



# National Land Transport Plan 2024-27 Update

Out of Cycle Board Meeting  
10 September 2024



# Purpose

## **An initial overview on the funding decisions included in the National Land Transport Programme (NLTP) and next steps**

- This slide pack provides an initial overview of the NLTP decisions and funding implications for Auckland Transport (AT) over the next three years.
- More work is required to fully understand the impacts and more information will be provided in subsequent briefings.
- Auckland Council (AC) had previously stated they wished to match National Land Transport Fund (NLTF) funding for renewals and may choose to match funding for many other projects / programmes (opex and capex) also.
- This slide pack outlines initial considerations along with the proposed process for providing advice to AC around the use of local share funding.



# Overview

- NLTP must give effect to current Government Policy Statement (GPS) – Four strategic priorities:
  - Economic growth and productivity
  - Increased maintenance and resilience
  - Safety
  - Value for money
- Priorities are generally aligned with Statement of Intent (SOI) key focus areas.
- \$32.9 billion of funding is forecast nationally under the NLTP – increase of 35% compared with the 2021-24 period.
- \$8.4 billion forecast total investment for the Auckland region.



# NLTP Allocations (NZTA view)



# Continuous Programmes

- The Long Term Plan (LTP) and Regional Land Transport Plan (RLTP) allocations for continuous programmes were reasonably close.
- \$3.4 billion\* has been allocated for continuous programmes (opex and capex) for following activity classes:
  - Local road maintenance and renewals (MOR)
  - Public Transport (PT) services
  - Road safety promotion
- There is some flexibility to adjust the mix of opex vs. capex and phase cashflow across the three year period within activity classes only.

Activity class	3-year LTP (\$M)	3-year NLTP Allocation* (\$M)	Difference %
MOR	\$1,570	\$1,363	-13%
PT Services	\$2,109	\$2,037	-3%
Road safety promotion	\$25	\$11	-56%

\* Excluding the 5.7% administration fee NZTA pays to AT



# Improvement projects

- The NLTP lists projects under the following categories:
  - **Approved:** These projects have already been through funding approval process (e.g. Eastern Busway Stages 2-3, EMUs).
  - **Probable:** Require funding applications supported by business cases (e.g. Level Crossing Removal for City Rail Link (CRL), National Ticketing System (NTS) and Auckland Housing Programme Improvements).
  - **Possible:** Unlikely that they will be funded unless circumstances change (e.g. Botany Interchange and Link, Time of Use Charging). Require funding applications supported by business cases).
- A number of AT projects included in the RLTP have not been included in the NLTP and are therefore not eligible for NLTF funding during this three-year period.
- If AT does not proceed with a project which already has funding approved, the approved funding goes back into the NLTF for reallocation to the next highest priority project nationally.
- Further details of projects which are Approved, Included and Not Included are set out in the Appendix.



# NZTA Letter of Funding

## Conditions

NZTA have identified key conditions to achieve the Minister of Transport's expectations through the 2024 NLTP period. Some key points of note are:

- **Delivery:** A focus on delivery, maintaining tight control of scope / cost and adopting a 'no frills' approach.
- **Efficiency:** A focus on value for money – including a focus on providing services that meet the needs of users, and actively seeking to reduce Temporary Traffic Management (TTM) expenditure and report on TTM costs.
- **Revenue:** Consideration of other revenue sources and funding / delivery models in relation to each project. Actively working towards increasing farebox recovery by 30 June 2027, working with NZTA on private share contributions, and supporting and actively working towards delivery of NTS.
- **Reporting:** Periodic self-evaluation and reporting of performance against expectation – NZTA would monitor this as part of future investment audits. Increased focus on performance including reporting monthly on the response time for repairing potholes.



