

# Detailed results



# COVID-19 and reporting on our performance

We have been working to better understand and assess the impact that the COVID-19 pandemic has had, and will continue to have, on the delivery of our core services and significant capital projects and the achievement of our performance targets.

For the purpose of reporting at year-end, Waka Kotahi has applied a COVID-impact rating against all affected measures (position statement, target state, output class and Vote Transport appropriation measures) under each of the eight position statements reported on in this section. We have also indicated where results may have been affected by COVID-19, but where we have been unable to clearly determine this.

Performance against a number of our key measures in 2020/21 is also expected to be affected by the ongoing impact of COVID-19.

# Marutau waka

## Transport safety

### OUR POSITION

Our position is that it is unacceptable for anyone to be killed or seriously injured while travelling or working on the land transport system.

### TARGET STATES - WHAT WE AIM TO ACHIEVE BY 2021

By 2021, we have committed to deliver initiatives, with significantly increased investment, co- investment and coordination, targeting speed management, infrastructure improvements and vehicle safety to reduce the number of people killed or seriously injured while travelling.

We have also set a rail safety target to see four fewer category A signals passed at danger (that is, when a train passes a perfectly displayed stop signal without authorisation).

### OUR PROGRESS THIS YEAR

Improved transport safety requires public intolerance of serious road trauma and a demand for change. It also requires that we target investment and effort to interventions with the highest impact on saving lives and reducing harm.

In 2019/20, our significant activities committed us to operationalise the Road to Zero implementation plan, progress delivery of the Safe Networks Programme; put into operation an assurance plan for the Road Safety Partnership Programme, complete the draft National Speed Management Plan and establish the National Speed Limit Register.

In the year to 31 March 2020, compared with the previous year, the number of deaths and serious injuries fell to 2,797 (346 deaths and 2,451 serious injuries) from 2,904 (365 deaths and 2,539 serious injuries). We still have more work to do to ensure the safety of those using the New Zealand transport system.

**2797 deaths and serious injuries**  
on New Zealand roads

**90% of our road safety advertising campaigns**

met or exceeded their agreed success criteria

**50.5km of state highway network**  
modified to align with a safe and appropriate speed

**52.1% of state highway activities**

in Safe Networks Programme delivered to schedule and cost

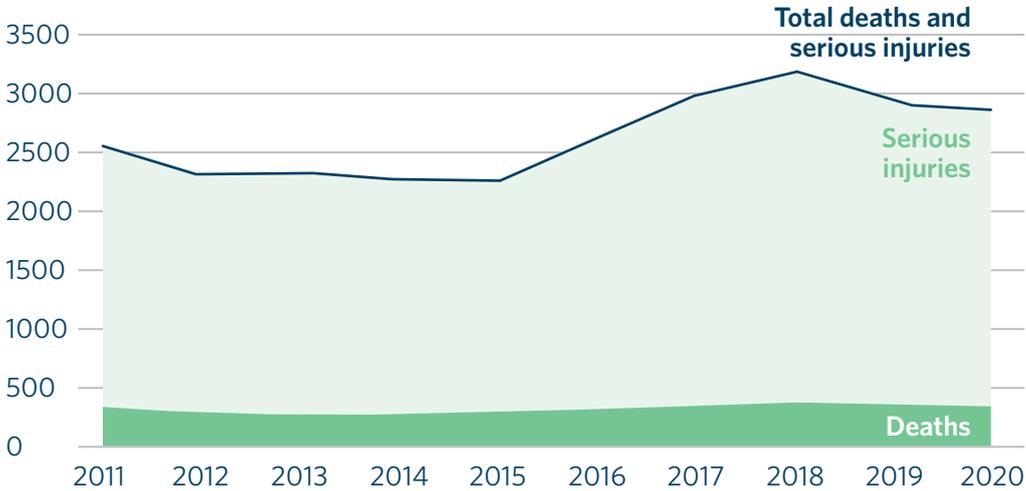
**72.5% of local road activities**  
in the Safe Networks Programme delivered to cost

**71% of state highway improvement activities** delivered to agreed standards and timeframes

**\$362 million** investment in road policing

FIGURE 4

Number of road deaths and serious injuries



### Road to Zero

Road to Zero is the government's strategy to reduce deaths and serious injuries on roads, cycleways and footpaths by 40 percent over the next 10 years from 1 January 2020. It was launched in December 2019.

The strategy will guide our work programme for the next 10 years and identifies where the transport sector needs to put its road safety efforts. The strategy is underpinned by Vision Zero, a common vision that brings together stakeholders, and provides a means to change public attitudes and raise public expectations. Vision Zero represents a commitment to embed road safety principles and harm reduction in transport design, regulation, planning, operation and funding.

An implementation plan is being finalised that outlines what we have been assigned to deliver under the Road to Zero action plan 2020/21-2022/23.

### Safe Networks Programme

Waka Kotahi is investing and delivering safety improvements to the highest-risk parts of the state highway and local road network resulting in the greatest reduction in deaths and serious injuries. The programme focuses on implementing safety infrastructure (such as barriers, roundabouts, wide centre lines and rumble strips) and speed limit changes. We are on track to deliver more than our targeted safety outcome of preventing 160 deaths and serious injuries annually across the transport system.

In this NLTP period to 30 June 2020, we have invested over \$640 million in safety across the country on state highways and local roads, and we expect to reach approximately \$1 billion by the end of the period. This investment has treated over 3,300km of state highway, installed 37km of median barriers, 169km of side barriers and over 3100km of rumble strips on the state highway network. We have completed 12 large projects and 13 level crossings and changed speed limits on 119km of state highway. A further 23 projects are in design and will deliver a further 157km of median barriers and 87km of side barriers.

The level of spend is below that originally targeted due to competing funding pressures for state highway improvements. The Safe Network Programme's four-year pipeline of projects for state highways has been developed to show the forward programme for the current and the next NLTP.

## Road Safety Partnership Programme

The Road Safety Partnership brings together Waka Kotahi, New Zealand Police and the Ministry of Transport in a strengths-based partnership to deliver better road safety outcomes for New Zealand. The programme is about the prevention and enforcement activity New Zealand Police carries out every day on the road network. This activity is supported by funding from the National Land Transport Fund.

The partnership's steering group recently signed off its governance charter and first action plan, which contains five initiatives. Once delivered, these initiatives will enable an improved framework for planning and investing in road policing (as part of a wider safety system), allow interventions and deployment to be more effective and focused on risk, and support moving to an automated compliance strategy by removing system and technology constraints. The five initiatives are to:

- develop a new operating model between Waka Kotahi and New Zealand Police that aligns organisational designs
- develop a new investment model for road policing
- develop the Road Safety Partnership Programme 2019–21 (previously called the Road Policing Programme)
- develop a shared data, intelligence and insights capability for road safety
- investigate options and deliver automated compliance.

## National Speed Management Plan and National Speed Limit Register

Creating a National Speed Management Plan is one of the requirements in the new draft Setting of Speed Limits Rule. Consultation on the draft rule has now been postponed until after the general election. This is likely to affect the timeframe for this deliverable. In the meantime, we are updating our risk assessment tool - MegaMaps - which identifies the highest risk parts of the state highway network where speed management is required, including around schools. This will inform the development of the National Speed Management Plan.

We are developing the National Speed Limit Register, which will provide a maps-based, centralised register of speed limits for roads in New Zealand. Speed limits and the communication of those limits are core to road safety. Speed limit data is used by the public, enforcers and, increasingly, intelligent systems in vehicles. The register will make it easier for people to access and use that data.

The register will be an online, single source of consistent data that the public can access. It will also provide the data required by third-party vendors and future vehicle safety management devices. The register will enable organisations responsible for speed management to more easily comply with the Setting of Speed Limit Rule and the Speed Management Guide and to record, update and share speed limit data.

The National Speed Limit Register will be rolled out in phases throughout 2021.

## Safe Vehicles Programme

In February 2020, we launched an integrated communications programme, the Safe Vehicles Programme, which focuses on reducing the number of light vehicles with 1-star and 2-star safety ratings in the fleet. This programme is in response to a 2018 study that found 66 percent of all deaths and serious injuries were in 1-star and 2-star safety-rated vehicles, and this rate increased to 77 percent in incidents where drivers were aged 16-24.

Our approach is to increase public understanding of the role a vehicle can play in the outcome of a crash, through ongoing advertising and media engagement to raise consumer awareness of vehicle safety ratings.

We are continuing to work with the motor vehicle sector (including marketplaces, insurers, vehicle inspectors, automotive media and car dealers) to ensure as many vehicles as possible display a vehicle safety rating and that these ratings are consistent, accurately applied and visible to consumers. Our approach has been to educate vehicle buyers, at all points of contact along their purchasing journey, that a vehicle's safety rating should be a critical consideration when purchasing a vehicle.

We are also collaborating with other government agencies to drive the regulatory changes required to make it compulsory for registered vehicle traders to display safety ratings.

The approach to reducing the number of 1-star and 2-star safety rated light vehicles in the fleet is aligned with reducing high emission light vehicles. In addition to safety ratings, the Rightcar website provides vehicle fuel economy and carbon emission data and an air pollution rating. This allows consumers and the wider motor vehicle sector to have more information available when making decisions about vehicle purchases.

## Rail safety

Waka Kotahi has the primary regulatory responsibility for rail safety in New Zealand. It is our role to assure stakeholders and the public that the country's rail networks are being managed safely. We achieve this by regulating the rail industry in accordance with the Railways Act 2005.

As part of our wider programme of improvements to our regulatory functions, we continue to improve how we regulate the rail industry to achieve better safety outcomes. As well as delivering our annual programme of risk-based licence assessments and investigations into serious risks and accidents, we worked with the rail sector through the National Rail Industry Advisory Forum to progress collaborative solutions to critical safety issues affecting the rail industry. We have begun development of a new framework that will identify focus areas across the rail sector, and will assist rail licence holders to improve their risk management practices.

## PERFORMANCE MEASURES

We monitor progress through measures for our position statement, target states and output classes. We also set out significant activities to achieve each year.

Our transport safety position is delivered through activities and investments in the four output classes:

- state highway improvements
- local road improvements
- road safety promotion and demand management
- road policing (see page 291 of the National Land Transport Fund annual report).

Regional improvements (page 46), state highway and local road maintenance (pages 69-72) and our regulatory output classes (pages 82-92) also contribute to Transport Safety.

### Position statement

It is unacceptable for anyone to be killed or seriously injured while travelling or working on the land transport system.

Measure	Result	2019/20 Target	2019/20 Actual	Variance	2018/19 Actual
Deaths and serious injuries	Achieved	Reducing	2,797*	113	2,904†

\* Annualised data ending 31 March 2020.

† Based on updated annual figure ending 31 March 2019. Total deaths and serious injuries reported last year was 2,902.

In the year to 31 March 2020, there were 346 deaths and 2,451 serious injuries (five percent fewer deaths and four percent fewer serious injuries than the previous year).

### Target state

Deliver initiatives targeting speed management, infrastructure improvements and vehicle safety designed to reduce the number of people killed or seriously injured while travelling on the land transport system through significantly increased investment, co-investment and coordination.

Measure	Result	2019/20 Target	2019/20 Actual	Variance <sup>°</sup>	2018/19 Actual
Proportion of years 1–3 deliverables in the Safe Networks Programme delivered	State highways: Not achieved	≥80%	52.1%*	27.9%	60.8%†
	Local roads: Not achieved	≥80%	72.5%*	7.5%	63.7%

\* Based on cumulative results across the 3-year programme; 2019/20 is the second year. State highway achievements are based on the delivery of large projects against plan and budget, while local road achievements are based on delivery of large projects against budget only.

<sup>°</sup> The variance is a percentage point change.

<sup>†</sup> This was incorrectly reported as 47.8% last year.

Four large state highway projects were completed over the past 12 months, bringing the number of large projects completed to fourteen. This is below what was planned to be completed by the end of the second year of the programme. Due to funding constraints, we have not been able to start all planned projects. This means there continues to be an underspend against targeted spend (\$171 million). Forecasts show, however, that the projects can be completed in the first year of the next National Land Transport Programme.

Local road authorities report an underspend of \$138 million against targeted spend.

**Target state**

Four fewer category A signals (rail) passed at danger.

Measure	Result	2019/20 Target	2019/20 Actual	Variance	2018/19 Actual
Number of trains that go through a stop signal when they could have stopped safely (category A signal passed at danger)	Achieved ■	Four fewer trains pass a category A signal at danger between 1 July 2018 and 30 June 2021 than between 1 July 2015 and 30 June 2018 (≤134)	93 trains	41 trains	138 trains*

■ The result was possibly positively affected by COVID-19. Activity on the rail network reduced during the COVID-19 response which has likely resulted in the lower number of signals passed at danger.

\* The baseline (covering 1 July 2015 to 30 June 2018) that was reported in last year’s annual report was 133. This has been updated to reflect more recent information in the rail safety statistics report (31 December 2019).

**OUTPUT CLASS STATE HIGHWAY IMPROVEMENTS**

*Delivered by Waka Kotahi and funded from the National Land Transport Fund and the Crown*

Through state highway improvements, we plan, invest in and deliver infrastructure (including roads, roadsides, intelligent transport systems and bridges) by working collaboratively with council partners to co-create integrated, system-wide solutions.

State highway improvements primarily contribute to a safer, more resilient transport system, improved access to social and economic opportunities, and enhanced liveability. As well as seeking to reduce adverse effects, we look to identify opportunities to enhance the local environment and public health while providing more sustainable solutions.

Reference	Measure	Result	2019/20 Target	2019/20 Actual	Variance <sup>°</sup>	2018/19 Actual
SHI1	Proportion of state highway improvement activities delivered to agreed standards and timeframes*	Not achieved	≥90%	71%	19%	88%
<p>The target was not achieved due to claim settlements during the year totalling \$344.2 million causing a significant overspend. COVID-19 has also negatively affected delivery of the programme due to the lockdown that delayed construction for at least five weeks and the resulting reduced productivity shortly thereafter due to changes in work arrangements.</p>						
SHI2	Proportion of state highway network modified to align with safe and appropriate speed*	Achieved	Increasing	1.1% (119km) <sup>‡</sup>	0.5% (50.5km)	0.6% 68.5km
SHI3	Proportion of regional state highway activities delivered to agreed standards and timeframes*	Not achieved	≥90%	60%	30%	61%
<p>The target was not met because of the Mt Messenger Bypass, which is progressing more slowly than originally planned due to consenting delays, Resource Management Act appeals to the Environment Court, property acquisition challenges, and a stalled compulsory acquisition process. Although delivery of activities was negatively affected by COVID-19, the result would have only slightly improved and target still missed.</p>						

See appendix 2, page 231 for technical details.

\* This is also a performance measure for an appropriation in Vote Transport. See appendix 3, page 241, for all appropriation measures.

<sup>°</sup> The variance is a percentage point change unless stated otherwise.

<sup>‡</sup> This does not include engineering interventions on road segments. This means the actual length of the network modified to align with safe and appropriate speed is actually higher. The full qualifying list of improvements is being scoped for inclusion in this measure in the future.

Measure	2019/20 Budget \$M	2019/20 Actual \$M	Variance \$M	2018/19 Actual \$M
Revenue*	1,118.8	1,676.6	557.8	1,251.9
Expenditure	1,118.8	1,676.6	557.8	1,251.9
Net surplus/(deficit)	0.0	0.0	0.0	0.0

Excludes repayment of borrowing for the Auckland Transport Package.

\* Includes use of the National Land Transport Fund borrowing facilities of \$247.1 million.

Note: expenditure is net of developers' contributions, so reflects increases in Waka Kotahi assets.

Some non-cash capital and operating expenses presented in the financial statements are not included in these figures. They are expenditure for:

- depreciation and state highway write-offs of \$620.3 million (2018/19: \$539.6 million)
- public-private partnerships (excluding pre-COVID settlements) of \$629.3 (2018/19: \$724.3 million)
- assets vested to local authorities of \$0.0 million (2018/19: \$24.4 million)
- other expenses of \$0.0 million (2018/19: \$0.1 million)

State highway improvements was \$557.8 million (50 percent) above budget mainly due to settlements (\$273.6 million) for the pre-COVID claims relating to the Transmission Gully and Pūhoi to Warkworth projects, the Crown funded COVID-19 public-private partnership settlements (\$94.1 million) and additional costs arising from the COVID-19 lockdown (\$100.3 million). See pages 171-172 for full details on output class funding and expenditure.

## OUTPUT CLASS LOCAL ROAD IMPROVEMENTS

*Invested in by Waka Kotahi, delivered by local authorities and funded from the National Land Transport Fund and the Crown*

With our council partners, we co-invest in infrastructure (including roads, roadsides, intelligent transport systems and bridges) by planning collaboratively to co-create integrated, system-wide solutions.

