

## State Highway Annual Plan Instructions Manual

Manual Owner: Principal Asset Management Advisor

Sponsor Endorsement: Liane Powell (Operational Policy, Planning and Performance Manager)

### 1. Purpose

This is the Manual Management Plan for the above Manual. [In accordance with the New Zealand Transport Agency's ISO 9001 Quality System, Manual Owners are expected to complete this form for all manuals.]

### 2. Document Information

Manual Name	Annual Plan Instructions Manual
Manual No.	SM 018

### 3. Amendment and Review Strategy

All Corrective Action/Improvement Requests (CAIRs) suggesting changes will be acknowledged by manual owners.

	Comments	Frequency
Amendments (of a regional nature)	To be forwarded to Manual Owner	Annually
Review (major changes)	Reviewed in March - June to reflect updates from NZ Transport Agency and internal procedural changes	Annually

### 4. Other Information

This manual details the process required to prepare an Annual Plan as required by the SH Professional Services Contract Proforma Manual (SM030).

# STATE HIGHWAY ANNUAL PLAN INSTRUCTIONS MANUAL

## Manual Number SM 018

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## RECORD OF AMENDMENTS

Amendment No.	Description	Effective Date	Updated By	Date
1	Manual revised / reissued	1 Sep 2001	M. Owen	31 Aug 2001
2	Manual revised / reissued	1 Sep 2002	M. Owen	31 Aug 2002
3	Manual revised/ reissued	1 Aug 2003	M. Owen	31 Jul 2003
4	Manual revised/ reissued	1 Aug 2004	M. Owen	31 July 2004
5	Manual revised/ reissued	1 Aug 2005	M. Owen	31 July 2005
6	Manual revised/ reissued	9 August 2006	I. Cox	9 August 2006
7	Manual revised/ reissued	10 August 2007	I. Cox	
8	Manual revised/ reissued	1 August 2008	I. Cox	20 August 2008
9	Manual revised/ reissued	1 August 2009	I. Cox	11 August 2009
10	Manual revised/ reissued	1 August 2010	I. Cox	2 August 2010
11	Manual re-written and reissued	1 August 2013	G. Hart	23 August 2013
12	Minor PAM(i) review process changes	27 August 2013	G Hart	26 August 2013
13	Manual revised	August 2014	M O'Connor	28 Aug 2014
14	Manual updated/some dates changed	September 2014	M O'Connor	12 Sep 2014
15	Manual revised/reissued	May 2015	M O'Connor	15 May 2015
16	Manual revised/reissued	June 2016	S. Grave	15 June 2016
17	Manual revised/reissued	July 2017	M O'Connor	July 2017
18	Manual revised/reissued	July 2018	M O'Connor	July 2018
19	Adjustment to cost fluctuation adjustments / Add peer review section	October 2018	M Gonzalez-Borrero	October 2018

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State Highway Annual Plan Instructions Manual

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**Document Status**

This document has the status of a guideline (G) as defined in the New Zealand Transport Agency's *Standards and Guidelines Manual*.

The objective of this manual is to set out the New Zealand Transport Agency's policies and procedures for managing the state highway network in a manner that meets the New Zealand Transport Agency's goals.

The content is based on the New Zealand Transport Agency's current practices and those developed in the past from experience in managing the network.

While all care has been taken in compiling this document, the New Zealand Transport Agency accepts no responsibility for failure in any way related to the application of this guide or any reference documents noted in it. There is a need to apply judgement to each particular set of circumstances.

**Amendment Procedures**

The version 18 amendment is a re-issue of the manual, following re-writing. Individual changes are not specifically identified in this re-issue.

