke's Bay Expressway (only Stage 1), and the Cross Valley Link being classed as a local road in the Petone to Grenada Investment Case – with expected costs and delivery timeframes excluded. NZTA note that the reduction in scope for the RoNS projects has been due to a focus on value for money and ensuring that investments are made in the parts of the corridor that need improvements now.

[1] The RoNS programme includes: Northland Expressway Stage 1 (Warkworth to Te Hana), Northland Expressway Stages 2 & 3 (Te Hana to Whangārei), Mill Road Stage 1, East West Link, North-West Alternative State Highway 16, Cambridge to Piarere Expressway, Hamilton Southern Links, Tauriko West, Takitimu North Link Stage One, Takitimu North Link Stage Two, Hawke's Bay Expressway, Ōtaki to North of Levin, Petone to Grenada Link Road & Cross Vally Link, Wellington Tunnels and Basin Reserve Upgrade, the Hope Bypass, and Belfast to Pegasus Motorway and Woodend Bypass.

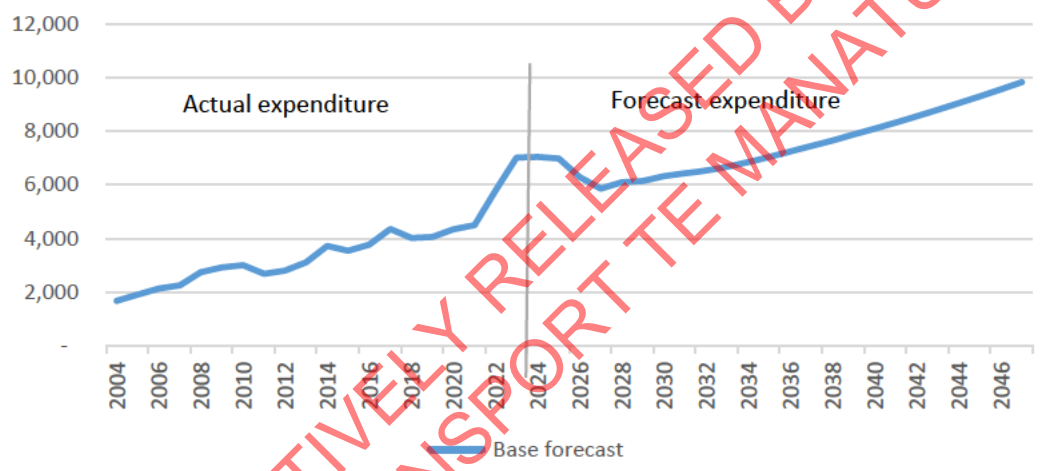
[2] Based on the current P95 estimates provided to the Ministry from NZTA.

8 While the Ministry has received cost estimates and benefit cost ratios (BCRs) for the Hamilton Southern Links, NZTA does not expect to complete the Investment Case until September 2025. **Attachment 1** provides one-page summaries for each of the RoNS projects that the Ministry has received Investment Cases for including estimated costs, BCR, and construction start date.

You will need to prioritise the RoNS against other investments in land transport

9 Over the next 20 years, $163 billion of NLTF revenue is forecast to be invested into the land transport network. NZTA has advised that this funding will be used to repay debt ($12 billion) maintain existing service levels ($121 billion), deliver BAU improvements ($30 billion), and that there is limited opportunity to reprioritise this funding to deliver any additional RoNS projects (i.e. the 14 of the 17 RoNS which this advice is focused on).

Figure 1: NLTF expenditure (actual and forecast)



10 In addition to the planned investments from the NLTF ($163 billion) and the RoNS Programme ($56 billion), there are other major transport capital investments which are planned for delivery over the next 20 years, including:

10.1 Waitematā Harbour Connections s 9(2)(f)(iv)

10.2 potential rail investments across the metropolitan and freight rail networks s 9(2)(f)(iv)

10.3 Northwest Busway s 9(2)(f)(iv)

11 Delivering these other transport capital investments in full could require additional funding of s 9(2)(f)(iv) and result in total expenditure of s 9(2)(f)(iv) over 20 years – s 9(2)(f)(iv) You will therefore need to prioritise, not just within the RoNS Programme, but across all transport capital investments.

s 9(2)(f)(iv)

s 9(2)(f)(iv)

The Ministry and NZTA have developed expenditure options for the RoNS Programme

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

15 the Ministry and NZTA have independently prioritised the RoNS Programme and developed comparable delivery options and investment options s 9(2)(f)(iv)

s 9(2)(f)(iv)

16 BCRs are highly sensitive to the underlying assumptions, and the Ministry recommends that these are used to assess relative, not absolute value of a proposed investment. s 9(2)(f)(iv)

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

s 9(2)(f)(iv)

18 **Table 2** below summarises the Ministry's prioritisation of the RoNS Programme. s 9(2)(f)(iv)