Local road improvements primarily contribute to a safer, more resilient transport system, improved access to social and economic opportunities, and enhanced liveability. As well as seeking to reduce adverse effects, we look to identify opportunities to enhance the local environment and public health while providing more sustainable solutions.

Reference	Measure	Result	2019/20 Target	2019/20 Actual	Variance	2018/19 Actual
LRI1	Proportion of the local road network modified to align with safe and appropriate speed*	Not measured	Not available	Not measured	-	Not available
<p>We are unable to report against this measure because sufficiently robust data remains unavailable. Development of the National Speed Limit Register from which data will be sourced is ongoing. This work awaits the new land transport rule required to implement the Tackling Unsafe Speeds Programme announced last December 2019.</p>						
LRI2	Provincial Growth Fund enabling infrastructure projects – average number of days to release Provincial Growth Fund infrastructure funding once approved*	Achieved	≤20 working days	10 working days	10 working days	13 working days
LRI3	Housing Infrastructure Fund loans – the loan will be drawn down for the purposes of and on the terms agreed between Waka Kotahi and the Minister of Transport*	Achieved	100%	100%	-	100%

See appendix 2, page 231 for technical details.

\* This is also a performance measure for an appropriation in Vote Transport. See appendix 3, page 241, for all appropriation measures.

Measure	2019/20 Budget \$M	2019/20 Actual \$M	Variance \$M	2018/19 Actual \$M
Revenue*	318.4	290.9	(27.5)	239.6
Expenditure	318.4	290.9	(27.5)	239.6
Net surplus/(deficit)	0.0	0.0	0.0	0.0

\*Includes use of the National Land Transport Fund borrowing facilities of \$12.7 million

Local road improvements expenditure was \$27.5 million (9 percent) under budget mainly due to delays in the Housing Infrastructure Fund (HIF) projects. See page 176 for full details on output class funding and expenditure.

## OUTPUT CLASS ROAD SAFETY PROMOTION AND DEMAND MANAGEMENT

*Delivered by Waka Kotahi and local authorities with funding assistance from the National Land Transport Fund*

Through road safety promotion and demand management, we manage and invest in activities that support behavioural changes to improve road safety and promote mode shift and use of travel planning to optimise the transport system. These activities include advertising, education, public information and interventions targeted at road users, including travel demand management and the Alcohol Interlock Device Programme, which is also delivered through activities in the driver licensing and testing output class (page 82).

Road safety promotion means people are informed and know how to stay safe in the transport system. Through travel demand management people make informed choices about which mode of transport to take.

Reference	Measure	Result	2019/20 Target	2019/20 Actual	Variance <sup>o</sup>	2018/19 Actual
RSP1	Proportion of road safety advertising campaigns that meet or exceed their agreed success criteria*	Achieved	≥80%	90%	10%	89%
RSP2	Proportion of road safety education programmes meeting targets for access to road safety information	Baseline set	Baseline to be set	100%	-	New measure
RSP3	Proportion of travel demand management activities delivered to agreed timelines	Not measured	Baseline to be set	Not measured	-	New measure
<p>We are unable to report against this measure because we intended to track the 2019/20 programme milestones agreed in the Travel Demand Management Single Stage business which was not approved. Although there were some travel demand management activities this year, this measure cannot be assessed as there was no programme timeline to monitor against.</p>						
RSP4	Proportion of travel demand management strategies in high-growth centres approved jointly with councils	Not measured	Baseline to be set	Not measured	-	New measure
<p>We are unable to report against this measure because travel demand management work has been subsumed by mode shift work. Travel demand management activity remains part of our work plan, but the indicator we worked to this year was the number of mode shift plans created and agreed with regional and city councils for high-growth centres. Mode shift plans include travel demand management activities, but they were mainly funded and delivered under other output classes.</p>						

See appendix 2, page 231 for technical details.

\* This is also a performance measure for an appropriation in Vote Transport. See appendix 3, page 241, for all appropriation measures.

<sup>o</sup> The variance is a percentage point change.

Measure	2019/20 Budget \$M	2019/20 Actual \$M	Variance \$M	2018/19 Actual \$M
Revenue	59.2	52.6	(6.6)	49.1
Expenditure	56.8	50.1	(6.7)	45.9
Net surplus/(deficit)	2.4	2.5	0.1	3.2

Road safety promotion and demand management expenditure was \$6.7 million (12 percent) under budget. The programme has been affected by the COVID-19 lockdown which resulted in a subsequent reduction in promotional activity. See page 179 for full details on output class funding and expenditure.

### OUTPUT CLASS ROAD POLICING

The road policing output class is reported in the annual report for the National Land Transport Fund, page 291.

# Haere tahi

## Inclusive access

### OUR POSITION

Our position is that everyone should have fair and equitable access to the transport system.

### TARGET STATES - WHAT WE AIM TO ACHIEVE BY 2021

By 2021, we aim to achieve:

- increased mode share of public transport and active modes in high-growth urban areas
- improved access to priority routes for freight and tourism, particularly at peak times.

### OUR PROGRESS THIS YEAR

New Zealand requires more accessible, frequent and affordable multi-modal transport choices, including walking and cycling, public transport, and mass transit and a reduction in single private vehicle use. Improved management of transport demand and operations is needed, and transport investment must take a mode-neutral approach, enabling wider and longer-term social, cultural, economic and environmental outcomes in cities and regions.

In 2019/20, we aimed to accelerate the shift from private car to public transport, walking and cycling through national, system-level initiatives and place-based initiatives in Auckland, Wellington, Christchurch, Hamilton, Tauranga and Queenstown. We were also a key partner in the Provincial Growth Fund programme, working with the Ministry of Business, Innovation and Employment to advise on investment opportunities and applications and to release funding for land transport projects.

**19% of trips**  
in high-growth urban  
areas on public transport,  
walking and cycling

**24% of people**  
in Auckland, Wellington  
and Christchurch have  
access to frequent public  
transport services

**88% of regional  
improvement**  
activities delivered to agreed  
standards and timeframes

**12.6 million trips**  
funded through the SuperGold  
cardholder's scheme

**139 million  
passengers**  
used urban public  
transport services

**91%**  
**travel time**  
predictability on  
priority routes for  
freight and tourism

## Mode shift - urban centres

The mode shift plan for Auckland has been completed, and the mode shift plans for Tauranga, Hamilton, Wellington, Christchurch and Queenstown were substantially completed in August. The plans are being prepared for publication in September, after they have been provided to the Minister of Transport.

The Innovating Streets for People Programme aims to make it faster and easier to transition streets to safer and more liveable spaces. The programme helps the sector plan, design and develop towns and cities by providing a variety of support options targeted at retrofitting streets to reduce vehicle speeds and create more space for people. We completed phase one of the programme, which included case studies in eight cities. In phase two, we launched a fund to encourage councils to try a tactical urbanism approach to project delivery. Funding has been approved for over 40 projects, which will be delivered over the coming year as we support councils to improve their capability. This support includes a community of practice, online guidance and training. The programme will be evaluated to identify opportunities to embed this practice into business as usual.

The Board approved several significant infrastructure and planning projects to encourage mode shift, including Northern Busway Enhancements in Auckland, the Hamilton to Auckland Start Up Passenger Rail Service, the Northern Pathway shared path from Westhaven to Akoranga, and the Whangārei city Transportation Network Strategy Programme business case.

## Public transport

Public transport improves peoples' travel choices, increases access to social and economic opportunities, eases congestion and makes better use of the transport system. Public transport also reduces the impact of transport on the environment and contributes to reducing the number of deaths and serious injuries from road crashes. Public transport supports vibrant and liveable urban communities and effective land use.

We worked collaboratively with regional and local authorities, as well as public transport operators and other partners, in ensuring that public transport continued to operate as an essential service throughout all COVID-19 emergency Alert Levels. We instituted a fare free policy from 24 March and committed NLTF funds to fully meet fare revenue shortfalls and costs associated with COVID-19 (such as additional cleaning and hygiene measures). The policy was in place until 30 June 2020. COVID-19 travel restrictions from the end of March resulted in low total public transport boardings for the year. Although boardings were already above target by the end of quarter one and continuously increased until quarter three, the significant drop in public transport users in quarter four was greater than levels achieved in previous quarters.

## **New Zealand Upgrade Programme - Transport**

In January 2020, the government announced the New Zealand Upgrade Programme, a significant programme of infrastructure to save lives, get our cities moving and boost productivity in growth areas. This programme includes funding of \$5.6 billion to deliver 20 projects that will support a shift to greater transport choice.

The programme will allow us to improve access to the transport system by investing in safe, new walking and cycling paths, building vital roads to speed up travel times, and taking trucks off roads by investing in rail for freight movement.

We have established a programme management team and a governance and delivery framework to successfully deliver the programme and meet the government's expectations. Construction on five major projects will get underway in the second half of 2020, with design work progressing for the others. We are also considering how projects under this programme can complement projects in the NLTP.

### **Supporting regions**

Transport enables regions to grow by providing access to jobs, education and essential services that enable regions to grow. It is a priority in the Government Policy Statement on land transport.

We delivered on our commitments as a key partner in the Provincial Growth Fund, helping to build a regional economy that is sustainable, inclusive and productive, by:

- working with the Provincial Development Unit at the Ministry of Business, Innovation and Employment to identify investment opportunities and advise on Provincial Growth Fund applications
- managing Provincial Growth Fund funding for walking and cycling path, and roading projects through Vote Transport and the Transport Investment Online System
- delivering our own PGF-funded projects, such as the Twin Coast Discovery Route business cases, where we engaged with communities in joint planning to support the government's transport and regional development outcomes. In the Twin Coast example, the recommended programme resulting from the business cases provides the Northland region with a coordinated long-term plan for addressing issues on an 800km route that connects key infrastructure, the state highway network and the assets of four territorial authorities.

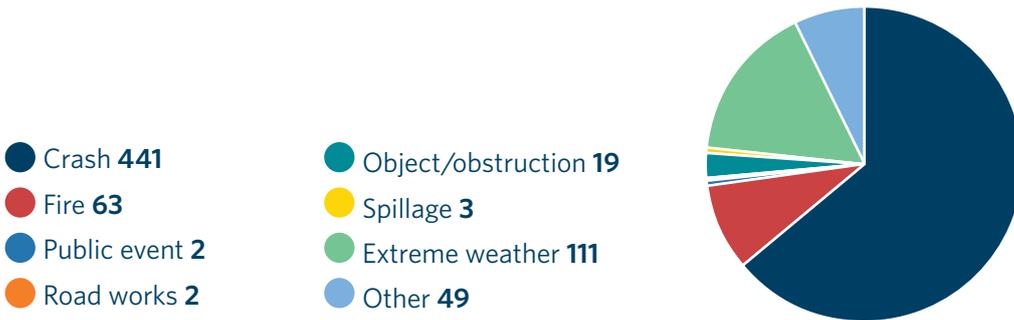
We are also delivering 13 state highway projects funded by the New Zealand Upgrade Programme regional package (see appendix 1, page 226, for details). These projects support regional economic development and address the main challenges our regional state highway networks face, including safety risks, resilience and congestion problems, accessibility and travel-time reliability.

### Freight and tourism

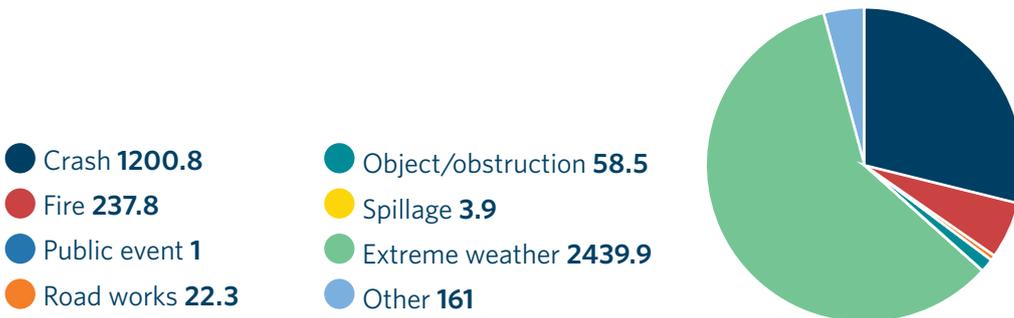
We have been working to improve access to priority routes for freight and tourism. This year we have set the baseline to understand the causes and duration of unplanned road closures on key priority routes for freight and tourism.

A significant proportion of closures were caused by road crashes (83 percent). However, events that took the longest time to resolve were caused by extreme weather conditions such as strong winds, heavy rains and snow that resulted in flooding, ice build-up, rockfalls and slips (66 percent). While these routes were fully closed, in many cases, alternative routes or detours were available for customers to complete their journeys.

**FIGURE 5**  
**Length of time priority routes for freight and tourism were unavailable, by cause (hours)**



**FIGURE 6**  
**Number of priority routes for freight and tourism closed (by cause)**



## PERFORMANCE MEASURES

We monitor progress through measures for our position statement, target states and output classes. We also set out significant activities to achieve every year.

Our inclusive access position is delivered through activities and investments in the four output classes:

- regional improvements
- public transport
- administration of the SuperGold cardholders' scheme
- enhanced public transport concessions for SuperGold cardholders.

Contributions also come from the output class: walking and cycling (page 57) and investment management (page 100).

### Position statement

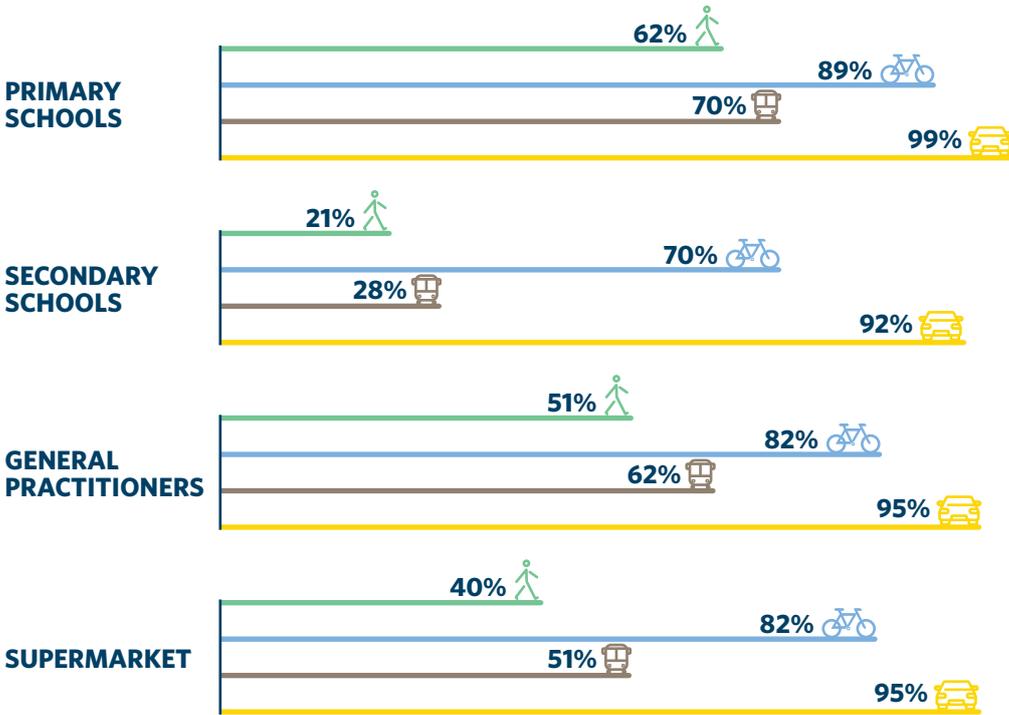
Everyone should have fair and equitable access to the transport system.

Measure	Result	2019/20 Target
Access to social and economic opportunities by mode		
▪ Proportion of population within 15-minute access to the nearest school, health facility and supermarket during morning peak	Achieved	Increasing
▪ Proportion of jobs within 45-minute access during morning peak	Not achieved	Increasing

Access to the nearest school, general practitioner and supermarket has slightly improved. The network continues to favour access by road vehicles with access coverage lower for walking and public transport.

**FIGURE 7**

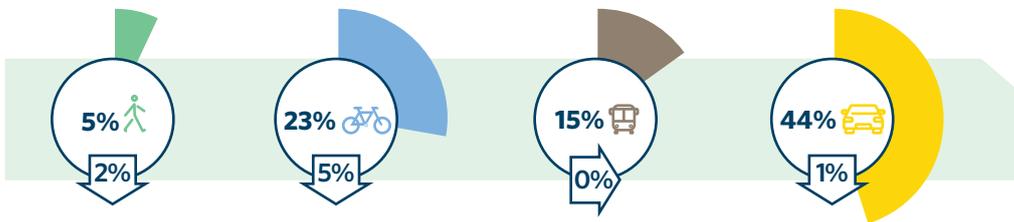
Proportion of population within 15 minutes access to nearest school, general practitioners and supermarket\*



\* This year, we changed the method of calculating this measure from using Google API (via Connected Journey Solutions) to a whole-of-network analysis using freely available sources (General Transit Feed Specification files, Open Street Maps, and the TomTom network that Waka Kotahi owns).

