

September 2020

Government Policy Statement on **LAND TRANSPORT**

2021/22-2030/31





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Foreword

New Zealanders deserve a transport system that not only gets us home safely and quickly at the end of the day, but is also equipped for future opportunities and challenges. Transport will be a key part of our economic recovery from the COVID-19 pandemic. Like our economy, our transport system is facing long-term challenges caused by rapid growth in our major cities and climate change.



This Government Policy Statement on land transport (GPS) sets four big challenges: preventing deaths and serious injuries, decarbonisation, better transport choices for New Zealanders as we move about our cities and regions, and improving freight connections.

For too long the country took its eye off the ball when it came to deaths and injuries on our roads. The number of deaths increased beyond population growth or kilometres travelled at a time when many countries around the world were successfully making their citizens safer on the roads. With Road to Zero now in place, we are rolling out a billion dollar a year programme to reduce the number of deaths and serious injuries by 40%. We are making safety upgrades to thousands of kilometres of the country's most dangerous roads, reviewing speed limits, prioritising road policing, putting in place drug driving enforcement and much more.

The transport system accounts for nearly 20% of the country's greenhouse gas emissions. We have to crack this nut if we are going to meet our target of net-zero carbon by 2050, and we have to start now. An important part of this is maintaining our ongoing focus on the electrification of the light vehicle fleet. This is supported by the Government's work to transition our predominantly diesel-powered bus and truck fleet to low and zero-emissions power sources like electricity, biofuels and possibly hydrogen. Technology and the production of low and zero-emissions vehicles internationally is progressing rapidly, as is the development of infrastructure to support these vehicles. Our challenge is to accelerate the transition at an acceptable cost. Moving more freight by rail and coastal shipping, and stronger integration between transport and land use, will also reduce greenhouse gas emissions from the transport sector. As will giving people in our cities choices to walk, cycle, and take public transport.

In our cities the big challenge is to move more people with fewer vehicles. Without real alternatives, everyone drives. Morning and afternoon peaks are jammed, and firms cannot get access to the workers they need nor their customers or supplies. This reduces productivity.

The counter-factual, seen in many overseas cities, and in specific examples like Auckland's Northern Busway and Wellington's commuter rail service, is that when you have efficient public transport alongside the motorways and

roads, some people choose to leave their cars at home and take public transport. This allows the roads to move more freely, helps free up space in our cities, and combats climate change.

The country's prosperity relies on efficient transport networks to support the import and export supply chain. We have to be smarter about making the investments in road, rail, ports, freight hubs and coastal shipping so the freight and logistics industry can be as efficient, competitive and sustainable as possible. We have brought rail into the land transport system so decisions about investments can be made in a mode-neutral way, and we have allocated more than \$5 billion to rail. Now we are going to work with coastal shipping so it can play its part and move more freight on the blue highway.

The GPS 2021 is our roadmap for how the Government develops and maintains a transport network that keeps pace with future social and economic changes. It puts forward strategic priorities and investment principles that are informed by urban spatial economics to ensure our land transport system is economically and environmentally sustainable.

The GPS 2021 sets out how central and local government will invest in the land transport system to help our towns and cities to function smoothly and grow well. Decisions about what to spend public funds on need to provide the best possible impact and value to New Zealanders, while doing the right thing for the environment. On top of this, central and local government together are developing 30 year plans that treat our cities as complex systems, looking at all the things we need to do to make them succeed.

If we get the policy settings right, transport can make a big contribution to a productive, inclusive and sustainable New Zealand. The GPS 2021 is another big step towards that vision.

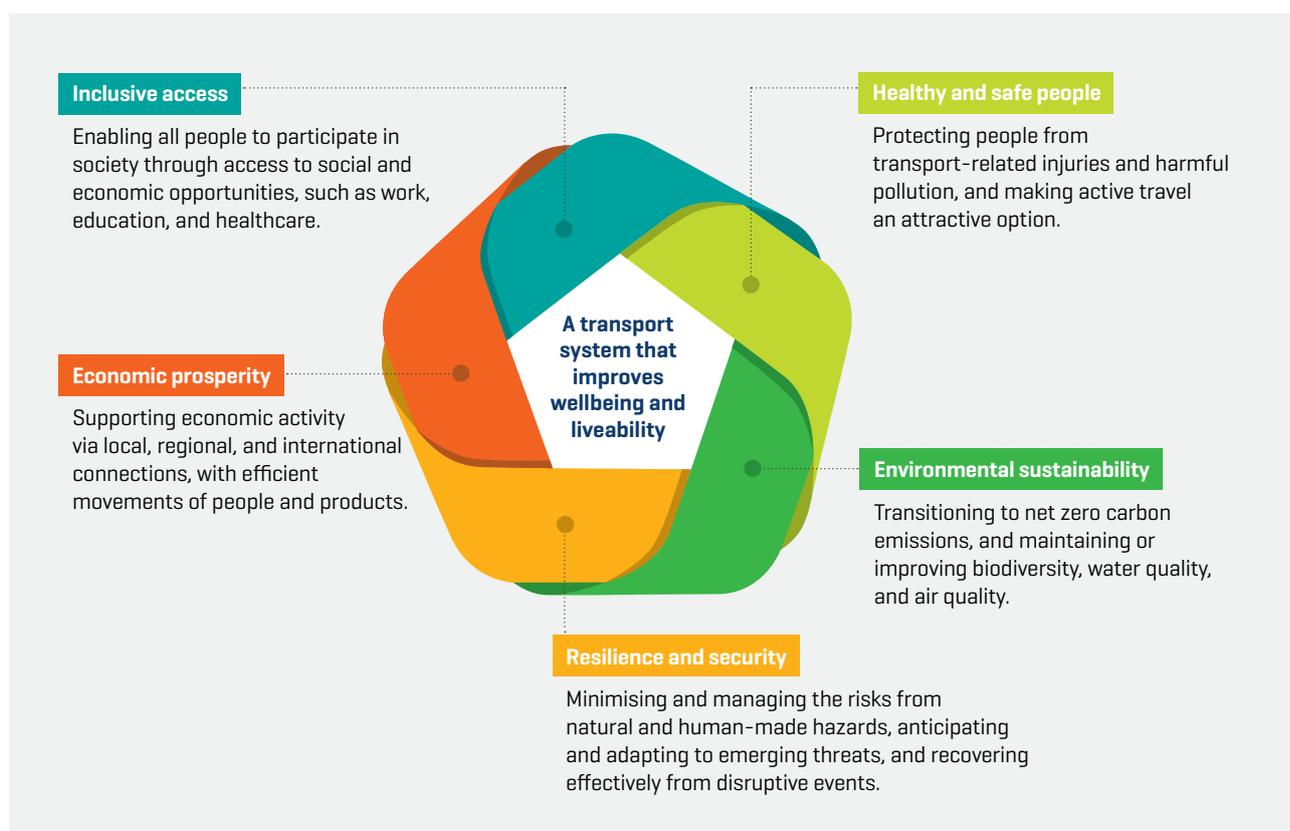
A handwritten signature in black ink that reads "Phil Twyford". The signature is written in a cursive style with a horizontal line extending to the right.

Hon Phil Twyford
Minister of Transport

Overview of GPS 2021

1. The purpose of the transport system is to improve people’s wellbeing, and the liveability of places. It does this by contributing to five key outcomes, identified in the Ministry of Transport’s Transport Outcomes Framework.

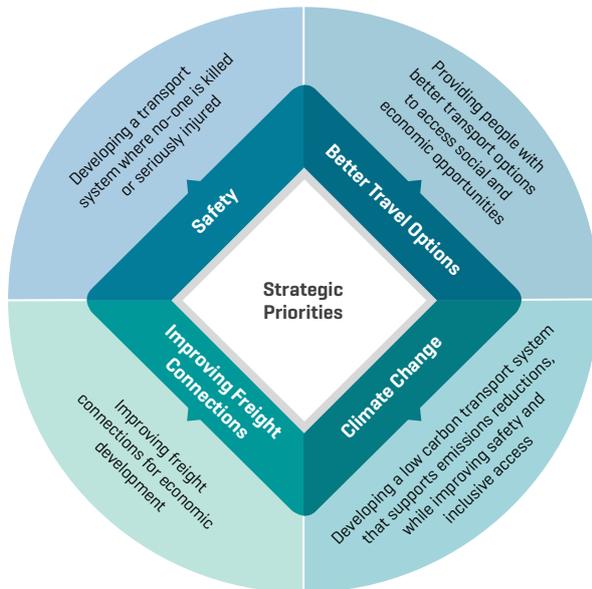
Transport Outcomes Framework



2. Providing and maintaining a transport system that will improve wellbeing and liveability requires coordination and investment by a number of different agencies and decision-makers including:
 - Minister of Transport
 - Ministry of Transport
 - Waka Kotahi, the NZ Transport Agency [Waka Kotahi]
 - Local government
 - KiwiRail
 - Ministry of Housing and Urban Development [HUD] and Kāinga Ora Homes and Communities [Kāinga Ora]
 - Ministry for the Environment
 - Climate Change Commission.
3. The overall national programme of different projects and activities to realise the above transport outcomes is funded from the National Land Transport Fund [the Fund], local communities [‘local share’], the Crown and potentially other funding or financing sources.
4. This Government Policy Statement on land transport [GPS 2021] provides direction and guidance to those who are planning, assessing and making decisions on investment of the Fund over the next 10 years [2021/22-2030/31]. GPS 2021 outlines the responsibilities of relevant parties with respect to land transport investment.
5. More details on the *Roles and Responsibilities* of the GPS and key agencies is provided in Section 1 of this document.

Investment will be guided by four strategic priorities

6. Considering the 10 year context [2021/22-2030/31], the Government has identified four strategic priorities for land transport investment to best contribute to improving our communities' wellbeing and liveability:



7. They build on the strategic priorities set in GPS 2018. Each strategic priority will guide investment to meet outcomes identified in the Transport Outcomes Framework. Some priorities are more directly linked to specific outcomes – for example the Safety priority has a direct link to the Healthy and Safe People outcome. However, as the outcomes are inter-related, each strategic priority will deliver co-benefits across the Transport Outcomes Framework. For example, a reduction in greenhouse gas emissions will be achieved through action across all priorities, programmes and activity classes.
8. Section 2 *Strategic Direction* of this document provides more detail on the strategic direction for GPS 2021. It explains what will be delivered under the priorities by 2031, and how we will measure progress. The strategic direction is underpinned by the principle of mode-neutrality, which is another central component of the Transport Outcomes Framework.

Applying the strategic direction to land transport investment

9. Section 3 *Investment in Land Transport* of this GPS sets out how investment from the Fund will be allocated to eleven activity classes. In identifying these activity classes and setting the funding range for each activity class, the Government has applied the underpinning principle of mode-neutrality [in the Transport Outcomes Framework], and considered what will best deliver the four strategic priorities.
10. The Government has considered priorities across New Zealand's diverse communities acknowledging that urban, regional, and remote communities have very different needs.
11. A large proportion of land transport will continue to be focussed on maintaining the transport system at acceptable levels of service, taking account of the strategic priorities in GPS 2021.
12. New investment [over this base] will be strongly driven by the strategic priorities, and four specific Government Commitments for GPS 2021:
- Auckland Transport Alignment Project [ATAP]
 - Let's Get Wellington Moving [LGWM]
 - Road to Zero [around 70% of this investment will be outside of Auckland and Wellington]
 - Investment from the Fund will also contribute to implementation of the New Zealand Rail Plan
13. As announced in January 2020, the Crown will invest \$6.8 billion in land transport infrastructure. This will fund specific projects to speed up travel times, ease congestion and make our roads safer by taking trucks off them and moving more freight to rail. These projects will help further the strategic priorities of GPS 2021. This funding supplements the activity classes, which display investment from the Fund only.
14. Section 3 also provides detail on the likely revenue supporting the Fund and guidance on how different funding and financing sources should be considered. It sets out principles to be taken into account when investing in the land transport sector such as value for money.
15. Finally, Section 3 sets out the Ministerial expectations for how Waka Kotahi gives effect to the investment strategy.

Transitioning from GPS 2018 to GPS 2021

16. GPS 2021 continues the strategic direction of GPS 2018, but provides stronger guidance on what Government is seeking from land transport investments.
17. The strategic priorities of Climate Change and Safety have been updated to reflect policy work that has taken place since GPS 2018 was published, such as the development of Road to Zero. Access has been separated into Better Travel Options and Improving Freight Connections. Value for money is expressed as a principle that applies to all investments, rather than a strategic priority that could change as Government changes.
18. A separate *GPS Transitions Guide* accompanies this document, outlining what has changed from GPS 2018 and what remains the same. The *GPS Transitions Guide* is available from the Ministry of Transport's website: www.transport.govt.nz/gps

1

Roles and responsibilities



This section describes the role of the GPS and relevant parties in giving effect to it.

Section 1.1

Role of the GPS

- ^{19.} Transport investments have long lead times, high costs and leave long legacies. Therefore transport planning and investments need to be guided by a long-term strategic approach, with a clear understanding of the outcomes that government is seeking to achieve.
- ^{20.} The GPS is where the government determines how investment into the land transport system from the Fund will contribute to achieving overall government outcomes, taking into account a range of policies and strategies as listed in Appendix 3. It outlines the government's strategy to guide land transport investment over the next 10 years. It also provides guidance to decision-makers about where and under what conditions government will focus resources. The GPS operates under the Land Transport Management Act 2003 [LTMA 2003], which sets out the scope and requirements for the GPS [see Appendices 1, 2 and 5 for details].
- ^{21.} The GPS influences decisions on how money from the Fund will be invested across activity classes, such as state highways and public transport. It also guides 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].
- ^{22.} Over \$4 billion of New Zealanders' money is spent through the Fund each year, which is supplemented by co-investment from local government and additional funding and financing.

Section 1.2

Responsibilities

The Minister of Transport

23. The Minister of Transport issues a GPS on land transport, and reviews it at least once every three years, in consultation with Waka Kotahi. In this document, the Minister sets out the investment strategy for land transport and the results the Crown wishes to achieve from allocation of the Fund for the coming decade. The Minister is not responsible for funding decisions on individual projects supported by the Fund.
24. The Minister must be satisfied that the GPS contributes to the purpose of the LTMA 2003 and have regard to the views of Local Government New Zealand and representative groups of land transport users and providers.

The Ministry of Transport

25. The Ministry of Transport is the Government's system lead on transport. The Ministry advises on the total set of transport interventions and levers including investment, regulation and others. It must consider the long-term outcomes for the whole system. These outcomes are described in the Transport Outcomes Framework, which applies the Treasury's Living Standards Framework to the transport system. The Ministry helps the Minister produce a GPS that sets out how the Government expects the Fund to contribute to a well-functioning land transport system over 10 years.
26. The Ministry leads advice on investments that have implications for the Fund beyond 10 years and transport investments (including land transport investments) that are funded outside the GPS and the Fund. It works in partnership with Waka Kotahi to consider how expectations on Waka Kotahi may fit with future GPSs and wider priorities.
27. 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.