Comments on this manual are always welcomed. If there are items that could be improved or clarified, please forward your comments/recommendations to the following email address:  
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# 1. Key Dates

When	What	Who
2 July 2018	SM018 Annual Plan Instructions released	Operational Policy Planning and Performance (OPPP) - NZTA
20 July 2018	NOMAD needs to be up to date and ready for FWP extraction.	Network Managers/Contractors
27 July 2018	Annual Plan template for NOCs issued with draft renewal programme included.	OPPP - NZTA
7 September 2018	AP template submitted to NZTA with confirmed: <ul style="list-style-type: none"> <li>• Renewals forward works programme (WC212 and 214) across 3 years.</li> <li>• Drainage programme across 2 years (19/20 and 20/21) for all WC213 items as well as Unlined surface water channel programme from WC113.</li> <li>• Structures programme (WC114 and WC215) for 18/19.</li> </ul>	Network Managers/Contractors
Sep 2018 – Jan 2019	<ul style="list-style-type: none"> <li>• RAPT inspections (dates to be advised August 2018).</li> <li>• NPVs submitted 1 week prior to each regions RAPT</li> <li>• Structures programmes moderated during this time (Nigel Lloyd and John Reynolds).</li> </ul>	OPPP - NZTA

12 October 2018	<ul style="list-style-type: none"> <li>• TOC Annual Plan template issued</li> <li>• Network Statement template issued</li> <li>• Nationally led projects template issued</li> </ul>	OPPP - NZTA
Sep 2018 – Feb 2019	<ul style="list-style-type: none"> <li>• Technical Advisors assist with ongoing development of annual plan and change justification.</li> </ul> <p><b>Note:</b> The onus is on Network teams to engage Technical Advisors for assistance.</p>	OPPP teams (NZTA).
January 2019	<ul style="list-style-type: none"> <li>• 18/19 actuals/forecast figures to December extracted from SAP and sent to networks for inclusion in AP template.</li> <li>• NLTP figures excluding cost fluctuation</li> </ul>	OPPP - NZTA
1 March 2019	<ul style="list-style-type: none"> <li>• Annual Plans (including Network Statements and Final NPVs) for NOCs submitted.</li> <li>• TOC Annual Plans and supporting documents submitted.</li> <li>• Nationally led project budgets submitted.</li> </ul>	Network Managers/Contractors/TOC Managers/Journey Managers/Team leaders
3 to 8 March 2019	<ul style="list-style-type: none"> <li>• AP collection and distribution for peer reviews</li> <li>• Comparison spreadsheets prepared</li> </ul>	OPPP-NZTA
10 to 20 March 2019	<ul style="list-style-type: none"> <li>• Peer review of Annual Plans.</li> </ul>	Network Managers
21 to 29 March 2019	<ul style="list-style-type: none"> <li>• AP owner reviews feedback and updates AP (commentary to be provided on what changes have been accepted or rejected)</li> </ul>	Network Managers
March/April 2019	Review of all Annual Plans (includes Peer review process) and building of 19/20 national bid.	OPPP Teams/Network Managers/Contractors/TOC Managers/Journey Managers/Team leaders
May 2019	Approved Annual Plan for 19/20 loaded into SAP.	OPPP teams (NZTA).

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## 2. The Annual Plan

The objective of this manual is to provide a nationally consistent framework to enable the development of an Annual Plan that delivers the levels of service and outcomes desired by the Transport Agency. This Annual Plan has a 2-year horizon which focuses on years 2 and 3 of the 18-21 NLTP. A major component of this Annual Plan submission will be the requirement for each region and TOC to comment on their position within their approved NLTP budget. Where these budgets are being exceeded, an increased level of explanation/justification will be required.

### Section 1.01 2.1 Key requirements

- Reflect on the NLTP bid made in February 2017 and show where funding requests are changing across the 18-21 NLTP period.
- Network statements will need to explain and justify variations to the NLTP budget.
- Where forecasts are exceeding the approved NLTP bid, trade-offs across the full program will need to be considered.
- Show all costs **exclusive of cost fluctuation adjustments**. Escalations ~~beyond 2018~~ will be nationally managed.
- Show an accurate account of work to be completed in the coming year (19/20) i.e. pavement and surfacing renewals, drainage, and environmental renewals (see section 2.2). Details, including site specific location information should be provided for all renewals sites programmed for the 19/20 year.
- Reference the corridor management plans and reflect the needs outlined in these documents. This information will be included in the network statement document.