**FIGURE 8**

Proportion of jobs within 45 minutes by mode



Accessibility of jobs that can be reached within 45 minutes has generally dropped. This is possibly due to greenfield developments in Auckland and Wellington which have occurred away from central business districts (see related measure *Proportion of people with access to frequent public transport services at peak times in Auckland, Wellington and Christchurch* on page 48).

### Target state

Increased mode share of public transport and active modes in high-growth urban areas.

Measure	Result	2019/20 Target	2019/20 Actual	Variance	2018/19 Actual
Proportion of total trips on public transport and active modes in high-growth urban areas	Not achieved	Increasing	19%	-	19%

The 2015-18 rolled data from the Household Travel Survey reported last year showed that 19 percent of trips in high-growth urban areas were conducted on public transport and active modes. The 2016-19 data shows that this figure is unchanged.

Of all the high growth urban areas, Auckland is the city where most trips occur. It accounts for over half of all trips across the high growth urban areas.

The share of trips undertaken on public transport and by active modes (walking and cycling) combined is highest in Wellington (at around three in 10 trips). This compares with just under two in 10 trips for all other high growth urban areas including Auckland. In Wellington this measure is mainly influenced by a large share of pedestrian trips (a quarter of all trips in Wellington are undertaken on foot).

### Target state

Improved access to priority routes for freight and tourism, particularly at peak times.

Measure	Result	2019/20 Target	2019/20 Actual	Variance	2018/19 Actual
Number of hours that priority routes for freight and tourism are unavailable	Baseline set	Baseline to be set	3,701 hours	-	New measure

A total of 3,701 hours of unplanned road closures on these routes occurred this financial year across 530 events, with an average closure duration of 7 hours. This compares with an average closure duration of 11.9 hours across the whole state highway network. (See results for *Availability of state highway network: proportion of unplanned road closures resolved within standard timeframes* on page 70.)

Measure	Result	2019/20 Target	2019/20 Actual	Variance	2018/19 Actual
Predictability of travel times on priority routes for freight and tourism	Baseline set	Baseline to be set	91%	-	New measure

This measure identifies the percentage of all journeys made on strategic freight and tourist routes that achieved the predictability target. Predictability is a measure of how consistent the travel time is for customers along a journey.

Over the course of this year, predictability has remained high during the winter months but dipped over summer when construction and maintenance activity and travel demand peak.

Due to reduced travel during the COVID-19 lockdown (March, April and May) predictability was higher than would typically occur, climbing to around 97 percent.

## OUTPUT CLASS REGIONAL IMPROVEMENTS

*Delivered by Waka Kotahi and funded from the National Land Transport Fund and the Crown*

Through regional improvements, we plan and invest in infrastructure outside metropolitan areas (including roads, roadsides, intelligent transport systems and bridges) by working collaboratively with council partners to co-create integrated, system-wide solutions. We deliver state highway projects, and local and regional councils deliver local road projects.

Regional improvements support regional economic development by creating a safer, more resilient transport system and improving access to social and economic opportunities. As well as seeking to reduce adverse effects, we look to identify opportunities to enhance the local environment and public health while providing more sustainable solutions.

Reference	Measure	Result	2019/20 Target	2019/20 Actual	Variance <sup>o</sup>	2018/19 Actual
R11	Proportion of regional improvement activities delivered to agreed standards and timeframes	Not achieved	≥90%	88%	2%	98%

The target was not met because large projects experienced delays. State Highway 1 East Taupo Arterial Corridor Improvements and State Highway 30 Eastern Corridor Connect Rotorua were delayed because physical works contracts were let significantly later than planned because pricing discussions took longer than expected. The pre-implementation phase of Waitara to Bell Block (State Highway 3/3A to Waitara) is taking longer than expected because business case items have been revisited (for example, traffic modelling), existing flooding issues resolved, and land purchases and consenting delays. The construction of State Highway 10 Kāeo Bridge upgrade is starting later than planned due to the complexity of flood modelling. Although COVID-19 negatively affected the delivery of activities on some projects, the result would have only slightly improved and target would still have been missed.

RI2	Provincial Growth Fund infrastructure projects – proportion of Waka Kotahi projects funded by the Provincial Growth Fund delivered to standards and timeframes*	Not measured	≥90%	Not measured	-	Not measured
-----	---	--------------	------	--------------	---	--------------

No physical works projects were due to be completed this year.

See appendix 2, page 231, for technical details.

\* This is also a performance measure for an appropriation in Vote Transport. See appendix 3, page 241, for all appropriation measures.

° The variance is a percentage point change.

Measure	2019/20 Budget \$M	2019/20 Actual \$M	Variance \$M	2018/19 Actual \$M
Revenue	140.0	102.7	(37.3)	139.3
Expenditure	140.0	102.7	(37.3)	139.3
Net surplus/(deficit)	0.0	0.0	0.0	0.0

Regional improvements expenditure was \$37.3 million (27 percent) below budget. This was mainly driven by delays in project negotiations, property acquisition challenges, and complexity in certain designs. See page 178 for full details on output class funding and expenditure.

## OUTPUT CLASS PUBLIC TRANSPORT

*Invested in by Waka Kotahi, delivered by local authorities and funded from the National Land Transport Fund*

Along with approved organisations (such as Auckland Transport and regional councils), we invest in bus, ferry and rail public transport services, customer information, technology, trains, facilities (including operations and maintenance) and infrastructure. This investment includes subsidised door-to-door transport for people with mobility impairments.

The SuperGold card output classes support public transport activities. The transitional rail and rapid transit output classes also fund public transport activities.

Public transport improves people’s travel choices, increases people’s access to social and economic opportunities, eases congestion and makes better use of the existing transport system. Public transport also reduces the impact of transport on the environment and contributes to reducing the number of deaths and serious injuries from road crashes. Public transport supports vibrant and liveable urban communities and effective land use.

Reference	Measure	Result	2019/20 Target	2019/20 Actual	Variance <sup>o</sup>	2018/19 Actual
PT1	Number of boardings on urban public transport services (bus, train and ferry)*	Not achieved due to COVID-19 ●	≥165 million	139 million	26 million	168 million
Public transport boardings significantly decreased this year due to COVID-19 travel restrictions in quarter four. Before then, boardings were tracking well to meet the target.						
PT2	Number of boardings on urban public transport services (bus, train and ferry) per capita*	Not achieved due to COVID-19 ●	≥34 boardings per capita	28 boardings per capita	6 boardings per capita	New measure
Public transport boardings per capita significantly decreased this year due to COVID-19 travel restrictions in quarter four. Before then, boardings per capita were tracking well to meet the target.						
PT3	Proportion of people with access to frequent public transport services at peak times in Auckland, Wellington and Christchurch*	Not achieved	Increasing	24%	2%	26% <sup>o</sup>
Access to public transport services at peak times in the metropolitan centres has slightly decreased. This is largely because of greenfield developments in Auckland and Wellington that have occurred away from public transport nodes.						
PT4	Costs per passenger kilometre by bus, train and ferry	Not achieved due to COVID-19 ●	Decreasing Bus: ≤\$0.20/km Train: ≤\$0.16/km Ferry: ≤\$0.07/km	Bus: \$0.33/km Train: \$0.28/km Ferry: \$0.18/km	Bus: \$0.13/km Train: \$0.12/km Ferry: \$0.11/km	Bus: \$0.20/km Train: \$0.16/km Ferry: \$0.08/km
Costs per passenger kilometre significantly increased this year due to COVID-19. Public transport was designated as an essential service during the lockdown period which meant services continued regardless of patronage and revenue levels. From 24 March to 30 June 2020, fares were not collected. Cost also increased to address health and safety requirements in delivering the service. The costs across the three modes reflect spend against the National Land Transport Fund only. If local share, fare revenue, SuperGold cardholder payments and third-party revenue are also considered, total costs per passenger kilometre are \$0.84, \$0.66 and \$0.76 for bus, train and ferry, respectively.						

PT5	Mode share of people into the Auckland commercial business district <sup>^</sup> <ul style="list-style-type: none"> <li>▪ Pedestrian</li> <li>▪ Cyclist</li> <li>▪ By bus</li> <li>▪ By train</li> <li>▪ By ferry</li> <li>▪ By car</li> </ul>	Baseline set	Baseline to be set	6% 2% 26% 11% 6% 49%	-	New measure
<p>Mode share for public transport (bus, train and ferry) displayed long-term growth, and mode share for car displayed long-term decline. However, this trend was reversed as a result of the COVID-19 lockdown. Between March and April public transport mode share significantly fell by 37 percentage points and car mode share significantly increased by 33 percentage points. The share of travel by public transport moved towards pre-COVID levels by the end of June although this has subsequently been impacted by a second COVID-19 lockdown in Auckland.</p>						
PT6	Punctuality of public transport services (bus, train and ferry) in Auckland <sup>‡</sup>	Baseline set	Baseline to be set	97.8% <sup>§</sup>	-	New measure

See appendix 2, page 231, for technical details.

● The result was affected by COVID-19.

\* This is also a performance measure for an appropriation in Vote Transport. See appendix 3, page 241, for all appropriation measures.

° The variance is a percentage point change unless stated otherwise.

◇ This year, we used Statistics New Zealand population estimates rather than population data from the census. We back casted the 2013 census-based 29 percent result last year for comparability.

^ This is proxy measure. We re unable to report on mode share of people traveling by bus or car on key Auckland corridors because robust data us unavailable.

‡ This is a proxy measure. We are unable to report on a national figure on public transport punctuality due to the varying scope, method and definitions used by local authorities in capturing this information.

§ This information was provided by Auckland Transport. It is the average across all three modes, combined and weighted according to patronage.

Measure	2019/20 Budget \$M	2019/20 Actual \$M	Variance \$M	2018/19 Actual \$M
Revenue	592.0	716.4	124.4	511.3
Expenditure	592.0	716.4	124.4	511.3
Net surplus/(deficit)	0.0	0.0	0.0	0.0

\*Includes use of the National Land Transport Fund borrowing facilities of \$108.8 million

Public transport expenditure was \$124.4 million (21 percent) above budget mainly due to the COVID-19 lockdown. Waka Kotahi contributed \$90 million towards meeting the revenue shortfall in farebox revenue. See page 175 for full details on output class funding and expenditure.

## OUTPUT CLASS SUPERGOLD CARD - ADMINISTRATION OF THE PUBLIC TRANSPORT CONCESSIONS SCHEME

### OUTPUT CLASS SUPERGOLD CARD - PUBLIC TRANSPORT CONCESSIONS FOR CARDHOLDERS

*Administered by Waka Kotahi, delivered by local authorities and funded from the Crown*

Together with regional councils, including Auckland Transport, we provide public transport concessions for SuperGold cardholders and administer the SuperGold cardholders' scheme on behalf of the Ministry of Transport. This work includes monitoring, reporting, auditing, liaising with regional councils and payments.

The SuperGold card scheme gives older people more transport choices and improves the use of public transport during off-peak hours, which contributes to access to social and economic opportunities for older people, lower emissions and improved safety on our roads.

Reference	Measure	Result	2019/20 Target	2019/20 Actual	Variance <sup>°</sup>	2018/19 Actual
SG1	Proportion of 'on time' payment of Crown SuperGold bulk allocation to approved organisations*	Not achieved	100%	0%	100%	64%
	Higher than expected growth in SuperGold card patronage and increased service cost in 2018/19 resulted in a funding shortfall requiring a top-up from the National Land Transport Fund. This triggered a review of appropriate funding levels for 2019/20. All funding claims were received from councils and payments made in the second quarter. We did not meet target because 'on time' is defined in this measure as within the first quarter of the financial year.					
SG2	Number of boardings using SuperGold concessions*	Not achieved due to COVID-19 ●	≥15.2 million	12.6 million	2.6 million	15.7 million
	Boardings using SuperGold card significantly decreased this year due to COVID-19 travel restrictions in quarter four. Before then, boardings using SuperGold card were tracking well to meet the target.					

See appendix 2, page 231 for technical details.

● The result was affected by COVID-19.

\* This is also a performance measure for an appropriation in Vote Transport. See appendix 3, page 241, for all appropriation measures.

<sup>°</sup> The variance is a percentage point change unless stated otherwise.

Measure	2019/20 Budget \$M	2019/20 Actual \$M	Variance \$M	2018/19 Actual \$M
Revenue	29.7	30.7	1.0	29.4
Expenditure	29.7	30.7	1.0	29.4
Net surplus/(deficit)	0.0	0.0	0.0	0.0

Expenditure for SuperGold card administration and public transport concessions was above budget by \$1.0 million (3 percent) and \$1.3 million (4 percent) higher than last year. This was the third year that councils have had the option of a fixed bulk payment and they now have established systems in place to submit their claim earlier than previously experienced. See page 176 for full details on output class funding and expenditure.

# Kāinga ora

## Liveable communities

### OUR POSITION

Our position is that we will partner to efficiently combine planning and investment for transport and land use and this will result in more vibrant, interactive communities.

### TARGET STATES - WHAT WE AIM TO ACHIEVE BY 2021

By 2021, we have committed to increasing space in our cities dedicated to people.

### OUR PROGRESS THIS YEAR

In 2019/20, we committed to progressing several significant activities linked to the Auckland Transport Alignment Project, the Auckland Light Rail project, partnering with central and local government agencies to participate in spatial planning, growth strategies, regional and district plans and transport plans and large multi-modal programmes in six major urban centres. Outside those centres, we explored where urban development could be better supported through transport (for example, by improving access to public transport infrastructure and services).

## 6728 cycling trips

observed in Wellington, Auckland and Christchurch central business districts

**100% of**  
**transitional rail**  
projects approved for  
implementation

**63.2 kms**  
of walking and cycling  
facilities delivered

## Urban Growth Agenda

We worked jointly with the Ministry of Housing and Urban Development to form urban growth partnerships with other central agencies, local government and iwi to develop spatial plans as part of the Urban Growth Agenda.

A statutory spatial plan has been approved for the Auckland region (Auckland plan). Non-statutory spatial plans are being prepared for the:

- Hamilton-Waikato metropolitan area (Hamilton-Waikato metropolitan spatial plan)
- Tauranga-Western Bay of Plenty metropolitan area (Urban form and transport initiative)
- Wellington-Horowhenua region (Wellington regional growth framework)
- Queenstown Lakes District urban area (Queenstown Lakes spatial plan).

Spatial planning initiatives align with the significant changes set out in *Arataki* – our first 10-year strategic plan. *Arataki* informs both the baseline of spatial plans and the immediate to short-term focus on transport issues and focus for implementation.

Each spatial plan is developed with a long-term view (generally 30 or more years). Each plan identifies how long-term population and employment growth will be accommodated while Urban Growth Agenda objectives underpinned by joint priority projects are delivered. The plans show how we can successfully accommodate an assumed future population scenario (not a projection or target) in a way that improves all the urban performance outcomes highlighted and other key outcomes like resilience.

Each spatial plan will inform several cycles of Regional Land Transport Plans and the National Land Transport Plan and will identify broad periods (such as within 10 years, 10-20 years, 20-30 years) for patterns of development and transport infrastructure.

The urban growth partnerships across the major urban areas are a solid platform to underpin and frame any COVID-19 fiscal stimulus response. Priority growth areas that are emerging from spatial planning under these partnerships provide a wide portfolio of urban development and infrastructure projects that are a good basis for recovery investment. Commitment and alignment of investment will support significant urban development initiatives.

We worked closely with the Ministries of Transport and Housing and Urban Development to identify coordinated packages of project initiatives in each spatial plan that are suitable for advanced delivery and consideration for COVID-19 fiscal stimulus investment.

## Walking and cycling

Through the NLTF via the walking and cycling activity class, we invest in new and improved walking and cycling infrastructure (for transport purposes) as well as in community education and promotion, including the delivery of the Urban Cycleways Programme.

Walking and cycling infrastructure includes cycle paths, cycle lanes, new footpaths, services for crossing roads and cycle parking facilities. New facilities that are a part of a road are funded through investments to improve road networks, rather than through walking and cycling investment.

Walking and cycling investment creates safer and more accessible infrastructure and transport networks, gives our customers more transport choices, relieves congestion and reduces the impact of transport on the environment. It also supports better health by enabling more people to walk and cycle.

Cordon counts in major urban centres show that the number of cyclists increased in major urban centres with the most significant rise in Christchurch.

## Urban Cycleways Programme

The Urban Cycleways Programme has now completed 87 percent of its project milestones. As at 30 June 2020, \$98 million of the \$100 million in funding had been spent. Of the original 54 projects in the programme, 17 are still in progress, 13 are forecasting completion by 30 June 2021, and 4 are forecasting completion by 30 June 2022.