# **LTP/RLTP Implications** **(AC / AT view)**





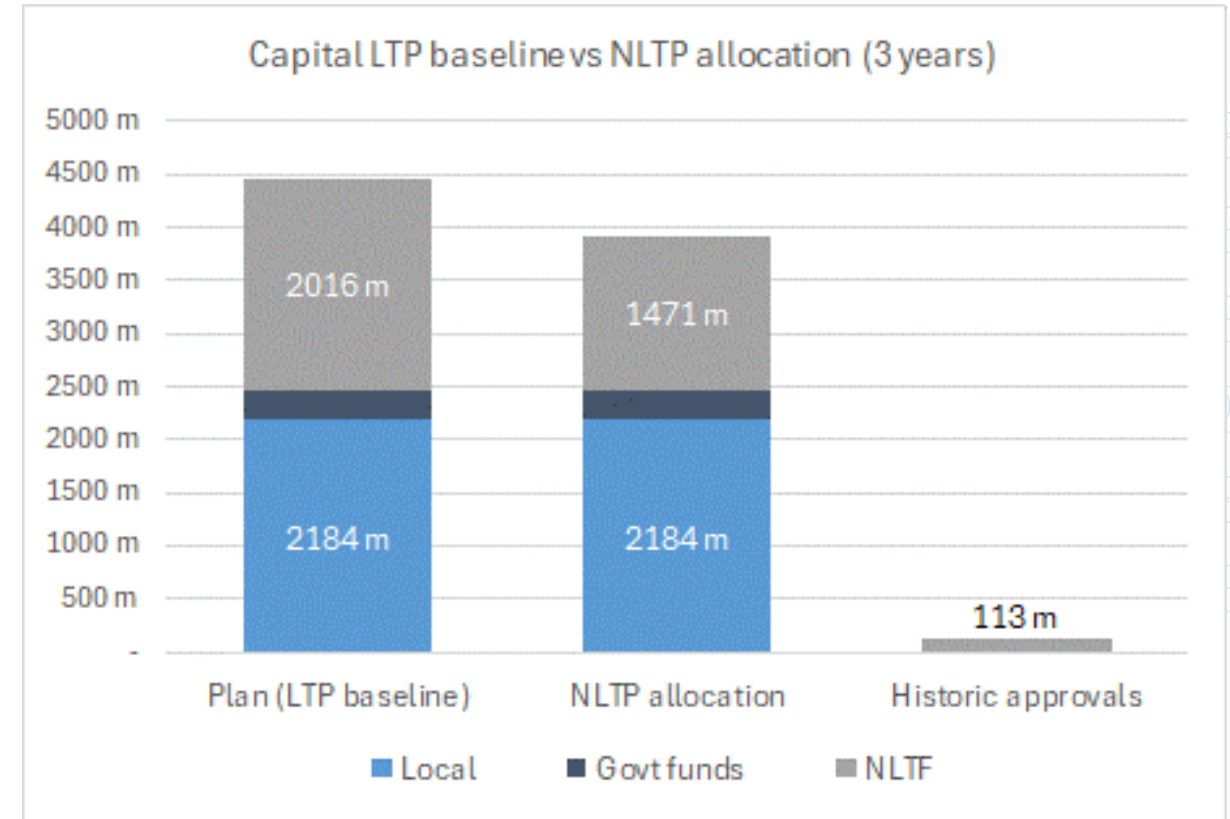
# Continuous Programme - Opex implications

- Local Road maintenance and operations (including pavements, structures, cycle paths and footpaths).
  - Circa \$25 million less NLTF over three years compared with LTP.
- Public Transport Services
  - Circa 97% of **base services** are funded (**Approved**) including CRL rail services.
  - A business case required to access ~\$50 million NLTF over three years for **new PT services** (bus and ferries). This funding is earmarked in the NLTP as '**Probable/Possible**'.
  - Late additions to LTP (\$10 million per annum for track access charges, protecting and enhancing bus services) **will require additional NLTF funding**.
  - There is a remaining gap for KiwiRail track access charges (**requiring an additional ~\$5 million per annum each from AT and NLTF**).
- Road safety promotion – large reduction, regional advertising and educational programmes will be stopped without increase in local share.