**Commented [MG1]:** Costs for the NLTP submission should be exclusive of cost fluctuation adjustments, OPPP will calculate the adjustment to June 2018 and estimate the cost from June 2018 onwards. The following work activities will not be included on the calculations:

- NON-NOC funding requests
- 114 except for LS structures routine maintenance, asset growth, tunnel maintenance LS and guardrail and wire rope repairs
- 121 CMA supply, street cleaning
- 213 except for subsoil drains
- 215
- 221
- 222

### SECTION 1.02 2.2 19/20 Approach

Similar to last year, this Annual Plan will need to consider and reflect any changes to the current NLTP bid. The Annual Plan template will be prepopulated with confirmed NLTP budgets and the comparison between the NLTP approved budget and 19/20 submission will be clearly outlined on the Annual Plan template. Network statements will need to **explain** variations to the NLTP budget, and pay particular attention to any increases above the overall allocation for each region.

Regions/TOCs will need to **justify** any changes to the overall NLTP bid in their network statement. These details will need to provide evidence based justification to clearly demonstrate the prudent and efficient use of public money.



Detailed programmes of work for 19/20 and subsequent years will need to be submitted in the Annual Plan template for the following work categories.

Work Category	Detail	19/20	20/21	21/22
		Y1 Programme	Y2 Programme	Y3 Programme
WC 111	Rutting	✓		
	Roughness	✓		
WC113	High Lip Removal	✓		
	Reform Sidedrains	✓		
	Reform Unlined Surface Water Channels	✓	✓	
WC114	114A: Routine Bridge Maintenance	✓		
	114B: Structural Bridge Maintenance	✓		
	114C: Other Significant Highway Structures (exc. Tunnels)	✓		
	114D: Guardrail Maintenance – on bridges	✓		
	114E: Tunnel Maintenance	✓		
	114F: Highway Guardrail Maintenance – not on bridges	✓		
WC212	Sealed Road resurfacing – Chip Seal	✓	✓	✓
	Sealed Road resurfacing – Asphaltic Concrete	✓	✓	✓
WC213	Subsoil Drains (not associated with rehabs).	✓	✓	
	Lined Water Channels	✓	✓	
	Culvert renewals	✓	✓	
WC214	Sealed Pavement Rehab	✓	✓	✓
	Structural Asphaltic Pavement Rehab	✓	✓	✓
WC215	215A: Routine Bridge Component Replacement	✓		
	215B: Structural Bridge Component Replacement	✓		

	215C: Other Significant Highway Structures Component Replacements (exc. Tunnels)	✓		
	215D: Guardrail Component Replacements – on bridges	✓		
	215E: Professional Services for Component Replacements	✓		
	114F: Highway Guardrail Maintenance – not on bridges	✓		
WC221	Environmental Renewals	✓		
WC222	Traffic Services Renewals	✓		

## 3. The Process

### Section 1.03 3.1 Roles and responsibilities

Each Network Team is responsible for owning the development of the Annual Plan submission.

While the Network Manager relies on a team of internal and external resources to provide the necessary information to develop and justify the Annual Plan, the Network Manager is ultimately the owner of the Annual Plan for their network in its entirety. It is anticipated that Annual Plans will require MCMs to review submissions against contractual requirements and costs. Their endorsement in support of the Annual Plan is encouraged.

The Network Manager must be able to satisfy themselves, the local System Manager, and others, that the Annual Plan is a robustly justified (i.e. evidence based) submission that, once approved, will enable the efficient delivery of the expected customer levels of service in accordance with the ONRC.

The following key parties are expected to closely collaborate with the Network Manager in order to develop the Annual Plan submission:

- NOC supplier and their support team (for all assets and activities covered under the NOC)
- Regional Bridge Consultants (for all structures except for “barriers not on bridges” and “tunnels”)
- Technical Services teams from NZTA (Safety, Structures, Pavements)

Technical Advisors are available to assist Network Managers and their teams during the development of the Annual Plan. The onus is on network teams to engage and book in time with their local Technical Advisor in order to receive this assistance.