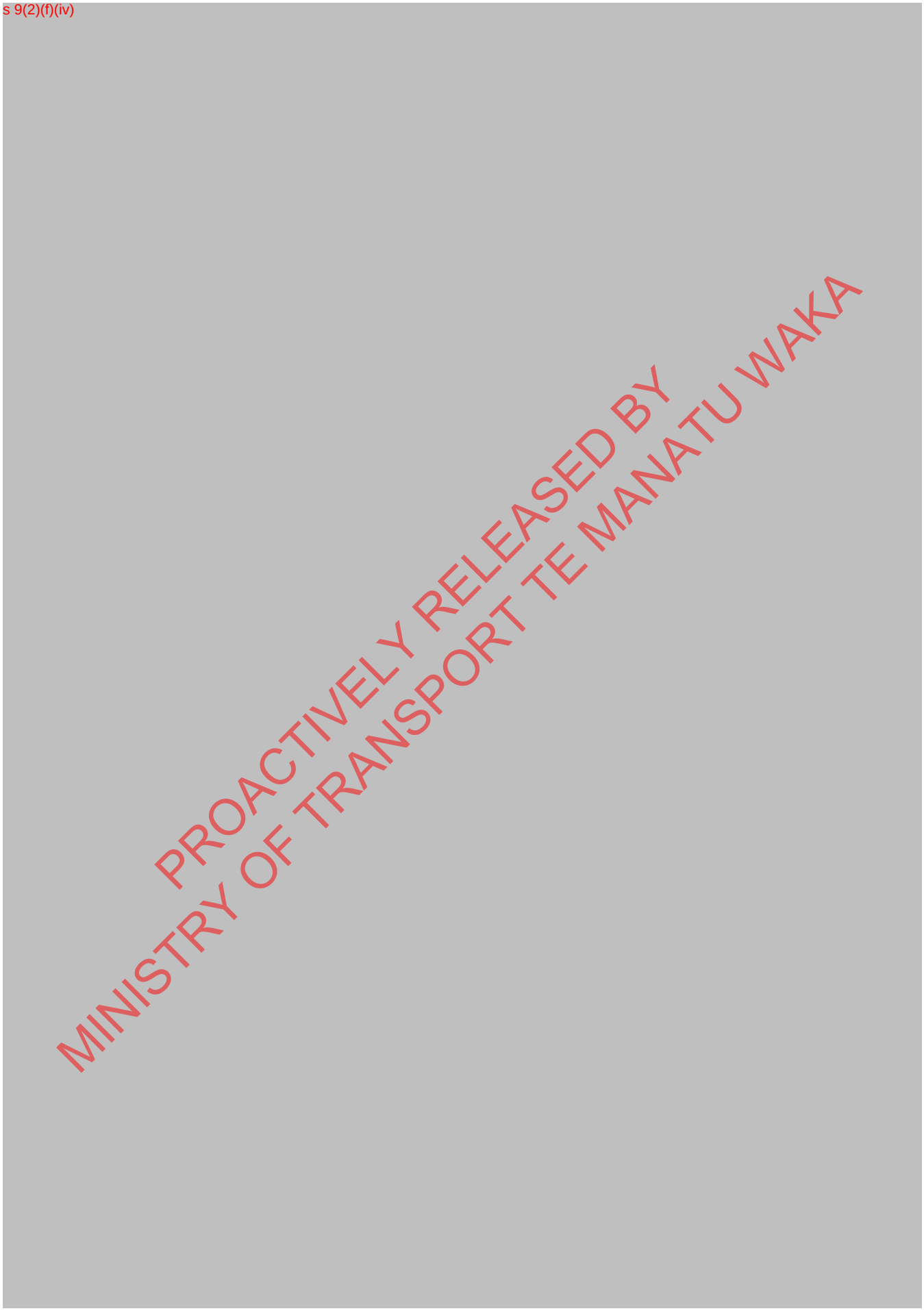
Table 3 below summarises the NZTA's prioritisation.

19 The Ministry notes that **tables 2** & **3** present an initial prioritisation of the RoNS Programme, and that further options can be developed that factor in other considerations.

s 9(2)(f)(iv)

s 9(2)(f)(iv)

s 9(2)(f)(iv)



The Ministry and NZTA have developed options for how you can fund and finance the RoNS programme

20 There are various revenue tools available to support the delivery of the RoNS Programme, which can be divided into three groups:

20.1 **Project-specific user/beneficiary charges**, which charge users and/or beneficiaries for projects. This includes road tolling and Infrastructure Funding and Financing Act (IFF Act) levies.

20.2 **General user charges**, which charge users of the road network regardless of where or when they use it. The primary tools here are fuel excise duty (FED), road user charges (RUC), and motor vehicle licensing fees (MVR).

20.3 **Crown funding**, drawn from general taxation.

21 All revenue tools are constrained by New Zealanders' willingness and ability to pay, and ultimately revenue raised will come from the same broad set of people: New Zealand households. Using multiple funding sources is therefore unlikely to materially mitigate cost-of-living concerns, although it may shift costs between different kinds of households. The Ministry recommends prioritising project-specific charges as they ensure the closest possible connection between the revenue and the users or beneficiaries of a project.

22 NZTA's analysis is that on average between s 9(2)(i) of the capital net present value of the RoNS Programme can be met through tolling, and that IFF Act levies could contribute a further s 9(2)(i) The specific amount of revenue raised will depend on the projects delivered, and the Ministry and NZTA will provide detailed advice on the use of these revenue tools on a case-by-case basis.

23 Once project-specific user charges have been maximised, the Ministry recommends prioritising general user charges to generate the remaining revenue. While noting that general user charges have a weaker connection to the RoNS Programme than direct user charges, these ensure that the transport network is self-funding (as recommended by the Infrastructure Commission's draft National Infrastructure Plan).

24 Of the general user charges, FED and RUC are the most administratively efficient tools. Motor vehicle licensing fees (MVR) can be used alongside FED and RUC s 9(2)(f)(iv)

25 You could also seek Crown funding to help deliver the RoNS Programme. This is the Ministry's least-preferred option as it has the weakest user-pays link to the projects.

You have choices about the mix of tools

26 s 9(2)(f)(iv) [redacted]

27 As an approximate guide, increasing MVR by $10 is equivalent to about a 1 cent per litre on FED and a commensurate increase in RUC rates. Crown funding of approximately $55-60 million annually would be required to offset a 1 cent per litre FED increase (and equivalent RUC) on current levels of fuel efficiency. Increases to FED, RUC and MVR shown in Figure 2 below represent the amount rates would be increased by if implemented as a one-off (meaning that if they were phased then the eventual maximum increase may be higher). They are also additional to the increases Cabinet has already agreed to (CAB-24-MIN-0057 refers).[6]

s 9(2)(f)(iv) [redacted]

28 To illustrate the potential impact of the Scenario 3 approach on general user charges (FED, RUC and MVR), we have prepared Table 4, which shows the estimated required increases.

