



NZ Transport Agency Waka Kotahi Performance Report

Quarter 2 2024/25

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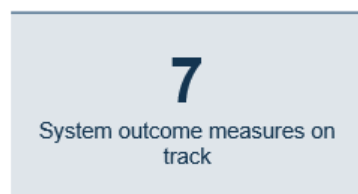
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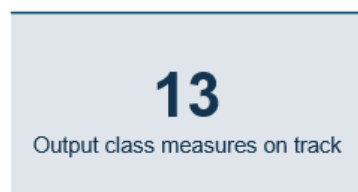
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Non-financial performance summary



▲ Two more than last quarter



▼ One less than last quarter



— No change since last quarter



▼ Four less than last quarter

System outcome measures



■ Not on track and unlikely to recover by year-end

▨ Not on track but likely to recover by year-end

■ On track to be delivered

Output class measures



■ Not on track and unlikely to recover by year-end

▨ Not on track but likely to recover by year-end

■ On track to be delivered

Significant activities



■ Unable to report

■ On track to be delivered

Significant capital projects



■ There are delays and risks, and not all or none of the SPE annual milestones will be achieved by 30 June 2025

▨ There are delays and risks, but all the annual SPE milestones are still likely to be achieved 30 June 2025

■ Highly likely, and there are no known significant risks in achieving the milestones by 30 June 2025

Highlights

Roads of National Significance (RoNS)

- Completed public consultation for 3 (RoNS) projects.
- Commenced stage 2 market engagement for Northland Corridor.

Maintenance and resilience

- 97% of potholes on state highways were repaired within 24 hours of being logged by contractors.
- SH1 Mangamuka Gorge reopened following 2 years of closure for repairs due to weather events.

Customer and regulatory services

- NZTA app has almost doubled in size since Q1 to 80,000 registered users.
- National average wait time for full driver license tests has been below 30 days since the end of October and backlogs have decreased significantly.
- Delivered Motu Move in Christchurch. National ticketing is progressing to plan, but delivery continues to be challenging.

Safety

- A continued downward trend in deaths and serious injuries, with 2,726 over the 12-month period to December 2024.
- 2,278,565 passive breath tests conducted by New Zealand Police in quarter 1 and 2, exceeding target.

Efficiency and effectiveness

- Financial performance continues to be below 2024/25 budgets.
- Completed the Transport Infrastructure Capital Projects review.
- Completed second iteration Performance and Efficiency Plan (PEP).
- 268 temporary traffic management (TTM) inspections in quarter 2 up from 42 in quarter 1.

Alternative funding and financing

- Consideration of Private Public Partnerships (PPPs) for all new projects.
- Prepared advice for Cabinet approval for changes to tolling legislation.
- Assisted in the development of the Land Transport Management (Time of Use Charging) Amendment Bill.

Progress toward NZTA system outcomes

This section provides an update on our progress at the end of quarter 2 toward the commitments outlined in the [NZTA statement of intent 2024–28 and statement of performance expectations 2024/25](#).

Meeting current and future needs

Meeting current and future needs is an enabler of our other system outcomes and ensures how we work supports us to meet the needs of current and future users and aligns to the priorities of GPS 2024.

How we're tracking against our strategic direction

System outcome measure	2024/25 Target	Latest result
MEET2 Proportion of the state highway network that meets minimum asset condition requirements	93% or greater	92% as at 30 June 2024, updated annually
MEET3 Expenditure on state highway renewals as a proportion of depreciation (asset sustainability ratio)	Pavement (base): 35–100% Pavement (surface): 70–110% Drainage: 25–100% Traffic facilities: 20–75% Bridges: 20–65%	New measure, reported annually
NZTA result measure	2024/25 Target	Latest result
COL1 Partnerships and engagement with Māori (average performance score of key strategic relationship drivers of Māori partnerships)	45% or greater	57% as at 30 June 2024, updated annually
COL2 Partnerships and engagement with stakeholders (co-investment partners) ¹	54% or greater	60% as at 30 June 2024, updated annually
DEL1 Staff engagement (overall engagement score out of 10)	7.5 or greater	7.5 as at 30 June 2024, updated annually




