
Continuous programmes proposals moderation process FAQs

1. What is moderation?

Moderation is part of the Transport Agency's step-by-step approach to assessing and prioritising the land transport programmes. These are submitted as proposals (or bids) by approved organisations (AOs) and the Transport Agency for inclusion in the National Land Transport Programme (NLTP). These programmes are made up of both improvement activities and continuous programmes.

2. What are continuous and improvement programmes?

Continuous programmes are core on-going activities relating to road maintenance, public transport services, road safety promotions and the Road Policing Programme. The Transport Agency Board makes indicative and then final investment funding decisions for continuous programmes. For the NLTP 2018–21, the Board meets in late April to make indicative allocations with approved allocations only confirmed when the final NLTP is adopted on 31 August 2018. (See the full timeframe below.)

Improvement programmes are activities that improve the land transport service for customers. This may mean delivering a new service or improving an existing one. Improvements have their own activity classes: state highways, local roads, walking and cycling, public transport and regional improvements.

3. When does the review of final bids and moderation take place?

Expected timeline for continuous programmes moderation for the NLTP 2018–21:

CONTINUOUS PROGRAMME (CP)	WHEN IN 2018	OVERVIEW
All CPs	January	Review of final bids
All CPs	February/March	Moderation of final bids
All CPs	Late March/early April	Assessment summaries in TIO
All CPs – Indicative Allocation Levels NZTA Board decision	Late April	Recommendations approved by the Board
All CPs – Councils notified of Board decision	May	Formally notify councils of indicative allocations
Board adoption of NLTP	31 August	Board approves NLTP
NLTP published	September	NLTP is published – formal notification to councils of final allocations

4. Why does moderation happen?

Moderation brings together Transport Agency staff and other sector representatives from across New Zealand to consider the continuous programmes in an activity class to ensure a balanced and consistent approach to assessment. It's an opportunity for assessors to challenge, ask questions, to understand differences and work through matters that are common to each region such as administration costs relating to a programme and escalation of costs.

In developing the NLTP the Transport Agency must make the best use of funding across all activity classes set out by the GPS.

The 2018–21 GPS is being redrafted by the Ministry to reflect the Government's new transport priorities. When the Minister shares the GPS with local government for feedback, we will provide Councils with guidance on how to align aspects of their regional plans with the new government priorities. Our guidance will include an updated Investment Assessment Framework (IAF) which will be aligned with the redrafted GPS.

5. What is the Investment Assessment Framework (IAF)?

The IAF is used to assess and prioritise business cases, programmes, plans, projects and other activities to be submitted for funding consideration. The IAF can be updated to respond to: the Government Policy Statement on land transport (GPS) reviews, government directives, stakeholder submissions, reviews and updates to the strategic direction in the Transport Agency's Statement of Intent.

6. Who assesses and moderates submitted bids and how?

Transport Agency assessors consider how much the proposed investments might deliver the outcomes specified in the GPS (Results Alignment). They also consider value for money, meaning the benefits of the proposed solution compared to its cost (Cost-Benefit Appraisal). This assessment is based on the information that is available in a business case.

In the early stages of assessment before moderation, assessors focus on the quality of the information which supports the bids for continuous programmes. They identify any gaps that need to be addressed, and provide feedback to the programme owner, to ensure there is robust evidence for the formal investment assessment and allocation steps which follow.

Once final bids are submitted, an investment assessment working group reviews the assessment profiles and prioritises activities. The group ranks the bids according to the IAF and takes regional and Crown funding into account. Moderation also identifies potential conditions of funding, for example resolving outstanding issues from previous audits, which will be recommended to the Board when they consider each proposal.

7. Are there any other assessment criteria?

Continuous programmes are also assessed against the gaps in levels of service they address, particularly road maintenance which will be assessed against the One Network Road Classification (ONRC) criteria. The ONRC divides roads into six categories based on how busy the road is and how it connects to other routes. Through this, Road Controlling Authorities and the Transport Agency compare the state of roads across the country and direct investment where it is needed most.

8. Who is in the working group?

The group is made up of Transport Agency staff and representatives from external groups such as the Ministry of Transport, Transport Special Interest Group and the Road Efficiency Group.

9. How are activities prioritised?

The Transport Agency is guided by the IAF when prioritising each programme and considers a number of factors in the proposal which may include the activity type, the justification behind the proposal, how a programme might address the ONRC, as well as cost and effect. The group then recommends funding allocations to the Transport Agency Board for final approval.

10. How are final decisions reached?

The Transport Agency needs to weigh up and prioritise competing activities and programmes of activities from the funding for each activity class as outlined in the GPS. All work leading up to and at moderation informs these decisions.

For continuous programmes we provide advice on the NLTP investment funding allocation in two stages:

- Indicative allocations – advice is provided for long-term plans several months before the adoption of the NLTP.
- Approved allocation is confirmed and advised to each AO when the NLTP is adopted.

11. How and when are programme owners notified of the final decision?

Our assessors have been providing feedback on bids throughout the process to give AOs an early indication of the quality of proposals before the Transport Agency Board meets in late April. This feedback includes summaries of assessments following moderation which will be entered into TIO late March/early April. At the meeting, the Board will approve indicative allocations of funding for continuous programmes. Following the meeting, we'll notify AOs with indicative allocations. Assessors will advise programme owners of any unexpected funding outcomes.

Final investment funding decisions are only confirmed when the final NLTP is adopted on 31 August 2018 and we'll notify AOs of final allocations at that stage.

12. Can AOs add to continuous programme bids following indicative allocation decisions/ can final bids be changed?

AOs can provide updated information about their continuous programmes to the Transport Agency following the indicative allocations to inform final Board decisions.

Final bids may also need to be reviewed by AOs – for example, if there were changes proposed to the GPS or RLTPs which were significantly different to the Transport Agency's prior assumptions. If this happens, the Transport Agency will contact AOs to give further advice.

Find out more

You can find further information in these documents or [contact us online](#).

- [Investment Assessment Framework decision making](#)
- [Investment Decision Making – Assessment of the Business Case](#)
- [2018-21 NLTP timeline](#)