29 The analysis assumes tolling and IFF Act levies contribute s 9(2)(i) [redacted] respectively of overall programme costs. s 9(2)(f)(iv) [redacted]

[6] Cabinet agreed to increase FED by 12 cents per litre from January 2027, a further 6 cents per litre from January 2028, and a further 4 cents per litre annually from January 2029. Cabinet agreed that each FED increase would be matched by an equivalent RUC increase. Cabinet also agreed to increase the standard MVR fee by $50 in two $25 stages. The first of these stages took effect on 1 January 2025, with the second set to take effect from 1 January 2026.

30 Under these assumptions, there remains a significant reliance on FED and RUC revenue which could vary depending on your preferred approach. In the last 50 years FED rates have not increased by more than 5 cents per litre annually.

s 9(2)(f)(iv)

31 The increases in the above table would be additional to the increases Cabinet has already agreed to. For example, if the FED increases outlined above were implemented in 2027 they would be additional to a 'base' rate of 82 cents per litre (and further increases of 6 and 4 cents per litre per year would still be required in future).

32 Across these scenarios, the quantum of funding generated from each revenue tool could change. In particular:

32.1 revenue from tolling and IFF Act assumes that the midpoint of NZTA's revenue estimates is met in each investment option s 9(2)(i) The actual amount raised will be highly dependent on which RONS are built.

32.2 the cost of implementing and administering tolling schemes has historically been slightly more than 30 percent of overall scheme revenue on average.

s 9(2)(i)

34 s 9(2)(i) [redacted]

35 [redacted]

NZTA revenue options

36 s 9(2)(f)(iv) [redacted]

s 9(2)(f)(iv) [redacted]

37 While debt can be used to smooth annual peaks in investment, the Ministry does not recommend it is used as the primary tool to deliver large transport capital programmes. Large capital programmes are by nature spread over several years and the land transport system has efficient and broad base funding tools (FED/RUC) that can extract the required revenue over this time.

38 s 9(2)(f)(iv) [redacted]

s 9(2)(f)(iv)

39 While there may be some merit to using debt to link costs to future beneficiaries, this remains an imperfect targeting and comes with much higher overall costs. The Ministry instead recommends debt funding be used to the level to which can be repaid through direct beneficiary charges.

Future revenue pricing considerations

40 Road prices should ideally be set to cover the full cost of providing and maintaining the road network, including both the costs of providing the current network, and the least-cost investment required to meet future demand. The RUC transition provides a pathway towards more cost-reflective pricing for the current network but does not provide signals about whether or where to invest. Tolls are the best tool to do this.

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

s 9(2)(f)(iv)

42 NZTA has indicated that base expenditure[8] over the 2027-48 period is $163 billion, and includes: $12 billion on debt, including PPPs, $121 billion on continuous programmes, and $30 billion on improvements ($7 billion on local road improvements, $2 billion on Walking and Cycling, $11 billion on Public Transport Infrastructure, and $10 billion on State Highway Improvements).

43 NZTA has advised that this forecast has been built off high level assumptions. The continuous programme's expenditure has been estimated using the midpoints of the GPS 2024 activity class. Improvements expenditure has been based on the lower band of the GPS 2024 activity class for local road improvements, walking and cycling, and public transport infrastructure. Expenditure on state highway improvements accounts for the completion of Ōtaki to North Levin s 9(2)(i) pre-implementation of the Second Waitematā Harbour Crossing s 9(2)(i) and an allowance for other non-RoNS improvements.

44 The draft National Infrastructure Plan outlines that although New Zealand in the top 10% of OECD countries for per capita expenditure on infrastructure, it is in the bottom 10% in terms of what gets delivered. This suggests that as a country, New Zealand is relatively inefficient at delivering infrastructure and there could be significant opportunities to increase the "bang for buck" New Zealand gets from infrastructure spending.

[8] Base expenditure excludes expenditure on uncommitted RoNS projects, the WHC and the Northwest Busway.