Under this programme, we have delivered 226.8km of walking and cycling facilities, including 33.2km in 2019/20. Since the last NLTP, we have delivered 384km of walking and cycling facilities with 60 percent funded from this programme.

The suspension of construction projects due to the COVID-19 lockdown has had a material impact on progress in the last quarter of this year. The shutdown caused a delay in four projects that were expected to be delivered by 30 June 2020:

- the last project in the Rotorua cycleway (Utuhina cycle link) - to December 2020
- the final sections of the Omokoroa to Tauranga cycleway - to September 2020
- the Tahunanui project in Nelson - to September 2020
- the Onepoto - Wi Neera shared path in Porirua - to August 2020.

Auckland Transport has advised that, due to significant shortfalls in revenue, it will be reprioritising its capital programme. This will affect the delivery of its cycleway projects, and some of its remaining Urban Cycleway Programme projects may be postponed. We are working with Auckland Transport to understand what can be achieved within its reduced budget.

## Rail Network Investment Programme and Future of Rail Implementation

Changes to the Land Transport Management Act 2003 to enable a new planning and funding framework for heavy rail came into force on 1 July 2020. KiwiRail has started preparing the first Rail Network Investment Plan with our support. This investment plan applies for three financial years with the first plan to take effect from 1 July 2021. The first plan is expected to focus on the rail activities required to maintain and renew the national rail network.

The Minister of Transport will approve the Rail Network Investment Plan and rail activities (or combination of activities) to be fully or partially funded from the National Land Transport Fund. The legislated role of Waka Kotahi is to advise the Minister on whether:

- the investment plan meets the requirements of the Land Transport Management Act 2003; for example, whether the plan contributes to the Act's purpose and is consistent with the Government Policy Statement on land transport
- to fund individual rail activities or a combination of activities in the investment plan.

We are building these new responsibilities into our processes and directly supporting KiwiRail's asset management planning. We are also working with the Ministry of Transport to clarify the policy details associated with implementing the changes to the Land Transport Management Act 2003. Additionally, we are participating in the Ministry of Transport-led engagement with Auckland Transport and Greater Wellington Regional Council on the investment required in metropolitan rail networks to maintain urban passenger services.

### **Auckland Transport Alignment Project**

Other than the delays resulting from COVID-19 restrictions, the delivery of the Auckland Transport Alignment Project (ATAP) continued as planned.

In 2018, a \$28 billion 10-year transport investment package was agreed between the government and Auckland Council. This package informed 2018 statutory funding plans, including the NLTP.

An update of this package is being progressed by the ATAP partners, including Waka Kotahi. This update is not intended to be a wholesale review of the 2018 package, but does seek to achieve better results against mode shift, climate change and supporting priority growth areas. It will also consider impacts from COVID-19.

Work has focused on collating accurate and up-to-date information, agreeing a 10-year funding envelope and developing a robust assessment framework. Advice on the ATAP update will be provided to the incoming government, with the work finalised in time to inform the development of 2021 statutory funding plans.

### **Auckland Light Rail**

At the end of June 2020, the Minister of Transport announced that Cabinet agreed to end the twin-track Auckland Light Rail process and refer the project to the Ministry of Transport for further work. Despite extensive cross-party consultation, government parties were unable to agree on a preferred proposal. The future of the project will now be decided by the government following the general election in October.

### **Let's Get Wellington Moving**

Let's Get Wellington Moving is a partnership between Waka Kotahi, Wellington City Council and Wellington Regional Council. The approved programme business case for Let's Get Wellington Moving identifies multi-modal transport system improvements to support growth and urban development in central Wellington. Waka Kotahi has signed the Relationship and Funding Agreement with the two councils to progress the next phase of business cases for potential mass rapid transit; walking, cycling and public transport improvements on the Golden Mile (Lambton Quay to Courtenay Place), Thorndon Quay-Hutt Road and other city streets; strategic highway improvements and supporting travel demand management initiatives. All business cases are in progress.

## PERFORMANCE MEASURES

We monitor progress through measures for our position statement, target states and output classes. We also set out significant activities to achieve every year.

Our liveable communities position is delivered through activities and investments in the three output classes:

- walking and cycling
- rapid transit
- transitional rail.

Contributions also come from the public transport output class.

### Position statement

We will partner to efficiently combine planning and investment for transport and land use and this will result in more vibrant, interactive communities.

Measure	Result	2019/20 Target
Mode share (Proportion of trips by mode)*	Achieved	Increasing share of public transport and active modes

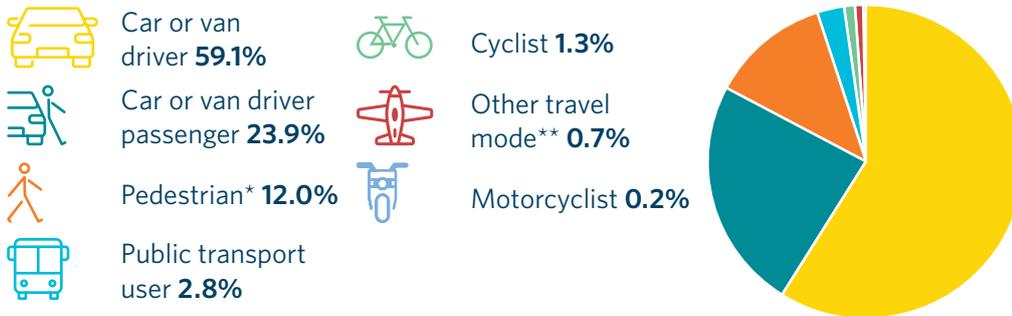
\* Annual figures are reported a year in arrears using a 36-month rolling average. This year's results cover the period 2016 to 2019.

Trips using public transport and active modes slightly improved from 15.7 percent last year to 16.1 percent this year. Mode share results from the Household Travel Survey show that most trips continue to be undertaken by car or van, with pedestrian trips being the next most common. Over time, we expect to see a larger proportion of trips by public transport and active modes such as walking and cycling as mode shift and travel demand management changes are embedded.

Our next annual report will benefit from increased investment in the Household Travel Survey, which will enable analysis by city and up-to-date reporting based on the latest year (2020/21) rather than a three-year rolling average.

**FIGURE 9**

Proportion of trips by mode 2016-19



\* This includes skateboarders and children in pushchairs.

\*\* This includes aircraft, boats excluding ferry trips, mobility scooters and other modes like horse riding.

**Target state**

Increased space in our cities dedicated to people.

Measure	Result	2019/20 Target	2019/20 Actual	Variance	2018/19 Actual
Proportion of space in cities dedicated to motorised vehicles	Baseline to be set in 2020/21, then reducing				

**OUTPUT CLASS WALKING AND CYCLING**

*Invested in by Waka Kotahi, delivered by road controlling authorities and funded from the National Land Transport Fund and the Crown*

We plan and co-invest in new and improved walking and cycling facilities (for transport purposes), including the Urban Cycleways Programme, as well as in community education and promotion (as part of a walking or cycling project).

We deliver state highway facilities, and local and regional councils primarily deliver local road facilities.

- Walking and cycling investment encourages more people to walk and cycle by:
  - creating safer and more accessible infrastructure
  - creating transport networks that give people more transport choices
    - supporting access to social and economic opportunities, including education, employment and tourism.

Reference	Measure	Result	2019/20 Target	2019/20 Actual	Variance	2018/19 Actual
WC1	Network kilometres of walking and cycling facilities delivered*	Achieved	Increasing	63.2km (including 33.2km of Urban Cycleways Programme projects)†	-	104.8km (including 47.3km of Urban Cycleways Programme projects)

Refer to page 54 for our report on Walking and cycling.

WC2	Number of boardings using SuperGold concessions*	Achieved <span style="color: #0070C0;">■</span>	Increasing	6,728 cycle counts	490 cycle counts	6,238 cycle counts
-----	--	---	------------	--------------------	------------------	--------------------

Due to the COVID-19 lockdown, Auckland Transport was unable to have people on the streets to complete physical cordon counts. The cordon count for Auckland was taken from automated counters over a slightly different selection of sites from the previous manual counts. For Wellington, some surveys were cancelled, and appropriately adjusted averages were calculated for comparison with previous years. Christchurch was able to complete cordon counts before the COVID-19 lockdown.

See appendix 2, page 231 for technical details.

■ The result could have been affected by COVID-19 but we are unable to clearly determine this.

\* This is also a performance measure for an appropriation in Vote Transport. See appendix 3, page 241, for all appropriation measures.

† This is the total length of new walking and cycling facilities added to the network in 2019/20, including lengths on existing pathways and cycleways where improvements were made. We are unable to forecast facilities that will be delivered in the year because these are partly dependent on business cases put forward by local authorities.

Measure	2019/20 Budget \$M	2019/20 Actual \$M	Variance \$M	2018/19 Actual \$M
Revenue	112.5	89.3	(23.2)	70.3
Expenditure	112.5	89.3	(23.2)	70.3
Net surplus/(deficit)	0.0	0.0	0.0	0.0

Walking and cycling expenditure was \$23.2 million (21 percent) under budget due to an increased slowdown in construction activities over the winter. Claims from approved organisations are lower than expected particularly from Auckland Transport. Due to significant shortfalls in revenue, Auckland Transport will be reprioritising their capital programme which will affect the delivery of their cycleway projects and some of their remaining projects may be postponed. Waka Kotahi is working with Auckland Transport to understand what can be achieved within their reduced budgets. See page 174 for full details on output class funding and expenditure.

## OUTPUT CLASS RAPID TRANSIT

*Invested in and delivered by Waka Kotahi and funded from the National Land Transport Fund*

In partnership with other agencies, we deliver rapid transit improvements. This work includes establishing arrangements to plan, fund, design, supervise, construct and maintain rapid transit networks and projects, including light rail.

Rapid transit provides customers with more ways to travel, eases congestion and supports better access to housing, education and employment in major metropolitan areas. Like other forms of public transport, rapid transit also reduces the impact of transport on the environment and contributes to reducing the number of deaths and serious injuries from road crashes.

This year, we expanded the scope of the performance measure for rapid transit to include activities outside the Auckland Light Rail initiative.

Reference	Measure	Result	2019/20 Target	2019/20 Actual	Variance <sup>°</sup>	2018/19 Actual
RPT1	Proportion of rapid transit activities delivered to investment requirements*†	Not achieved	≥90%	17%	73%	Not available

The target was not met because a significant component of planned investment was the Auckland Light Rail project, which the government referred to the Ministry of Transport for further work, (see page 55). This meant the North West rapid transit network investigations have not commenced given their strong interdependencies.

See appendix 2, page 231 for technical details.

\* This is also a performance measure for an appropriation in Vote Transport. See appendix 3, page 241, for all appropriation measures.

† The scope of this measure was expanded to include rapid transit projects other than Auckland Light Rail.

° The variance is a percentage point change.

Measure	2019/20 Budget \$M	2019/20 Actual \$M	Variance \$M	2018/19 Actual \$M
Revenue	180.0	32.3	(147.7)	9.9
Expenditure	180.0	32.3	(147.7)	9.9
Net surplus/(deficit)	0.0	0.0	0.0	0.0

Rapid transit expenditure was \$147.7 million (82 percent) under budget. Budgeted spend was based on anticipated progress on the original plan for the City Centre to Māngere Light Rail project which was discontinued in June 2020. As a result, the rapid transit output class will not meet budget over the remainder of the current National Land Transport Programme and the balance of unused funding has been reallocated to other output classes. See page 182 for full details on output class funding and expenditure.

## OUTPUT CLASS TRANSITIONAL RAIL

*Invested in by Waka Kotahi and funded from the National Land Transport Fund*

We work with approved organisations to invest in improving urban (metro) rail network infrastructure and developing inter-regional passenger rail infrastructure and services. Approved organisations co-design and contract with KiwiRail to deliver the associated projects.

Transitional rail:

- accommodates past growth in Auckland and Wellington by improving the reliability and resilience of urban passenger rail services
- accommodates future growth of cities by increasing the capacity of urban rail services
- improves access to social and economic opportunities between regions.

Reference	Measure	Result	2019/20 Target	2019/20 Actual	Variance <sup>°</sup>	2018/19 Actual
TR1	Proportion of transitional rail projects approved for implementation	Achieved	Increasing	100%	20%	80%

See appendix 2, page 231 for technical details.

<sup>°</sup> The variance is a percentage point change.

Measure	2019/20 Budget \$M	2019/20 Actual \$M	Variance \$M	2018/19 Actual \$M
Revenue	157.0	64.6	(92.4)	19.2
Expenditure	157.0	64.6	(92.4)	19.2
Net surplus/(deficit)	0.0	0.0	0.0	0.0

Transitional rail expenditure was \$92.4 million (59 percent) under budget mainly due to lower than anticipated expenditure on the Wellington Metro Upgrade Programme (WMUP) projects and the Rail Network Growth Impact Management project. Furthermore, two major Auckland projects (Wiri to Quay Park Third Main and Papakura to Pukekohe Electrification) will be funded by the New Zealand Upgrade Programme (NZUP) under KiwiRail. See page 182 for full details on output class funding and expenditure.

# Hangarau waka

## Transport technology

### OUR POSITION

Our position is that we will combine technology and organisational capabilities to enable safer, sustainable and connected journeys.

### TARGET STATES - WHAT WE AIM TO ACHIEVE BY 2021

By 2021, we committed to deliver:

- increased and easy access to information on journey options for our customers
- a single integrated investment plan for transport technology investment that is regularly updated to reflect the changing environment
- technology platforms to reduce technology risk and provide the foundations for adaptable technology capability across Waka Kotahi.

### OUR PROGRESS THIS YEAR

In 2019/20, we had two significant activities planned to develop an organisation-wide approach to invest in high-priority technology solutions, and to provide visibility of the digitally enabled initiatives underway and planned across Waka Kotahi.

We continued to invest in high-priority technology solutions to address risk, resilience and reliability of current technology platforms and to provide a modern base that will enhance how we use technology to improve the safety and accessibility of the land transport system. Examples of such solutions follow.

## 71% of customers

report increased ease of access to journey data and journey choices

**Critical risk rating**  
for our technology systems

## 66% of surveyed respondents

report they can get the journey information they want through their preferred channels

### Advanced Traffic Management System upgrade

By the end of December 2020, we expect to stand up two data centre services in Auckland and Wellington, replace the current outdated and at-risk infrastructure, and upgrade software to enable us to deliver a single national instance of the Advanced Traffic Management System. This will result in a more modern front-end with enhanced features and functionality.

### National ticketing - Project NEXT

The request for proposals for the National Ticketing Solution (Project NEXT) was released in April, with responses due back in August and evaluations to begin soon thereafter. Responses are due back later this year and the plan is to select and contract a preferred supplier in 2021. We are:

- establishing an internal Transport Ticketing and Payments team to support the evaluation of responses as well as the design, build, test, release and operate phases that will follow successful contract negotiation
- standing up a capability to support the implementation and ongoing operation of the chosen solution
- developing an integrated plan to deliver the enabling technology that will support the organisational capabilities needed in the future.

## PERFORMANCE MEASURES

We monitor progress through measures for our position statement and target states. We also set significant activities to achieve every year.

### Position statement

We will combine technology and organisational capabilities to enable safer, sustainable and connected journeys.

Measure	Result	2019/20 Target	2019/20 Actual	Variance <sup>°</sup>	2018/19 Actual
Customers reporting increased ease of access to transport data and journey choices	Not achieved 	Increasing	71%	2%	73%

 The result could have been affected by COVID-19 but we are unable to clearly determine this.

<sup>°</sup> The variance is a percentage point change.

This year, 71 percent of customers reported easy access to transport data and journey choices. Those customers using public transport were less likely to say that access to journey data was easy (58 percent). This result was particularly negative during the COVID-19 lockdown – ease of access to public transport data during this time dropped to below 50 percent (from mid-March) and did not recover to pre-COVID-19 levels until June. During this period, public transport ran far less frequently than usual, and this change may not have been communicated clearly to customers.

### Target state

Increased easy customer access to information on journey options.

Measure	Result	2019/20 Target	2019/20 Actual	Variance	2018/19 Actual
Proportion of surveyed respondents who report they can get the journey information they want through their preferred channel	Not achieved	Increasing	66%	-	66%

Google Maps remains the most popular source of journey information (around eight in 10 customers using journey information use this channel). This year, 66 percent of customers rated journey information they received through their preferred channel positively. While Waka Kotahi channels (such as Journey planner, traffic cameras, or our website) tend to be rated slightly more positively than other channels (68 percent rate our channels positively), it is difficult to influence the result with Google having such a strong influence on user perceptions.

### Target state

Technology platforms and organisational capabilities are being delivered that reduce existing technology risk and provide the foundations for adaptable technology capability across Waka Kotahi for the future.