Local government

28. Local government works to promote the social, economic, environmental and cultural wellbeing of their communities, now and into the future.
29. RLTPs set out objectives, policies and priorities for transport networks and services in their regions. Local government collaborates with Waka Kotahi to progress these where projects align with the GPS. As the largest co-funder of NLTP projects, local government has an important role in building strong, evidence-based projects and programmes for investment. They work closely with Waka Kotahi to make sure projects run smoothly from proposal to delivery.
30. Regional councils, territorial authorities and unitary councils will support this as they lead long-term planning for their locality (including spatial planning and more detailed land use and transport planning). Local government engages with local communities and encourages local decision-making. Reflecting the LTMA 2003, local government also has a responsibility to engage with Māori and understand the Treaty of Waitangi context in which they operate.
31. 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.

Waka Kotahi, the NZ Transport Agency [Waka Kotahi]

32. 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 and can deliver other infrastructure when agreed with central government.
33. Waka Kotahi collaborates with local government and other agencies to develop integrated plans for transport and land use. It supports local government to create quality RLTPs, which it draws from to create the NLTP that gives effect to the GPS priorities. In doing this, it optimises investment across priorities and available funding and financing sources. From 2021, Waka Kotahi will also have new partners to work with. Bringing freight rail into the NLTP represents a significant change for the system.
34. Waka Kotahi will be responsible for advising the Minister of Transport on KiwiRail's proposed Rail Network Investment Programme (RNIP), and the funding of rail activities within it, including providing advice on alignment with the principles of the LTMA 2003 and the New Zealand Rail Plan. Waka Kotahi will also have a role in monitoring the delivery of the RNIP.
35. In addition to the LTMA 2003 requirements for Māori engagement, and the consideration of the Treaty of Waitangi, Waka Kotahi shares the Crown's commitment to the Māori-Crown partnership, which is expressed in its 'Te Ara Kotahi/Our Māori Strategy'.

KiwiRail

36. KiwiRail will be required to develop and deliver a three-year investment programme for the rail network. The RNIP will also include an indication of significant rail network activities expected in the next RNIP and a 10-year forecast. The investment priorities in the New Zealand Rail Plan, and the funding signals in the GPS, will guide the development of the RNIP.
37. The RNIP will be funded from the Rail Network activity class and the Public Transport Infrastructure activity class for metropolitan rail activities, supported by Crown funding.
38. Planning, operating and maintaining the rail network and the associated freight, tourism and property services remain the core business and responsibility of KiwiRail.

Agencies with rail responsibilities

39. While the individual roles of agencies with rail responsibilities are detailed above, the new planning and funding framework for rail will require the Ministry of Transport, Waka Kotahi, KiwiRail, Auckland Council, Auckland Transport and Greater Wellington Regional Council to work together to plan and fund New Zealand's rail network infrastructure. This includes working with other councils who have responsibility for interregional rail services as outlined in the New Zealand Rail Plan. This will be particularly important to support coordinated planning for network and passenger rail investments.

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

40. The Ministry of Housing and Urban Development (HUD) leads New Zealand's housing and urban development work programme. HUD is leading the development of the Government Policy Statement on Housing and Urban Development (HUD GPS), which will communicate the Government's long-term vision for the housing and urban development system. It will communicate expectations for Kāinga Ora – Homes and Communities (Kāinga Ora). Kāinga Ora will lead, facilitate and enable urban development projects, which will include the delivery of transport and other infrastructure. The Ministry of Transport is working closely with HUD as they develop the HUD GPS.
41. This GPS 2021 and the HUD GPS together will provide consistent strategic direction across the spectrum of transport and land-use policy, and beyond, to guide the actions of agencies such as Waka Kotahi and Kāinga Ora to achieve the outcomes sought.
42. HUD also works with the Ministry for the Environment (MfE) and other government departments to coordinate the Government's Urban Growth Agenda (UGA), which addresses the fundamentals of land supply, development capacity and infrastructure provision by removing undue constraints. Work on spatial planning frameworks for New Zealand is also being led by HUD and MfE under the UGA and the review of the resource management system. The policy, funding and finance outputs of the UGA will influence the kinds of transport solutions that Waka Kotahi supports. It is important in this context that agencies with responsibility for urban development understand the impact of decisions on land transport emissions in the long run. Well integrated urban development and transport planning will be required to ensure land transport emissions can be reduced in line with national emissions reduction objectives.

2

Strategic direction



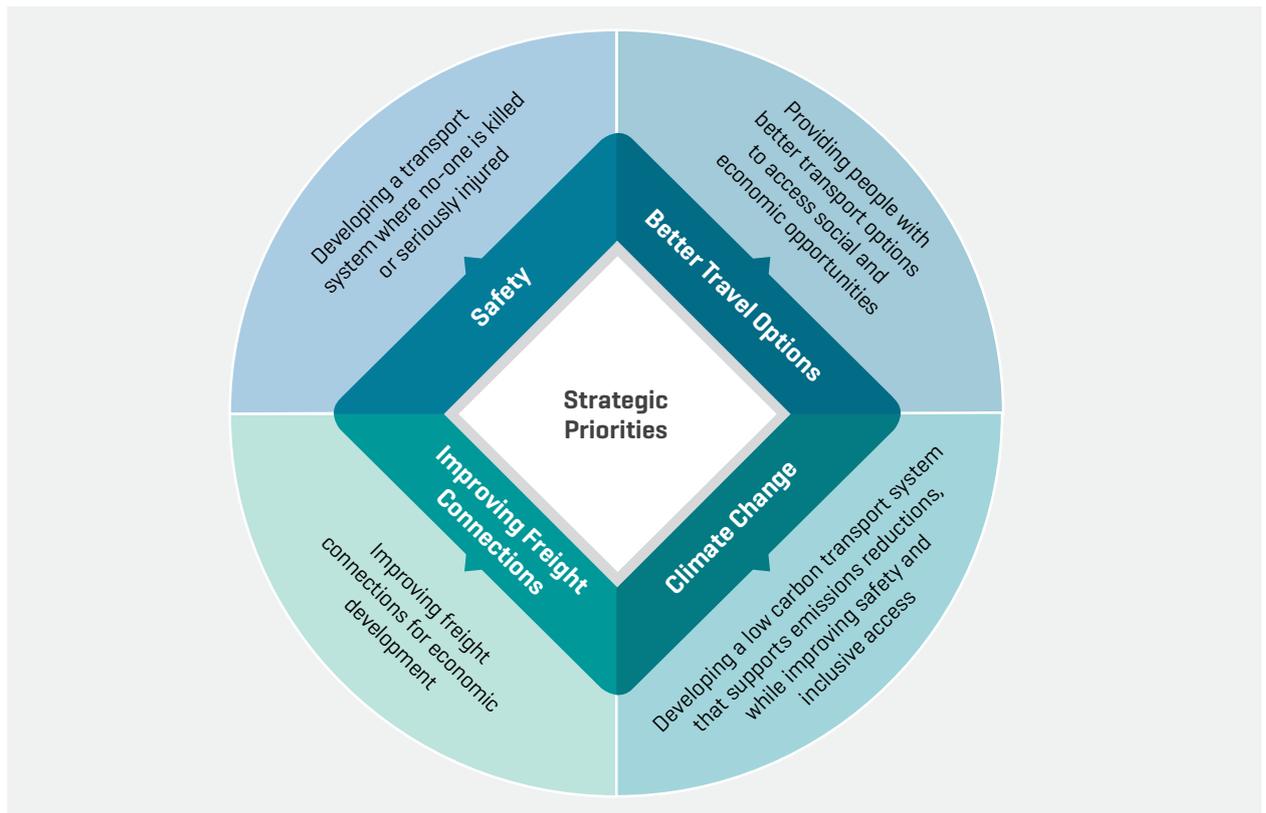
This section describes the strategic priorities for GPS 2021, and the outcomes that they will contribute to. It also explains what the priorities will deliver by 2031, and how we will measure progress.

Section 2.1

The strategic priorities for GPS 2021

- ⁴³ GPS 2021 has four strategic priorities, summarised in Figure 1. These priorities will guide land transport investments from 2021/22-2030/31.

Figure 1: Strategic direction of the GPS 2021



1. Safety

- ⁴⁴ On average, one person is killed every day on New Zealand roads, and another seven are seriously injured. The number of road deaths in New Zealand rose significantly between 2013-2017. Deaths and serious injuries should not be an inevitable cost of moving people and freight from place to place. We need to create a transport system in both urban and regional areas that protects people. This priority gives effect to, but is not limited to, the Road to Zero.

3. Improving Freight Connections

- ⁴⁶ Efficient, reliable, safe, mode-neutral and resilient freight transport – within cities, between regions and to ports – is vital for a thriving economy. Regional New Zealand's primary production is a key driver of the national economy. The transport system needs to support the movement of freight by the most appropriate mode, improving interregional corridors, and increasing resilience.

- ⁴⁸ The four strategic priorities overlap. For example, making places safer for people walking and cycling will give people better travel options. Similarly, investments in the rail system will lead to stronger interregional connections while making freight movements safer.

2. Better Travel Options

- ⁴⁵ People live in, and visit, cities and towns because they value access to jobs, education, healthcare, cultural activities, shops, and friends and whānau. Highly liveable cities and towns are people-friendly places with healthy environments that improve wellbeing and economic prosperity. The transport system contributes to liveable cities and towns by providing people with good travel options. This requires all parts of the transport system, be it roads, rail, public transport, and walking and cycling routes, to work together.

4. Climate Change

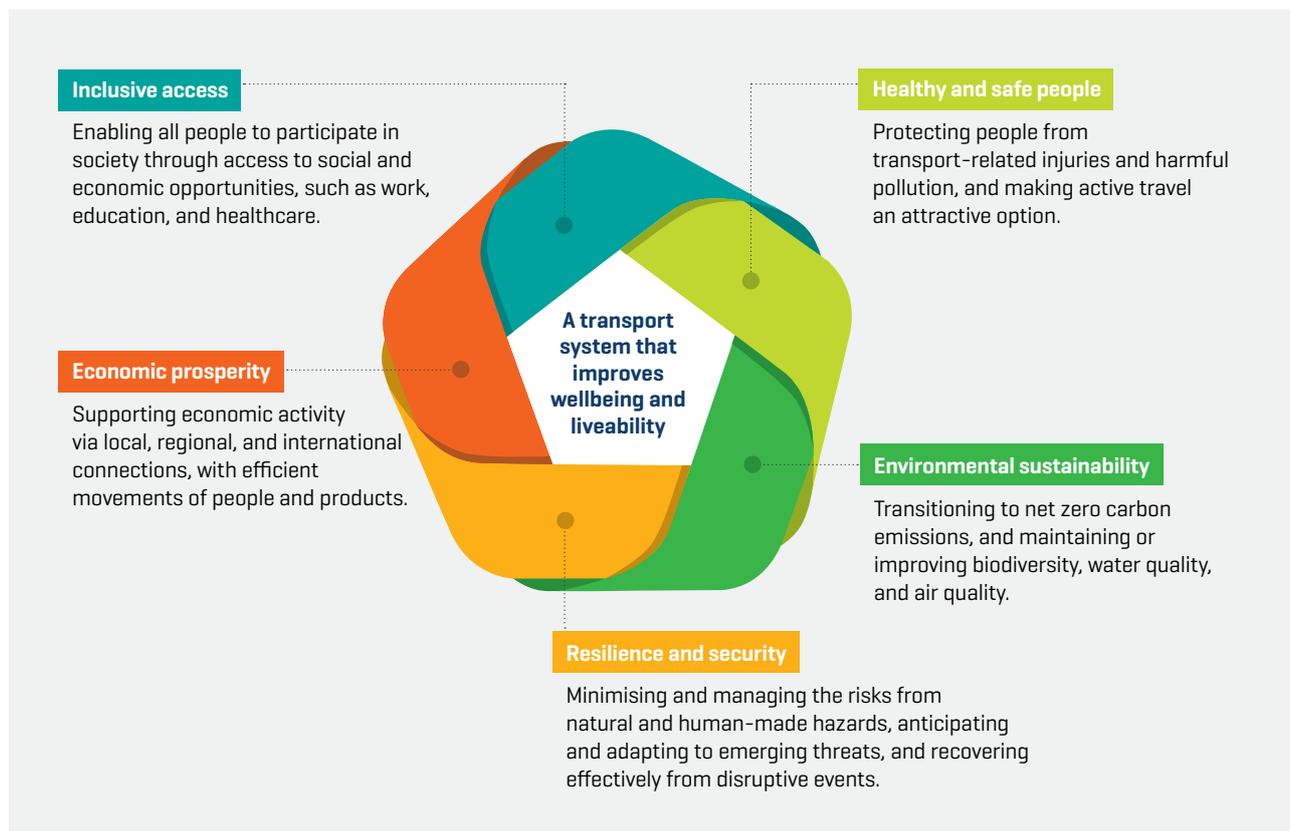
- ⁴⁷ Vehicles that run on fuel are the fastest growing source of harmful climate pollution – almost 70% of our total transport emissions. The way we transport ourselves and our goods from one place to another should not be detrimental to the health of individuals and our environment. Prioritising a reduction in greenhouse gases emitted by transport will help to achieve the Government's emissions reduction targets and protect public health.

How the land transport system improves wellbeing and liveability

^{49.} Transport is not an end in itself. It enables, and shapes, other social, economic, and environmental outcomes.

^{50.} In 2018, the government transport agencies established a Transport Outcomes Framework (Figure 2) to identify how the transport system supports and can improve intergenerational wellbeing and liveability outcomes. The Transport Outcomes Framework aligns with the Treasury's Living Standards Framework.

Figure 2: Transport Outcomes Framework



^{51.} Together the four strategic priorities and the investment strategy in this GPS 2021 will contribute to all five key outcomes of the Transport Outcomes Framework. In addition, reducing greenhouse gas emissions and supporting regions apply across all priorities, programmes and activity classes.

^{52.} While GPS 2021 contributes to the achievement of these outcomes, those who are planning, assessing and making investment decisions in relation to the Fund should be guided by the GPS 2021 strategic priorities.

^{53.} Addressing climate change is a particular challenge that this Government is working to tackle. This GPS reflects the importance of making investment decisions in the transport sector that will help New Zealand towards that goal.

Supporting regions

^{54.} Acknowledging that each region has diverse communities with different needs, GPS 2021 supports regional New Zealand by reflecting the enabling role of regional transport in regional development.

^{55.} GPS investment supports other regional investment programmes such as the Provincial Growth Fund, Billion Trees and Aquaculture Planning Fund.

^{56.} Investment that benefits the regions is incorporated in the Government Commitments, is supported by the strategic direction, and will be funded across all activity classes.

^{57.} **Key areas of focus for regions include:**

Road to Zero

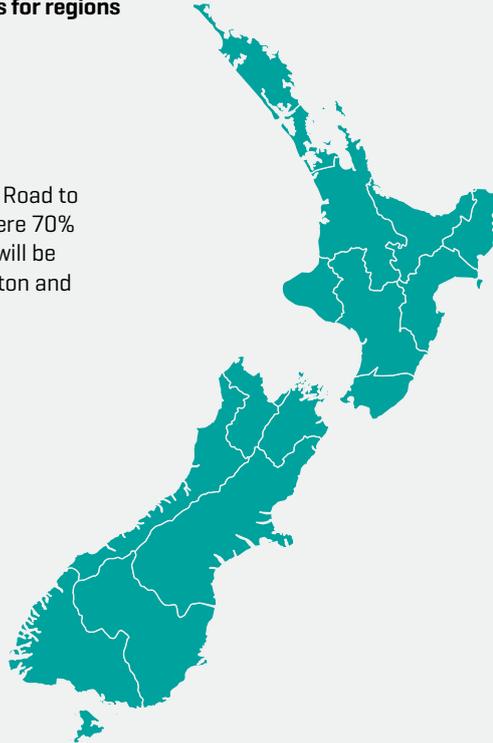
Implementing the Road to Zero strategy (where 70% of improvements will be outside of Wellington and Auckland).