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

46

47

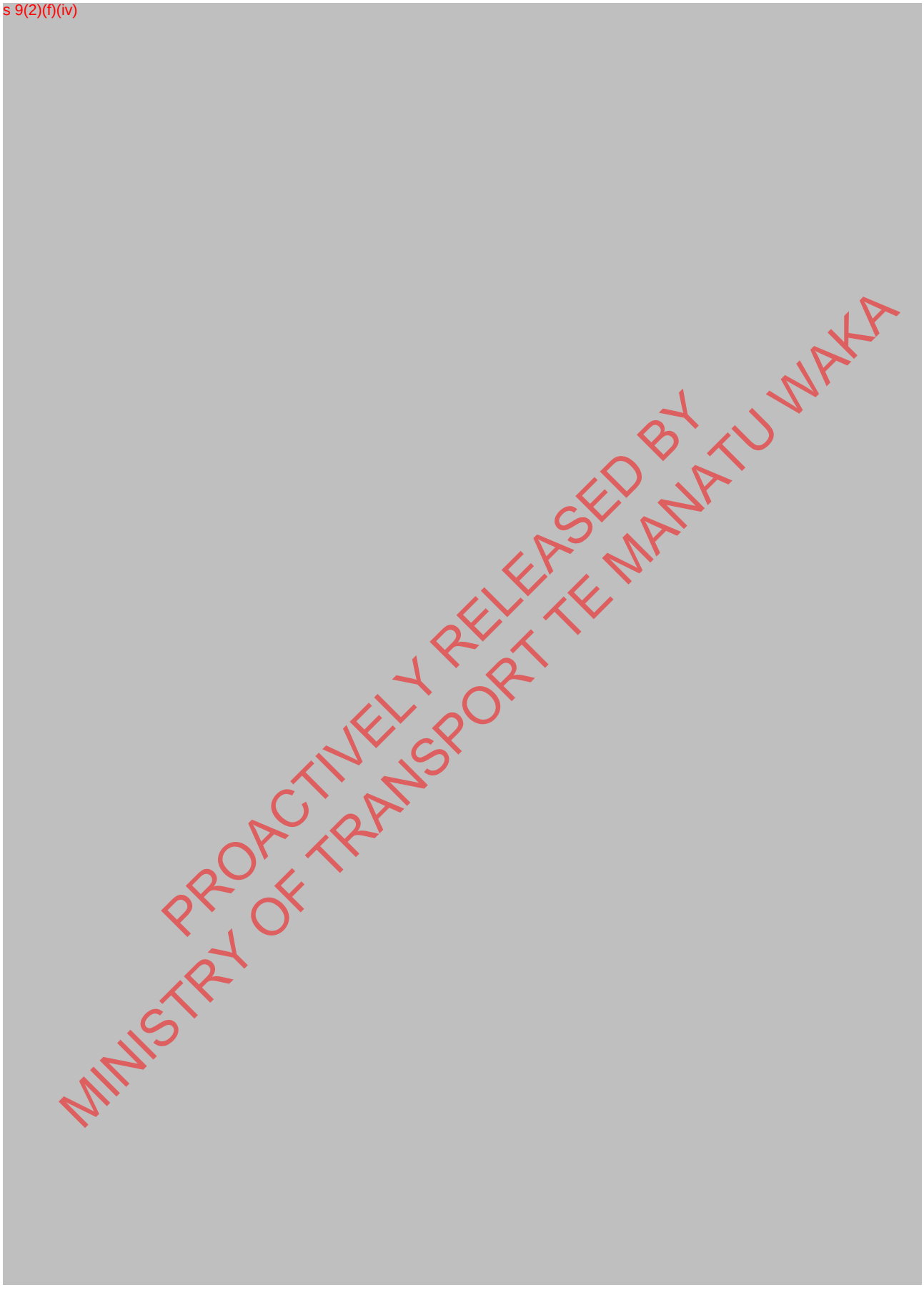
48 NZTA are working to refine the above forecast and to develop a detailed 10-year expenditure forecast, which will be used to inform expenditure and revenue settings in GPS 2027. The Ministry expects to receive this forecast on 19 September 2025 and have procured an independent third party to review this forecast. As part of this, the independent reviewer will s 9(2)(f)(iv)

49 The Ministry will receive an initial draft of the third-party review in December 2025, and following the receipt will provide further advice s 9(2)(f)(iv)

s 9(2)(f)(iv)

s 9(2)(f)(iv)

s 9(2)(f)(iv)



s 9(2)(f)(iv)

s 9(2)(f)(iv)

[redacted]

Next steps

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

[redacted]

Northland Expressway Stage 1 Warkworth - Te Hana

s 9(2)(b)(ii), s 9(2)(i), s 9(2)(j)

High level overview

Problem statement:	**Project description:**
The current corridor has a high safety risk, with 26 fatalities since 2019. It is also unreliable and vulnerable, with 25% more closures annually than in 2017.	**Northland Corridor Section 1** (Warkworth to Te Hana) is 26km long and includes around 13 bridges and several tunnels. (the whole Northland Corridor, including Sections 2 and 3, will be 100km long).

Delivery method and funding source:		
Section 1 will be delivered as a PPP. s 9(2)(b)(ii)	**Pre-implementation start date:**	2024/25
	Indicative Construction start date:	s 9(2)(f)(iv)
	Completion date:	

Interaction with other projects and alternative funding arrangements:

The Northland Expressway is split into 3 sections. PPPs are also currently planned to deliver sections 2 & 3. NZTA has considered tolling and value capture but have not quantified the amount of revenue this will generate.

Key information

Impacts and benefits:

The section 1 implementation case states:

- 145 DSI savings over the life of the PPP
- 7-10 minutes travel time savings per vehicle
- over 1000 less closure hours due to unexpected events (mainly weather) over the life of the PPP.

BCR (P50-P95):	s 9(2)(b)(ii), s 9(2)(i), s 9(2)(j)
BCR incl. WEBs (P50-P95):	

Cost estimation:

s 9(2)(b)(ii), s 9(2)(i), s 9(2)(j)

Risks:

s 9(2)(g)(i)

s 9(2)(f)(iv)

Ministry comment:

s 9(2)(b)(ii), s 9(2)(f)(iv), s 9(2)(i), s 9(2)(j)

Northland Expressway Stages 2 & 3 — $15,300m – $18,300m

High level overview

Problem statement:	Project description:
Providing a safer, more resilient and cost efficient route to enable more reliable access between Northland, within New Zealand and to the rest of the world via Northport, Ports of Auckland, Auckland Airport and Ports of Tauranga.	Four lane grade separated highway over 75km long from Te Hana (where Stage 1 finishes) to Whangārei.