Measure	Result	2019/20 Target	2019/20 Actual	Variance	2018/19 Actual
Technology risk rating	Not achieved	Reducing	Critical	-	Critical

Overall, the technology risk rating was unchanged. The first half of the financial year was dedicated to developing the risk remediation business case which resulted in the subsequent approval in December 2019 of the Transport Risk Remediation programme. The programme, planned to run for the next 18 to 24 months, is focused on mitigating risks of existing solutions instead of building new capabilities. From January 2020, activities aimed at addressing the Core portion (stage one of the upgrades) of the Advanced Traffic Management System modernisation. Other project activities have also started including the ITS Network replacement, and Standards and Specifications and Integration Engine delivery. In parallel, work is continuing to recruit the organisational capabilities required if we are to deliver on performance expectations, underpinned by enabling technology.

Measure	Result	2019/20 Target	2019/20 Actual	Variance	2018/19 Actual
Technology asset performance measures	Not achieved	Baseline to be set*	Baseline not set	-	Not achieved

\* While no target was set in the Statement of performance expectations 2019/20, we aimed to set baseline this year because this was not achieved last year.

Priority work this year was to understand the technology assets and create a consolidated digital strategy. We are establishing a programme to assess the current state of critical systems and we will look for cloud-based service options where possible. Until we have more clarity on our technology assets, we will not progress further work on performance measures.

### Target state

A single integrated plan for the investment and use of technology across Waka Kotahi is being delivered and regularly updated to reflect the changing environment.

Measure	Result	2019/20 Target	2019/20 Actual	Variance	2018/19 Actual
Single integrated investment plan created, and key milestones being tracked	Achieved	Plan revised and milestones tracked*	See commentary below	-	Plan created and milestones tracked

\* While no target was set in the Statement of performance expectations 2019/20, this year we aimed to revise the integrated plan because the plan created last year was not able to address key issues.

The single integrated plan developed last year was revised as planned. We have applied the Transport Risk Remediation programme to track milestones. Through the Waka Kotahi Investment Proposal 2021-31, we will continue the development of the single integrated plan.

# Kia manawaroa Resilience

## OUR POSITION

Our position is the resilience of the land transport system is increased by managing risks and long-term resilience challenges and by helping communities quickly recover from disruptions.

## TARGET STATES - WHAT WE AIM TO ACHIEVE BY 2021

By 2021, we have committed to:

- delivering a system that is recognised as appropriately adapting to climate change
- establishing an organisational reputation as highly responsive to significant disruption.

## OUR PROGRESS THIS YEAR

In 2019/20, we set out to improve the resilience of the transport system’s assets, maintenance and operations and to better understand vulnerabilities, risks and appropriate responses.

**81% of  
unplanned  
road closures**

resolved within  
the standard  
timeframes<sup>1</sup>

**39% of key**  
social and economic  
corridors with viable  
alternative routes

**75% of  
stakeholders**

in communities affected  
by major disruption  
report Waka Kotahi  
was highly responsive

**2.4 out of 5**  
is the level of  
confidence  
stakeholders and  
partners have that the  
transport system is  
appropriately adapting  
to climate change<sup>2</sup>

**3 out of  
4 asset**

condition standards  
for state highways met

**2 out of  
3 asset**

condition standards  
for local roads met

1 less than 2 hours for urban roads  
and less than 12 hours for rural  
roads

2 Where 1 is 'not at all confident'  
and 5 is 'extremely confident'

## Delivering improvements

Key social and economic corridors are routes along the state highway network that, if closed for an extended duration of time, have significant social or economic impacts on communities. This year we identified corridors with viable alternative routes to use as a baseline for improving the resilience of the network. Viable alternative routes are those that are suitable for all vehicles (that is, they are sealed surface, are free of one-lane bridges and meet travel time constraints) and approved by their respective road controlling authority as a recognised detour. Out of the total 3,995.1km key social and economic corridors across the country, 39 percent (1,563.7km) have viable alternative routes. Mapped throughout the network, the result is lower in the South Island than in the North Island.

Key projects to strengthen and improve the resilience of the land transport system were progressed during the year, including the Kaikōura coast earthquake response, Te Ahu a Tūranga: Manawatū–Tararua highway, Transmission Gully, Mt Messenger and Awakino Gorge corridor, and Waiōeka Gorge projects. Details of significant capital projects undertaken in 2019/20 are in appendix 1.

Waka Kotahi surveyed 130 respondents recruited from communities and stakeholders affected by two significant disruptions in 2019/20. The two disruptions, which involved emergency responses by Waka Kotahi, include a major slip that closed State Highway 4 between Raetihi and Fields Track in October 2019 and torrential rain that led to the closure of the Milford Sound Piopiotahi Road, on State Highway 94, in February 2020. Across both events combined, three-quarters (75 percent) of respondents agreed that Waka Kotahi was 'highly responsive'. Views on responsiveness are influenced by how quickly Waka Kotahi sets up alternative access options, how quickly and clearly those options are communicated, and how well we engage with the local community to understand and act on their needs and concerns. Those who felt Waka Kotahi was unresponsive often felt that earlier two-way community engagement should have occurred.

The level of confidence stakeholders and partners have that the transport system is appropriately adapting to climate change has marginally improved to 2.4 this year. This result is based on a scale rating from one to five where one is 'not at all confident' and five is 'extremely confident'. Our stakeholders and partners told us there was a lack of visibility and action on climate change, that climate change was not often built into plans, and that funding for resilience projects was insufficient.

## Resilience National Programme

The National Resilience Programme business case was approved in May 2020. Based on a series of 12 regional workshops with a range of stakeholders and partners, and the collation and analysis of many internal and external information sources, it provides Waka Kotahi for the first time a prioritised evidence base of national level risks on the network as well as a list of systemic organisational resilience issues identified during the workshops. The evidence base has been used to develop a robust, ranked and enhanced programme of proposed business cases addressing key network risks that have been submitted to the NLTP programme development process. The organisational resilience issues are being used to frame and develop a forward work plan for the Resilience Programme. A series of internal and external presentations have since been made promoting the National Resilience Programme business case, outlining both the methodology used and the results for others to use.

### Highways National Emergency Response

The Highways National Emergency Response framework and plan were completed and adopted in late 2019. An extensive training programme significantly increased the number of our people with Coordinated Incident Management System qualifications (CIMS2 and CIMS4). The framework and plan were stood up successfully for the COVID-19 response and the State Highway 4 major slip event.

### Piloting community engagement projects

We are piloting community engagement projects in the Waikato and Kaikōura districts to understand how we can make better decisions before and in response to disruptive events, and to help communities to be more self-sufficient. The Kaikōura pilot was completed, and a report compiled in late 2019 which discussed briefly concepts of community resilience and vulnerability and summarised the findings of interviews with a range of Kaikōura community members about their views and experiences of and following the 2016 Kaikōura earthquake. It concluded with recommendations related to development of a toolkit framed around the 4R's - risk reduction, readiness, response and recovery - covering the opportunities and limitations of the transport system in relation to assisting the resilience of the communities we engage with. This report is also being referenced in the final documentation of the North Canterbury Transport Infrastructure Recovery programme as part of its learnings as it wraps up operations. Our people are currently engaged in two further pilots considering coastal issues and impacts in the Waikato for which the timelines are being driven by local factors beyond our control.

### PERFORMANCE MEASURES

We monitor progress through measures for our position statement and target states. We also set out significant activities to achieve every year.

Contributions to our resilience position come from activities and investments in two output classes:

- state highway maintenance
- local road maintenance.

State highway improvements and local road improvements (pages 33-36) also contribute to resilience.

### Position statement

The resilience of the land transport system is increased by managing risks and long-term resilience challenges and by helping communities quickly recover from disruptions.

Measure	Result	2019/20 Target	2019/20 Actual	Variance	2018/19 Actual
Proportion of key social and economic corridors with viable alternative routes	Baseline set	Baseline to be set	39%	-	New measure

Refer to page 66 for our report on Delivering improvements.

### Target state

A system that is recognised as appropriately adapting to climate change.

Measure	Result	2019/20 Target	2019/20 Actual	Variance	2018/19 Actual
Level of confidence of stakeholders and partners that the transport system is appropriately adapting to climate change	Achieved	Increasing	2.4	0.1	2.3

Refer to page 66 for our report on Delivering improvements.

### Target state

The reputation as highly responsive to significant disruption.

Measure	Result	2019/20 Target	2019/20 Actual	Variance	2018/19 Actual
Proportion of events where communities and stakeholders recently affected by significant disruption report that Waka Kotahi was highly responsive	Baseline set	Baseline to be set	75%	-	New measure

Refer to page 66 for our report on Delivering improvements.

## OUTPUT CLASS STATE HIGHWAY MAINTENANCE

*Delivered by Waka Kotahi and funded from the National Land Transport Fund and the Crown*

Through state highway maintenance, we plan and deliver maintenance and emergency works and provide responsive operation of the state highway system to manage customers’ day-to-day journeys.

State highway maintenance provides reliable access for people to social and economic opportunities, while maintaining the safety and resilience of the state highway network and responsibly managing any impacts on human health and the environment.

Reference	Measure	Result	2019/20 Target	2019/20 Actual	Variance <sup>o</sup>	2018/19 Actual
SHM1	Proportion of state highway maintenance activities delivered to agreed standards and timeframes*	Achieved	≥90%	95%	5%	94%
	Renewal activities were affected by COVID-19 because majority of them are undertaken during the summer season and peaks from February to April. However, we were still able to achieve target because we were ahead of programme in some regions, and risk management activities were undertaken on those where we were not. This enabled us to recover time lost during the lockdown. We continue to manage remaining activities (for example structural renewals) that still need to be completed.					
SHM2	Safe stopping: proportion of network meeting surface texture standards	Achieved	≥98%	99%	1%	99%
SHM3	Network resilience: proportion of rutting ≥20mm over state highway network	Achieved	≤3% <sup>o</sup>	1%	2%	1%
SHM4	Safe stopping: proportion of network above skid threshold	Not achieved	≥98%	95%	3%	97%
	The survey to collect this information was conducted 27 November 2019 to 12 February 2020. During this period, the country experienced a hot dry spell of weather. This weather affected the road surface in many regions, causing it to become contaminated and making the survey results about road conditions appear much worse than the actual condition of the road. This condition has happened before. The safe stopping threshold returns to above target levels soon after the road surface temperature has cooled down and the abrasion from vehicle tyres removes the contamination.					
SHM5	Smooth ride: proportion of travel on network classed as smooth*	Achieved	≥97%	99%	2%	99%

SHM6	Availability of state highway network: proportion of unplanned road closures resolved within standard timeframes	Not achieved ■	≥84%	81%	3%	85%
<p>The target was not met mainly because of severe weather conditions and road crashes. Extended closures in the first half of the year in the South Island were the result of prolonged snow, ice and avalanche hazards over winter, as well as flooding and slips. In quarter three, closures were mainly the result of serious crashes around the country. An improvement in the result was seen in quarter four, which was likely to be the result of limited traffic and travel being undertaken during the COVID-19 lockdown.</p>						
SHM7	State highway maintenance cost per lane kilometre delivered*	Achieved	\$24,000-\$28,000	\$25,352	-	\$22,997
<p>Actual cost was higher due to COVID-19 claims and additional cost to undertake pavement and surfacing renewals outside the summer season which required additional additives or design changes. Delivery of some of the renewal programmes were also reduced in particular structures and other assets.</p>						
SHM8	Restoration and rebuild of State Highway 1 between Picton and Christchurch – proportion of activities delivered to agreed standards and timeframes*‡	Achieved	≥90%	97%	7%	81%

See appendix 2, page 231 for technical details.

■ The result could have been affected by COVID-19 but we are unable to clearly determine this.

\* This is also a performance measure for an appropriation in Vote Transport. See appendix 3, page 241, for all appropriation measures.

° The variance is a percentage point change unless stated otherwise.

◇ The 'less than or equal to' symbol (≥) was missed in the Statement of performance expectations 2019/20.

‡ Activities delivered are based on the number of projects completed rather than activities delivered. The methodology was changed this year to address last year's audit recommendations on improving robustness of the performance report. The result is not comparable with the 2018/19 result.

Measure	2019/20 Budget \$M	2019/20 Actual \$M	Variance \$M	2018/19 Actual \$M
Revenue	720.4	803.5	83.1	830.1
Expenditure	720.4	803.5	83.1	830.1
Net surplus/(deficit)	0.0	0.0	0.0	0.0

\*Includes use of the National Land Transport Fund borrowing facilities of \$173.2 million.

State highway maintenance expenditure was \$83.1 million (12 percent) above budget. This was mainly due to the additional costs associated with contract variations, contract rewards, establishment of Auckland System Management and Total Traffic Management, contract variations relating to additional traffic volumes, and increased allocation of Waka Kotahi operational costs. In conjunction with higher than expected emergency works, forecast spend exceeded budget. See page 173 for full details on output class funding and expenditure.

### OUTPUT CLASS LOCAL ROAD MAINTENANCE

*Invested in by Waka Kotahi, delivered by local authorities and funded from the National Land Transport Fund*

In conjunction with approved organisations, we invest in local road maintenance, renewals and emergency works to deliver appropriate customer levels of service. This investment includes maintaining:

- road pavements
- footpaths
- structures such as bridges, culverts and retaining walls
- drains
- traffic services such as road markings, traffic signs, edge marker posts and traffic signals.

Local road maintenance provides continued access for people to social and economic opportunities while maintaining the safety and resilience of the local road network.

Reference	Measure	Result	2019/20 Target	2019/20 Actual	Variance <sup>o</sup>	2018/19 Actual
LRM1	Pavement integrity index of the sealed network* <sup>o</sup>	Not achieved	≥94 <sup>s</sup>	93	1	94
Although we did not achieve target, this level of variability is within steady and acceptable levels.						
LRM2	Surface condition index of the sealed network* <sup>z</sup>	Achieved	≥98 <sup>s</sup>	98	-	98
LRM3	Smooth ride: proportion of travel on smooth roads*	Achieved	≥86%	87%	1%	87%

LRM4	Local road maintenance cost per local road lane kilometre delivered*	Not achieved	≤\$3,000	\$3,628	\$628	\$3,455
------	--	--------------	----------	---------	-------	---------

The target was not achieved because costs associated with recently awarded local authority maintenance contracts were higher than previously awarded contracts by 20-40 percent. The main reasons for local road authority contracts increasing are: Resource Management Act compliance, health and safety compliance, and the industry resetting the costs of maintenance physical works. We are reviewing this measure in light of the steady cost increase across the National Land Transport Programme.

See appendix 2, page 231, for technical details.

\* This is also a performance measure for an appropriation in Vote Transport. See appendix 3, page 241, for all appropriation measures.

° The variance is a percentage point change unless stated otherwise.

◇ This was published incorrectly as 'proportion of the sealed local road network that meets pavement integrity targets' in the Statement of performance expectations 2019/20.

‡ This was published incorrectly as 'proportion of the sealed local road network that meets surface condition targets' in the Statement of performance expectations 2019/20.

§ This was incorrectly published as a percentage in the Statement of performance expectations 2019/20.

Measure	2019/20 Budget \$M	2019/20 Actual \$M	Variance \$M	2018/19 Actual \$M
Revenue	666.0	617.7	(48.3)	653.4
Expenditure	666.0	617.7	(48.3)	653.4
Net surplus/(deficit)	0.0	0.0	0.0	0.0

Table excludes repayment of borrowing for the reinstatement of damaged roads in Christchurch.

\*Includes use of the National Land Transport Fund borrowing facilities of \$33.2 million

Local road maintenance expenditure was \$48.3 million (7 percent) below budget mainly due to the COVID-19 lockdown which slowed expenditure during April and May 2020. See page 177 for full details on output class funding and expenditure.

# Manāki taiao Environment

## OUR POSITION

Our position is that we will responsibly manage the land transport system’s interaction with people, places and the environment.

## TARGET STATES - WHAT WE AIM TO ACHIEVE BY 2021

By 2021, we have committed to:

- starting implementation of a prioritised work programme to deliver on the government’s environmental targets for the transport sector
- leading the public sector in offsetting greenhouse gas emissions from employee travel and significantly reduced emissions from our vehicle fleet
- reporting against approved environmental key performance indicators for infrastructure delivery and network management contracts that the National Land Transport Fund fully funds
- valuing environmental and public health impacts appropriately in investment decision making.

## OUR PROGRESS THIS YEAR

One of our significant activities in 2019/20 was to ensure Waka Kotahi gave effect to government climate change mitigations and reduction targets in the Climate Change Response (Zero Carbon) Amendment Act 2019. Another significant activity was to publish our first annual Sustainability Monitoring Report, which focused on mitigating climate change, improving public health (including air pollution) and reducing environmental harm, to establish a baseline from which to measure performance improvements.