What we delivered in quarter 2







- We provided the second iteration of our Performance and Efficiency Plan (PEP) to the Minister of Transport and this report includes the currently reportable new measures.
- We worked with the Ministry of Transport to obtain Cabinet approval for tolling legislation and develop the Land Transport Management Amendment Bill.
- Efficiency and effectiveness activities during the quarter included the Transport Infrastructure Capital Projects review, assessing our level of cost pressure risk for 2025/26 and planning mitigations, which will be delivered over the coming 2 quarters.

¹ Stakeholder (co-investment partners) include councils, central government, emergency services, corporate suppliers, industry groups and advocacy groups.

Effectively and efficiently moving people and freight

Effectively and efficiently moving people and freight is about ensuring networks are available and reliable with a focus on increasing the uptake of efficient, cost-effective, low carbon transport options.

Status Key:  On track to be delivered  Not on track but likely to recover by year-end  Not on track and unlikely to recover by year-end

Progress against our strategic direction			
System outcome measure	2024/25 Target	Q2 result	Status
MOVE2 User experience of transport network by mode (Percentage of survey respondents who gave 8-10 out of 10 for their overall journey experience)	Public transport: 59% or greater	Public transport: 57%	
	Active modes: 67% or greater	Active modes: 67%	
	Private vehicles: 69% or greater	Private vehicles: 70%	
RES1 Proportion of unplanned road closures resolved within standard timeframes ²	Weather events: 60% Other events: 90%	Weather events: 57% Other events: 93%	
NZTA result measure	2024/25 Target	Q2 result	Status
SHU1 State highway user experience	53% or greater	57%	
DEL3 Overall service quality (percentage of survey respondents who said that little or no effort was required at service touchpoints when transacting with NZTA)	63% or greater	63%	
CSD1 Digital service quality (percentage of survey respondents who said that little or no effort was required to transact with us via online channels)	78% or greater	75%	
TDD1 Percentage of transactions that can be done digitally	42% or greater	43%	

What we delivered in quarter 2




- The Motu Move pilot for contactless payments technology commenced on 8 December on the Christchurch airport bus route with no significant issues. A post-Canterbury rollout has been revised and approved, the Timaru launch of Motu Move is ready for end of quarter 3 and Auckland Transport signed early integration agreements signifying their commitment to transition to the National Ticketing Solution.
- The Minister of Transport approved the Rail Network Investment Programme (RNIP), with funding for the 2024/25 financial year. The Minister has invited KiwiRail to submit an RNIP variation by March 2025 to align with a reduced funding envelope for GPS 2024. NZTA will need to re-assess the variation and submit new advice to the Minister in May 2025.
- NZTA app users have almost doubled since quarter 1, to 80,000 registered users. Over the quarter, calls requesting a certificate of particulars³ reduced 21% and calls related to RUC reduced by 31%, reflecting the efficiencies created by the app.

² Standard timeframes are 4 hours for urban roads and 12 hours for rural roads. Urban roads are roads within the boundary of either a major or medium urban area (areas with a population of 30,000 people or greater). All other roads outside this definition are rural roads.

³ A certificate of particulars will show your driver licence number, issue date, classes, endorsements and conditions that appear on your licence.

Safe

Safe is about ensuring no one is killed or seriously injured when using or working on the transport system.

Status Key:  On track to be delivered  Not on track but likely to recover by year-end  Not on track and unlikely to recover by year-end

Progress against our strategic direction			
System outcome measure	2024/25 Target	Q2 result	Status
SAFE1 Deaths and serious injuries ⁴	Less than 2,894	2,726	
SAFE3 Number of deaths and serious injuries with inappropriate speed, including excessive speed, being a contributing factor	Less than 681	567	
SAFE4 Number of deaths and serious injuries where restraints were not worn	Less than 320	216	
SAFE5 Number of deaths and serious injuries involving alcohol	Less than 300	334	
SAFE6 Number of deaths and serious injuries involving drugs	Less than 155	361	
NZTA result measure	2024/25 Target	Q2 result	Status
SAFE2 Significant incident frequency rate ⁵	12.00 per million hours worked or less	15.69	
DEL4 Quality of regulatory activity (percentage of regulatory activity that conforms to key decision-making criteria)	95% or greater	96%	