# Capital - Programme Overview

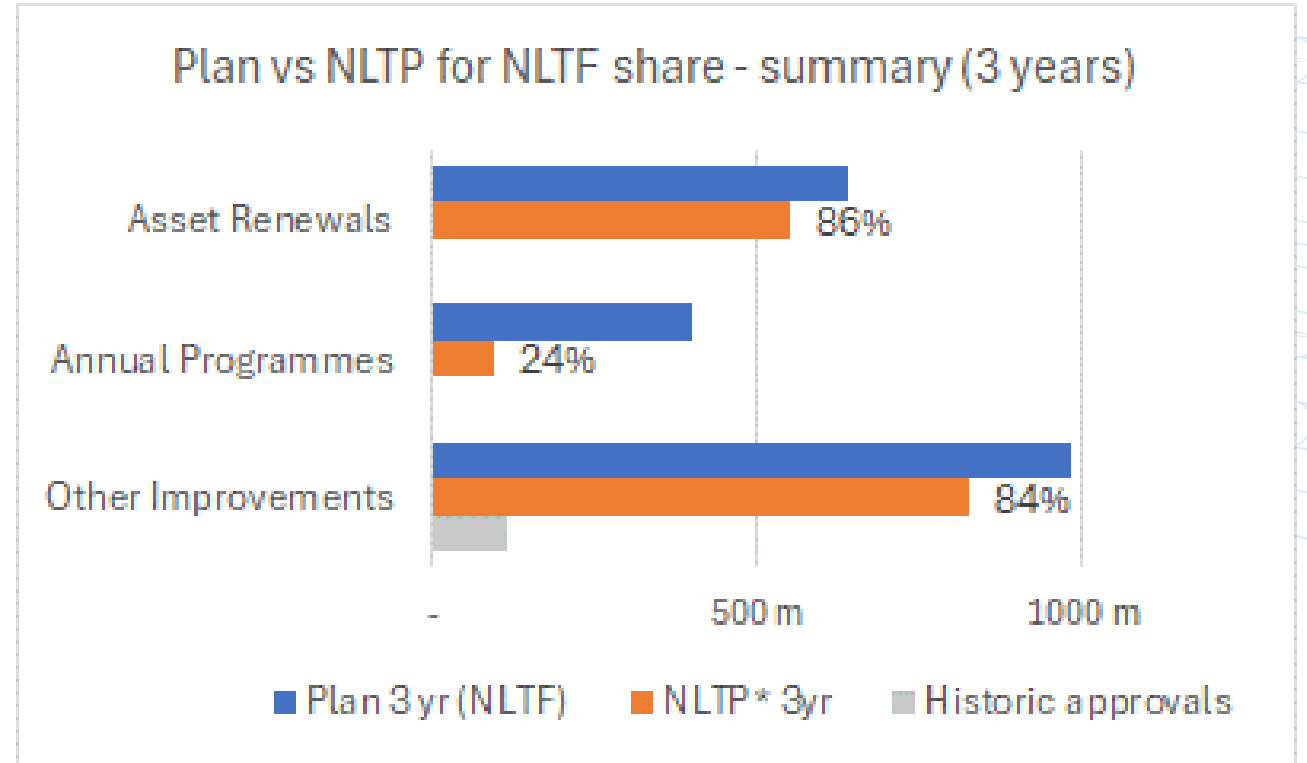
- The capital programme in the **LTP** of \$4,468 million for the three-year period, assumes the following funding:
  - \$2,184 million of local share;
  - **\$2,039 million of NLTF**; and
  - \$243 million of other Government funding.
- The NLTP signals NLTF funding **\$545 million less** than assumed in the LTP.
- The allocations currently approved in the NLTP were approved prior to LTP and RLTP approval and hence, there are some differences.
- ‘Historic approvals’ refers to deferrals and phasing differences from the previous NLTP period.