Freight network

Improving the freight network for primary producers to markets.

Maintaining the network

Sufficient funding to maintain networks to the condition required to ensure a safe, resilient and accessible network.



Section 2.2

Strategic Priority: Safety

Safety priority: Developing a transport system where no-one is killed or seriously injured

Key outcomes of Safety

Primary outcome

Healthy and safe people

Co-benefits

Inclusive access

Economic prosperity

Resilience and security

Primary outcome

58. The primary focus of this priority is to develop a transport system that advances New Zealand's vision that no-one is killed or seriously injured while travelling. New Zealand roads will be made substantially safer.

Co-benefits

59. Safer travel will also improve wellbeing and liveability through the following co-benefits:

Inclusive access

- Many New Zealanders are reluctant to travel by foot, bike, or micro-mobility options due to a lack of safe infrastructure. Safer roads, footpaths and cycleways, as well as safe public transport services, will give people a wider range of quality options to access opportunities.

Economic prosperity

- Well-designed and safe transport networks support productive economic activity as a result of fewer crashes, and more reliable travel times.

Resilience and security

- Safer travel includes security measures to prevent deaths and injuries from malicious acts. Additionally, fewer disruptions from crashes, and supporting alternatives to key routes and modes will improve the resilience of the network. Safer integrated designs can improve resilience of assets, which in turn enhances communities' and agencies' response to and recovery from unexpected events.



What will be delivered by 2031 [short to medium term results]

- Reduced number of deaths and serious injuries
- A safer land transport network

How to deliver these outcomes

- Optimise and maintain the road network to prevent safety issues arising from poor quality assets.
- Implement Road to Zero (and the initial action plan for 2020-2022) to achieve the target of a 40% reduction in deaths and serious injuries by 2030. Road to Zero underwent public engagement and can be found at www.transport.govt.nz/zero. Key elements of the Road to Zero strategy and initial action plan to be invested in through GPS 2021 include:
 - infrastructure safety treatments on roads across New Zealand where data show the highest concentrations of deaths and serious injuries (particularly targeting head-on, run-off-road and intersection crashes)
 - enhancing the safety and accessibility of footpaths, bike lanes and cycleways
 - maintaining current levels of road policing, which includes funding for 1,070 dedicated road police, plus wage increases over time necessary to sustain those numbers
 - court-imposed alcohol interlocks to support the road policing action
 - road safety campaigns (including on speed, restraint use, cell phone use while driving, and drug and alcohol impaired driving) to support actions targeting safer road user choices
 - new roadside drug testing equipment to support the action on drug driver testing
 - a range of measures to support the Tackling Unsafe Speeds programme.
- Implement the New Zealand Rail Plan. Improving the safety of the rail network and mode shift will make the overall land transport system safer. Increasing use of freight and passenger rail will therefore support the Government's Road to Zero strategy by providing safer transport options and reducing traffic volumes on roads over time, which will improve road safety.
- Ensure that improvements and updates proactively manage significant security threats that may be posed.
- Increase access to safer travel modes (e.g. public transport), with initial priority in Auckland, Tauranga, Hamilton, Wellington, Christchurch and Queenstown. This will also contribute to Better Travel Options.
- Shape land use, urban form and street design in a way that reduces car dependency, and makes walking, wheeling, cycling and micro-mobility safe and attractive travel choices, to reduce greenhouse gas emissions. This will also contribute to the strategic priorities of Better Travel Options and Climate Change.

How progress will be measured

- ^{60.} GPS reporting will cover the relevant high-level indicators to measure progress over the course of the GPS. Road to Zero and the New Zealand Rail Plan will include specific indicators to measure progress in this area. There is an overlap in indicators related to Safety and Better Travel Options.

Section 2.3

Strategic Priority: Better Travel Options

Better Travel Options priority: Providing people with better travel options to access places for earning, learning, and participating in society

Key outcomes of Better Travel Options

Primary outcome

Inclusive access

Co-benefits

▶ **Healthy and safe people**

▶ **Environmental sustainability**

▶ **Economic prosperity**

▶ **Resilience and security**

Primary outcome

61. The primary focus of this priority is to improve people's transport choices in getting to places where they live, work and play, and to make sure our cities and towns have transport networks that are fit for purpose and fit for the future.

Co-benefits

62. Better Travel Options will also improve wellbeing and liveability through the following outcomes:

Healthy and safe people

- Better active travel options will support positive physical and mental health. Mode shift and smoother traffic flows will improve air quality.

Environmental sustainability

- People will have better options for low emissions travel modes, including active modes and public transport.

Economic prosperity

- High capacity and rapid transit systems and multi-modal travel options in urban centres will help to manage road congestion, and enable efficient flows of people [and products].

Resilience and security

- Supporting alternatives to key routes and modes will improve the resilience of the network. Better and more diverse travel options can reduce localised resilience risks for communities.



What will be delivered by 2031 [short to medium term results]

- Improved access to social and economic opportunities
- Public transport and active modes that are more available and/or accessible
- Increased share of travel by public transport and active modes
- Reduced greenhouse gas emissions
- Reduced air and noise pollution

How to deliver these outcomes

- Optimise and maintain existing transport networks so all people can get to places where they live, work and play in comfort, reliably, and in reasonable time.
- Support transport investments that enable, support and shape growth, make streets more inviting places for people, and enable increased housing supply in line with the Urban Growth Agenda.
- Implement mode shift plans for Auckland, Tauranga, Hamilton, Wellington, Christchurch and Queenstown. Waka Kotahi will take a more proactive role in accelerating mode shift by partnering with local government and other agencies to shape urban form, make shared and active modes more attractive, and influence travel demand and transport choice. This includes progressing work that is already well underway on developing a public transport system in Christchurch.
- Implement priorities identified in the New Zealand Rail Plan to enable reliable and resilient metropolitan rail networks in Auckland and Wellington, and provide a platform for future investment to enable the rail network to respond to growing patronage demands.
- Support the Disability Action Plan's intentions to increase the accessibility of transport.
- Continue investing in specialised services to support accessibility, such as the Total Mobility Scheme
- Support the Tourism Strategy by providing resilient, safe transport infrastructure that offers choice and eases the end to end journey.

- Deliver ATAP, including fulfilling the funding commitments for investment in Auckland made by the Government.
- Develop and deliver LGWM. In the early years of this GPS the focus will be on pre-construction work and ensuring cross-sector governance is well established. An in-cycle amendment to the GPS may be required to reflect progress on this programme, and to deliver central government's share of the investment.

How progress will be measured

- ^{63.} ATAP and LGWM will include specific indicators to measure progress. GPS reporting will cover a subset of these indicators, so that progress can be measured over the course of the GPS. The full list of indicators is provided in Section 2.6.

Section 2.4

Strategic Priority: Improving Freight Connections

Improving Freight Connections priority: Improving freight connections to support economic development

Key outcomes of Improving Freight Connections

Primary outcome

Economic prosperity

Co-benefits

Resilience and security

Environmental sustainability

Healthy and safe people

Primary outcome

64. **Well-designed transport corridors with efficient, reliable and resilient connections will support productive economic activity.**

Co-benefits

65. Stronger freight connections will also improve wellbeing and liveability through the following co-benefits:

Resilience and security

- Improving transport connections, alternative routes and investments in multiple travel modes will boost the ability of the transport system and communities to recover from disruptive events, supporting continuity in economic activity and regional development.

Environmental sustainability

- Over time increasing movements of freight by lower emissions transport modes, such as rail and coastal shipping, will reduce emissions and pollutants.

Healthy and safe people

- Increasing movements of freight by rail and coastal shipping over time, which are safer than road travel, will reduce the safety risks of travel. Air pollution in our urban centres will be reduced.



What will be delivered by 2031 (short to medium term results)

- Freight routes that are more reliable
- Freight routes that are more resilient
- Reduced greenhouse gas emissions
- Reduced air and noise pollution.

How to deliver these outcomes

- Maintain the roads and railways that are crucial for linking production points with key distribution points.
- Manage resilience risk on important regional corridors where disruptions cause the highest economic and social costs.
- Implement the New Zealand Rail Plan to enable a reliable and resilient rail network that supports freight movements in a mode-neutral system.
- Improve mode choice for moving freight by coastal shipping, through investing in infrastructure, support to domestic start-ups and relevant research.
- Improve the safe and efficient movement of freight through logistics planning and network optimisation.

How progress will be measured

- ^{66.} The New Zealand Rail Plan will include specific indicators to measure progress. Progress reports on the GPS will include high-level indicators of the implementation of the New Zealand Rail Plan. The New Zealand Rail Plan will include more specific indicators than the GPS. The full list of indicators is provided in Section 2.6.

Section 2.5

Strategic Priority: Climate Change

Climate Change priority: Transforming to a low carbon transport system that supports emissions reductions aligned with national commitments, while improving safety and inclusive access.

Primary outcome

Environmental sustainability

Co-benefits

Inclusive access

Healthy and safe people

Resilience and security

Primary outcome

67. Investment decisions will support the rapid transition to a low carbon transport system, and contribute to a resilient transport sector that reduces harmful emissions, giving effect to the emissions reduction target the Climate Change Commission recommended to Cabinet until emissions budgets are released in 2021.

Co-benefits

Inclusive access

- Mode shift in urban areas from private vehicles to public transport, walking, and cycling will support efforts to reduce emissions. Higher density, mixed use and transit oriented development where people live in closer proximity to where they work, learn and play, will help reduce emissions by making public and active transport more feasible.

Healthy and safe people

- Mode shift in our urban areas and laying the ground work for greater freight mode shift will reduce exposure to elevated concentrations of land transport-related air pollution.

Resilience and security

- The National Adaptation Plan, developed over the next two years, will help New Zealand plan urgent actions to reduce and manage the impact of climate-related effects on critical infrastructure.



- ^{68.} Nearly 20% of New Zealand's domestic greenhouse gas emissions currently come from transport, with 90% of these emissions from road transport. New Zealand has committed to reduce greenhouse gas emissions to 30% below 2005 levels by 2030 under the Paris Agreement on Climate Change. Through the Climate Change Response [Zero Carbon] Act, the Government has set a target for New Zealand to be net zero carbon by 2050. Transport emissions are growing, so intervention is required to reduce them.
- ^{69.} Achieving net zero carbon ultimately requires a transition to a low carbon transport system. In such a system, measures are in place to manage travel demand, and infrastructure is interconnected to encourage walking, cycling and the use of public transport. The nature of infrastructure investment decisions, combined with New Zealand's relatively old and inefficient vehicle fleet, means the investment decisions made today will have long-term implications for emissions.
- ^{70.} The transition will require combined approaches, with government, businesses, and communities all playing a part. The Government should lead because it has a range of tools available to reduce land transport emissions from regulations and standards to direct investment, urban planning requirements and incentive schemes.
- ^{71.} New Zealand's cities need to be places where people can safely and enjoyably travel by low emissions transport modes such as walking, cycling, and emissions-free public transport. Businesses also need to look for lower emissions ways to move freight. These choices are influenced by Government investment decisions, such as investing more in rail and coastal shipping; the GPS has a part to play in supporting this transition.
- ^{72.} The outcomes for the Climate Change strategic priority in GPS 2021 reflect the Government's move towards setting emissions budgets to make sure New Zealand achieves its emissions reduction goals. The independent Climate Change Commission [the CCC] is developing emissions budgets, which will set a cap for emissions in five year periods [2022-2025, 2026-2030 and 2031-2035]. The CCC will provide advice on the direction of policy required for an emissions reduction plan for the first budget, by February 2021. The Government will respond with its plan to achieve the first budget by 31 December 2021. All investment decisions will need to be consistent with the transport component of that plan, which will be informed by the Transport Emissions Action Plan.
- ^{73.} We are already experiencing the impacts of climate change [such as more frequent severe storm events, flooding and coastal inundation] on New Zealand's transport network. Responding to these risks requires the coordination and collaboration of many agencies.
- ^{74.} The National Climate Change Risk Assessment gives a national picture of the risks New Zealand faces from climate change, including the risks to land transport infrastructure. It identifies the most significant risks that require urgent action. The Government will use it to prioritise action to reduce the risks, including through the National Adaptation Plan. This may influence investment choices made through the Fund.

What will be delivered by 2031 [short to medium term results]

- Reduced greenhouse gas emissions
- Reduced air and noise pollution
- Improved resilience of the transport system

How to deliver these outcomes

- Waka Kotahi will implement its Sustainability Strategy and Action Plan.
- Investment decision-making that supports national commitments on emissions reduction.
- Waka Kotahi will undertake relevant actions identified in the National Adaptation Plan.
- Shape land use, urban form and street design in a way that reduces car dependency, and makes walking, wheeling, cycling and micro-mobility safe and attractive travel choices to reduce greenhouse gas emissions. This will also contribute to the strategic priorities of Safety and Better Travel Options.

How progress will be measured

- ^{75.} Monitoring the transport sector's contribution to reducing greenhouse gas emissions will be led by the Ministry for the Environment. GPS reporting will continue to include relevant indicators, provided in Section 2.6.

Section 2.6

Indicators for how progress will be measured

76. Table 1 shows indicators that the Ministry of Transport, working with agencies, will use to monitor progress in achieving the strategic priorities of GPS 2021. Main indicators are shown in bold, with supporting indicators underneath. This indicator set may be reviewed and updated as new data sources become available.

Table 1: Relationship between strategic priorities, results and proposed indicators

Strategic Priority	Transport Outcome[s]					Proposed indicator[s]
	Healthy and safe people	Inclusive access	Economic prosperity	Resilience and security	Environmental sustainability	
Strategic priority 1: Developing a transport system where no-one is killed or seriously injured	✓	✓	✓	✓		1. Deaths and serious injuries on the road and rail corridor
						2. Hospitalisations from road crashes
						3. Pedestrian and cyclist injuries
						4. Deaths and serious injuries where alcohol, drugs, speed, fatigue or distraction was a contributing factor
						5. % of state highway and local road networks modified to align with a safe and appropriate speed
						6. % of road network covered by automated safety cameras
						7. % of urban network with speed limit of 40 km/h or below
						8. Number of dedicated road policing staff
						9. Mode share for how children travel to/from school
Strategic priority 2: Providing people with better travel options to access places for earning, learning, and participating in society	✓	✓	✓	✓	✓	10. Access to jobs
						11. Access to essential services (i.e. shopping, education and health facilities)
						12. % of population with access to frequent public transport services
						13. Mode share for people (i.e. % of travel by mode)
						14. Number of passenger boardings using urban public transport services (by region)
						15. SuperGold boardings
						16. Use of specialised services
						17. Network kilometres of walking and cycling facilities delivered
						18. Cycling count in urban areas

Strategic Priority	Transport Outcome[s]					Proposed indicator[s]
	Healthy and safe people	Inclusive access	Economic prosperity	Resilience and security	Environmental sustainability	
Strategic priority 3: Improving freight connections to support economic development	✓		✓	✓	✓	19. Predictability of travel times on priority routes ¹
						20. Mode share for domestic freight [i.e. % of freight moved by road, rail, and coastal shipping]
						21. Availability of state highway network
						22. Number of affected travel hours that priority routes are unavailable
						23. % of priority routes that have viable alternative routes
						24. Kilometres of road and rail infrastructure susceptible to coastal inundation with sea level rise
Strategic priority 4: Transforming to a low carbon transport system that supports emissions reductions aligned with national commitments, while improving safety and inclusive access	✓	✓		✓	✓	25. Maintenance cost per lane kilometre delivered for: (i) state highway, (ii) local roads
						26. Tonnes of greenhouse gases emitted per year from land transport
						27. Tonnes of harmful emissions per year from land transport
						28. Number of people exposed to elevated concentrations of land transport-related air pollution
						29. Number of people exposed to elevated levels of land transport noise
						30. Vehicle kilometres travelled
						31. Distance per capita travelled in single occupancy vehicles

1. Priority routes are determined by Waka Kotahi research based upon routes with high volume of freight and routes which connect up key tourist destinations.