What we delivered in quarter 2

- The government published a new road safety objectives document in October 2024. We have begun to develop an NZTA action plan to support delivery of the actions and activities set out in the document. We have completed one action already – *Medical aspects of fitness to drive – A guide for health practitioners* was published in December 2024. This guide assists health practitioners to assess the fitness to drive of any individual. It also sets out the responsibilities and obligations of health practitioners.
- NZ Police have delivered over 1.2 million passive breath tests this quarter with almost 2.3 million tests this financial year. They are on track to achieve 4 million passive breath tests, which exceeds the target of 3.3 million. Road policing activity is generally meeting or exceeding desired activity levels set out in the Road Policing Investment Programme 2024-27.
- We continue to see a downward trend in reported road deaths and serious injuries even with increasing numbers of vehicles in the fleet and vehicle kilometres travelled. This is largely associated with targeted implementation of safety improvements across state highways and local roads and significant improvements in the level of road policing activity over the last 2 years.

⁴ SAFE1 and SAFE3-6 are rolling 12-monthly results. For quarter 2 they cover the 12-month period from January to December 2024.

⁵ The significant injury frequency rate includes both employee and contractor incidents and hours worked.

Environmentally sustainable

Environmentally sustainable is about reducing harm to and improving the environment, with a focus on reducing greenhouse gas emissions and climate change adaptation, including reflecting expectations on us set by the Carbon Neutral Government Programme.

Progress against our strategic direction		
NZTA result measure	2024/25 Target	Latest results
IPOE2 NZTA corporate carbon footprint	2,027 tonnes CO _{2e}	1,877 tonnes CO _{2e} as at 30 June 2024, updated annually
ICF1 Infrastructure carbon footprint	To be developed	New measure, reported annually

What we delivered in quarter
<ul style="list-style-type: none">• We continue to deliver state highway recovery in regions affected by North Island Weather Events (NIWE). Following 2 years of closure for repairs, State Highway 1 Mangamuka Gorge in Northland re-opened on 20 December 2024. Recovery work on 94 out of 115 sites in the Coromandel have been completed. On the East Coast, nearly 50% of the programme is complete. The Transport Rebuild East Coast alliance worked on 20-25 active sites across the quarter, with this number expected to peak at 35 sites in quarter 3 then decrease as the recovery programme works towards completion in 2026.• The response phase to NIWE for local roads is expected to be complete in early 2025. Meanwhile, good progress on the local road recovery programme was made across quarter 2 with all pre-Budget 2024 funding allocated to councils. Budget 2024 funding will ensure local road recovery continues in 2025 and 2026.

Delivering on the GPS 2024 strategic priorities

Summary

Economic growth and productivity

We made progress across on several Roads of National Significance (RoNS) and Roads of Regional Significance (RoRS), including:

- completing public consultation for Ōtaki to North of Levin, Te Ahu Turanga: Manawatū – Tararua Highway and Takitimu North Link
- completing the SH6/Tancred Crescent roundabout outside Marlborough Airport and the Hawkes Bay Expressway enabling works on Kennedy Road
- opening SH1 Mangamuka Gorge to the public following 2 years of closure for repairs
- commencing and subsequently completing stage 2 market engagement for the Northland Corridor to validate the refined staged PPP model and obtain feedback on the corridor approach.

Maintenance and resilience

- In quarter 2, 97% of potholes on state highways were repaired within 24 hours of being logged by contractors.
- We continue to deliver state highway recovery in regions affected by severe weather events. Ninety-four of 115 sites in Coromandel have been completed.