# Capital – Annual Programmes

## A key implication is the low allocation of NLTF funding to AT's Annual Programmes

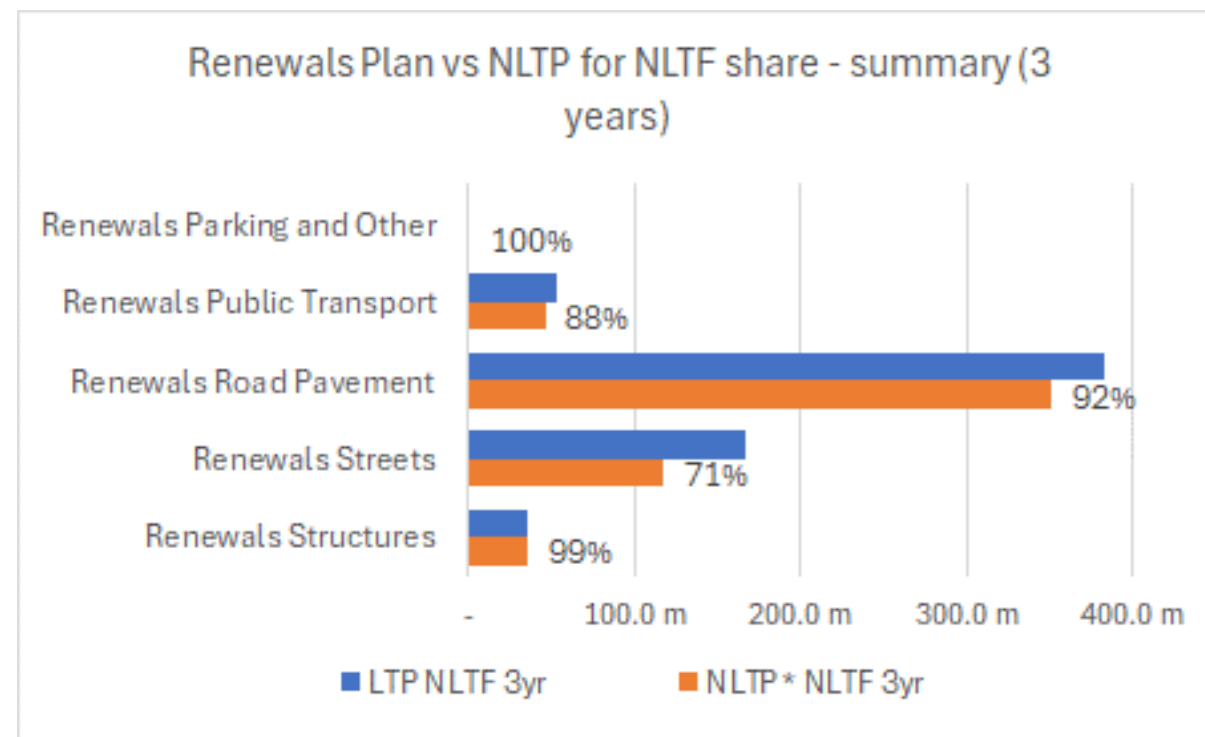
- Annual programmes include programmes for safety, community response, local board priorities, etc.
- AT prioritises these highly, but NLTP has only allocated **24% of LTP budget**. Over half of the 'under-allocation' in the NLTP impacts on Annual Programmes.
- AT requested a total of ~\$250 million of NLTF funding for projects costing less than \$2 million which are part of these programmes, through NZTA's Low-Cost Low-Risk (LCLR) process.
- Due to NLTF funding constraints, only \$16 million out of the \$250 million bid was approved for LCLR projects.
- The NLTP includes a new \$100 million LCLR fund available nationally, for projects which meet GPS priorities (mainly resilience).