3

Investment in land transport



This section describes how different funding and financing sources should be considered and sets out principles to be taken into account when investing in the land transport sector. It sets out how investment from the Fund has been allocated to activity classes and the Ministerial expectations for how Waka Kotahi gives effect to the investment strategy.

Section 3.1

Funding land transport

77. The previous section sets out the strategic direction; this section describes investment in land transport to deliver the strategic priorities. The Government provides a dedicated fund, the National Land Transport Fund, to support the delivery of land transport investments. The Government expects the transport sector to supplement and support the Fund by considering the most appropriate funding and financing options.²
78. Many projects will be solely funded by a combination of investment from the Fund and councils. But for large-scale and long-term programmes, and particularly those where transport is part of an integrated package, the Government expects that all appropriate funding and financing approaches will be considered.
79. To determine the most appropriate funding and financing options, a set of principles and a funding and financing toolkit are being developed. Until these are developed, early expectations are that:
- where transport is one of many outcomes being pursued, the Fund should appropriately represent transport's share – this is an opportunity to pursue more ambitious packages that have wider benefits, and of which transport is just one part
 - for investments (such as rapid transit) that generate value uplift, capturing some of this value should be considered to offset the costs of the transport investment
 - targeted funding, where those who directly and significantly benefit from an infrastructure project pay a greater share of its costs, should be considered
 - the procurement approach should seek to best deliver the investment objectives while optimising whole-of-life costs
 - when seeking investment from the Fund for large intergenerational projects (over \$100 million) and projects where transport and other outcomes are advanced together, financing approaches should be considered. This includes considering alternative sources (e.g. new Infrastructure Funding and Financing tools) and alternative operational models (e.g. Public Private Partnerships). The Ministry of Transport and Waka Kotahi will expect confirmation that there has been adequate consideration of financing before supporting such large projects
80. Adopting an alternative financing proposal may foreclose other options so it must represent the best course of action for the land transport system. Alternative financing proposals may also have implications for the Government's broader fiscal strategy and so will need to be considered within an all-of-government context.

The Government will assist parties to make optimal funding and financing decisions

81. The Government has been developing new investment models with different funding and financing applications. This includes two city-specific approaches in New Zealand (ATAP and LGWM) and innovative approaches to deliver rapid transit in Auckland. While these are at different stages of progress, they are both adopting new principles and expectations around funding and financing, with parties working closely together to determine who should fund what, and what funding sources should be used to complement the Fund.
82. The Government will continue to work with other participants in the land transport planning and funding system (e.g. local government and other agencies) to enable better results within available funding limits. It will also continue to investigate new options for how transport sector projects can be funded and financed. In part, this will be achieved through the funding and financing toolkit, which will assist decision-makers to choose appropriate and effective methods to pay for new infrastructure. Once established, this toolkit will provide users with access to information, guidance and best practice. This toolkit will grow and improve over time.

2. Funding sources cover revenue available (e.g. local government rates) while financing is money raised (e.g. from banks or a loan) that has to be repaid.

Business cases for alternative financing

- ^{83.} Proposals should, among other things, demonstrate:
- how the project can realise benefits early
 - the willingness and extent to which co-funders commit to funding
 - opportunities for value capture and/or realising the value to communities of land use changes that can be optimised by land transport investment
 - that the overall benefits are greater than using the Fund
 - that it is the best procurement option, as per Infrastructure Commission guidance.

Design principles for alternative financing

- ^{84.} All proposals involve some form of trade-off between competing principles. Transparency around what is being traded-off in the design and application of alternative financing measures, and why these trade-offs are being made, is important for good decision-making and accountability. Particular tensions that should be explicitly analysed include, but may not be limited to:
- achieving economically efficient investment while preserving the design of the Fund to use today's revenue generally for today's needs
 - optimising financial efficiency in the present management of the Fund while preserving the flexibility to respond to future opportunities and risks
 - adopting measures that are proportionate to the task to be performed without unreasonably curtailing the discretion of decision-makers.

Section 3.2

Principles for investing

^{85.} Transport investment decisions need to be transparent and provide the best possible impact and value to New Zealanders.

^{86.} For investment using the Fund this means seeking value for money through:

Alignment to strategic direction

Does investment align with the strategic direction of the GPS?

^{87.} The GPS sets out the Government's vision for the land transport sector. This includes the results it wishes to see and some of the key deliverables expected. Government commitments in GPS 2021 show where the Government deems alignment to the strategic priorities to be strongest.

^{88.} Each of the four Strategic Priorities comprise Primary Outcomes and co-benefits, which are measurable improvements that are seen by stakeholders, including the public, to be positive and worthwhile.

Effectiveness

To what extent does the investment achieve the priorities of the GPS?

^{89.} Making the right investment decisions requires responses to be scoped correctly and show meaningful contributions to the identified results. Funding applicants need to show that they considered alternatives, and how they compare in meeting the results set out in Section 2.6. This includes considering whether there are better ways to operate and maintain the existing land transport system before considering new improvements. This analysis is undertaken at the start of usual processes, such as the Business Case Approach, once alignment has been articulated.

^{90.} Following implementation, the Ministry expects agencies to complete benefits realisation assessments, which should be set out in business cases. This will allow the system to see the extent to which the investment was effective at achieving the priorities of the GPS.

Efficiency

Is this being achieved at the best cost for the results being delivered?

^{91.} The principle of efficiency within value for money when procuring goods or services does not necessarily mean selecting the lowest price but rather the best possible outcome for the total cost of ownership (or whole-of-life cost). This includes considering the appropriate funding source and the whole-of-life costs and benefits (both short and long-term, and monetised and non-monetised). An established technique supporting this is cost benefit analysis.

^{92.} This approach is aligned with the Ministry of Transport's system planning, appraisal, investment and evaluation frameworks, and the business case process. The approach will be utilised by Waka Kotahi when it prioritises activities for inclusion in the NLTP and considers funding approvals for the programme.

Making the most of our existing land transport network

93. Often existing networks and services could be used more efficiently, potentially delaying the need for major investment in additional capacity. This means applying an intervention hierarchy that considers integrated planning and optimisation of existing networks as part of travel demand management, before constructing new infrastructure. This is critical to achieving value for money from transport investment.
94. Travel demand management is an integrated – whole of system – approach to managing transport using techniques designed to influence the way people travel. This includes how people travel [i.e. by what mode], when people travel, how often they travel, where they travel to, what route they take and if they even need to travel.
95. In practice, demand can be managed by:
- land use management [e.g. focussing growth in areas with good existing travel options and intensification near public transport links]
 - providing better travel options through infrastructure/ service improvements, and system optimisation
 - establishing incentives and disincentives to encourage people to change the time, mode or route they travel [e.g. discounts or charges]
 - policies and behaviour change programmes – ‘soft’ methods [e.g. marketing and travel planning].
96. One potential benefit of these approaches is that if applied effectively [e.g. contributing to significant mode shift], some forecasted investments [e.g. extra road capacity] may no longer be required, or can be delayed. For cases where investment in new infrastructure or services is necessary to increase the capacity of the transport network, supporting demand management interventions to encourage mode shift should be considered. An example could be when a new arterial road is being planned, separate cycle lanes are included in the plans to encourage non-car travel for some users.
97. GPS 2021 expects that demand management initiatives [including promotional activities] will be developed as part of transport planning and business case processes, and then funded from the most appropriate activity class.

Innovation can increase the net benefits from land transport investment and use

98. Innovation can support value for money by providing alternatives or better choices in the way investments are made and used. The land transport system is changing, with new and innovative transport solutions and services affecting the way people and goods travel. The private sector is driving much of this change by playing a greater role in delivering transport services in New Zealand. For example, there are an increasing number of shared mobility services operating in New Zealand’s main urban centres.

99. Innovation can help overcome many of the challenges facing the transport system by, for example, improving safety and providing greater access for people. Innovation also provides opportunities to improve, and in some cases, transform the way people travel, and how freight is moved on our land transport network. We need to plan and invest to take advantage of these opportunities. Waka Kotahi will invest from the Fund to support this innovation.
100. When the land transport sector considers investment, the Government expects it to take advantage of the opportunities that innovation provides. This includes supporting, developing and making use of new technologies [such as low emissions, connected and autonomous vehicles], new business models [such as car share and bike share schemes], and making better use of ‘big data’ to improve user experiences, integrate different transport options, or optimise traffic flows.
101. Successful innovation depends on encouraging collaboration, and building partnerships, between central and local government, the private sector, academic institutions, and organisations that represent economic, social, and environmental interests.

Sometimes lead investments will be appropriate

102. In some cases it may represent value for money to make investments ahead of demand, to support future developments [lead investments]. For example, building a multi-modal transport corridor ahead of demand while land prices are cheaper will lower the land purchase cost and could help shape urban form in a way that better integrates transport and land use. The early introduction of public transport services to a newly urbanising area can also help establish multi-modal travel patterns. If undertaken strategically, this approach can help minimise the level of car dependency experienced by many existing urban areas.
103. It is important that work to support lead investments is completed in a robust and transparent manner, and only when required by specific government policy. In GPS 2021, lead investment will help provide access to serviced land for housing development in high growth urban areas. In such cases, the Government expects relevant stakeholders, including Waka Kotahi and local government, to agree on how to use existing and new funding and financing tools effectively in combination.

Section 3.3

Dedicated funding for delivering transport priorities

- ^{104.} Revenue raised from the land transport system (Fuel Excise Duty (FED), Road User Charges (RUC) and motor vehicle registration and licensing fees) is put into the Fund to be used on transport projects. Use of the Fund should:
- create transport-related benefits
 - generally be used to address today's transport priorities.
- ^{105.} An increase in fuel excise duty and road user charges has not been modelled as part of this GPS. There will be no increase to FED and RUC in the first three years of this GPS. Track user charges to be paid by rail operators will be introduced by 2021/22 and will contribute to the Fund. The revenue for the Fund is projected to increase from around \$4.4 billion in 2021/22 to \$5.1 billion in 2030/31.
- ^{106.} Local government supplements the Fund with their 'local share' to help meet the cost of investments that benefit their communities.
- ^{107.} Table 2 reflects the total expenditure target (the expected level of expenditure based on projected revenue for the Fund) along with the maximum and minimum for the first six years of GPS 2021. Actual expenditure will vary with actual revenue collected in the Fund.
- ^{108.} Waka Kotahi is required to match its expenditure to the target expenditure set out in GPS 2021. However, it is legally required to limit its spending to the levels of available revenue in the Fund. 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. The Minister may vary the expenditure target. Surpluses can be carried forward from one financial year into the next.
- ^{109.} Waka Kotahi will manage the long-term sustainability of its transport investment programme. In managing the transport investment programme it should consider fiscal adequacy and resilience to unexpected events, and the ability to cope with long-term trends that create future fiscal risks.
- ^{110.} Waka Kotahi will need to manage both short-term cash flow issues and long-term commitments such as public private partnerships.

Table 2: National Land Transport Programme funding ranges 2021/22 to 2026/27

	2021/22 \$m	2022/23 \$m	2023/24 \$m	2024/25 \$m	2025/26 \$m	2026/27 \$m
Expenditure target	4,500	4,550	4,650	4,700	4,800	4,850
Maximum expenditure	4,700	4,750	4,850	4,900	5,000	5,050
Minimum expenditure	4,300	4,350	4,450	4,500	4,600	4,650

Section 3.4

Activity class framework

111. GPS 2021 allocates funding ranges to eleven activity classes. The activity classes are:
- Road to Zero
 - Public Transport Services
 - Public Transport Infrastructure
 - Walking and Cycling Improvements
 - Local Road Improvements
 - State Highway Improvements
 - State Highway Maintenance
 - Local Road Maintenance
 - Investment Management
 - Coastal Shipping
 - Rail Network
112. Funding from local government contributes to the delivery of projects across the activity classes. While this will typically be for local government-led projects, by exception the Waka Kotahi Board may approve local share contribution to Waka Kotahi projects, such as state highway improvements. Any local share provision is additional to the activity class funding ranges.
113. Activity classes provide signals about the balance of investment across the GPS. Funding is divided into activity classes as a means of achieving the results specified in GPS 2021. As per the strategic direction of GPS 2021 and following on from GPS 2018, the focus of the investment in the activity classes is on improving safety, better travel options, improved freight connections, and climate change.
114. This means Waka Kotahi will need to ensure its systems can consider projects that may require investment across activity classes. This supports a more mode neutral and results focussed approach, as it enables GPS investments to be funded from more than one activity class to provide the best transport solution.
115. For each activity class, a funding range is given with an upper and lower limit for expenditure from the Fund. There will be additional funding expenditure from other sources [such as Crown funding] to complete some projects e.g. rapid transit. Waka Kotahi is responsible for allocating funding within these ranges to specific activities, while staying within the overall expenditure target.
116. Situations may arise where expenditure is projected to fall below the lower band for reasons independent of revenue supply and/or otherwise outside the control of Waka Kotahi. Opportunity may also arise for expenditure to exceed the upper funding band, consistent with the policy intent and value for money expectations. In these circumstances, Waka Kotahi and the Ministry of Transport will advise the Minister of Transport of the risk or opportunity and possible responses.
117. **Table 3** [on page 34] sets out the activity class funding ranges for 2021/22 – 2030/31. The activity class funding ranges take into account the forecast expenditure from the Fund to deliver the Government’s priorities and to realise the strategic direction in GPS 2021.

New activity classes

Road to Zero

- ^{118.} Investment through the Road to Zero activity class will be targeted towards those interventions identified as being key to achieving the target reductions in deaths and serious injuries sought through Road to Zero, focussing on:
- Safety infrastructure and speed management: safety treatments and speed management on roads across New Zealand where data show the highest concentrations of deaths and serious injuries occur, as well as road engineering to support speed reductions around urban and rural schools
 - Road policing: maintaining the number of existing dedicated road policing staff plus necessary wage increases over time, non-dedicated staff time undertaking road policing activities, and associated equipment and overheads, new roadside drug testing equipment, and court-imposed alcohol interlocks subsidy scheme
 - Automated enforcement: expanding the safety camera network and its operation and management
 - Road safety promotion: national and local/regional campaigns and initiatives to achieve safety outcomes.
 - System management activities: strengthen system leadership, support and coordination.
- ^{119.} Outside of this activity class, investment from other activity classes may be used to fund activities with a safety outcome.