It is expected that System Managers are sufficiently involved during the development of the Annual Plan so that they can endorse them with confidence before they are submitted.

### Peer Reviews

A cross regional Peer Review of Annual plan submissions will be conducted in much the same format as last year. Regions will review the same plans from the same Network peers as in 2018 and provide feedback within the Network Statement template. The programme and format for peer reviews will be outlined when the Network Statement template is released in October 2018.

## Section 1.04 3.2 Scope

This Annual Plan has a 2-year horizon. Year 1 (19/20) is the second year of the current NLTP period; year 2 (20/21) is the final year of the current NLTP period.

Years		Expectations
Y1	19/20	<b>Detailed programme* for all assets and activities</b> * locational and unit cost information required for all programmes (see section 2.2)
Y2	20/21	<b>Programme for all assets and activities</b> <i>with consideration of overall effect on the 18-21 NLTP bid</i>

## Section 1.05 3.3 Forward Works Programme

It is expected that the bulk of Forward Works Programmes will be an output of the implementation of the Maintenance Management Plan (MMP).

Factors to consider when developing the Forward Works Programme:

- Corridor Management Plans
- Awareness of the Capital Works Program (including Safe Roads) and its implication in terms of maintenance and operations for future years
- Changing circumstances, including: asset growth, revocations, increased complexity (particularly for some urban networks), planned development and significant changes in demand (e.g. freight demand, new types of tourist buses)
- Customer satisfaction surveys, customer complaints
- Active implementation of the ONRC
- Level of risk associated with investment level sought
- Success stories from previous years (e.g. around new treatment options)
- Improvement stories from previous years (e.g. from sites where treatments were deferred)

Juno viewer will be utilised for the field review of annual plan programmes, with the Juno programme to be extracted from the annual plan renewals tab as indicated above.

While it is not critical that the Annual plan renewals schedule matches NOMAD when the renewals programme is submitted in September. It is important that NOMAD be maintained as required in the NOC. So, following the RAPT process when it is known what renewals are agreed, NOMAD then needs to be updated to reflect:

- the approved annual plan renewals, and
- the updated contractors baseline plan, and
- that the treatments beyond the contractor's baseline plan align with it.

**Note:** Planning and design work for approved 19/20 sites can begin as soon programmes have been approved by RAPT. There is no requirement for regions/contractors to wait until Annual Plan budgets are approved.

## Section 1.06 3.4 Justification/Network Statement Template

The main requirement for the Annual Plan this year is the demonstration of what has changed within the confirmed NLTP bid. If there is no change within what is already approved, then there is nothing to explain/justify. However, if funds have been brought forward or pushed back, or amounts changed across work categories, then this will need to be explained in the supporting network statement.

In order to achieve consistency across networks, we will be providing a network statement template. Detail will need to be provided for work categories where changes have occurred in the 19/20 year and/or the NLTP bid overall. The Network Statement template will outline the exact requirement for what detail is required and for what items. For example:

- Reason and justification for proposed change (including what evidence supports this change, what 'tension' has been applied, and alternative solutions were considered)
- Overall effect to the NLTP programme
- Effect/benefit for customer
- What risk is this addressing and what is the risk of not changing funding
- Relationship to CMPs

## Section 1.07 3.5 Deliverables

The key deliverables of the Annual Plan submission are:

- the Annual Plan spreadsheet
- a Network Statement template that explains changes to the 19/20 year and/or the NLTP.

With regards to the development of a renewals programme for pavements and surfacing (WC212 and 214), the key requirements are:

- All columns need to be completed in the Annual Plan spreadsheet for each treatment over the next 3 years.
- All pavement and surfacing lengths are to be given in Lane kms.  
(*Note: the Annual Plan spreadsheet is set up using Lane kms for recording all lengths*)