Delivery method and funding source:		
s 9(2)(b)(ii)	Pre-implementation start date:	2025/26
	Indicative Construction start date:	s 9(2)(f)(iv)
	Completion date:	

Interaction with other projects and alternative funding arrangements:

Flows on from Stage 1 and the existing Puhoi – Warkworth motorway. s 9(2)(b)(ii), s 9(2)(f)(iv)

Key information

Impacts and benefits:

Travel time – up to 38 minutes faster, with a 64% reduction in travel time delays
Crash – a 66% reduction in DSIs along the corridor
Resilience – an 82% reduction in resilience risk along the corridor

BCR (P50-P95):	s 9(2)(b)(ii), s 9(2)(f)(iv)
BCR incl. WEBs (P50-P95):	

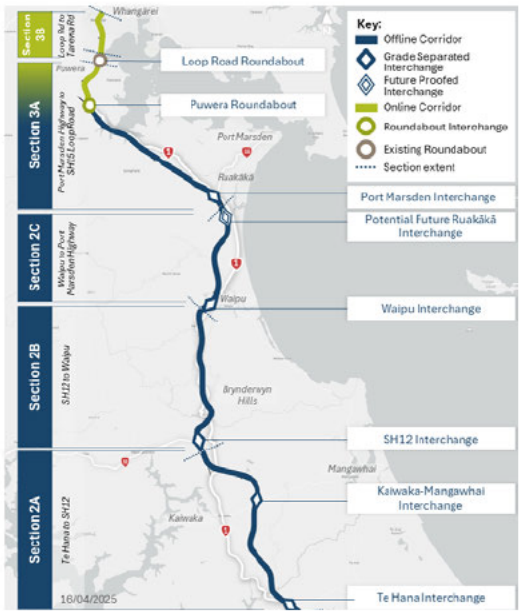
Cost estimation:

s 9(2)(b)(ii), s 9(2)(f)(iv)

Risks:

s 9(2)(g)(i)

s 9(2)(f)(iv)



Ministry comment:

s 9(2)(f)(iv)

Mill Road Stage 1

$1,750m – $2,045m

High level overview

Problem statement:
The Mill Road Corridor experiences significant congestion during peak periods caused by its limited capacity, frequent crashes, and turning traffic along the corridor. The investment case seeks to improve traffic efficiency on Mill Road and enhance the resilience of the network.

Project description:
Mill Road is split into two packages. Package 1 consists of a 1.7km four lane road, with 700m of bus lane on one side of the road. Package 2 consists of a 5.4km four lane road, with a 1.8km shared pathway.

Delivery method and funding source:
s 9(2)(b)(ii), s 9(2)(f)(iv)

Pre-implementation start date:	2025/26
Indicative Construction start date:	s 9(2)(f)(iv)
Completion date:	

Interaction with other projects and alternative funding arrangements:
NZTA is only progressing route protection and lodgement of Notice of Requirement for Stages 2 and 3. s 9(2)(b)(ii), s 9(2)(f)(iv)

Key information

Impacts and benefits:	
Travel time benefits: $1.8b (averaging 5 minutes time savings) Congestion benefits: $972m Resilience benefits: $695m Safety benefits: $147m (7 less death and serious injury crashes p.a.)	
BCR (P50-P95):	s 9(2)(f)(iv)
BCR incl. WEBs (P50-P95):	

Cost estimation:
s 9(2)(b)(ii), s 9(2)(f)(iv)

Risks:
s 9(2)(g)(i)

s 9(2)(f)(iv)

Ministry comment:
s 9(2)(f)(iv)

East West Link

$3,671m – $4,065m

High level overview

Problem statement:
There is growing congestion and limited freight access to the Onehunga and Penrose area from SH20 and SH1. Travel times are expected to increase by ~5 minutes by 2051, affecting freight efficiency, and economic productivity.

Project description:
Three laning 800m of the Onehunga Harbour Road, with a new link into Galway St. New offramps connecting SH1 and Sylvia Park Road and a new 3km four lane grade separated connection between Neilson St and Great South Road.

Delivery method and funding source:
s 9(2)(b)(ii), s 9(2)(f)(iv)

Pre-implementation start date	2025/26
Indicative Construction start date:	s 9(2)(f)(iv)
Completion date:	

Interaction with other projects and alternative funding arrangements:
s 9(2)(b)(ii), s 9(2)(f)(iv)

Key information

Impacts and benefits:	
Provides up to 11.5 minutes of travel time savings for 30,000 vehicles accessing SH1, and up to 3.2 minutes of travel time savings for 40,000 accessing SH20.	
BCR (P50-P95):	2.3 – 2.6
BCR incl. WEBs (P50-P95):	2.9 – 3.2

Cost estimation:
s 9(2)(b)(ii), s 9(2)(f)(iv)

Risks:
s 9(2)(g)(i)
s 9(2)(b)(ii), s 9(2)(f)(iv)

Ministry comment:
s 9(2)(f)(iv)

s 9(2)(b)(ii), s 9(2)(f)(iv)

Cambridge to Piarere Expressway

High level overview

Problem statement:	**Project description:**
A nationally significant freight route. The 2021 business case outline's reliability issues (closing on average once every 10 days) and safety issues (27 deaths and serious injuries in the 5 years to 2021).	A 16km four lane expressway from the end of the Cambridge section of the Waikato Expressway to the intersection of SH1 and SH29 at Piarere. The expressway also includes a new diamond grade separated interchange near Karapiro Rd.

Delivery method and funding source:		
s 9(2)(b)(ii)	**Pre-implementation start date**	2024/25
	Indicative Construction start date:	s 9(2)(f)(iv)
	Completion date:	

Interaction with other projects and alternative funding arrangements:

s 9(2)(b)(ii), s 9(2)(f)(iv)

Key information

Impacts and benefits:		**Cost estimation:**
Safety: 19.4 fewer DSIs over 5 years Travel time: 2.2-minute travel time saving Reliability: 90% reduction in unplanned road disruptions, from one unplanned event every 10 days to every 102 days		s 9(2)(b)(ii), s 9(2)(f)(iv)
BCR (P50-P95):	s 9(2)(b)(ii), s 9(2)(f)(iv)	
BCR (incl. WEBs):	N/A	

Risks:

s 9(2)(g)(i)

s 9(2)(b)(ii), s 9(2)(f)(iv)

Ministry comment:

s 9(2)(f)(iv)

Tauriko West

$2,795m – $3,276m

High level overview

Problem statement:	**Project description:**
SH29 and SH29A are congested at peak times and trips on this short section can vary by more than 30 minutes. Planned residential and commercial growth and increasing freight demand is expected to worsen congestion and travel times without intervention.	New four lane SH29 between Redwood Lane and TNL, widening Takitimu Drive to four lanes. Widening SH29A to four lanes, and protected space for two more lanes. Various intersection improvements and upgrade to an at-grade signalised intersection.