Safety

- There were 2,726 deaths and serious injuries for this rolling 12-month period to the end of quarter 2, which represents a downward trend despite increases in the size of the vehicle fleet and vehicle kilometres travelled across the network. Targeted road safety measures over recent years, including improved delivery of road policing activity and improvements to the land transport network, are likely to have contributed to this trend.
- Road policing activity achieved target activity levels. So far in 2024/25, 2,278,565 passive breath tests were conducted by New Zealand Police, exceeding the quarterly target and on track to surpass the year-end target by 21%.

Value for money

- Monitoring of the objectives set in our first Performance and Efficiency Plan (PEP) and second iteration of the PEP, including GPS 2024 ministerial expectations, is included in this quarterly report.

Potential barriers to GPS 2024 delivery

GPS 2024 and the Minister's letter of expectations asks NZTA to report on barriers to delivery. The following potential barriers have been identified in Q2.

- Potential challenges to delivery of our RoNS and RoRS include:
 - consenting, noting analysis of the Fast Track Act is underway
 - increasing pressure on project budgets and on identifying and securing alternative funding sources as scope and estimated costs for projects in early stages become clearer.
 - strengthening our workforce forecasting and resourcing approaches as resource demand continues to exceed capacity, particularly for newly initiated projects. There is substantive pressure on project director roles required to lead large scale and complex RoNS projects at pace.
- We are considering PPPs for all new projects, however, not all projects are suitable candidates. Alternative funding options, such as contributions from beneficiaries and users, tolling, time of use charging and value capture, are unlikely to be sufficient to cover the full cost of constructing, maintaining, and operating a large-scale transport project.
- The delivery of National Ticketing is progressing to plan, but delivery continues to be challenging. Public transport authority readiness may be impacted by their ability to meet transition costs.

Approved organisation reporting on Ministerial expectations

This is the first time we have asked approved organisations (AOs) to provide a quarterly report on ministerial expectations in GPS 2024. About half (40 out of 79) provided a quarter 2 report on some, or all, of the ministerial expectations applicable to them by the due date. Some key results are summarised below.

We expect reporting progress will mature in subsequent quarterly reporting. We continue to work with AOs to ensure they provide quarterly reports and support a lift in the quality of information reported.

Self-reported compliance	Proportion of applicable AOs	Commentary
On track in taking steps to improve response times for contractors to fix potholes on local roads.	94% (29 out of 31)	Many Road Controlling Authorities shared information about target response times on different types of local roads under existing contracts and how this is being measured. This information will enable targets to be set for different types of local roads for future reporting.
On track in terms of reducing costs of temporary traffic management.	97% (32 out of 33)	Temporary traffic management costs will be available on the Road Efficiency Group's Transport Insights portal.
On-track with no-frills specification of transport infrastructure.	100% (31 out of 31)	

In addition, 100% (79 of 79) of AO provided quarter 2 cashflow actuals and forecasts. This information is used to manage cashflows within available revenue each year and to enable funding decisions for the remainder of the National Land Transport Programme (NLTP) period. This ensure that National Land Transport Fund (NLTF) expenditure fits within the funding ranges set by the Minister for each activity class in GPS 2024.

Progress towards Performance and Efficiency Plan objectives

This section provides a quarterly summary of achievements on activities NZTA is delivering to improve performance and efficiency⁶. As some measures are still being established or are not available on a quarterly basis, only measures with updates for quarter 2 of 2024/25 are included. We will expand this section as further reporting becomes available.