**11,832 kilotonnes**  
of carbon dioxide from the road transport network in 2019

**3190 tonnes**  
of carbon dioxide equivalent emissions from Waka Kotahi staff travel

**431 tonnes**  
of carbon dioxide equivalent emissions from Waka Kotahi fleet vehicles

## Climate Change Response (Zero Carbon) Amendment Act 2019

We worked with central government agencies, including the Ministry of Transport, Ministry for the Environment and Climate Change Commission, to build our collective understanding of the opportunities to reduce land transport emissions through urban form and mode shift interventions. Results from this engagement will inform the development of recommended carbon budgets by the Climate Change Commission, a transport emission action plan being developed by the Ministry of Transport and, ultimately, the government's response to carbon budgets through an emissions reduction plan.

We initiated collaborative work with other parts of central and local government to develop Te Puna Taiao – a land transport environmental impact model. Development of the model is being prioritised so it can complement our other climate change mitigation resources. These resources include *Arataki* (our 10-year strategic plan for the land transport system) as well as new tools developed as part of the Investment Decision Making Framework review to ensure emissions impacts are considered in relevant planning documents and when making investment decisions.

A methodology for emissions-profiling land transport investment programmes is well advanced and is being tested ahead of further refinement. This methodology will inform the development of the Waka Kotahi Investment Plan (for input into the National Land Transport Programme).

We are also well advanced in developing our policies for resource efficiency, waste minimisation and sustainability rating tool. These policies will be integrated into our procurement requirements and inform performance indicators, so we can, for example, improve consideration of embodied carbon in infrastructure materials.

## Toitū te Taiao and Tiakina te Taiao

*Toitū te Taiao*, our sustainability action plan, was launched in April 2020. It is the first step in a long-term commitment to significantly reduce the adverse impacts of the land transport system on people, the environment and the climate and to significantly improve public health. The action points of the plan are substantially underway. The programme is expected to be completed in 2020/21. Progress highlights are as follows:

- Sustainable urban access. We are working with central government agencies to build understanding of the opportunities to reduce land transport emissions through urban form and mode shift interventions. This will inform development of recommended carbon budgets by the Climate Change Commission and the government's response through an Emissions Reduction Plan.
- Safe, clean and efficient vehicles. We supported the Ministry for Business, Innovation and Employment in its feasibility study of social leasing of safe and clean vehicles for low-income households. The findings were positive, relevant ministers were briefed and funding for the establishment of a pilot programme is being sought. We also worked with the Energy Efficiency and Conservation Authority and other partners to develop electric vehicle fast-charging infrastructure to a point where 96.5 percent of the state highway network is now within 75km of an electric vehicle fast charger

- Protecting and enhancing the natural and built environment. Sustainable management requirements have been embedded into a range variety of procurement contracts, including contracts related to the New Zealand Upgrade Programme. We also advanced the development of our resource efficiency, waste minimisation and sustainability rating tool policies.
- Corporate sustainability. We started work on establishing a robust and independently verified methodology for measuring our corporate carbon footprint and setting targets. We are actively transitioning our internal combustion engine fleet vehicles to battery electric vehicles. Waka Kotahi has significantly reduced its travel budget to cut corporate travel emissions.
- Investing for sustainable outcomes. Consideration of emissions impacts has been incorporated into new investment assessment tools. A methodology for emissions-profiling land transport investment programmes is being tested.
- Setting foundations for enduring success. A Kaitiaki group was established to provide sustainability leadership across Waka Kotahi. We have established strategic partnerships with the Sustainable Business Council and Sustainable Business Network. *Toitū te Taiao* outcomes and focus influence much of our work, including on *Arataki*, our 10-year view of the land transport system; various urban-focused activities; investment assessment tools; and the Waka Kotahi Investment Plan (for input into the NLTP).

Two headline actions are not yet substantially under way.

- The development of supporting frameworks and policies is at an early stage. This is a substantial body of work across culture change, capability, communications, social and environmental policy, and the sustainability monitoring framework.
- Work on longer-term culture change, capability development and a review of the current environmental and social responsibility policy has started, but we expect momentum to build during 2020/21.

We produced *Tiakina te Taiao*, our first annual Sustainability Monitoring Report, a companion document to *Toitū te Taiao*, our sustainability action plan. *Tiakina te Taiao* reflects on the challenges and outcomes in *Toitū te Taiao* and starts us on the path of measuring progress towards our vision of a low carbon, safe and healthy land transport system. It provides baseline data from which we and the wider land transport sector can build. We will set targets, improve our data collection and fill the gaps. We are also developing an online data portal, so the data will be easily accessible and can inform decisions.

## PERFORMANCE MEASURES

We monitor progress through measures for our position statement and target states. We also set out significant activities to achieve every year.

### Position statement

We will responsibly manage the land transport system's interaction with people, places and the environment.

Measure	Result	2019/20 Target	2019/20 Actual	Variance	2018/19 Actual
Greenhouse gas emissions from the transport system	Not achieved	Reducing	11,832 kilotonnes*	115 kilotonnes	11,717 kilotonnes <sup>◇</sup>

\* This covers the period from January to December 2019 because vehicle kilometres travelled data used in this measure is available on a calendar year basis. Data for 2020 is not available until 2021. Road transport carbon dioxide emissions were derived from the Waka Kotahi National Vehicle Emission database which takes into account the vehicle fleet profile and travel on all roads in New Zealand. The calculation method we use is different to that which the Ministry for the Environment uses for the national greenhouse gas emissions inventory, so the numbers from the two methods are not directly comparable.

◇ This is an adjusted result for 2018 from 11,500 kilotonnes reported last year. We have updated the vehicle emissions prediction model to better reflect the real-world situation.

Road transport emissions increased by one percent relative to the 2018 baseline. This increase in emissions reflects a similar increase in travel by the light vehicle fleet over the same period.

### Target state

Implementation under way of a prioritised work programme to deliver on the government's environmental targets for the transport sector.

Measure	Result	2019/20 Target
Progress reports against prioritised work programme – proportion of work programme under way, completed or delayed	Achieved	As per the milestones and targets set in the work programme

The prioritised work programme consists of 14 headline actions that cover deliverables across the 6 workstreams of the Plan. Delivery of all the headline actions commenced in 2019/20 and are all underway as planned for the year. They are due for completion in 2020/21. See discussion on *Toitū te Taiao* and *Tiakina te Taiao*, pages 74–75.

### Target state

Leading the public sector in offsetting greenhouse gas emissions from staff travel and significantly reduced emissions from our vehicle fleet.

Measure	Result	2019/20 Target	2019/20 Actual	Variance	2018/19 Actual
Net greenhouse gas emissions (carbon dioxide equivalent) from staff travel (including offsets)	Achieved	Decreasing	3,190 tonnes	1,588 tonnes	4,778 tonnes

Total carbon emissions from employee travel (including flights, rental vehicles, taxis and claimed mileage) decreased from last year by approximately 33 percent. The primary factor for this decrease was the restriction on travel during April and May due to COVID-19. We are putting in place measures to ensure ongoing reductions are maintained.

Measure	Result	2019/20 Target	2019/20 Actual	Variance	2018/19 Actual
Waka Kotahi fleet vehicle emissions (carbon dioxide equivalent)	Achieved <span style="color: blue;">■</span>	Decreasing	431 tonnes	38 tonnes	469 tonnes

■ The result could have been affected by COVID-19 but we are unable to clearly determine this.

The transition from petrol and diesel internal combustion engine vehicles to battery electric vehicles has allowed us to decrease carbon emissions from our fleet vehicles.

### Target state

Reporting against approved environmental key performance indicators for infrastructure delivery and network management contracts that are 100 percent funded by the National Land Transport Fund.

Measure	Result	2019/20 Target
Full set of key performance indicators approved (defined in 2018/19) and national reporting tool in place	Not achieved <span style="color: blue;">■</span>	Achieved with qualitative description of achievements

■ The result could have been affected by COVID-19 but we are unable to clearly determine this. It is likely that some delays occurred as work activities were re-prioritised as a result of COVID-19.

Rollout of key performance indicators and incident reporting is planned for 2020/21.

### Target state

Environmental and public health impacts are appropriately valued in investment decision making processes.

Measure	Result	2019/20 Target
Methodologies for monetising or quantifying public health and environmental impacts (defined in 2018/19) are implemented – to take effect in the interim, where possible, and fully in the next National Land Transport Programme	Achieved	Achieved with qualitative description of achievements

The updated technical notes for monetising values for public health impacts associated with walking and cycling was released for use in June 2020. This was included in the Monetised Benefits and Costs Manual published in August 2020. Although we were not able to establish monetised values for environmental and other public health impacts, quantifiable measures were established for air, noise, vibration and greenhouse gas emissions as part of the benefits framework published in December 2019. The definitions and quantification methods were published in August 2020 in the Benefits Framework and Management Approach Guidelines and the Non-monetised Benefits Manual. With the publication of these guidelines and manuals, health and environmental impact values will be fully incorporated into the National Land Transport Programme 2021.

# Whakaritenga Regulatory

## OUR POSITION

Our position as the transport regulator is that our systems should be intuitive and clear to ensure people, vehicles and commercial and rail operations are safe, make good transport choices and harmful behaviour is swiftly dealt with.

## TARGET STATES - WHAT WE AIM TO ACHIEVE BY 2021

In 2019/20, we committed to achieving an efficient compliance and enforcement function that is transparent, fast and fair in dealing with non-compliance.

## OUR PROGRESS THIS YEAR

In 2019/20, we focused on improving our regulatory processes, systems and capability to enable us to transition towards a best practice regulatory compliance model that delivers to our core regulatory purpose, functions and objectives. The Board endorsed our new regulatory strategy, *Tū ake, tū māia*, which sets out our core regulatory purpose, focus areas and key capability shifts required over the next five years if we are to become a best practice regulator.

We confirmed a new regulatory leadership team and group-level reorganisation, so we are set up to deliver effectively. We have brought on 66 new employees and restructured several of our compliance units.

We increased our people's capability in core regulatory and technical areas, improved how we manage our people's health and safety, and raised people engagement. We improved how we use existing systems and information and worked on business cases for new systems, including a regulatory management system and an operator-rating system.

We delivered a step change in how we engage with stakeholders and partners, particularly during the response to COVID-19 where we worked collaboratively with industry and other regulators to find solutions to the challenges presented by the pandemic. Highlights in our compliance areas included operationalising a new border and entry team, establishing a monitoring function for class 2-5 drivers, and working with industry to establish a future-focused model for delivering services to address capacity and capability problems among low-volume vehicle specialist certifiers.

In relation to performance, monitoring and assurance for the regulatory function, we strengthened regulatory governance at the Board level by establishing a regulatory committee, improved our management-level performance monitoring processes and improved our risk targeting tools. These tools will serve as interim solutions while we work towards implementing a new system with integrated risk targeting functionality. We improved our planning processes; developed a new intelligence strategy; and delivered assurance activities, including an operational quality assurance programme, an external review of the rail regulatory function, strategic risk mapping, and a pilot to identify and quantify detailed systems risk in the vehicles space. Delivery of a full risk and assurance framework was re-sequenced to ensure it would support and align with our new regulatory strategy and the effective monitoring of our regulatory management and operational systems. This framework will be delivered in 2020/21 as will further improvements to our performance monitoring processes.

Improvements planned at the start of 2019/20 were not delivered in full due to changes in scope during detailed project planning, delays caused by organisation-wide structural changes, and interruptions while we responded to COVID-19. However, overall progress to improve foundational regulatory processes, systems and capability has been significant. While we have much more to do to fully address the legacy of regulatory failures, we are set on the path towards becoming a best practice regulatory compliance model, guided by our new regulatory strategy *Tū ake, tū māia*.

We are conducting a workforce optimisation review and have completed a pilot project of 'deep dives' into various aspects of core operations to identify opportunities for efficiency and effectiveness improvements. We are satisfied our approach is sound and the 2020/21 business plan includes expansion of this work to scope and develop a programme of ongoing business improvements.

### Fees and funding review

We are close to completing the review of regulatory funding models. Independent quality assurance on the review found that the funding proposals aligned with the guidelines set down by the Ministry of Transport, The Treasury, and the Office of the Auditor-General and will support the implementation of our new strategy and the changes needed to become a best practice regulator.

To address interim funding shortfalls, we are seeking financial support from the Crown. To ensure we seek only essential funds, we have assessed efficiencies within baseline.

## 94% reviewed

non-compliance actions that are in line with regulatory intervention guidelines

### 17 days

on average, to process refunds of fuel excise duty

### 1 day

on average, to process regional fuel tax rebate claims

## 2006 regulatory

non-compliance cases resolved

### Planned regulatory audits completed:

- Driver licence course providers **148%**
- Vehicle inspecting organisations and vehicle inspectors **119%**
- Commercial transport operators **116%**
- Rail participants **85%**
- Transport service licence holders **113%**

## PERFORMANCE MEASURES

We monitor progress through measures for our position statement and target states. We also set out significant activities to achieve every year.

Our regulatory position is delivered through activities and investments in five output classes:

- driver licensing and testing
- vehicle safety and certification
- regulation of commercial transport operators
- regulation of the road transport system
- revenue collection and administration.

### Position statement

Our systems should be intuitive and clear to ensure people, vehicle and commercial and rail operations are safe, people make good transport choices and harmful behaviour is swiftly dealt with.

Measure	Result	2019/20 Target	2019/20 Actual	Variance	2018/19 Actual
Proportion of reviewed non-compliance actions that are in line with Waka Kotahi regulatory intervention guidelines	Baseline set	Baseline to be set	94%	-	New measure

A draft of the intervention guidelines (Regulatory intervention framework) was completed and is currently being externally reviewed. The draft guidelines were used as the basis for this measure and will continue to be used until the framework is finalised.

Of 62 non-compliance actions reviewed, four (six percent) were not in line with intervention guidelines. These were all cases on safer commercial transport that lacked records of compliance model schematics that were meant to guide case owners on recommendations for outcomes. In each of the four cases, however, recommendations and outcomes were all sound, even without evidence of use of the schematics.

### Target state

An efficient compliance and enforcement function that is transparent, fast and fair in dealing with non-compliance.

Measure	Result
To be developed following completion of the Ministry of Transport's regulatory review	Not achieved

The Ministry of Transport's regulatory review was completed. One finding was the need for a clear and comprehensive regulatory strategy. The strategy, *Tū ake, tū māia*, has now been developed and outlines five key capability shifts that will support the delivery of our regulatory role over the next five years. Our Board endorsed the strategy in April 2020. A performance measure reflecting key deliverables outlined in the strategy has been approved for 2020/21. The measure focuses on the delivery of robust and consistent decision making towards the regulatory strategy capability shift.

## OUTPUT CLASS DRIVER LICENSING AND TESTING

*Delivered by Waka Kotahi and funded from fees and charges and the Crown*

We improve the safety of the land transport system by ensuring drivers meet and maintain required safety standards. This work includes providing approved driver licensing courses.

This work also includes:

- developing land transport rules relating to driver licensing and testing (for the Minister of Transport)
- managing the standards and delivery of driver licensing and testing to the public, including developing and maintaining driver licensing test routes
- assessing licence holders, including for alcohol and other drug use
- maintaining the integrity of the driver licence register
- informing and advising the public on driver licensing and testing
- educating, auditing and undertaking other regulatory activities with third parties, such as driver licensing and testing course providers, testing officers, alcohol interlock providers, and our driver licensing agent network
- developing and maintaining resources, such as road codes, theory and practical test requirements, and testing and provider manuals.

Driver licensing and testing contributes to safe, competent and legal drivers, allows public confidence in the licensing system and enhances access to the social and economic opportunities associated with being able to drive.

Reference	Measure	Result	2019/20 Target	2019/20 Actual	Variance <sup>o</sup>	2018/19 Actual
DLT1	Unit cost of providing user-facing driver licensing and testing services	Not achieved ■	≤\$25.70	\$27.36	\$1.66	New measure
	Increased staffing levels and new programmes, along with an increase in corporate overheads meant the unit cost of providing the driver licensing and testing services was higher than budgeted. This was compounded by lower volume of transactions during the COVID-19 lockdown.					
DLT2	Proportion of driver licence tests booked online	Achieved	≥55%	66%	11%	60%
	The result was positively affected by COVID-19. There was a significant increase in transactions online due to the unavailability of counter agents.					
DLT3	Proportion of accuracy of data entry into registers	Achieved	≥97%	97%	-	97%
DLT4	Proportion of practical tests taken within 30 working days of booking	Not achieved due to COVID-19 ●	≥85% <sup>o</sup>	61%	24%	New measure
	Results were on track until the COVID-19 lockdown. The lockdown prevented any tests being booked or completed for two months.					
DLT5	Proportion of audits for driver licence course providers completed against target	Achieved	100%	148% <sup>†</sup>	48%	New measure
DLT6	Proportion of non-compliance actions for driver licence course providers resolved on time	Not achieved	100%	96%	4%	New measure
	Of 71 non-compliance actions completed, three were resolved beyond the expected timeframe. One of the three actions was resolved within 10 days of the expected completion date					
DLT7	Number of drug or alcohol assessments funded*	Not achieved	1,200-1,400	634 assessments	566 assessments	1,051 assessments
	The result is driven by demand. The number of drug or alcohol assessments funded is dependent on the number of attendances at drug and alcohol assessment centres. Attendance is dependent on sentencing requirements that are subject to the discretion of the courts. A contributing factor to the decreasing numbers of assessments could be the option of the courts to require offenders to use alcohol interlocks instead of requiring them to attend assessments.					