Rail Network

- ^{120.} Rail is an integral part of the transport system in New Zealand. Rail enables access and mobility, transporting people and goods, supporting productivity and business growth, reducing emissions, congestion and road deaths, and strengthening social and cultural connections between communities.
- ^{121.} GPS 2021 implements the findings of the Future of Rail review. The purpose of this activity class is to implement the New Zealand Rail Plan by funding approved activities from the RNIP (prepared by KiwiRail). The priority is to ensure a reliable and resilient national rail network. It provides funding to KiwiRail to maintain and renew the national rail freight network.
- ^{122.} The activity class does not show the funding to be provided by the Crown to be invested in RNIP activities. The agreed funding for this is set out in Section 3.6.

Public Transport Services and Public Transport Infrastructure

- ^{123.} Public transport moves large numbers of people through the network. It also can shape the urban landscape and create more liveable cities.
- ^{124.} The reframed Public Transport Services and Public Transport Infrastructure activity classes in GPS 2021 allow Waka Kotahi to separate regular investment to support continual services, from investment in brand new infrastructure.
- ^{125.} By incorporating rapid transit funding (e.g. for busways and light rail infrastructure) and metro rail funding into the Public Transport Infrastructure activity class, Waka Kotahi will have the flexibility to work with local government and KiwiRail to plan and deliver the most appropriate improvements as urban areas grow. The potential significant cost of rapid transit infrastructure means that alternative funding and financing arrangements may be required to deliver rapid transit and supplement the funding available in the Fund.
- ^{126.} Projects approved under the Transitional Rail activity class for the Auckland and Wellington metropolitan rail networks in GPS 2018 and certain approved interregional rail projects will now be funded through the Public Transport Infrastructure and Public Transport Services activity classes. Achieving resilient and reliable metropolitan rail networks in Auckland and Wellington will continue to be the first priority for investment for rail from the Public Transport activity classes. All investment in metropolitan rail through the Public Transport Infrastructure activity class must align with the New Zealand Rail Plan before being considered for investment.

Coastal Shipping

- ^{127.} New Zealand's coastal shipping sector fulfils a critical role in New Zealand's freight system. It provides a safe and sustainable mode for transporting large, heavy cargo such as petroleum products, cement and aggregate. There is potential to increase the use of coastal shipping as an alternative to other freight transport.
- ^{128.} Ultimately, the Government's expectation for investment in coastal shipping is to embed mode neutrality and choice for freight transporters, to allow New Zealand flagged coastal shipping to operate on a level playing field with other freight operators, and to enhance the sustainability and competitiveness of the domestic sector. It also reflects the Government's interest in partnering with industry to understand the challenges facing coastal shipping, and working with it to address these challenges. The initial three years of funding will include relevant research to see what future support for the sector may help achieve Government's aims.

Table 3: Activity classes and funding ranges

Activity class	Expenditure reporting line	Definition		GPS 2021 funding ranges						Forecast funding ranges			
				2021/22 \$m	2022/23 \$m	2023/24 \$m	2024/25 \$m	2025/26 \$m	2026/27 \$m	2027/28 \$m	2028/29 \$m	2029/30 \$m	2030/31 \$m
Road to Zero	Safety infrastructure	Investment in safety infrastructure and speed management treating high risk corridors and intersections											
	Road policing	Investment in road policing and associated equipment	Upper	910	940	980	1000	1040	1070	1080	1110	1140	1170
	Automated enforcement	Investment in automated enforcement	Lower	820	840	870	900	930	960	970	1000	1020	1050
	Road safety promotion	Investment to support behavioural changes to improve road safety outcomes											
Public Transport Services	Service operation	Investment in the operation of existing public transport networks and services to improve utilisation and maintain existing levels of service	Upper	600	630	700	820	900	920	950	970	1000	1030
	Service improvement	Investment in new public transport services to improve the level of service and encourage the uptake of public transport	Lower	390	410	420	430	440	450	470	480	490	510
Public Transport Infrastructure	Existing	Investment in maintaining the level of service of existing public transport infrastructure	Upper	770	650	660	780	830	850	810	810	850	870
	New	Investment in new public transport infrastructure to improve the level of service	Lower	450	450	370	340	340	350	350	350	370	380
Walking and Cycling Improvements	Walking and cycling	Investment to improve the level of service and increase uptake for walking and cycling including promotional activities	Upper	180	175	195	115	115	115	120	120	120	120
			Lower	95	90	105	75	75	75	80	80	80	80
Local Road Improvements	Existing	Investment in improving the capacity or level of service on existing local roads	Upper	300	250	260	260	130	130	140	140	140	150
	New	Investment to optimise utilisation, improve the level of service and improve capacity where needed	Lower	100	100	100	110	50	50	50	60	60	60
State Highway Improvements	Existing	Investment in improving the capacity or level of service on existing state highways	Upper	1250	1000	1000	950	900	800	650	550	450	450
	New	Investment to optimise utilisation, improve the level of service and improve capacity where needed	Lower	800	800	800	750	700	600	450	350	350	300
State Highway Maintenance	Operate	Investment in the operation of existing state highways to optimise existing infrastructure and deliver an appropriate level of service											
	Maintain	Investment in the maintenance of existing state highways to deliver an appropriate level of service, excluding asset upgrades	Upper	960	980	1000	1020	1040	1060	1080	1110	1150	1190
			Lower	740	750	770	800	830	870	910	950	980	1020
	Renew	Investment in renewal of existing state highways to deliver an appropriate level of service											
Emergency	Urgent response to transport network disruptions to restore an appropriate level of service												
Local Road Maintenance	Operate	Investment in the operation of existing local roads to deliver an appropriate level of service											
	Maintain	Investment in the maintenance of existing local roads to deliver an appropriate level of service, excluding asset upgrades	Upper	760	780	800	820	840	860	880	900	930	950
			Lower	650	670	680	700	720	730	750	770	790	810
	Renew	Investment in renewal of existing local roads to deliver an appropriate level of service											
Emergency	Urgent response to transport network disruptions to restore an appropriate level of service												
Investment Management	Planning	Investment in the transport planning, research and funding allocation management	Upper	85	90	95	95	95	95	95	95	100	100
	Sector research		Lower	70	75	75	75	80	80	80	85	85	85
	Management												
Coastal Shipping	Coastal shipping	Investment in coastal shipping to support the efficiency and resilience of the coastal shipping sector	Upper	15	15	15	0	0	0	0	0	0	0
			Lower	10	10	10	0	0	0	0	0	0	0
Rail Network	Rail network	Investment to enable KiwiRail to deliver a reliable and resilient national rail network	Upper	170	170	170	170	170	170	170	170	170	170
			Lower	120	120	120	120	120	120	120	120	120	120

Section 3.5

Delivering Government Commitments

- ^{129.} To support commitments that have been made by Government towards certain programmes, the Government expects forthcoming NLTPs to meet investment expectations (set out in Table 4), across total investment in activities.
- ^{130.} The activity classes in GPS 2021 have been set to deliver the results the Government wishes to see from ATAP, LGWM and Road to Zero. Waka Kotahi also has a role to play in implementing the New Zealand Rail Plan. The activity classes include sufficient funding to cover the central government share for each of these Government Commitments. Some investments (such as a dedicated safety improvement in Auckland) will contribute to meeting multiple Government Commitments.
- ^{131.} Waka Kotahi is expected to report to the Minister on the investment and delivery progress of these programmes. They will work closely with approved organisations to do this.

Table 4: Investment expectations for Government Commitments to be met in NLTPs

Government Commitments	Investment expectations
<p>Auckland Transport Alignment Project (ATAP)</p> <p>ATAP is an aligned strategic approach between the Government and Auckland Council to develop a transformative transport programme that addresses Auckland’s key challenges over the next 30 years.</p> <p>In April 2018 the Government and Auckland Council agreed the ATAP package of investment priorities for Auckland. The indicative package of \$28 billion for the first decade will be funded from the Fund, Crown funding, rates and the Auckland regional fuel tax.</p> <p>Funding to give effect to the Government’s commitment to the second decade of ATAP, which begins in 2028/29, will be factored in through a future GPS update.</p>	<p>\$16.3 billion from the Fund [from 2018/19-2027/28]³</p>
<p>Let’s Get Wellington Moving (LGWM)</p> <p>LGWM is a joint initiative between Wellington City Council, Greater Wellington Regional Council, and Waka Kotahi. The programme focusses on the area from Ngauranga Gorge to the airport, encompassing the Wellington Urban Motorway and connections to the central city, hospital, and the eastern and southern suburbs.</p> <p>In May 2019, the Government, Wellington City Council and Greater Wellington Regional Council announced the LGWM indicative package, made up of a number of components to improve walking, cycling, public transport and liveability in Wellington.</p>	<p>\$3.8 billion from the Fund [from 2021/22-2041/42]⁴</p>
<p>Road to Zero</p> <p>‘Road to Zero’ charts a new approach to road safety for the next 10 years to 2030, with a vision of a New Zealand where no-one is killed or seriously injured in road crashes. The strategy builds on the safe system approach introduced in the previous ‘Safer Journeys’ strategy 2010-2020, with a focus on infrastructure improvements and speed management; vehicle safety; work-related road safety; road user choices and system management. Road to Zero introduces a target of a 40% reduction in deaths and serious injuries over 10 years [from 2018 levels].</p>	<p>\$10 billion from the Fund [between 2021/22-2030/31], expected to be invested as follows:⁵</p> <ul style="list-style-type: none"> • 15% – local road infrastructure • 30% – state highway infrastructure • 40% – road policing • 15% – road safety promotion and other safety spend
<p>New Zealand Rail Plan</p> <p>The New Zealand Rail Plan outlines the Government’s vision and priorities for rail. The long-term 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 NLTF will be one contributor to funding this. Further work will also be done to introduce track user charges for KiwiRail to pay into the NLTF. Crown funding has also been committed to the NLTF to support the rail network.</p>	<p>\$1.2–\$1.7 billion from the Fund, plus additional Crown contribution [between 2021/22 and 2030/31].</p> <p>There will also be further investment in metropolitan networks through the Public Transport activity classes.</p>

^{3.} \$16.3 billion was the commitment from the Fund to ATAP in 2018. Any change to this number following an ATAP update will be reflected through a future GPS.

^{4.} This reflects Cabinet endorsement of an indicative package and an overall 60:40 split between central and local government. This was based on revenue growth assumptions that are not built into the GPS 2021 forecast and is subject to each party being able to provide their share.

^{5.} The target for each expenditure type is indicative based on the modelling at the time Road to Zero was developed. Waka Kotahi will report on actual spend as part of each expenditure reporting line in the Road to Zero activity class.

Section 3.6

Crown funding for land transport

- ^{132.} The Government sets the direction for land transport investment through the Fund in the GPS. Decisions about individual projects are the responsibility of Waka Kotahi.
- ^{133.} The Government can also provide additional funding to progress specific transport activities or projects. In most cases, this funding is appropriated by Parliament outside of the Fund, and is spent by Waka Kotahi or KiwiRail acting as the Crown’s delivery agent. Additional funding is often provided to “lead investments” that deliver broader outcomes, and other investments that might not otherwise be prioritised to receive funding from the Fund.
- ^{134.} Projects delivered through Crown appropriations contribute to transport and wider outcomes, and generally align with GPS priorities. However, they are delivered separately from the GPS and, as shown in the following diagram, the Fund is only invested in accordance with the GPS. Additional activities to realise the full benefits of Crown-funded projects may be considered for funding through the Fund. However, no additional priority should be attributed to such projects just because they are linked to a Crown-funded project.

Figure 3: Relationship between GPS and other Crown-funded transport investments

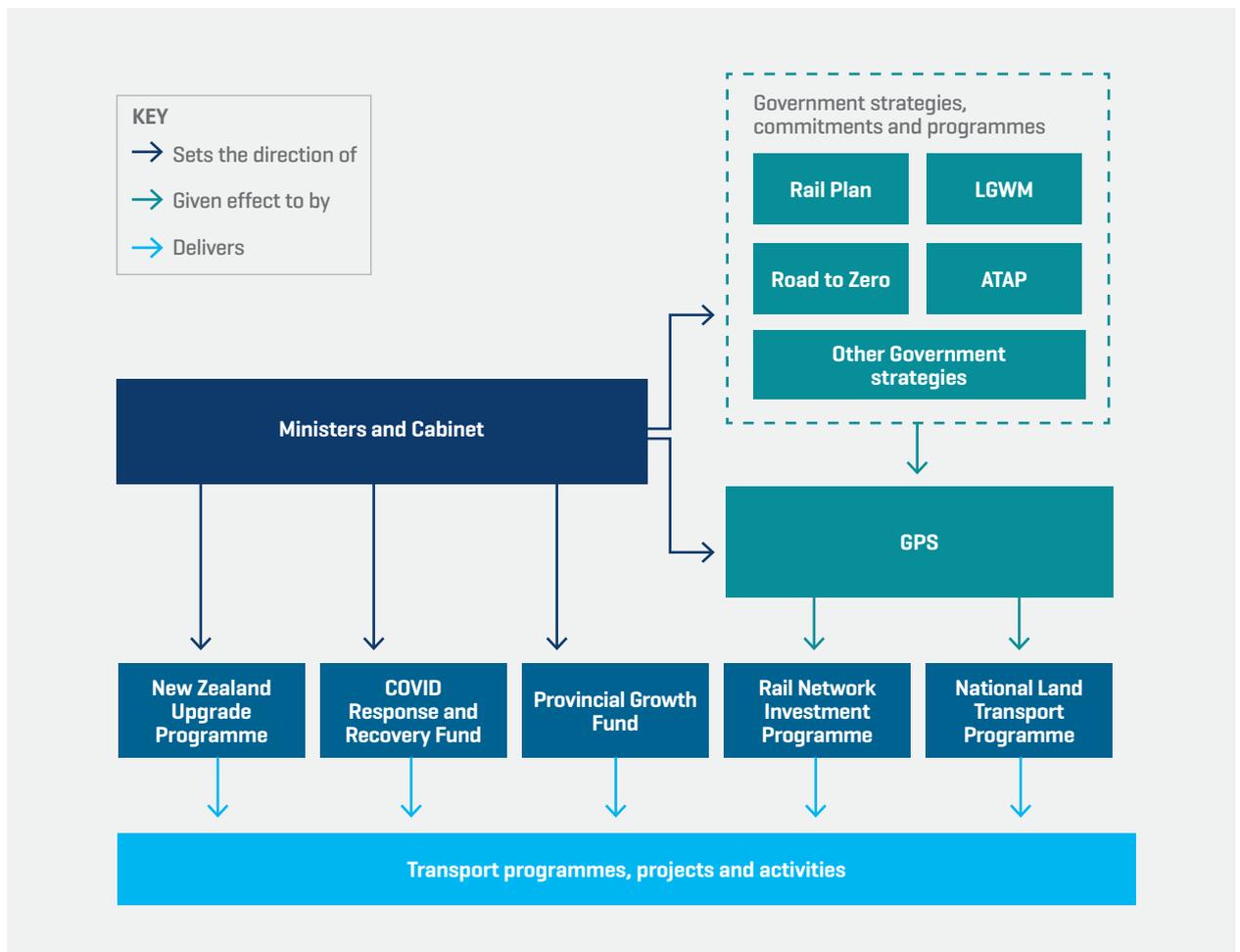


Table 5: Other committed land transport Crown funding 2021/22 to 2030/31 (\$'000)

	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
Rail										
KiwiRail Investment – Crown Contribution	236,300	148,200	TBC							
Rolling Stock Investment	237,500	145,200	8,000	30,600						
Auckland City Rail Link	657,926	411,670	100,840	173,500						
Provincial Growth Fund	34,000	3,000								
New Zealand Upgrade Programme – Rail	313,390	244,370	93,490	22,900						
Maintaining an Electric Locomotive Fleet	11,000									
Public Policy Projects	3,270	3,270	3,270	3,270	3,270	3,270	3,270	3,270	3,270	3,270
Railway Safety	500	500	500	500	500	500	500	500	500	500
Roads, public transport, and walking and cycling										
New Zealand Upgrade Programme	754,890	815,510	878,630	1,010,990	766,370	650,880	217,340	116,330	111,860	
SuperGold Card Concessions	30,572	30,572	30,572	30,572	30,572	30,572	30,572	30,572	30,572	30,572
Other										
Housing Infrastructure Fund – Loan	40,000	264,000								
New Interisland Ferry assets	89,000	111,000	130,600	17,300	300					
Monitoring of the New Zealand Upgrade Programme	2,440	2,470	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500

- ^{135.} Additional Crown funding for specific shovel-ready projects was provided in 2020/21. Announcements of funding details and amounts were still underway at time of publication so figures are not included in Table 5.
- ^{136.} The Government has approved borrowing facilities for Waka Kotahi for different purposes, which require repayments through the Fund. Before GPS 2021, Waka Kotahi reflected the repayment rather than the spend of the borrowing against activity classes. This results in a delay in recognition of activity class spend until the borrowing is repaid.
- ^{137.} Waka Kotahi will undertake additional disclosures within its annual report to ensure that the use and repayment of borrowing is transparent within the activity class reporting framework. The Ministry and Waka Kotahi will also review the treatment of borrowing to determine how best to record future expenditure against each activity class, including addressing any transitional arrangements.
- ^{138.} Table 6 outlines the existing borrowing facilities that are currently available to Waka Kotahi, and the repayment periods for each.