What we will monitor and measure	Result	Change from Q1 ⁷
Improving the management of benefits, cost, risk and uncertainty at the programme and activity class level		
Information on investment in NLTP toward land transport benefits	Underway	
<p>NZTA's systems and requirements were updated to require forecast benefit information for all activities submitted for inclusion in the 2024-27 NLTP. This information identified the expected contribution of these activities to the priorities in GPS 2024. Work has now shifted to developing the system and requirements to collect benefits realisation information. Most activities will only be required to provide benefits realised a suitable period after the activity has been delivered.</p>		
Delivery milestones and benefit profiles	See appendix 2 for updates on delivery of our significant capital projects, including RoNS.	
Percentage of NLTF funded TTM costs in state highway and local road pothole prevention, operations and improvements activity classes⁸	State highways: 6.1% Local roads: 10.3%	▼
<p>Expenditure on state highway capital and M&O activities is higher in Q2 reflecting the summer peak construction season.</p> <p>The proportion of expenditure on TTM has decreased, due to an increase in larger scale physical works that generally result in greater efficiencies for TTM costs.</p>		
Number of TTM site inspections⁹	State highways: 310 Local roads: 7,744 ¹⁰	▲
<p>Cumulative TTM site inspections increased to 310 for state highways (from 42 in Q1). We have developed a programme of regular inspections now the summer construction season has fully commenced.</p> <p>The quarter 2 data shows that the Road Efficiency Group led reporting is leading to the desired outcome of greater confidence in the costs of TTM. Councils are reporting an increased level of oversight of TTM activities with more inspections (4,079 in Q2) of TTM sites across the network being completed.</p>		
Number of redundant TTM sites¹¹	State highways: 23 Local roads: 1,295	▲

⁶ The PEP is available on our website and we expect to publish the second iteration in Q3.

⁷ Where applicable.

⁸ TTM costs are reported for the financial year to date and based on National Land Transport Programme expenditure on pothole prevention, operations and improvements activity classes for local roads and state highways respectively.

⁹ TTM site inspections are reported financial year to date.




¹⁰ Inspected TTM sites are wider than NLTP-funded activities on the network and may include council services and utility organisation activities (e.g. telecommunication and energy companies).

















¹¹ Redundant TTM sites are reported financial year to date.







What we will monitor and measure	Result	Change from Q1 ⁷
The number of redundant TTM sites on state highways has increased from 2 in Q1, taking the proportion of inspected sites reported as redundant to just under 8%, year to date.		
Proportion of approved organisation audit ratings that are effective, some improvement needed, significant improvement needed and unsatisfactory	29.5% (44) effective	New measure
	65.1% (97) some improvement needed	
	4.7% (7) need improvement	
	0.7% (1) unsatisfactory	
A total of 149 investment assurance audits have been completed in the programme. 29.5% of approved organisation (AOs) audit ratings were deemed effective, with 70.5% needing improvement. NZTA is working to simplify requirements and refresh guidance for AOs to enable easy and consistent compliance. Where there are consistent findings and themes from audits, training and guidance are being prepared to support compliance.		
Percentage of NLTF-funded business change initiatives with monitored benefits	83% (10 of 12)	New measure
Of the 19 NLTF-funded NZTA business initiatives, 12 were due to have benefit profiles established by the end of quarter 2. 10 of these initiatives have benefit profiles established and 2 are currently outstanding. Measures will be applied to the 2 initiatives outstanding prior to end of the financial year. No new initiatives can start without measures. Of the remaining 7 initiatives, 5 are not due for benefit profiles yet and 2 are exempt.		
Increasing the capability and capacity of the transport sector		
Delivery of Integrated Delivery Model (IDM) and integrated delivery contracts (IDC)	The business case was progressed, and the commercial model was defined	
Through the integrated delivery model (IDM), our new approach to network contract management, we're improving our strategic asset management and increasing the capability and capacity of the transport system. During the quarter, the business case was progressed, and we established the processes for the new model and required system changes. National and regional tactical plans, pricing schedule and technical specifications have been drafted.		
Improving asset management practices across the sector		
Transition to compliance with CO (23) 9 through chief executive attestation letter	A transition plan is reliant on formalising the criteria and parameters with the Treasury	
Reporting in line with Cabinet Office (CO) Circular (23) 9	Conversations are underway with The Treasury to agree criteria and parameters for NZTA alignment with CO 23 (9). An agreement will be made within the next quarter, including ministerial agreement between the infrastructure, finance and transport ministers.	
Ensuring business case and cost estimation processes reflect best practice		
Delivery of step change in project development (business case) process (transforming project development project)	Underway	
Following the development of the conceptual framework we have:		
<ul style="list-style-type: none">developed, tested and communicated the new decision-led project development processcompleted prototyping these processes on RoNS 'First Wave' projectsreviewed prototyping performance and refined the decision-led approach.		