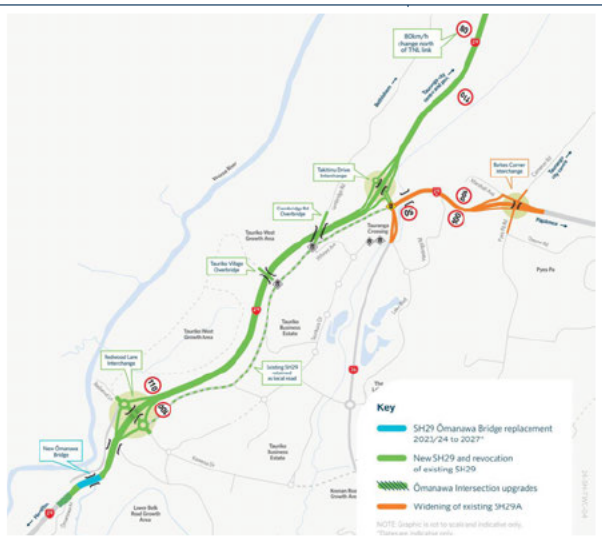
Delivery method and funding source:		
s 9(2)(b)(ii)	**Pre-implementation start date:**	2024/25
	Indicative Construction start date:	s 9(2)(f)(iv)
	Completion date:	

Interaction with other projects and alternative funding arrangements:

s 9(2)(b)(ii), s 9(2)(f)(iv)

Key information

Impacts and benefits:		**Cost estimation:**
40% improvement in travel time reliability on SH29 (13mins) & SH29A (6mins). Will support 3600-4000 new dwellings and potentially 18,000 houses in the Western Corridor by 2063. 50% reduction in DSIs, and improved network resilience on SH29 and SH29A.		s 9(2)(b)(ii), s 9(2)(f)(iv)
	BCR (P50-P95): s 9(2)(b)(ii), s 9(2)(f)(iv)	
	BCR incl. WEBs (P50-P95):	

Risks:	
s 9(2)(f)(iv), s 9(2)(g)(i)	
s 9(2)(f)(iv)	

Ministry comment:

s 9(2)(f)(iv)

Takitimu North Link Stage 2

s 9(2)(b)(ii), s 9(2)(f)(iv)

High level overview

Problem statement:	**Project description:**
This section of SH2 is a high-risk section with 19 DSIs in the 2011-2015 period. Traffic flows through this section of SH2 are between 18,000 and 21,000 vehicles per day, exceeding the capacity threshold of 19,000 leading to delays.	Building an offline four lane highway with median barrier on a new route with a grade separated interchange and overbridges. Reclassifies the existing SH2 section to local road.

Delivery method and funding source:	**Pre-implementation start date**	2025/26
s 9(2)(b)(ii), s 9(2)(f)(iv)	**Indicative Construction start date:**	s 9(2)(f)(iv)
	Completion date:	

Interaction with other projects and alternative funding arrangements:
TNL stage 2 follows on from TNL Stage 1 and decisions have been made to toll the full corridor.

Key information

Impacts and benefits:	**Cost estimation:**
25-50% improvement in travel time during peak periods, with a reliable 15-minute journey between Omokora and Tauranga CBD. Travel time benefits make up 90% of the total benefits.	s 9(2)(b)(ii), s 9(2)(f)(iv)

BCR (P50):	2.3
BCR incl. WEBs (P50-P95):	2.8

Risks:	
s 9(2)(f)(iv) and s9(2)(g)(i)	

s 9(2)(f)(iv)

Hawke's Bay Expressway Stage 1 $570m – $673m

High level overview

Problem statement:	**Project description:**
The project aims to reduce growing wait times on the expressway, boosting regional economic growth and productivity. It also seeks to enhance safety and resilience along the route.	Stage 1 will widen the 6.5km mid-block section between Taradale and Pakowhai Roads roundabouts from two to four lanes, and duplicate overbridges at Meeanee and Kennedy Roads, and the Tutaekuri River bridge (Section 1). It also seeks to grade separate the Pākōwhai Road intersection (Section 2).

Delivery method and funding source:		
A staged delivery approach over several NLTP periods. The NLTF is the preferred source for 100% funding of Stage 1.	**Pre-implementation start date:**	2025/26
	Indicative Construction start date:	2025/26
	Completion date:	s 9(2)(f)(iv)

Interaction with other projects and alternative funding arrangements:

Section 1 has already progressed to pre-implementation; this business case seeks funding for implementation of Section 1 and pre-implementation for Section 2. s 9(2)(b)(ii), s 9(2)(f)(iv)

Key information

Impacts and benefits:

- travel time benefits: $108m
- VOC (Vehicle Operating Cost) benefits: $31m
- safety benefits: $15m

These benefits rely on Stage 2 delivery. It is unclear how NZTA calculates the dollar value of these benefits, as several documents in the IC provide different figures.