DLT8	Number of older driver licences subsidised*	Not achieved	39,000-41,000	83,164 licences	42,164 licences	New measure
------	---	--------------	---------------	-----------------	-----------------	-------------

The result is driven by demand. The number of older driver licence subsidised is dependent on the number of older driver licence renewals received. Renewals continued to increase this year reflecting the growth in the ageing population of New Zealand.

See appendix 2, page 231, for technical details.

● The result was affected by COVID-19.

■ The result could have been affected by COVID-19 but we are unable to clearly determine this.

\* This is also a performance measure for an appropriation in Vote Transport. See appendix 3, page 241, for all appropriation measures.

° The variance is a percentage point change unless stated otherwise.

◇ A trial on extended booking periods aimed at understanding customer choice was conducted from January 2019 for six months, then extended a further six months. Consequently, the service provider contract was restructured in January 2020 to reflect results from the trial. The new contract included a change in service provider target to 85 percent. We have amended the target of this performance measure accordingly from ≥98 percent.

† The number of audits targeted for the year was based on previous year's resourcing levels. The actual number of audits completed this year represent baseline for 2020/21.

Measure	2019/20 Budget \$M	2019/20 Actual \$M	Variance \$M	2018/19 Actual \$M
Revenue	65.2	66.7	1.5	66.8
Expenditure	76.4	81.1	4.7	78.0
Net surplus/(deficit)	(11.2)	(14.4)	(3.2)	(11.2)

Drivers licencing and testing recorded a deficit of \$14.4 million which was higher than planned due to less fees and charges collected (\$0.7 million under budget) as a result of an increased number of transactions being completed online, offset by funding for the Palmerston North leasehold improvements (\$2.2 million over budget), and higher expenditure (\$2.5 million over budget). The higher expenditure was due to higher transaction costs for plates and bulk postage costs resulting from supplier fee increases, in combination with higher front line personnel costs and expenditure relating to the Palmerston North leasehold improvements. See page 180 for full details on output class funding and expenditure.

## OUTPUT CLASS VEHICLE SAFETY AND CERTIFICATION

*Delivered by Waka Kotahi and funded from fees and charges and the Crown*

We use vehicle registration, licensing, standards and certification to ensure the vehicles on our roads are compliant and safe. We do this by:

- developing land transport vehicle rules (for the Minister of Transport) and clear standards and guidelines for vehicle inspection and certification
- appointing vehicle inspectors and inspecting organisations that certify vehicles for compliance with standards and safety requirements
- monitoring and auditing performance of vehicle inspectors and inspecting organisations, including investigating complaints
- investigating and taking appropriate action against vehicle inspectors and inspecting organisations that do not meet the required standards
- revoking certification of vehicles when we find they are unsafe or illegal
- managing the delivery of motor vehicle registration and licensing services to the public
- maintaining the integrity of the motor vehicle register and related systems
- authorising and managing third-party access to registry information
- informing and advising on vehicle standards, registration and licensing regulatory requirements.

Vehicle safety and certification (including registration, licensing, standards and certification activities) help ensure vehicles on our roads are safe and the integrity of vehicle registration and certification systems is maintained.

Reference	Measure	Result	2019/20 Target	2019/20 Actual	Variance <sup>o</sup>	2018/19 Actual
VSC1	Unit cost of providing user-facing motor vehicle licencing services	Not achieved 	≤\$5.19 <sup>o</sup>	\$5.69	\$0.50	New measure
	Increased staffing levels and new programmes, along with an increase in corporate overheads meant that unit cost of providing the vehicle safety and certification services was higher than budgeted. This was compounded by lower volume of transactions during the COVID-19 lockdown.					
VSC2	Proportion of motor vehicle licensing completed online	Achieved	≥56%	64%	8%	57%
	The result was positively affected by COVID-19. There was a significant increase in transactions online due to the unavailability of counter agents.					
VSC3	Proportion of accuracy of data entry into registers	Achieved	≥97%	97%	-	96%

VSC4	Proportion of vehicles relicensed on time	Achieved	≥98%	98%	-	98%
VSC5	Proportion of audits and reviews for inspecting organisations and vehicle inspectors completed against target	Achieved	100%	119% <sup>†</sup>	19%	New measure
VSC6	Proportion of non-compliance actions for inspecting organisations and vehicle inspectors resolved on time	Not achieved	100%	90%	10%	New measure

Of 1,523 non-compliance actions completed, 153 were resolved beyond the expected timeframe. Of the 153, 66 percent (101 actions) were resolved within 10 days of the expected completion date.

See appendix 2, page 231, for technical details.

■ The result could have been affected by COVID-19 but we are unable to clearly determine this.

° The variance is a percentage point change unless stated otherwise.

◇ Target was amended from ≤\$4.10 to correct double counting in the motor vehicle registry volumes used in target setting which resulted in the unit cost appearing lower than it should be.

† The number of audits targeted for the year was based on previous year's resourcing levels. The actual number of audits completed this year represent baseline for 2020/21.

Measure	2019/20 Budget \$M	2019/20 Actual \$M	Variance \$M	2018/19 Actual \$M
Revenue	73.0	71.1	(1.9)	72.6
Expenditure	72.7	78.9	6.2	80.2
Net surplus/(deficit)	0.3	(7.8)	(8.1)	(7.6)

Vehicle safety and certification recorded a deficit of \$7.8 million which was higher than planned due to increased expenditure (\$6.2 million over budget) and reduced fees and charges collected (\$1.9 million under budget). Expenditure was higher than planned due to the associated costs of the regulatory review and rectification activities, which caused a large overspend in this output class. These costs include increased operational costs, legal and additional resources being applied to address the non-compliance for warrant of fitness, certificate of fitness and heavy vehicle certification issues relating to suspended vehicle certifiers. See page 181 for full details on output class funding and expenditure.

## OUTPUT CLASS REGULATION OF COMMERCIAL TRANSPORT OPERATORS

*Delivered by Waka Kotahi and funded from fees and charges*

We improve the safety of the land transport system by ensuring commercial operators and drivers meet the required safety standards. This work includes:

- developing land transport rules relating to commercial transport operation (for the Minister of Transport)
- setting regulatory standards and requirements for the industry
- licensing commercial transport operators and maintaining the Transport Service Licence Register
- monitoring and auditing compliance with regulatory standards and requirements for commercial transport operators and drivers, including on-road electronic monitoring of commercial vehicles
- investigating and prosecuting commercial transport operators and drivers and suspending or revoking their licences when they do not meet required standards
- informing, advising and educating commercial operators and the public on commercial transport obligations
- administering permits for over-weight, over-dimension and high-productivity vehicles.

Effective regulation of commercial transport operators helps to ensure that commercial operators and drivers are safe and legal, so people and goods can be moved safely.

Reference	Measure	Result	2019/20 Target	2019/20 Actual	Variance <sup>°</sup>	2018/19 Actual
CTO1	Proportion of commercial operators reviewed or audited against target	Achieved	100%	116% <sup>†</sup>	-	New measure
CTO2	Proportion of non-compliance actions for commercial operators resolved on time	Not achieved	100%	97%	3%	New measure
	Of 387 non-compliance actions completed, 13 were resolved beyond the expected timeframe. Of the 13, 69 percent (10 actions) were resolved within 10 days of the expected completion date.					
CTO3	Proportion of standard permits issued within approved timeframes (less than or equal to 10 working days)	Achieved	100%	100%	-	New measure

See appendix 2, page 231, for technical details.

<sup>°</sup> The variance is a percentage point change.

<sup>†</sup> The number of audits targeted for the year was based on previous year's resourcing levels. The actual number of audits completed this year represent baseline for 2020/21.

Measure	2019/20 Budget \$M	2019/20 Actual \$M	Variance \$M	2018/19 Actual \$M
Revenue	13.1	13.3	0.2	12.6
Expenditure	19.7	24.0	4.3	16.3
Net surplus/(deficit)	(6.6)	(10.7)	(4.1)	(3.7)

Regulation of commercial transport operators recorded a deficit of \$10.7 million which was higher than planned mainly due to increased expenditure as a result of increased personnel and operational costs associated with the new operating model and specialist build projects which were not budgeted. See page 181 for full details on output class funding and expenditure.

## OUTPUT CLASS REGULATION OF THE RAIL TRANSPORT SYSTEM

*Delivered by Waka Kotahi and funded from fees and charges*

We regulate the rail transport system to assure stakeholders and the wider public that rail participants effectively manage rail safety risks by:

- managing entry to and exit from the rail system through licensing and restricting operations
- approving, replacing and varying 'safety cases' (documents that describe a licensee's safety approach)
- setting or guiding the development of safety standards for infrastructure, vehicles and practices
- assessing compliance with safety cases and standards
- investigating safety accidents
- directing improvements or imposing restrictions in response to safety breaches by licensees and other participants
- prosecuting breaches of the Railways Act 2005
- monitoring risks and the overall level of safety in the rail system
- providing advice and information on rail system safety.

Effective regulation of rail participants helps to ensure New Zealand has safe rail networks that can be used with confidence to move people and goods.

Reference	Measure	Result	2019/20 Target	2019/20 Actual	Variance <sup>°</sup>	2018/19 Actual
RTS1	Proportion of rail participants reviewed or audited against target	Not achieved due to COVID-19 ●	100%	85%	15%	New measure

Eight of 53 planned assessments were deferred. Of the deferred assessments, two could not be carried out during the COVID-19 lockdown. A further six were deferred because of the flow on of resourcing issues due to COVID-19 and a vacancy in the team.

RTS2	Proportion of non-compliance actions for rail participants resolved on time	Not achieved ■	100%	76%	24%	New measure
------	---	----------------	------	-----	-----	-------------

Of the 25 non-compliance actions issued to rail participants, 19 were completed by the rail participants before the deadline, and two were completed late. The remaining four overdue actions remain open at the end of the financial year while next steps are determined, and regulatory action is escalated. It is likely the licence holders were unable to access their workplace because of COVID-19 restrictions, which may have affected their ability to resolve remedial actions.

See appendix 2, page 231, for technical details.

● The result was affected by COVID-19.

■ The result could have been affected by COVID-19 but we are unable to clearly determine this.

° The variance is a percentage point change.

Measure	2019/20 Budget \$M	2019/20 Actual \$M	Variance \$M	2018/19 Actual \$M
Revenue	2.7	2.5	(0.2)	1.2
Expenditure	3.6	2.9	(0.7)	2.6
Net surplus/(deficit)	(0.9)	(0.4)	0.5	(1.4)

Regulation of the rail transport system recorded a deficit of \$0.4 million which was lower than planned mostly due to a change in overhead cost allocation applied to the rail memorandum account, offset by lower rail revenue. See page 178 for full details on output class funding and expenditure.

## OUTPUT CLASS REVENUE COLLECTION AND ADMINISTRATION

*Delivered by Waka Kotahi and funded from the National Land Transport Fund and fees and charges*

We:

- collect and refund road user charges (RUC) revenue (to be paid to the National Land Transport Fund), by:
  - selling RUC licences
  - investigating evasion and enforcing payment
  - refunding customers' charges paid for off-road travel
  - informing and advising the public about RUC
- collect road tolling revenue to fund or repay the cost of building, maintaining or operating toll roads, including:
  - collecting toll revenues and disbursements to the Crown
  - investigating evasion and enforcing payment
  - managing associated roadside and back-office systems, customer interfaces and payment channels
  - informing and advising the public about road tolls
- collect and rebate regional fuel tax to fund regional projects, including:
- collecting fuel tax from distributors
- providing rebates for off-road use
- forwarding the tax to the Auckland Council
- auditing compliance with the requirements
- reporting fuel prices and volumes
- refund and account for fuel excise duty claims so customers are refunded for off-road fuel use, which is an adjunct to the collection of the duty provided for under the Land Transport Management Act 2003 that we do on behalf of the Ministry of Transport.

Revenue collection and administration allows us to collect the amount of revenue prescribed fairly and in accordance with the law (acts and regulations) to invest in a safe, resilient and accessible transport system.

Reference	Measure	Result	2019/20 Target	2019/20 Actual	Variance °	2018/19 Actual
REV1	Unit cost of providing user-facing road tolling services	Not achieved due to COVID-19 ●	≤\$0.73◇	\$0.85	\$0.12	New measure

Corporate overheads and fees paid to merchants for processing credit card and POLI payments increased. Chargeable trips fell due to the COVID-19 lockdown.

REV2	Proportion of chargeable toll trips paid on time	Not achieved	≥97%	96%	1%	96%
	Payment behaviour remained consistent throughout year, even in quarter four when chargeable trips reduced due to the COVID-19 lockdown.					
REV3	Proportion of road user charges licences completed online	Achieved	≥69%	74%	5%	69%
	The result was positively affected by COVID-19. The number of transactions online increased due to the unavailability of counter agents.					
REV4	Unit cost of providing user-facing road user charges services	Achieved	≤\$3.32	\$3.11	\$0.21	New measure
REV5	Proportion of road user charges operators that are investigated or audited against target*	Achieved	100%	113% <sup>†</sup>	13%	New measure
REV6	Proportion of non-compliance actions for road user charges evasion resolved	Not measured	100%	Not measured	-	New measure
	We are unable to report against this measure because of the lack of sufficiently robust data to assess performance.					
REV7	Proportion of identified evaded road user charges repaid*	Baseline set	Baseline to be set	86%	-	New measure
REV8	Proportion of road user charges refund claims processed within 20 working days	Baseline set	Baseline to be set	98%	-	New measure
REV9	Average number of days taken to process refunds of fuel excise duty*	Achieved	≤20 working days	17 working days	3 working days	16 working days
REV10	Average number of days to process regional fuel tax rebate claims*	Achieved	≤10 working days	1 working day	9 working days	New measure

See appendix 2, page 231, for technical details.

● The result was affected by COVID-19.

\* This is also a performance measure for an appropriation in Vote Transport. See appendix 3, page 241, for all appropriation measures.

° The variance is a percentage point change unless stated otherwise.

◇ Target was amended from ≤\$0.66 due to refinements made to the budget that resulted in a different share of costs being funded from the memorandum accounts.

† The number of audits targeted for the year was based on previous year's resourcing levels. The actual number of audits completed this year reflected in the baseline for 2020/21.

<b>Measure</b>	<b>2019/20 Budget \$M</b>	<b>2019/20 Actual \$M</b>	<b>Variance \$M</b>	<b>2018/19 Actual \$M</b>
Revenue	36.0	33.5	(2.5)	35.0
Expenditure	38.8	38.5	(0.3)	39.5
Net surplus/(deficit)	(2.8)	(5.0)	(2.2)	(4.5)

Revenue collection and administration recorded a deficit of \$5.0 million which was higher than planned. This was mainly due to revenue being below budget as a result of tolling volumes being lower than budgeted in the months of April and May 2020 during the COVID -19 lockdown. See page 170 for full details on output class funding and expenditure.

# Waka Kotahi

## OUR POSITION

Our position is that Waka Kotahi is respected by partners, stakeholders and customers for its responsive and engaged people and its timely delivery of sustainable transport solutions.

## TARGET STATES - WHAT WE AIM TO ACHIEVE BY 2021

By 2021, we have committed to building a reputation of being a lead public sector organisation known for agile thinking and fast-tracking solutions, and for workplace safety for our employees and contractors.

We also committed to being known as an employer of choice, offering a diverse, fair, safe and dynamic work environment, and operating in a resilient digital environment with class-leading security and smart processes.

## OUR PROGRESS THIS YEAR

In our *Statement of performance expectations 2019/20* we set out ambitious and significant activities covering organisational culture (including our People strategy and capability planning, and a new health and safety management system), an accelerated assurance and risk management programme, a review of the Investment Decision Making Framework, and development of a benefits management framework. Significant progress has been made in many of these areas.

**48.6%**

of partner, stakeholders and customers report that Waka Kotahi is responsive, with engaged people and delivers timely sustainable transport solutions

**44% of stakeholders**

consider Waka Kotahi to be known for agile thinking and fast-tracking solutions

**20 days**

on average, to action new investment funding approvals

**BASIC**

cyber security maturity

**68% of staff**

agree that 'this organisation is a great place to work'

**79%**

of investment audit activities completed

## **Organisational culture**

In 2019, the Board confirmed our People strategy. This strategy includes three strategic priorities: leadership, talent and inclusion, and organisation and capability. It also has four foundational priorities: systems and processes, our performance effectiveness, learning and development, and reward and recognition.