What we will monitor and measure	Result	Change from Q1 ⁷
The next phases involve implementing the decision-led project development process across all NZTA transport projects.		
Interim: business case approval timelines – proportion of decisions made within 35 days (includes decisions where board approval is required)	72%	▼
<p>In quarter 2, 72% of business case decisions were made within 35 days (down from 80% in Q1). Due to the timelines for RoNS projects in particular, higher volumes of projects have been simultaneously seeking approval. This, alongside the more frequent involvement of the NZTA Board in project decision-making is contributing to increased approval timelines.</p> <p>Work is ongoing to streamline assurance and board processes to avoid any project delays arising from associated timeframes. This is part of the broader work to implement the Transforming Project Development project. This approach shifts the focus from workstreams and outputs to users, roles, and project phase changes – ensuring users understand the changes and what they mean for them, which is particularly important for driving behaviour change.</p>		
Manage overhead and back-office costs		
NZTA effectiveness and efficiency reporting	Underway	
<p>In quarter 2, we assessed our cost pressure risk for FY 2025/26 and are developing options to ensure we continue to focus our expenditure on key deliverables while reducing overheads.</p> <p>The Transport Infrastructure Capital Projects review was completed and identified a range of opportunities to improve our performance, enabling increased value and efficiency in our investment in roading infrastructure. Addressing key findings of this review will be a focus over the coming 2 quarters.</p>		
Deliver an internal effectiveness and efficiency plan aligned with the Performance and Efficiency Plan.	Completed December 2024	
The second iteration of the PEP has been provided to the Minister. We expect to publish this in Q3.		
Proportion of total cost of managing the investment funding allocation system to National Land Transport Programme expenditure	0.8% (against a target of 1% or less for 2024/25, reducing from 2025/26.).	▼

Financial performance summary

Key:  On track  At risk  Attention required

Item	Measure	YTD Nov	YTD Dec
National Land Transport Fund (NLTF), revenue including Crown top-ups	\$385m (12%) above budget		
<p>NLTF revenue is \$109 million (6%) above budget driven by higher Fuel Excise Duty (FED) than budgeted \$130 million (17%). In part this reflects the “lumpy” profile of fuel shipments.</p> <p>Crown tops-ups are \$276 million (23%) above budget due to: Rail Network Investment Programme delivery ahead of budget (\$116 million); and earlier drawdown of the NLTP loan (\$250 million) to allow early repayment of short-term debt facilities.</p>			
NLTF funded expenditure	\$552m (19%) above budget		
<p>Activity class expenditure is \$101 million above budget (see below). Debt and interest repayments are \$442 million above budget, reflecting early repayment of short-term facilities.</p>			
Crown funded expenditure	\$95m (16%) below budget		
<p>Notable variances: Crown Infrastructure Partners \$28 million (76%) because of a delay in the Brigham Creek project; and Crown Resilience Programme \$25 million (61%).</p>			
NLTP activity classes	\$101m (4%) above budget		
<p>The most notable activity class variances are:</p> <ul style="list-style-type: none"> State highway pothole prevention ahead of budget \$64 million (26%) reflecting acceleration of work prior to Integrated Delivery Model implementation. State highway improvements \$57 million (12%) below budget, noting we are yet to see the full impact of the summer construction season. Local road operations \$43 million (15%) below budget due to budget phasing and emergency works claims lower than forecast. Walking and cycling (44%) and Local Road Improvements (24%) currently above budget but forecasts indicate these are timing variances only. 			
NLTP funding	See commentary		
<p>To date \$405 million has been drawn down from the Crown Capital Grant (\$3.1bn) and \$460 million from the NLTP loan (\$3.1 billion). The projected equity position at the end of the NLTP period shows ca. \$300 million undrawn debt at 30 June 2027.</p>			
NZTA operational expenditure	\$8.7m (3%) below budget		
<p>Key variances are lower spend on business initiatives (\$5.2 million), operating expenses (\$4.8 million) and commissions (\$2.2 million), partially offset by higher personnel costs \$3.3 million. A large part of which should reduce with December annual leave taken to be accounted for in January.</p>			
Operational revenue	\$4.3m (3%) above budget		
<p>Operational revenue is ahead of budget primarily due to higher volumes of driver licensing and testing.</p>			
Regulatory memorandum accounts	\$8.5m above budget		
<p>Variance is due to changes to the driver licensing programme, albeit this is partially a timing difference as costs for surge resources ramp-up. Several other accounts are above budget. This suggests some of underlying cost allocations are not appropriate. We are currently undertaking a review.</p>			