Table 6: Existing borrowing facilities and repayment periods

Borrowing facility	Purpose of borrowing	Size of facility	Amount drawn down [as at 31 July 2020]	Repayment period
Management of cash flow [revolving credit facility]	To manage seasonal cash flow variations in the Fund	\$175 million	\$175 million	Annually
Revenue and expenditure shocks [revolving credit facility]	To manage any unexpected fluctuation in revenue or expenditure	\$75 million	\$75 million	Within 3 years of draw down
Auckland Transport Package [2014/15]	To progress the Auckland Transport Package	\$375 million	\$355 million	Before 30 June 2027
Tauranga Eastern Link [2014/15]	To bring forward construction of the Tauranga Eastern Link	\$107 million	\$107 million	To be repaid through future toll revenues
Housing Infrastructure Fund [2018/19]	To accelerate transport projects that support housing development	\$357 million	\$12 million	Within 10 years of draw down
COVID-19 [2019/20]	To manage the shortfall in revenue resulting from COVID-19.	\$425 million	\$325 million	Before 30 June 2027

The New Zealand Upgrade Programme

- ^{139.} The Government has committed \$6.8 billion in capital investment from the Crown to progress new infrastructure projects – the New Zealand Upgrade Programme. This will support specific projects that will further the Government’s ambition for the future transport system of New Zealand. Details of the programme can be found at: www.nzta.govt.nz/nzupgrade.
- ^{140.} This is a significant investment programme which builds on investment made through the Fund. This Crown funding is not included in the activity classes in Section 3.4 (as it is not land transport revenue) but brings overall investment in land transport to around \$54 billion over 10 years (2021/22 to 2030/31).
- ^{141.} Combined, the investment through the GPS 2021 and the New Zealand Upgrade Programme will help future proof the economy, get our cities moving, and make our roads safer.
- ^{142.} The New Zealand Upgrade Programme delivers important projects that will speed up travel times, ease congestion and make our roads safer. It reflects the Government’s balanced transport policy with \$6.8 billion being invested across road, rail, public transport and walking and cycling infrastructure across New Zealand.
- ^{143.} Of the \$6.8 billion investment, around \$1.8 billion of the projects that will be delivered through the New Zealand Upgrade Programme would have otherwise been delivered as a result of the GPS 2021. This means that the New Zealand Upgrade Programme has provided additional flexibility for the GPS 2021 to signal increased investment in:
- public transport services and infrastructure, to help to make towns and cities more liveable through achieving the Government’s ambitions for mode shift
 - road safety investment, to ensure the reduction of deaths and serious injuries by 40%
 - road maintenance, to allow New Zealanders to continue to experience well maintained and serviced roads.

Section 3.7

Statement of Ministerial expectations

^{144.} Ministerial expectations highlight important behaviours or action required from Waka Kotahi to give effect to GPS 2021. Any necessary further detail on these expectations will be set out in the annual letter of expectations provided by the Minister of Transport, relating to Waka Kotahi's wider role.

Waka Kotahi will play a more proactive role in accelerating mode shift across New Zealand

- ^{145.} The Minister expects Waka Kotahi will:
- implement Waka Kotahi's mode shift plan ["Keeping Cities Moving"]
 - work with local government to implement agreed mode shift plans in the high-growth urban areas of Auckland, Tauranga, Hamilton, Wellington, Christchurch and Queenstown
 - assist in responding to the risks identified in the national climate change risk assessment.

Waka Kotahi will have a greater role in long-term, integrated planning for the sector

- ^{146.} The Minister expects Waka Kotahi will:
- work closely with every region to help them develop robust RLTPs informed by evidence that take account of GPS 2021
 - coordinate delivery across the whole land transport system based on service level standards that are consistent with network use and function
 - have and maintain a longer-term understanding of the costs of maintaining land transport assets
 - encourage consistent, good practice planning so that the interaction between transport use and land use is well managed
 - encourage future-focussed planning, such as through designating and authorising land use for transport, to provide certainty to the sector and communities
 - in agreement with local and central government, make use of funding and financing tools that encourage contributions from new developments (or parties benefitting from them) to the costs that development imposes on the transport system
 - work collaboratively with local government to ensure that transport infrastructure effectively supports urban growth and aligns with wider initiatives to provide quality urban form. In making trade-offs between investments that support intensification (e.g. expanded capacity of a rail station or bus services) and those that support greenfield development (e.g. trunk infrastructure), Waka Kotahi will need to consider the extent to which the latter set of investments supports 'quality urban environments', improves transport choice and supports the reduction of greenhouse gas emissions, and is consistent with and has regard to spatial planning exercises
 - support the Ministry of Transport in carrying out its roles of system-level planning across transport levers and funding sources, and long-term planning of investment in the transport system, particularly by providing information about local needs and the condition of land transport assets

- support the Ministry of Transport in its role of considering transport investments (including land transport investments) that may be funded outside the GPS and the Fund
- where Waka Kotahi needs to consider choices beyond the timeframe of the GPS, use the priorities from the Government's key policy direction documents (mezzanine strategies), and work with the Ministry of Transport where mezzanine strategies are not in place to ensure its priorities reflect the system and government-wide direction of travel.

Waka Kotahi will work closely with the Ministry of Transport and local government in developing and implementing the NLTP to give effect to the GPS

- ^{147.} The Minister expects Waka Kotahi will:
- ensure all its planning frameworks, tools and approaches will give effect to the GPS, and more detailed strategies as indicated in the GPS ensure clear, transparent and regular feedback loops with local government and the Ministry of Transport in ensuring it is giving effect to GPS 2021
 - carefully manage expectations in respect of the GPS programme and commitments
 - ensure alignment with the Ministry of Transport's system planning, appraisal, investment and evaluation frameworks.

Waka Kotahi will help to meet the specific programmes under Government Commitments

- ^{148.} The Minister expects Waka Kotahi will:
- help deliver the Government Commitments (ATAP, LGWM and Road to Zero) by:
 - establishing three year investment targets for Government Commitments
 - proactively managing progress across programmes (responding to slower or quicker delivery) in order to reach investment targets for Government Commitments
 - establishing specific reporting on Road to Zero that demonstrates that it delivers on the measures in the Road to Zero strategy and action plan
 - establishing specific reporting on LGWM, and supporting the ATAP reporting process
 - the above reporting should indicate progress towards investment targets and delivery
 - fulfil its role in supporting the implementation of the New Zealand Rail Plan.

Waka Kotahi will need to work with KiwiRail, the Ministry, Auckland Transport, Auckland Council and Greater Wellington Regional Council to develop the RNIP and implement the new planning and funding framework for rail

- ^{149.} The Minister expects Waka Kotahi will work collaboratively with KiwiRail, the Ministry, the Treasury, and relevant regional authorities to implement the new rail planning and funding model, which seeks to provide long-term certainty of funding for rail. This is a significant cross-agency programme that will require close collaboration, system and behaviour changes from all agencies. Waka Kotahi will:
- support KiwiRail as the owner of the national rail network to develop an RNIP that aligns with the delivery of the New Zealand Rail Plan and the GPS
 - develop an appropriate assessment approach to enable it to provide recommendations on the RNIP, including building its capability in assessing rail network activities. In developing this approach, Waka Kotahi is expected to work collaboratively with other agencies to implement the Future of Rail review, learn from the experiences of transitional rail, and implement new systems and processes which support the partial integration of rail into the national land transport system
 - advise the Minister of Transport on whether the proposed RNIP, and the activities under it, contribute to the purpose of the LTMA 2003, are consistent with the GPS, and take into account relevant RLTPs
 - advise how the RNIP fits with other transport investments in the NLTP, for example investment in passenger services or interconnecting road investments, including at level crossings
 - monitor rail activities and how the RNIP delivers land transport outcomes as outlined in the NZ Rail Plan. Waka Kotahi will report on this annually to the Minister.

Waka Kotahi will develop its ability to manage delivery across projects, packages and programmes that comprise its wider portfolio

- ^{150.} The Minister expects Waka Kotahi will:
- establish core capability to effectively manage programmes and projects and have complete oversight of the portfolio of land transport projects and programmes supported by the Fund. This should also allow Waka Kotahi to make sure costs are effectively managed across the portfolio, and that the Board has appropriate oversight of the use of the delivery of investment programmes
 - set an example for the sector through its portfolio management approach by having a clear approach to managing investments across the project lifecycle from planning to business case to execution and monitoring implementation to ensure it has the right capability to undertake business case analysis and cost benefit analysis
 - more actively influence the way local government designs and delivers public transport services. This includes driving more integrated planning of transport solutions at a local level, prioritising the delivery of modern integrated ticketing systems in New Zealand's main centres, and driving the Government's mode shift priority through its planning and funding levers for public transport

- build leadership and assurance capability to play a stronger oversight role in enabling the investment, procurement, and delivery of public transport services, including setting best practice standards for how co-investment partners undertake procurement and contract management
- ensure it has robust strategies and approaches for managing the asset performance of the state highway network.

Waka Kotahi should be innovative within its own business, and work collaboratively with others to deliver transport innovation for the land transport system

- ^{151.} The Minister expects Waka Kotahi will:
- work collaboratively with others to better understand, promote and facilitate innovative solutions across the transport system. This includes demand management through piloting or demonstrating new approaches in areas such as street design, and testing the use of new technologies where they can make a meaningful contribution to the objectives of this GPS
 - consider how different funding sources can be used to support innovative research or 'proof of concept' proposals put forward by the private sector, the research community, or other central or local government agencies, where they have the potential to contribute to the research priorities set out in the Transport Evidence Base Strategy
 - proactively identify and remove barriers that prevent it from delivering innovation across its core business, and barriers that make it unnecessarily difficult or costly for other entities (including local government and the private sector) from advancing innovative solutions (including research) that would contribute to the objectives of this GPS
 - ensure that any direct investments Waka Kotahi makes in innovation clearly contribute to the Government's priorities
 - contribute annual funding from across the Fund to, and participate in, a transport sector innovation programme in collaboration with the private sector and research community. This will also require taking a considered and deliberate approach when determining the role that Waka Kotahi should play in innovation initiatives. In some cases (where an initiative relates to Waka Kotahi's core functions), this may require Waka Kotahi to play a lead role. In other cases, it may be more appropriate for Waka Kotahi to partner with other entities in the private sector, local government or academia.

Waka Kotahi will take a robust approach to getting value for money from the Fund

- ^{152.} The Minister expects Waka Kotahi will:
- ensure a robust and mode-neutral options analysis process is used that follows Waka Kotahi's intervention hierarchy, for addressing any problems and opportunities that have been considered when making investment decisions
 - seek opportunities to deliver co-benefits across multiple outcomes
 - support the sector to put forward the best transport solutions and ensure a fit for purpose investment process. This means Waka Kotahi will continue to

support funding across activity classes, and enable approved organisations to not choose or define projects based on the activity class structure

- have clear and regular communication channels with local government during the assessment and allocation processes, which provide sufficient detail for areas to understand funding decisions.

Waka Kotahi will work with the Ministry of Transport to continuously improve the GPS monitoring and reporting system to inform decisions throughout the life of the GPS

153. The Minister expects Waka Kotahi will:

- have the appropriate information systems and capability to manage the performance of the road network and the annual provision of indicator data to the Ministry
- continue to monitor and report on expenditure from the Fund, and how investment decisions are made.

This includes:

- progress against each GPS expenditure reporting line from the activity classes and proposed funding ranges table in a consistent way over the life of GPS 2021
- the amount of investment associated with the strategic priorities and Government Commitments
- any significant changes to strategies, standards and guidelines that impact on expenditure from the Fund
- a report on the definition, measurement and achievement of Outcomes including how programmes/projects will address transport user experience requirements
- the decision-making processes it has used, including reporting on:
 - benefit cost ratios (or other efficiency assessment) for all except minor investment decisions
 - whole-of-life costs
 - when and why lead investment has taken place
 - how investment decisions have been made at the programme level, where relevant
 - post-implementation reviews including benefit realisation of projects of significance and providing assurance that lessons learned assessments are conducted and that these learnings have been incorporated into future decision-making processes
 - delays and cost of scope overruns on key projects and programmes, covering the reasons for the delays and overruns, and decisions on actions taken to address these
- the complete roll-out of the One Network Framework across state highways and local roads
- report annually on progress against each expectation in this Statement of Ministerial Expectations
- ensure Programme/Project Managers have appropriate training and the capability to understand and deliver on Outcomes as well as Outputs
- incentivise approved organisations to develop capability or benchmark their performance against others in their sector
- demonstrate how value for money aspects have been taken into account in informing investment decisions and choice of delivery model.

Waka Kotahi should make land transport data available to others, and promote the use of common data standards

154. The Minister expects Waka Kotahi will work collaboratively across the sector within the environment created by the Transport Evidence Base Strategy to:

- fully incorporate the Transport Evidence Base Strategy, and associated Implementation Plan, into all data, information, research and evaluation work programmes
- make necessary, timely and cost-effective enhancements to information, data, analytical and modelling systems to manage and gain insight from the large volumes of data generated by the land transport system
- collect, maintain and publish accurate, reliable and relevant, open [land transport] data
- ensure appropriate governance of this open data including leading the development of open data protocols for land transport data
- work with KiwiRail to assess what information should be collected and by whom and accordingly collect and provide consistent and accessible information, data, and analysis
- integrate transport evidence with evidence from other areas including land use, economic development and health
- proactively facilitate the provision of information and data held by Waka Kotahi that third parties use to integrate transport services through mobility as a service or similar platforms.