We set up a project to develop our workforce plan, identifying capabilities, skills and roles required to deliver on outcomes now and in the future. In March 2020, our Accelerating Leadership programme was launched, starting with the Executive Leadership team. It will be rolled out across Waka Kotahi in 2020/21. The programme covers courageous leadership and building emotional intelligence; strategic leadership – clarifying the what, why and how; growth, engagement and development of people including managing performance; building a high-performing team and adaptive leadership navigating a volatile, uncertain, complex, ambiguous environment.

During the COVID-19 lockdown, most of our people were set up to work from home. For those with roles that could not be completed remotely or who had other responsibilities such as caring for children or aged parents, we offered special leave allowances. We also provided additional online development and learning opportunities to all of our people.

## **New health, safety and security reporting system – Korero Mai**

We designed and trialed a new health, safety and security incident reporting system called Korero Mai to replace our manual processes. The system was launched fully in July 2020. Leadership, engagement, risk and wellbeing form the four pathways in our reset health and safety approach, for which we have developed a three-year workplan to accelerate improvements. Increased engagement with our health and safety committees and representatives continued with a focus on progressing the qualifications of our representatives.

For the second year running, one of our employees was recognised in the government Health and Safety Lead's representative of the year awards.

Multiple presentations on wellbeing occurred throughout the year, and we also trialed a wellbeing app to assist our people.

### **Accelerated Risk Management Programme**

The Accelerated Risk Management Programme has provided targeted support to the Safer Vehicles Programme undertaken by the regulatory function that is responsible for the delivery of the government's Road to Zero strategy. To assess our project risk management capability, a project risk maturity framework was developed to provide the necessary risk management insights into the infrastructure and non-infrastructure projects. Our internal assurance programme has delivered a number of value protecting assurance engagements including three separate audits or procurement models, a follow-up of independent Health and Safety reviews, and NLTP funding decisions under delegation. The impact of COVID-19 has been assessed through six high-level reviews of internal controls that were implemented during the lockdown. Our investment audits of more than 30 approved organisations, identify themes and assign ratings to individual approved organisations. These provide assurance to the Risk and Assurance Committee that our investment is performing as expected. Our internal and investment programmes are both risk-based and closely aligned with our strategy that drives the selection and timing of the audits. Summaries of themes arising from probity audits (conducted by an external reviewer) are included in reporting to the Risk and Assurance Committee. With the establishment of an enterprise change function, there is an opportunity to provide more consistent project assurance going forward.

### **Investment Decision Making Framework review**

The Investment Decision Making Framework review has led to improvements in how we develop, prioritise and assess business cases and report on benefits realisation. To ensure these improvements are easy to understand and apply, Waka Kotahi has developed clear guidance, tools, templates and exemplars.

The Economic Evaluation Manual is being replaced with a mode-neutral Monetised Benefits and Costs Manual. This manual includes new monetised benefits for tourism, dynamic land use and amenity in pedestrian environments as well as updated and simplified procedures. The companion Non-monetised Benefits Manual has been developed to standardise the quantification and description of impacts that cannot be monetised or are not appropriate to monetise, such as impacts on Māori.

The new Investment Decision Making Framework will apply from August 2020. It includes tools and a benefits framework that align to the Transport Outcomes Framework. The framework will be applied to new business cases that start after the effective date.

The planned start date was postponed from 1 July to address IT security issues with some of the new tools. The deferral allows tools to be released in a secure format and provides more time for the sector to prepare for the new tools. The rollout of a training programme began in June 2020, starting with users within Waka Kotahi, and is being rolled out to external users in July and throughout 2020.

Consultation on the investment prioritisation method is also scheduled to begin in August having been held back to allow for consideration of possible impacts of COVID-19 and any other potential changes to the Government Policy Statement on land transport.

### Benefits management framework

A comprehensive benefits management framework was developed as part of the Investment Decision Making Framework review. The benefits framework will apply to new business cases from August 2020 and the 2021-24 NLTP.

A benefits framework provides a consistent way to articulate benefits and measures and apply them across the breadth of NLTP processes – from regional land transport plans to detailed business cases and from decision making processes to benefits realisation and reporting.

The benefits framework aligns with the Ministry of Transport's Transport Outcomes Framework and comprises 25 benefits (12 of which are monetised) and 63 quantitative and qualitative non-monetised measures. The set of benefits is enduring, and comprehensive enough to encompass the focus of current and future governments, and mode neutral.

The framework means all impacts (positive and negative) can be consistently considered, measured, tracked and reported.

### Multi-year Digital Services Portfolio

In April 2020, our Board supported the proposal to coordinate digitally enabled change across Waka Kotahi using a flexible framework that can accommodate stabilisation and simplification activities while managing future enhancements. This will enable the digital services portfolio to flex and scale according to the work agreed by business owners and the Executive Leadership team.

From 1 July 2020, *Te Hau Ora* – our digital portfolio framework – will be the mechanism to coordinate the digitally enabled change that is occurring across Waka Kotahi. The intention of this framework is to provide:

- visibility to the digitally enabled initiatives that are underway and planned across Waka Kotahi so that efforts can be coordinated and change activity sequenced to improve delivery.
- a consistent mechanism for delivering these initiatives to increase the chances of successful implementation.

## PERFORMANCE MEASURES

We monitor progress through measures for our position statement and target states.

The investment management position covers our work to deliver on the Government Policy Statement on land transport and invest the National Land Transport Fund (see the National Land Transport Fund annual report, page 249, for more information about the delivery of the NLTP).

### Position statement

Waka Kotahi is respected by partners, stakeholders and customers for its responsive and engaged people and its timely delivery of sustainable transport solutions.

Measure	Result	2019/20 Target	2019/20 Actual	Variance <sup>°</sup>	2018/19 Actual
Proportion of Waka Kotahi partners, stakeholders and customers that report that Waka Kotahi is responsive, with engaged people and timely delivery of sustainable transport solutions	Achieved	Increasing <sup>†</sup>	48.6%	3.6%	45%

<sup>°</sup> The variance is a percentage point change.

<sup>†</sup> The Statement of performance expectations 2019/20 incorrectly stated that we are setting baseline this year. This performance measure was assessed last year with a result of 45%. The target this year is to improve on last year’s result.

This measure combines results from an ongoing customer survey and an annual survey of our partner and co-investor stakeholders. The result draws on questions about our responsiveness, whether our people are engaged, and whether we deliver timely transport solutions in a way that minimises harm to the environment. This year a larger proportion of our partners and co-investors provided positive scores across these questions (up seven percent since 2019). There were improved perceptions about how we engage with and respond to our stakeholders and partners. However, there is still room to improve, with only half providing positive answers (for example, 54 percent agree that ‘Waka Kotahi engages in two-way dialogue on matters of importance to their organisation’). In contrast, customers were generally more positive about interacting with Waka Kotahi. The most positive result comes from customers who relicense their motor vehicle, this is an easy online experience for most people, with over eight in 10 saying that the interaction involved minimal effort.

**Target state**

A reputation of being a lead public sector agency for workplace safety for our employees and contractors.

Measure	Result	2019/20 Target	2019/20 Actual	Variance	2018/19 Actual
Proportion of surveyed staff who consider Waka Kotahi a safe place to work	Baseline set	Baseline to be set	61%	-	Not available*

\* This was reported as ‘Not available’ in last year’s annual report as there was no agreement at the time of what this measure should cover.

Safety was measured through two questions in our employee survey. Both questions saw increases in positive perception. The increase is the result of tactical and cultural initiatives in Waka Kotahi. The result was positively affected by COVID-19. Regular surveying showed that people felt cared for and trusted.

Measure	Result	2019/20 Target	2019/20 Actual	Variance	2018/19 Actual
Staff injury rate (total recordable injury frequency rate)	Achieved	Decreasing	0.75	0.87	1.62

Most employee injuries (physical and psychological) were of three types. The first type were ergonomic injuries and related to situations such as poor workstation set-up which was more prominent during the lockdown period. The second type were injuries from slips, trips and falls for a variety of reasons. The third type, was psychological harm from aggressive customers which featured highly and were highest for contact centre employees.

### Target state

A reputation of being a lead public sector agency known for agile thinking and fast-tracking solutions.

Measure	Result	2019/20 Target	2019/20 Actual	Variance <sup>o</sup>	2018/19 Actual
Proportion of surveyed stakeholders who consider Waka Kotahi to be known for agile thinking and fast-tracking solutions	Achieved	Increasing	44%	7.2%	36.8%

<sup>o</sup> The variance is a percentage point change.

This year, 44 percent of external stakeholders agreed that Waka Kotahi is known for agile-thinking and fast-tracking solutions, an improvement from last year's result. The increase is largely driven by a greater proportion of stakeholders who report that Waka Kotahi engages with them about emerging trends and opportunities in their area of work and a greater proportion who say that Waka Kotahi responds to changes in the wider operating environment.

### Target state

Recognition as an employer of choice, offering a diverse, fair, safe and dynamic work environment.

Measure	2019/20 Target
Demographics (for example, gender, ethnicity, disability, part-time and remote workers, and workers on secondment) of Waka Kotahi employees with less than two years' service	Increasing diversity

We are unable to establish whether we've achieved increased diversity this year due to the change in the method by which Waka Kotahi categorises ethnicity groups for measurement. This reclassification has meant we do not have comparative 2019 results. We are working on understanding what diversity actually means for Waka Kotahi in terms of the demographic characteristics of our employees.

Measure	Result	2019/20 Target	2019/20 Actual	Variance <sup>o</sup>	2018/19 Actual
Proportion of Waka Kotahi staff who agree that 'this organisation is a great place to work'	Achieved	Increasing	68%	9%	59%

<sup>o</sup> The variance is a percentage point change.

Employee perception that Waka Kotahi is a great place to work improved this year by nine percent, as measured through the survey question 'Our organisation is a great place to work'. This is an 11 percent improvement over our March 2018 baseline.

Pulse surveys provided us with a mechanism for our people to give regular feedback on how they are feeling throughout the year. This helped us identify areas of improvement both in terms of building our culture and enabling engagement. It also encouraged ongoing conversation between leaders and teams and encouraged joint accountability in making improvements to the way we work.

As with the increase in positive perception for the safety related question, the increase has been as a result of tactical and cultural initiatives in Waka Kotahi.

**Target state**

Operation of a resilient digital environment with class-leading security and smart processes

Measure	Result	2019/20 Target	2019/20 Actual	Variance	2018/19 Actual
Protective Security Requirements cyber security maturity rating of Waka Kotahi	Not achieved	Managed or Enhanced	2 (basic cyber security maturity)	0.44	2.44 (basic cyber security maturity)

The method of calculating Protective Security Requirements (PSR) maturity has changed to take broader consideration of security at Waka Kotahi (that is, not just cyber-security). Under the new calculation method our PSR maturity is rated 'managed'. However, in relation to only our cyber-security, we are rated "basic".

We continue to improve our PSR maturity. The PSR roadmap and 2019/20 work programme enabled us to achieve eight of our 12 maturity targets and to register an uplift in the remaining four. We expect to see the effects of our achievements this year on our cyber security rating in 2020/21.

Measure	Result	2019/20 Target	2019/20 Actual	Variance <sup>°</sup>	2018/19 Actual
Proportion of Waka Kotahi staff who respond appropriately to mock security incidents	Not achieved	Increasing	94%	3.4%	97.4%

<sup>°</sup> The variance is a percentage point change.

On 19 December 2019, as part of the wider Security Awareness Programme, 1,002 of our people received an internally generated fake email that delivered 'phishing' training to anyone who clicked on links and attempted to enter information. Six percent of employees (66 people) clicked the link and entered information. All received training. Other initiatives will continue under the Security Awareness programme.

## OUTPUT CLASS INVESTMENT MANAGEMENT

*Delivered by Waka Kotahi and funded from the National Land Transport Fund and the Crown*

We maximise the overall benefit of the National Land Transport Programme for New Zealand. The investment management output class covers the cost to Waka Kotahi of:

- developing and managing the National Land Transport Programme, including:
- managing the National Land Transport Fund
- supporting development of the Government Policy Statement on land transport
- developing criteria for assessing and prioritising land transport investment
- providing investment and funding advice to the government
- planning the transport system, including:
- programme business case development
- activity management planning
- transport model development
- delivering sector research, including:
- engagement with the sector
- research project development and delivery.

We also:

- work with the Provincial Development Unit, Ministry of Business, Innovation and Employment, to identify investment opportunities, advise on applications and release funding for land transport projects
- provide ministerial services (advice and official correspondence).

Investment management allows us to achieve what the government wants us to do (as directed by the Government Policy Statement on land transport) and balance multiple objectives while shaping the land transport system and influencing its delivery. We also ensure long-term land transport funding sustainability.

Reference	Measure	Result	2019/20 Target	2019/20 Actual	Variance <sup>o</sup>	2018/19 Actual
IM1	Total cost of managing the funding allocation system as a percentage of National Land Transport Programme expenditure*	Achieved	≤1.1%	1.03% <sup>†</sup>	0.07%	1.03%
IM2	Proportion of investments that meet the Waka Kotahi investment thresholds level	Not achieved	100%	93%	7%	89%
<p>All investments met our investment threshold standard. However, of the 20 investment funding decisions reviewed this year, three did not meet required process standards: two had no economic evaluation, and the third had a poorly executed economic evaluation and no peer review. Waka Kotahi is developing additional training and guidance and providing advice to investment advisors and business case developers.</p>						
IM3	Proportion of planned transport system planning activities delivered <sup>‡</sup>	Baseline set	Baseline to be set	63%	-	New measure
IM4	Proportion of transport system planning activities delivered that were not planned <sup>‡</sup>	Baseline set	Baseline to be set	27%	-	New measure
IM5	Proportion of sector research activities delivered to agreed standards and timeframes	Achieved	≥95%	100%	5%	96%
<p>Research projects were affected by COVID-19. Face-to-face interviews couldn't proceed throughout Alert Levels 2 to 4. However, the impact was managed by varying contracts in a timely and appropriate manner.</p>						
IM6	Proportion of investment audit activities completed	Not achieved due to COVID-19	100%	79%	21%	100%
<p>The target was not achieved due to travel restrictions during COVID-19 Alert Levels 2 to 4, which deactivated all previously scheduled audit fieldwork for quarter four. All deferred audits are expected to be delivered in the first quarter of 2020/21 alongside planned audits for the year.</p>						
IM7	Average number of days to action new funding approvals	Achieved	≤20 working days	20 working days	-	24.9 working days
IM8	Stakeholder satisfaction	Achieved	≥45% <sup>§</sup>	54%	9%	45% <sup>§</sup>

IM9	Proportion of requests completed within specified timeframes – ministerial correspondence*	Achieved	100%	100%	-	90%
IM10	Proportion of requests completed within specified timeframes – parliamentary questions*	Not achieved	100%	99%	1%	99%
	Of 1,242 written parliamentary questions completed, eight were late.					
IM11	Proportion of requests completed within statutory timeframes – Official Information Act*	Not achieved	100%	99%	1%	99%
	Of 1,242 written parliamentary questions completed, eight were late.					
IM12	Provincial Growth Fund regional projects and capability – proportion of regional project business cases completed to standard (approved organisations and Waka Kotahi)*	Achieved	≥90%	100%	10%	100%
IM13	Provincial Growth Fund regional projects and capability – proportion of Waka Kotahi regional project business cases completed to timelines*	Achieved	≥90%	100%	10%	100%
IM14	Provincial Growth Fund supporting regional and infrastructure projects – average number of days to provide feedback on Provincial Growth Fund funding applications*	Achieved	≤20 working days	9 working days	11 working days	20 working days
IM15	Average number of days taken to enter fatal crash reports into the Crash Analysis System*	Achieved	10 working days	3 working days	7 working days	10 working days

See appendix 2, page 231, for technical details.

● The result was affected by COVID-19.

\* This is also a performance measure for an appropriation in Vote Transport. See appendix 3, page 241, for all appropriation measures.

° The variance is a percentage point change unless stated otherwise.

† This covers cumulative cost to the end of second year of the current NLTP period.

‡ This was slightly reworded for clarity. The scope and methodology of the measure have not changed.

§ This was incorrectly labelled as a new measure with 'Baseline to be set' this year in the Statement of performance expectations 2019/20.

Measure	2019/20 Budget \$M	2019/20 Actual \$M	Variance \$M	2018/19 Actual \$M
Revenue	73.7	87.9	14.2	69.1
Expenditure	73.7	87.9	14.2	69.1
Net surplus/(deficit)	0.0	0.0	0.0	0.0

Investment management expenditure was \$14.2 million (19 percent) above budget. 2019/20 expenditure increased to deliver the programme of activities where there was underspend in 2018/19. Activities across the sector research programme, transport planning, and the Investment Decision Making Framework project have accelerated in 2019/20. See page 169 for full details on output class funding and expenditure.