

INVESTMENT MANAGEMENT ACTIVITY CLASS OVERVIEW

This document provides more information about the Investment Management activity class in the Government Policy Statement on land transport (GPS) 2021.

The Investment Management activity class is defined in the GPS as investment in the transport planning, research and funding allocation management.

MAINTAINING EXISTING LEVELS OF SERVICE

The Investment Management activity class includes funds allocated to several ongoing business as usual functions within Waka Kotahi:

- Regional land transport planning management
- Investment in the Funding Allocation System (IFAS)
- Sector Research

Maintaining existing levels of service requires investment in these areas. The residual funding is available for continuous improvements and improvement activities.

Regional land transport planning management

This is the management of regional authority statutory land transport planning activities related to the development and management of regional land transport plans.

Investment in the funding allocation system

Waka Kotahi develops and manages investment in the funding allocation system as part of its business planning and financial management. Our investment in the funding allocation system and the forecast expenditure is set on an annual basis. The activity is included within the current Waka Kotahi Statement of Performance Expectations agreed with the Minister of Transport.

Sector Research

The core research programme is the required sector research to align with the GPS, including delivering on the priorities of the Transport Evidence Base Strategy.

CONTINUOUS IMPROVEMENT

There are several activities funded through the Investment Management activity class that relate to the continuous improvement of products and documents owned by Waka Kotahi and Approved Organisations, including:

- Transport models
- Activity Management Plans (AMP)
- Regional Public Transport Plans
- Procurement strategies.

Transport modelling

Transport modelling is a tool to understand and help plan for change. This may relate to changes in population, industry, technology, energy and climate. Updates to existing models should only be undertaken when there has been significant change on strategic context or future projections.

Activity Management Plans

Waka Kotahi sets expectations on improving AMPs as part of the investment conditions tied to funding of each Approved Organisation's maintenance programme in the 2018-21 NLTP. We are working with the Road Efficiency Group (REG) to lead improvement across all facets of AMP development, management and implementation across the sector.

To support the outcomes we expect to achieve, REG has independently assessed every AMP submitted to the 2018-21 NLTP. The findings indicate:

- Most current AMPs have made significant attempts to incorporate the business case principles.
- There are still some areas needing improvement, especially in:
 - problem and benefit definition
 - providing a coherent investment logic that clearly links strategic goals and objectives to both continuous programmes and improvements
 - indicating clearly how an AMP has recognised, or responded to, objectives for investment set in an RLTP or RPTP.

An AMP typically includes an improvement plan which supports the continuous improvement of the document. We expect that improvement plans will be used to respond to any gaps identified whether through conversations with your Waka Kotahi Investment Adviser or in response to findings of Waka Kotahi technical and procedural audits.

Regional Public Transport Plans

We have issued [guidance on the development of Regional Public Transport Plans](#). As an Approved Organisation, you update or review your Regional Public Transport Plans on a three-year cycle. The review of Regional Public Transport Plans may be funded under the Investment Management activity class.

Procurement strategies

If you do not have an endorsed procurement strategy, you will be unable to comply with the strategic context component of each procurement procedure.

You must notify Waka Kotahi if material change occurs which may adversely affect the competitiveness and efficiency of the supplier markets. Such material changes require you to review your procurement strategy and obtain a renewal of your existing endorsement, where appropriate. The review of procurement strategies may be funded under the investment management activity class.

NEW ACTIVITIES

Any new programme business cases or sector research undertaken will need to be rigorously reviewed to ensure the activity strongly aligns to GPS outcomes.

- **Programme business case development** – provide robust evidence for a decision to invest in a programme or a package of activities that will deliver optimal value for money.
- **Sector research** – The sector research programme uses the Transport Research Strategy's framework to develop and assess research topics by identifying the research gaps in sector outcomes and then assessing the nature and extent of the research gap.

WHAT HAS CHANGED

Road to Zero

The development of national and regional Speed Management Plans is currently funded from the Investment Management activity class. Road Safety Action Plans are also currently funded from the activity class.

Speed management plans

Legislation is being updated and is expected to come into effect by early 2021. The legislation is expected to require Waka Kotahi and each Regional Transport Committee to have a Speed Management Plan. Speed Management Plans are expected to outline the automated enforcement safety infrastructure required on state highways or within the region to achieve targets in reducing deaths and serious injuries.

Speed Management Plans will inform the Tackling Unsafe Speeds programme business case and the Road to Zero Speed and Infrastructure programme.

Road safety action plans

A Road Safety Action Plan is a tool for coordinating the implementation of inter-agency road safety strategies. The plans are an effective tool to integrate activities that minimise road trauma and can be used to support applications for funding projects and programmes.

For the 2021-24 NLTP, Speed Management Plans and Road Safety Action Plans will be funded from the Road to Zero activity class.