Waka Kotahi should align investment decisions with its 2018 Resilience Framework

155. The Minister expects Waka Kotahi will:

- align investment decision making with the 2018 Resilience Framework
- consider potential for climate change adaptation when approving projects for investment. For example, proposals should consider whether they will be under threat from climate change in the medium to long term and whether a small additional investment would allow for effective adaptation to avoid such threats
- consider community wellbeing (including the wellbeing of regional communities) when approving projects for investment
- where relevant, ensure that project proposals have considered, and are designed in such a way to mitigate, significant threats to personal security.

4

Appendices



Appendix 1: The land transport planning environment

Investment in the land transport network is made under the framework set out in the LTMA 2003, which requires the following documents to be issued.

Government Policy Statement on land transport [the GPS]

The GPS is issued by the Minister of Transport. The GPS sets out what the government wants land transport to achieve through investment in different types of activity (for example, roads, road policing and public transport). It must also set out how much funding will be provided and how this funding will be raised.

Each GPS is in place for a period of six years, but must set out the results that the government wishes to achieve over a 10 year period from the allocation of funding. The GPS also enables the government to take a longer-term view of its national land transport objectives, policies and measures.

The government's land transport investment strategy sits within the GPS and must be reviewed every three years. It must state the overall investment likely to be made in the land transport sector over a period of 10 financial years. Components such as the short to medium term results to be achieved from the allocation of funding must look forward 6 years but may look forward up to 10 years. In addition, the strategy's forecast funding ranges must extend out to 10 years.

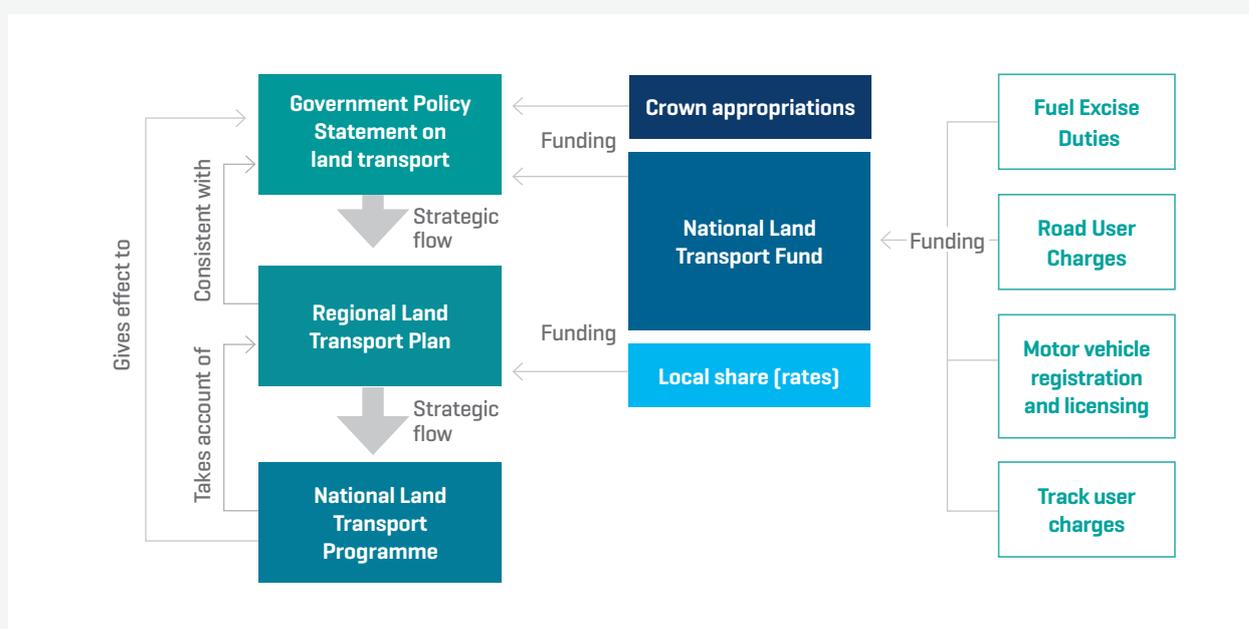
The National Land Transport Programme [NLTP]

Waka Kotahi must develop an NLTP every three years to give effect to the GPS. The programme sets out the specific activities that will be funded to address the transport objectives in the GPS. The NLTP must take account of RLTPs in doing this (ideally Waka Kotahi and local government inform each other's plans).

Regional Land Transport Plans [RLTPs]

RLTPs are prepared by Regional Transport Committees and, for Auckland, by Auckland Transport. They list all of the planned transport activities for a region for at least 10 years and are used to prioritise applications for government funding through Waka Kotahi. RLTPs must be issued every six years and reviewed every three years. Regional Transport Committees and Auckland Transport must ensure consistency with the GPS when preparing RLTPs. The linkages between these different documents are set out in Figure 4.

Figure 4: Linkages between land transport documents

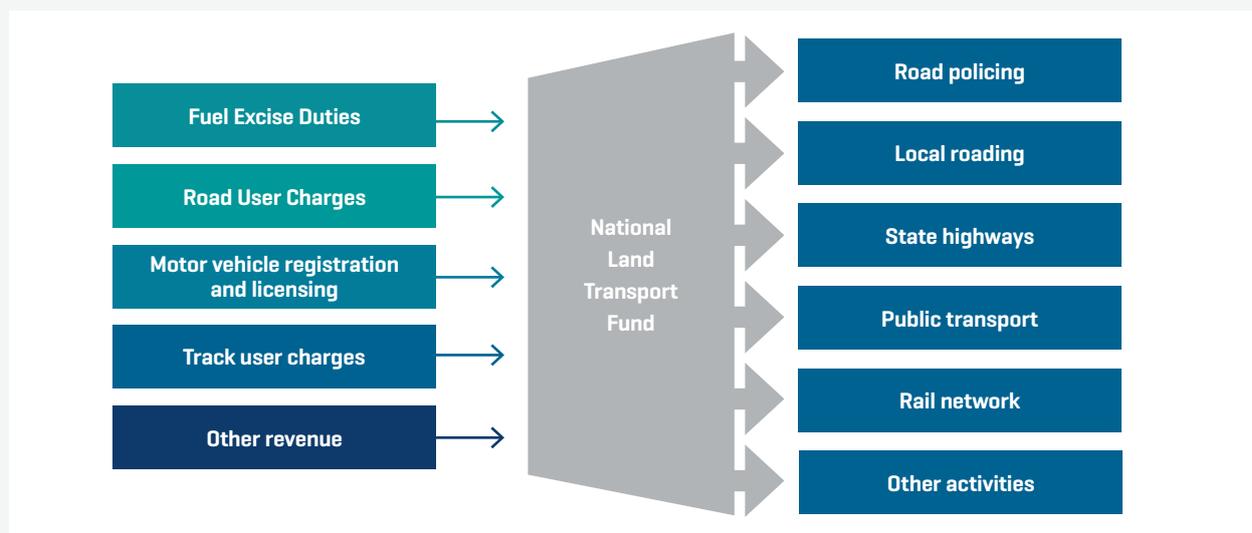


Funding for land transport investment

While the GPS provides a national picture of land transport funding, the specific detail of how funding is invested is the responsibility of Waka Kotahi. Waka Kotahi's investment in the land transport system is implemented through the Fund. The Fund is the main central government funding source for the land transport system.

All Fuel Excise Duties and Road User Charges are allocated directly to the Fund. Additionally, a portion of motor vehicle registration income, track user charges from rail users, and other revenue is paid into the Fund. A small subset of activity, such as funding for the SuperGold card free off-peak public transport scheme, is supported directly from the Government's consolidated fund.

Figure 5: Funding flows



Waka Kotahi allocates the Fund to activities to give effect to the objectives, results and expectations set out in the GPS. Waka Kotahi, the New Zealand Police (NZ Police) and other approved organisations under the LTMA 2003 receive funding from the Fund for the land transport activities that they deliver, such as the construction and maintenance of state highways and local roads and road policing.

Some of the activity classes (including local roads and public transport) relate to land transport activities that are the responsibility of local government (regional, district and city councils). The costs of these activities are shared by the Fund and local government.

Crown contributions

For the period to 2030/31, a number of land transport projects and activities will be funded through annual Crown appropriations rather than through the Fund. Where the Crown contributes, it may do so in the form of grants or loans. Grant funding does not need to be repaid, whereas loans to bring forward investments do need to be repaid from future revenues to the Fund.

Rail

As part of the rail network being funded through the Fund, track user charges will be implemented to contribute to the costs of rail. The Ministry is developing and implementing track user charges, following changes to the LTMA 2003 that allow for track user charges to be paid into the Fund. Crown funding is also expected to contribute to delivering rail priorities.

Land use planning

The GPS directs transport planning and investment (under the LTMA 2003), and it informs land use planning processes (under the Resource Management Act 1991). As an example, transport planning and investment can deliver an active transport network in line with the priorities of the GPS, but is reliant on land use planning to ensure that more efficient and liveable urban form supports active transport.

Together with the Government Policy Statement on Housing and Urban Development, the GPS on land transport will provide consistent strategic direction across the spectrum of transport and land-use policy. The statement of priorities, objectives and results in the GPS enables well informed decision-making in both transport and land use planning, while respecting the difference between regulatory and investment planning processes.

Regulation

The development and design of land transport regulation is outside the scope of the GPS. Transport regulation includes Acts of Parliament (for example, the Transport Act 1998), transport regulations (for example, Heavy Motor Vehicle Regulations 1974), and transport rules (for example, bridge weight limits). Land transport regulation is undertaken by a range of public bodies, including Waka Kotahi, local authorities and the NZ Police.

A future GPS could include transport regulation within the scope of its objectives, policies and measures. Decisions to further investigate these issues lie outside this GPS and may require legislative change.

Appendix 2: GPS 2021 framework

Purpose of the GPS

The GPS outlines the government's strategy to guide land transport investment over the next 10 years. It also provides guidance to decision-makers about where the government will focus resources, consistent with the purpose of the LTMA 2003, which is:

“To contribute to an effective, efficient, and safe land transport system in the public interest”⁶.

Without limiting the legal interpretation of these terms, for the purpose of GPS 2021, a land transport system is:

- effective when it moves people and freight where they need to go in a timely manner
- efficient when it delivers the right infrastructure and services to the right level at the best cost
- safe when it reduces harm from land transport
- in the public interest where it supports economic, social, cultural and environmental wellbeing.

In setting out the government's investment strategy for land transport, the GPS identifies the national land transport objectives it wants pursued, allocates funding in ranges to different types of activities and sets out the results it expects from that investment.

Waka Kotahi, the NZ Police and other approved organisations⁷ will use the framework in the LTMA 2003 to deliver investment across New Zealand that is prioritised and coordinated.

GPS 2021 components

The LTMA 2003 requires a GPS to include a number of components. These components have been grouped in GPS 2021 so that they move from high level policy direction, through to the more detailed investment strategy, to the machinery provisions about funding flows. Collectively, they cover all the requirements of a GPS found in the LTMA 2003.

Requirements of the GPS

The LTMA 2003 requires the Minister of Transport to issue a GPS.

A core function of the GPS is to set out the government's priorities, objectives and funding available for the land transport sector. GPS 2021 does this by describing:

- the Government's priorities for expenditure from the Fund from the 2021/22 to the 2030/31 financial years
- how it will achieve these through the allocation of funding ranges in different activity classes (for example, the maintenance of state highways, road policing and walking and cycling)
- how much funding will be provided
- how the funding will be raised.

Under the LTMA 2003, the GPS:

- must set out:
 - the results that the Crown wishes to achieve from the allocation of funding from the Fund over a period of at least 10 consecutive financial years (longer-term results)
 - the Crown's land transport investment strategy
 - the Crown's policy on borrowing for the purpose of managing the NLTP
- may also set out national land transport objectives, policies and measures for a period of at least 10 financial years
- must specify any additional expected funding for land transport activities, including any appropriations made by Parliament (subject to the Public Finance Act 1989).

The GPS cannot specify particular projects to be funded, or levels of funding for individual interventions.

The Crown's land transport investment strategy must:

- link the amount of revenue raised with planned levels of expenditure from the Fund
- for the first six financial years of the GPS and any subsequent years that the Minister considers relevant, address the following matters:
 - the short to medium term results that the Crown wishes to achieve through the allocation of funding from the Fund
 - the activity classes to be funded from the Fund
 - likely revenue, including changes to the duties, fees, and charges paid into the Fund
 - the identification of an expenditure target for the NLTP for each year
 - a maximum and a minimum level of expenditure for the NLTP for each year (subject to the ability to carry forward funds from the closing balance of the Fund from one financial year to a future financial year)
 - an allowable variation between expenses and capital expenditure incurred under the NLTP and the inflows received by the Fund
 - funding ranges for each activity class
 - the allowable reasons for varying the expenditure target when making funding allocation decisions
 - a statement of the Minister's expectations of how Waka Kotahi gives effect to the GPS
 - the forecast funding ranges for each activity class for the period of four financial years following the first six financial years of the GPS
 - the overall investment likely to be made in the land transport sector over a period of 10 financial years and the likely or proposed funding sources.

6. Section 3 of the LTMA 2003.

7. Approved organisations: territorial authorities, regional councils, Auckland Transport, the Department of Conservation and the Waitangi National Trust Board.

Appendix 3: Summary of key policy direction documents

Road to Zero: New Zealand's Road Safety Strategy 2020 – 2030

[see www.transport.govt.nz]

Road to Zero charts a new approach to road safety for the next 10 years to 2030, with a vision of a New Zealand where no-one is killed or seriously injured in road crashes. The strategy builds on the safe system approach introduced in the previous Safer Journeys strategy 2010-2020, with a focus on infrastructure improvements and speed management; vehicle safety; work-related road safety; road user choices and system management. Road to Zero introduces a target of a 40% reduction in deaths and serious injuries over 10 years [from 2018 levels].

Auckland Transport Alignment Project

[see www.transport.govt.nz]

The Auckland Transport Alignment Project (ATAP) is an aligned strategic approach between the Government and Auckland Council to develop a transformative transport programme that addresses Auckland's key challenges over the next 30 years. The GPS makes explicit reference to supporting ATAP 2018 projects. The RLTP for Auckland is fully aligned with ATAP 2018 and the NLTP must give effect to the Government's priorities that for Auckland are embodied in the ATAP package.

Let's Get Wellington Moving

[see: www.transport.govt.nz]

Let's Get Wellington Moving (LGWM) is a joint initiative between Wellington City Council, Greater Wellington Regional Council, and Waka Kotahi to improve walking, cycling, public transport and liveability in Wellington. The GPS makes explicit reference to supporting LGWM projects.

Urban Growth Agenda (UGA)

[see www.hud.govt.nz]

The UGA is a cross-government initiative designed to remove barriers to the supply of land and infrastructure and make room for cities to grow up and out. The core objectives of the UGA are to improve housing affordability, housing choice, and access to employment, education and services, as well as assisting in emissions reduction and enabling quality built environments whilst avoiding unnecessary urban sprawl.

To achieve these objectives the UGA consists of five interconnected focus areas:

- infrastructure funding and financing – to enable a more responsive supply of infrastructure and appropriate allocation of cost
- urban planning – to allow urban areas to make room for growth, support quality built environment and enable strategic integrated planning
- spatial planning [initially focussed on Auckland and the Auckland-Hamilton corridor] – to build a stronger partnership with local government and iwi to shape urban outcomes through long-term, integrated planning
- transport pricing – to ensure the price of transport infrastructure promotes efficient use of the network
- legislative reform – to ensure that regulatory, institutional and funding settings are collectively supporting the UGA objectives.