BCR (P50):	2.3 – 2.8
BCR incl. WEBs (P50-P95):	N/A

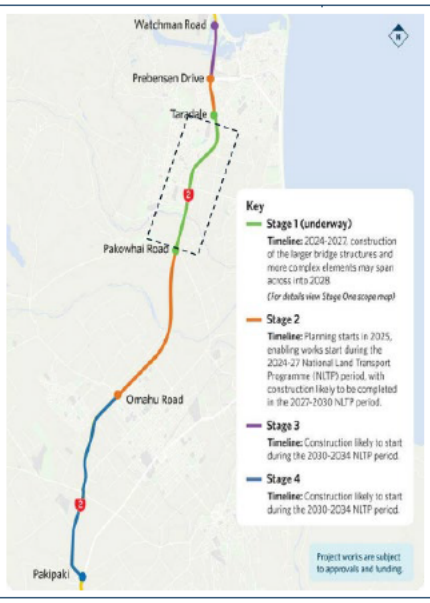
Cost estimation:

s 9(2)(b)(ii), s 9(2)(f)(iv)

Risks:

s 9(2)(f)(iv) and s9(2)(g)(i)

s 9(2)(f)(iv)



Ministry comment:

s 9(2)(f)(iv)

Petone to Grenada Link Road & Cross Valley Link $2,119m – $2,677m

High level overview

Problem statement:	Project description:
There is poor connectivity between Lower Hutt and Wellington / Porirua which limits economic productivity. SH1 and 2 carry over 70,000 vehicles per day and experience significant congestion at peak times. Due to poor network resilience, even minor events can significantly affect state highway operations and sever lifeline access between the Hutt and Wellington.	s 9(2)(b)(ii), s 9(2) four lane median separated highway with an 80km/h speed limit. The recommended option includes two tunnels and new interchanges with SH1 and SH2, as well as a new bridge over SH2 that connects into Hutt Road.

Delivery method and funding source		
s 9(2)(b)(ii), s 9(2)(f)(iv)	Pre-implementation start date:	2025/26
	Indicative Construction start date:	s 9(2)(f)(iv)
	Completion date:	

Interaction with other projects and alternative funding arrangements

Interaction with the Cross Valley Link (which NZTA has treated as a separate initiative given it's a local road). The BCR of P2G and CVL as a combined project is 2.0. Other interactions include Te Ara Tupua (which is nearing completion) and RiverLink.

Key information

Impacts and benefits:

- economic growth and productivity benefits from travel time and reliability improvements
- up to 23 minutes of travel time savings and 60% travel time reliability improvements between Hutt and Porirua
- 10% reduction in death and serious injury crashes
- supports planned housing growth of 30k+ houses
- alternative route for closures on SH1 and SH2 during unplanned incidents.

BCR (P50):	1.7
BCR incl. WEBs (P50-P95):	2.7

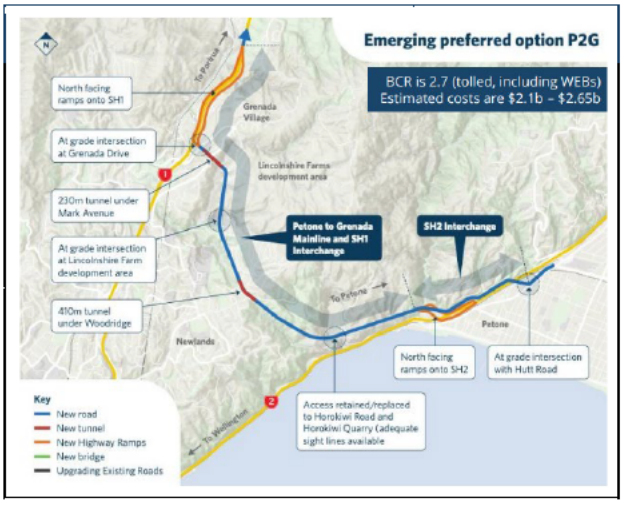
Cost estimation:

s 9(2)(b)(ii), s 9(2)(f)(iv)

Risks:

s 9(2)(f)(iv) and s9(2)(g)(i)

s 9(2)(f)(iv)



Ministry comment:

s 9(2)(f)(iv)

Wellington Tunnels & Basin Reserve Upgrade $2,895 – $3,747m

High level overview

Problem statement:
SH1 in Wellington CBD has capacity constraints, leading to large travel time delays and unreliable journeys. These delays cause people to use local roads, unsuitable for large traffic volumes. Slow journeys through the CBD limit the economic benefits generated by northern improvements. This project will unblock the Terrace and Mt Vic bottlenecks.

Project description:
This RoNS project includes: • a duplicate Terrace tunnel • additional lanes on Karo Drive and Vivian Street • major changes to Arras Tunnel and Basin Reserve roads • a duplicate Mt Vic tunnel • additional lanes from Mt Vic to Cobham Drive.

Delivery method and funding source:
To be consented via Fast Track Approvals Act, s 9(2)(b)(ii), s 9(2)(f)(iv)

Pre-implementation start date:	2024/25
Indicative Construction start date:	s 9(2)(f)(iv)
Completion date:	

Interaction with other projects and alternative funding arrangements:
s 9(2)(b)(ii), s 9(2)(f)(iv)

Key information

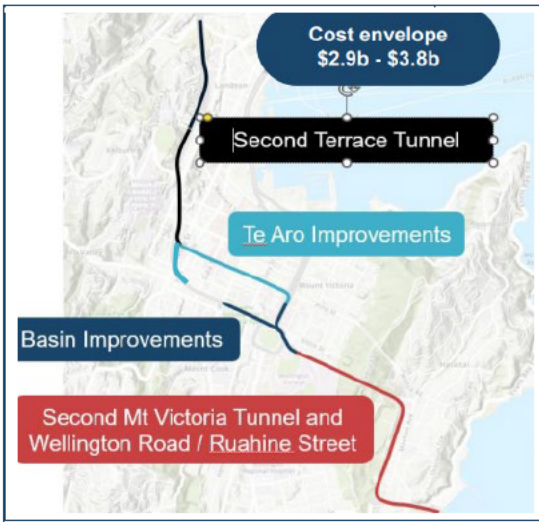
Impacts and benefits:
Economic appraisal methodology said to align with MBCM. **Travel time:** 10min reduction at peak times **($1150m NPV)** **Travel time variability:** reduced by up to 40% **($556m NPV)** **Walking/cycling:** 200+ extra trips per day **($28m NPV)** **Safety:** worsens due to enabled VKT growth **(-$6m NPV)** **Emissions:** worsens due to enabled VKT growth **(-$33m NPV)** **Other unmonetised benefits:** -20% traffic via Hbr Quays