# Capital – Asset Renewals Programme

**The Renewals programme is allocated 86% overall of the NLTF share assumed in the LTP (3 year)**

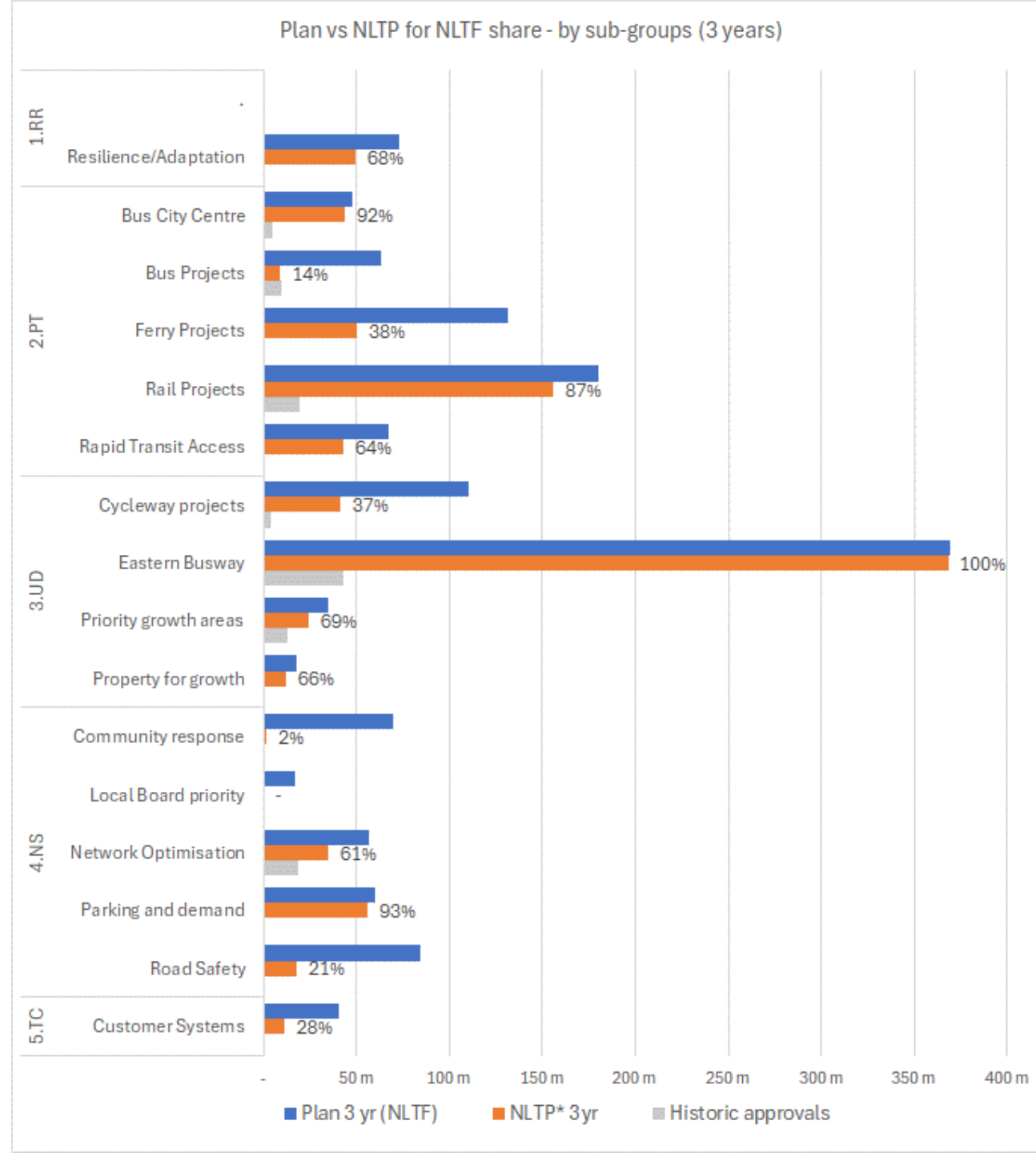
- The Road Pavement line is allocated for 92% of the LTP (3 year), and mostly aligns with the GPS activity class for ‘pothole prevention’ (including road surface work only, drainage is in Streets).
- The Streets line (road assets excluding road pavement) has the lowest allocation at around 71%.
- The Structures line (bridges, retaining walls, major culverts) is essentially fully funded.
- The Parking and Other line includes renewals that are not subsidised from the NLTF (parking buildings, harbourmaster and airfields). This is small and was planned for 100% local share in the LTP.



# Capital – Projects and Programmes

## NLTP allocation varies by sub-group

- The NLTP allocation varies significantly across the AT programme (over three years, graph does not show renewals).
- The graph shows the NLTF share planned in the LTP and the allocation in the NLTP.
- Some projects also have historic approvals from the prior NLTP period.
- **The biggest shortfalls are in bus, ferry, cycleway, community response, local board priority, road safety and customer system projects.**
- These are a mix of stand-alone projects and smaller improvement projects.



# Summary and key implications

- AT's renewals and maintenance programme and PT services are largely funded.
- Improvement projects are a mixed picture:
  - Bulk of larger priority projects, such as EMUs, CRL Day One and Eastern Busway are funded.
  - Major elements of the cycling and ferry programmes are not funded, with some bus projects missing out.
- The bulk of the NLTF gap is in Annual Programmes.
- Some capital projects will need to be deferred if they are not funded or deemed lower priority. Some programmes could potentially be rescoped to fit within available funding.
- AC and AT could choose to reallocate local share to high priority projects and programmes that target outcomes in the SOI such as network productivity improvements, community projects and building public confidence.
- Key decisions likely to be around:
  - Renewals programme
  - Safety programme and Local Board programmes
  - Network Optimisation (bus and dynamic lanes) programmes
  - Business continuity for other annual programmes
  - Options for future ferry and cycling programmes