Combined, the UGA signals a new approach to genuinely integrated planning for land use and infrastructure, which should be at the heart of any decisions on transport investments in the future. The upcoming Comprehensive Review of the Resource Management Act will also look at options for making spatial planning integral to our planning system.

National Policy Statement on Urban Development (NPS-UD) **[see www.mfe.govt.nz]**

A key initiative of the Urban Growth Agenda is the development of the National Policy Statement on Urban Development (NPS-UD), a national direction policy tool in the Resource Management system.

It directs local authorities to enable greater housing supply and ensure that planning is responsive to changes in demand, while seeking to ensure that new development capacity meets the diverse needs of communities and encourages well-functioning urban environments. It also requires councils to remove overly restrictive rules that affect urban development outcomes in our cities.

The NPS-UD replaces the National Policy Statement on Urban Development Capacity 2016 and is administered by the Ministry for the Environment (MfE), with support from the Ministry of Housing and Urban Development (HUD).

Regional Economic Development (RED) **[see www.mbie.govt.nz/www.mpi.govt.nz]**

Regional development and resilience are critical to the success of New Zealand as a whole. Through the Provincial Growth Fund and other initiatives, the Government is supporting regions so that all New Zealanders, town or city, can fully participate in an economy that is sustainable, inclusive and productive. While all regions are eligible for the Provincial Growth Fund, key regions that have been prioritised for funding are Te Tai Tokerau/Northland, Bay of Plenty, East Coast, Hawke's Bay, Manawatū-Whanganui, and the West Coast.

New Zealand Energy Efficiency and Conservation Strategy (NZECS) 2017–2022 **[see www.eeca.govt.nz]**

NZECS contributes to the delivery of the Government's energy priorities set out in the New Zealand Energy Strategy. The NZECS sets five year targets and objectives to provide consistency and certainty for investment. In terms of transport, the priority area is for "efficient and low emissions transport".

New Zealand Renewable Energy Strategy **[see www.mbie.govt.nz]**

The Government's renewable energy strategy work programme outlines actions to achieve an affordable, secure and sustainable energy system that provides for New Zealanders' well-being in a low emissions world.

The work programme focuses on three main outcomes:

- An inclusive and consumer focused energy system
- A system that encourages increased investment in low emissions technologies
- An innovative and modern energy system that creates new opportunities for business and consumers.

2015 National Infrastructure Plan **[see www.infrastructure.govt.nz]**

The 2015 National Infrastructure Plan sets the vision that by 2045 New Zealand's infrastructure is resilient and coordinated, and contributes to economic growth and increased quality of life. The plan provides the framework for infrastructure development over the next 30 years and is focussed on ensuring better use of existing infrastructure and allocating new investment to meet long-term needs.

New Zealand Health Strategy: Future Direction 2016 and New Zealand Health Strategy: Roadmap of actions 2016 [see www.health.govt.nz]

The New Zealand Health Strategy has two parts. Both parts of the Strategy together comprise the 'New Zealand Health Strategy'.

- **Future Direction** – this sets high level direction for New Zealand's health system from 2016 – 2026: 'All New Zealanders live well, stay well, get well, in a system that is people-powered, provides services closer to home, is designed for value and high performance, and works as one team in a smart system.'
- **Roadmap of Actions 2016** – the New Zealand Public Health and Disability Act 2000 Section 8(1) requires the Minister of Health to 'determine a strategy for health services, called the New Zealand Health Strategy, to provide the framework for the Government's overall direction of the health sector in improving the health of people and communities.'

Public Transport Operating Model [see www.transport.govt.nz]

The Public Transport Operating Model sets the operating environment for the delivery of public transport. It is a fully contracted model with features designed to incentivise commercial behaviour, create efficient networks, encourage a partnership approach to growing use, and reduce the level of public subsidy. Under this model, public transport contracts are awarded through a mix of direct negotiations and tendering. The legislative elements of the model are set out in Part 5 of the LTMA 2003. The operational elements are in Waka Kotahi's Procurement manual and Guidelines for preparing regional public transport plans.

The Government has asked the Ministry of Transport to lead a review of the Public Transport Operating Model, which is expected to be completed by the end of 2020.

Tourism Strategy [see www.mbie.govt.nz]

The New Zealand-Aotearoa Government Tourism Strategy sets out a more deliberate and active role for Government in tourism to enrich New Zealand-Aotearoa through sustainable tourism growth.

The Government wants tourism growth to be productive, sustainable and inclusive. Our goals are:

- Tourism supports thriving and sustainable regions
- Tourism sector productivity improves
- New Zealand-Aotearoa delivers exceptional visitor experiences
- Tourism protects, restores and champions New Zealand-Aotearoa's natural environment, culture and historic heritage
- New Zealanders' lives are improved by tourism.

New Zealand Disability Strategy [see www.odl.govt.nz]

The New Zealand Disability Strategy guides the work of government agencies on disability issues from 2016 to 2026. The Strategy's vision for New Zealand is a non-disabling society. It sets out eight outcome areas with goals and aspirations including Outcome 5: accessibility – we access all places, services and information with ease and dignity. Universal design is an approach used to implement the strategy, where accessibility for everyone is designed for at the beginning, rather than retrofitting for accessibility later. The Strategy is carried out through the Disability Action Plan, which is currently being reviewed to reflect current Government priorities.

New Zealand Rail Plan [see www.transport.govt.nz]

The New Zealand Rail Plan will guide investment for rail over the longer term by setting out a 10-year investment programme. The New Zealand Rail Plan and investment signals within it have informed the GPS.

The New Zealand Rail Plan outlines Government's long-term commitment to the significant investment needed to achieve a reliable, resilient and safe rail network. The final plan will guide both network and track based infrastructure owned by KiwiRail, as well as investment in passenger and freight trains, and rail services owned and provided by KiwiRail, Auckland Transport, and Greater Wellington Regional Council. This will guide both future Crown funding decisions and, through the GPS, funding decisions from the Fund.

Rail Network Investment Programme

The Land Transport (Rail) Legislation Act 2020 was introduced into law on 1 July 2020. It introduced a new planning and funding framework for the national heavy rail network to allow funds from the NLTF to be provided to KiwiRail for approved rail network activities. Under the new planning and funding framework, KiwiRail is required to develop a Rail Network Investment Programme (RNIP) every three years for the rail network, which will include significant rail activities for the next six years, and a 10-year financial forecast. The New Zealand Rail Plan, and the funding signals in the GPS, will guide the development of the RNIP.

The RNIP will be funded from the Rail Network activity class, Public Transport Infrastructure activity class, and the Crown. Regional rail network activities in Auckland and Wellington will go through their RLTPs processes before they are included in the RNIP.

The Minister of Transport, in consultation with KiwiRail Shareholding Ministers, will approve the RNIP to ensure a holistic view is taken to investment in rail. Waka Kotahi will be responsible for advising the Minister of Transport on how the proposed RNIP, and the activities under it, fits with its broader land transport investment programme under the NLTP, and aligns with relevant RLTPs. This involves providing advice on how the proposed RNIP contributes to the purpose of the LTMA 2003, is consistent with the outcomes of the GPS, and aligns with the strategic investment priorities outlined in the New Zealand Rail Plan.

Waka Kotahi will also be responsible for monitoring rail activities and the outcomes that the RNIP is achieving within the land transport system. Waka Kotahi will report annually to the Minister on its findings.

Rural Proofing Policy

[see www.mpi.govt.nz]

The Rural Proofing Policy requires policy-makers to take into account the particular challenges faced by rural communities, such as low populations, isolation, reduced telecommunications and limited transport infrastructure, when developing and implementing Government policy.

Appendix 4: 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.
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	Maintaining a road so that it can deliver a defined level of service, while leaving the fundamental structure of the existing road intact.
Micro-mobility	Light, short haul modes of transport such as electric scooters, skateboards, share-bicycles.
Ministry of Transport	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	Increasing the share of people's travel by public transport, walking and 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 [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	Government's plan that will guide investment to be made through the rail investment programme to achieve a reliable, resilient and safe rail network.
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.
Rail Network Investment Programme [RNIP]	This programme will set out 10 years of projects for funding approval, guided by the New Zealand Rail Plan, to achieve a reliable, resilient and safe rail network. The programme will be written by KiwiRail and approved by the Minister of Transport with guidance from Waka Kotahi.
Rapid transit	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 operated by Waka Kotahi, as defined under the LTMA 2003.
Track user charges [TUC]	Track user charges are under development by the Ministry of Transport. Track user charges will apply to track users to ensure that track users contribute to the National Land Transport Fund in a fair and transparent way. Auckland Transport and Greater Wellington Regional Council already pay track service charges to KiwiRail. The intention is not to make changes to these arrangements at this time.
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 5: Relevant sections of the Land Transport Management Act 2003

Please note that:

- these sections are excerpts rather than complete replications of the Act
- amendments may be made to the Land Transport Management Act 2003 during the course of the GPS 2021 that may affect these sections.

Relevant sections

Section 3. Purpose

The purpose of this Act is to contribute to an effective, efficient, and safe land transport system in the public interest.

Section 66. Minister must issue GPS on land transport

1. The Minister must issue a GPS on land transport —
 - a. before the start of the first financial year to which it applies; and
 - b. that covers a period of six financial years.
2. The Minister must issue a replacement GPS on land transport under subsection [1] before the current GPS on land transport expires.
3. If a GPS on land transport that is issued under subsection [1] is replaced, the GPS on land transport that is replaced expires on the date that it is replaced.

Section 67. Preparation or review of GPS on land transport

1. When preparing or reviewing a GPS on land transport, the Minister must —
 - a. be satisfied that the GPS on land transport contributes to the purpose of this Act; and
 - b. take into account —
 - i. any national energy efficiency and conservation strategy; and
 - ii. any relevant national policy statement that is in force under the Resource Management Act 1991; and
 - c. have regard to the views of Local Government New Zealand and representative groups of land transport users and providers.
2. For the purposes of subsection [1], the Minister must, at least once in every period of three financial years, review the Crown's land transport investment strategy required under section 68[1] [b].
3. To avoid doubt, nothing in subsection [2] limits section 90[1].
4. Before issuing a GPS on land transport, the Minister must consult the NZ Transport Agency about the proposed GPS on land transport.

Section 68. Content of GPS on land transport

1. The GPS on land transport must include —
 - a. the results that the Crown wishes to achieve from the allocation of funding from the Fund over a period of at least 10 consecutive financial years; and
 - b. the Crown's land transport investment strategy; and
 - c. the Crown's policy on borrowing for the purpose of managing the National Land Transport Programme.
 2. The Crown's land transport investment strategy—
 - a. must link the amount of revenue raised from road users with the planned levels of expenditure from the Fund; and
 - b. must, for the first six financial years of the GPS on land transport and any subsequent years that the Minister considers relevant, address the following matters:
 - i. the short-term to medium-term results that the Crown wishes to achieve through the allocation of funding from the Fund:
 - ii. the activity classes to be funded from the Fund:
 - iii. likely revenue, including changes to the duties, fees, and charges paid into the Fund:
 - iv. the identification of an expenditure target for the National Land Transport Programme for each year:
 - v. a maximum and a minimum level of expenditure for the National Land Transport Programme for each year [subject to the ability to carry forward funds from the closing balance of the Fund for a financial year to a future financial year]:
 - vi. an allowable variation between expenses and capital expenditure incurred under the National Land Transport Programme and the inflows received by the national land transport fund:
 - vii. funding ranges for each activity class:
 - viii. the allowable reasons for varying the expenditure target identified under subparagraph (ii) when making funding allocation decisions:
 - ix. a statement of the Minister's expectations of how the NZ Transport Agency gives effect to the GPS on land transport; and
 - c. must specify the forecast funding ranges for each activity class for the period of four financial years following the first six financial years of the GPS on land transport; and
 - d. must state the overall investment likely to be made in the land transport sector over a period of 10 financial years and the likely or proposed funding sources.
3. The GPS on land transport -
 - a. may set out national land transport objectives, policies, and measures for a period of at least 10 financial years beginning on the date that the GPS on land transport is issued; and
 - b. must, subject to the Public Finance Act 1989, specify any additional expected funding for land transport activities, including [but not limited to] any money that Parliament may appropriate for the purpose.

Section 69. Status of GPS on land transport

To avoid doubt, a GPS on land transport is not—

- a. a direction for the purposes of Part 3 of the Crown Entities Act 2004; or
- b. a legislative instrument for the purposes of the Legislation Act 2012; or
- c. a disallowable instrument for the purposes of the Legislation Act 2012.

Section 70. Agency to give effect to GPS on land transport in respect of funding of land transport system

1. The NZ Transport Agency must give effect to the GPS on land transport when performing its functions under subpart 1 of Part 2 in respect of land transport planning and funding.
2. To avoid doubt, the GPS on land transport may not impose an obligation on the NZ Transport Agency to approve or decline funding for a particular activity or any combination of activities under section 20.

Section 71. Availability of GPS on land transport

As soon as practicable after issuing a GPS on land transport, the Minister must –

- a. present a copy of the GPS on land transport to the House of Representatives; and
- b. arrange for a copy of the GPS on land transport to be given to each of the following:
 - i. the Secretary
 - ii. the Agency
 - iii. the Commissioner
 - iv. every approved organisation
 - v. the Auckland Council; and
- c. make a copy of the GPS on land transport publicly available in accordance with section 108.

Other relevant sections

Section 11. Annual report on National Land Transport Fund

1. After the end of each financial year, the NZ Transport Agency must prepare an annual report on the Fund.
2. The annual report required under subsection (1) must be prepared in accordance with generally accepted accounting practice, and must include -
 - f. an explanation of how the funding of activities or combinations of activities under the National Land Transport Programme has contributed to the achievement of any outcomes, objectives or impacts set out in the relevant GPS on land transport.
3. The provisions of the Crown Entities Act 2004 in respect of the preparation, audit, presentation, and publication of a Crown entity's annual report (including its financial statements) apply, with all necessary modifications, to the annual report required under subsection (1).

Section 14. Core requirements of regional land transport plans

4. Before a regional transport committee submits a regional land transport plan to a regional council or Auckland Transport (as the case may be) for approval, the regional transport committee must -
 - a. be satisfied that the regional land transport plan -
 - ii. is consistent with the GPS on land transport;

Section 19E. Variation of national land transport programme.

3. If the GPS on land transport is amended under section 90(1), the NZ Transport Agency must vary the National Land Transport Programme as soon as practicable if necessary to give effect to the amendment.

Section 20. Approval of activities and combinations of activities

2. In approving a proposed activity or combination of activities, the Agency must be satisfied that -
 - c. the activity or combination of activities is -
 - i. consistent with the GPS on land transport;
5. When approving an activity or combination of activities as qualifying for payments from the Fund, the NZ Transport Agency must be satisfied that the expenditure on the National Land Transport Programme and any expenses associated with any borrowing undertaken in accordance with section 10(1)(b) in the relevant financial year will not exceed the lesser of -
 - a. the maximum level of expenditure for the National Land Transport Programme outlined in the GPS on land transport for that financial year and the actual or anticipated amount of the closing balance of the Fund at the end of the previous financial year; or
 - b. the sum of -
 - i. the anticipated inflows to the Fund in that financial year; and
 - ii. the actual or anticipated amount of the closing balance of the Fund at the end of the previous financial year; and
 - iii. the allowable variation for that financial year specified in the GPS on land transport.



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