BCR (P50):	0.7
BCR incl. WEBs (P50-P95):	1.2

Cost estimation:
s 9(2)(b)(ii), s 9(2)(f)(iv)

Risks:
s 9(2)(f)(iv) and s9(2)(g)(i)

s 9(2)(f)(iv)



Ministry comment:
s 9(2)(f)(iv)

s 9(2)(b)(ii), s 9(2)(f)(iv)

Hope Bypass

High level overview

Problem statement:	**Project description:**
Congestion and safety issues along SH6 are undermining regional economic performance. As a key freight corridor, SH6 requires enhanced road capacity to support the projected growth in Richmond South and the wider Tasman region.	New four lane grade separated road, and four lane grade separated interchange.

Delivery method and funding source:		
Staged delivery using traditional models (e.g. design and construct).	**Pre-implementation start date**	2025/26
	Indicative Construction start date:	s 9(2)(f)(iv)
	Completion date:	

Interaction with other projects and alternative funding arrangements:

s 9(2)(b)(ii), s 9(2)(f)(iv)

Key information

Impacts and benefits:

- 13-16min time savings along SH6 during peak times in 2054
- support 10,800 new households by 2034 and additional 11,000 homes by 2054
- 1-2 injury crashes saved per year
- NZTA preferred option (four lanes grade separated) achieves 1.7 BCR with 1.3 MCA score.

BCR (P50-P95):	1.7
BCR incl. WEBs (P50-P95):	N/A

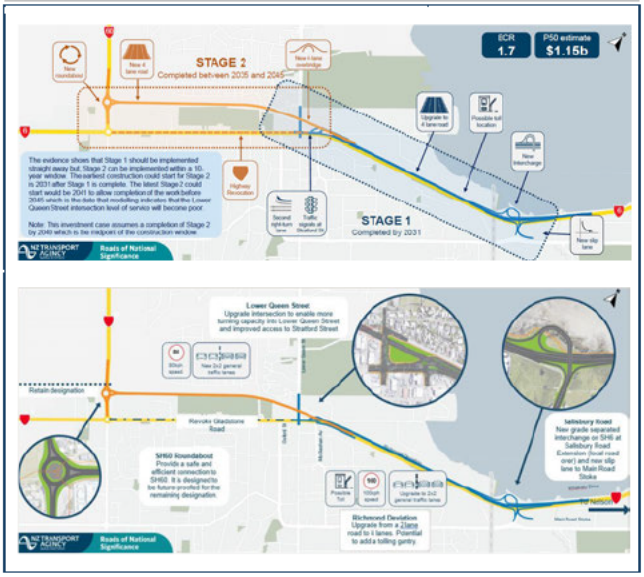
Cost estimation:

s 9(2)(b)(ii), s 9(2)(f)(iv)

Risks:

s 9(2)(f)(iv) and s9(2)(g)(i)

s 9(2)(b)(ii), s 9(2)(f)(iv)



Ministry comment:

s 9(2)(f)(iv)

s 9(2)(b)(ii), s 9(2)(f)(iv)

SH1 Belfast to Pegasus and Woodend Bypass

High level overview

Problem statement:	**Project description:**
The Belfast-Pegasus area experiences significant travel delays as well as severance, safety and access issues, especially in Woodend township.	A 9km, four laned, extension of the Christchurch Northern Motorway to Pegasus, bypassing Woodend, including 3 grade separated interchanges and 2 underpasses. B2P also includes revocation of ~5km of the existing SH1.

Delivery method and funding source:		
Staged approach, traditional form of contract and open tender. NLTF funded with a tolling option.	**Pre-implementation start date**	2024/25
	Indicative Construction start date:	s 9(2)(f)(iv)
	Completion date:	

Interaction with other projects and alternative funding arrangements:

Interaction with other projects: N/A
Alternative funding arrangements: tolling

Key information

Impacts and benefits:

Travel time and reliability benefits: $694m
Active mode benefits: $6.9m
Safety benefits: $32.5m
Reduction from 21,000 vpd (3,000 trucks) to 8,000 vpd (300 trucks) through Woodend

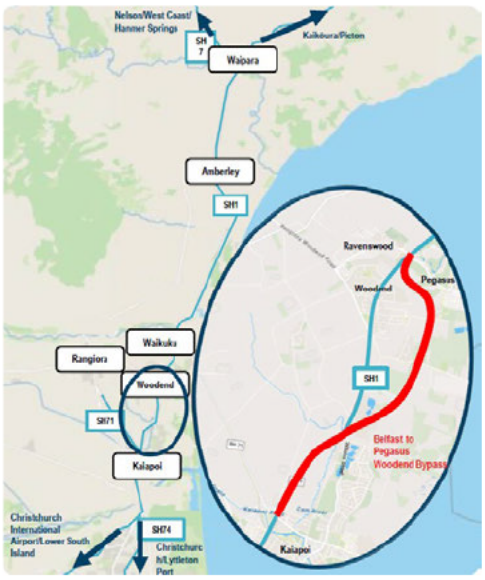
BCR (P50):	2.3
BCR incl. WEBs (P50-P95):	N/A

Cost estimation:

s 9(2)(b)(ii), s 9(2)(f)(iv)

Risks:

s 9(2)(f)(iv) and s9(2)(g)(i)



Ministry comment:

s 9(2)(f)(iv)