# Next steps

- Our next step will be to go through all of this information thoroughly and understand the impacts for AT's projects on a case-by-case basis.
- An extraordinary Transport, Resilience and Infrastructure Committee (TRIC) workshop is being set-up for next week so that the Councillors are briefed on these issues.
- This will be followed by further conversations between the AT Board and AC to consider options for the three-year programme, and how AC funding is best utilised.
- It is likely that some projects and programmes will need to be deferred or descoped.
- Further details on options and recommendations will be provided at subsequent briefings / workshops.
- The implications for AT's SOI also needs to be considered once decisions are made.



# Appendix: Projects by activity class





# Local Road Improvements

## Included in the NLTP

### Committed / Approved:

- Network Optimisation (continuation from FY24)
- Glenvar / East Coast Road Intersection
- Eastern Busway (Reeves Road Flyover)
- Some Safety Projects (continuation from FY24)
- Supporting Growth – Post Lodgement

### Included (probable/possible):

- Network Optimisation
- Some Safety Projects
- Lake Road (design only in this NLTP period)
- Auckland Housing Programme
- Safe Speeds Programme
- Time-of-use Programme (congestion)
- Drury Local Road Improvements (Single Stage Business Case (SSBC) only)

## Not included in the NLTP

- Unsealed Road Improvements
- Bus Access and Optimisation Programme
- Hill Street Intersection Improvement
- Room to Move Programme
- Various Safety Projects



# Public Transport Infrastructure

## Included in the NLTP

### Committed / Approved:

- Airport to Botany Interim Bus Improvements (Pre-Implementation only)
- Eastern Busway Pakuranga to Botany
- EMU Rolling Stock / Wiri Stabling
- Ferry New Purchases & Infrastructure (for long-lead items) – Stage 1
- Level Crossing Removal for CRL (SSBC)
- Midtown Bus Improvements for CRL (Wellesley Street)
- PT Renewals and Facilities Operations / Management
- Rosedale Station

### Included (probable/possible):

- Botany Interchange and Link
- Bus Improvements – Downtown
- Bus Improvements (Wellesley Street, Stage 2)
- Bus Transit Lanes programme (dynamic lanes) (SSBC)
- Karanga-a-Hape Neighbourhood Improvements (Implementation)
- Level Crossing Removal for CRL - Church Street East
- Level Crossing Removal for CRL and Level Crossings Removal Takanini Stage 1
- National Ticketing System (NTS)
- Northwest Growth Improvements (SSBC)
- Rail Fleet, Stabling and Depots (IBC) (Investigations for Rapid Transit Integration)
- Rail Signalling and Driver Assist (ETCS2)
- Whangaparaoa Bus Access

## Not included in the NLTP

- Bus Depot and Stabling
- Bus Improvements – Panmure
- Bus Layover – Newmarket
- Carrington Road Upgrade
- Decarbonisation of Ferries Stage 1 (Charging/Landside - for installation)
- Ferry Terminal Bayswater
- Ferry Terminal and Berths Pine Harbour
- First and Final Leg Programme
- Park and Ride Programme/Improvements
- Rosedale Station (Additional costs above current approved activity)



# Walking and Cycling

## Included in the NLTP

### Committed / Approved:

- Cycleways Programme (Lower Cost) – Mangere East (SSBC and Pre-Implementation)
- Cycleways Programme (Lower Cost) – Manukau (SSBC, Pre-Implementation, Tranche 0 Imp)
- Cycling for Climate Action (SSBC phases) – Albany Highway, Kelston-New Lynn and Manurewa)
- Great North Road Improvement
- Urban Cycleway Projects – Glen Innes to Tamaki Drive (Section 4), Links to Glen Innes, Pt Chevalier to Westmere

### Included:

- None

## Not included in the NLTP

- Cycleways Programme (Lower Cost)
- Cycling for Climate Action
- Meadowbank to Kohimarama Connectivity Project
- Mangere West Cycleway
- Supporting Growth (Active Mode Corridor) – Post Lodgement
- Walking for Climate Action – Manurewa