Item	Measure	YTD Nov	YTD Dec
Tolling operations	Revenue \$0.1m (1%) above budget		
Revenue year-to-date for each of the three existing toll roads is close to budget.			
Debt and long-term liabilities (updated quarterly)	Fully compliant		
Total liabilities including public private partnership commitments were \$5.5 billion. This is \$74 million higher than June 2024. We are compliant with all loan conditions. Debt management ratios are within the target operating ranges.			
NZTA and NLTF balance sheets	NZTA net assets increased \$0.8bn NLTF net assets increased \$179m		
NZTA net assets increased \$0.8 billion because of capex spend. The cash balance decreased \$0.3 billion due to short-term debt repayments.			
NLTF net assets increased by \$179 million. This was driven from the need to increase the cash surplus over the holiday period.			

National Land Transport Fund (NLTF) net revenue

This table shows the breakdown of NLTF revenue including the contribution from Crown funding that flows into the NLTF.

	MONTH		YEAR TO DATE				FULL YEAR		NLTP 2024-27	
	Actual \$m	Budget \$m	Actual \$m	Budget \$m	Variance \$m	%	Forecast \$m	Budget \$m	Forecast \$m	Budget ¹³ \$m
Fuel excise duty	153	138	913	939	(26)	(3%)	1,885	1,830	6,201	5,716
Road user charges	166	178	995	1,025	(30)	(3%)	2,022	2,062	6,645	6,709
Total FED and RUC	319	316	1,908	1,964	(55)	(3%)	3,907	3,892	12,846	12,425
MV registration & Licences	21	16	123	112	11	10%	312	302	1,312	1,266
Other revenue	4	5	26	30	(4)	(12%)	68	61	233	205
Less disbursements ¹⁴	(1)	(1)	(6)	(6)	(0)	3%	(100)	(18)	(241)	(44)
NLTF revenue	344	336	2,052	2,100	(47)	(2%)	4,137	4,237	14,150	13,852
Crown (Capital grants)	67	67	405	402	3	1%	1,186	800	3,144	3,144
Crown (NLTP loan)	250	0	460	210	250	119%	850	925	2,740	2,740
Crown (NIWE)	31	59	241	337	(96)	(28%)	692	753	987	998
Crown (RNIP)	68	25	321	205	116	57%	668	353	1,159	982
Crown (HIF)	22	4	27	24	3	10%	50	50	152	152
Crown revenue top-ups	438	155	1,454	1,178	276	23%	3,446	2,881	8,182	8,016
Total NLTF revenue incl. Crown top-ups	782	491	3,506	3,278	229	7%	7,633	7,118	22,332	21,866

¹³ Budget originally set at the start of the NLTP 2024-27 period.

¹⁴ Disbursements relate to FED/RUC admin, forecasting and strategy, and regulatory functions (section 9(1a) and 9(2)).

National Land Transport Programme (funded from the NLTF and Crown-funded expenditure)

This table shows the progress of expenditure for the NLTP. It includes expenditure funded from: NLTF including Crown 'top-up' funding; Crown appropriations for programmes outside the NLTF.

	MONTH		YEAR TO DATE				FULL YEAR	NLTP 2024-27
	Actual	Budget	Actual	Budget	Variance		Budget	Budget ¹⁵
	\$m	\$m	\$m	\$m	\$m	%	\$m	\$m
State highway improvements	71	85	423	480	57	12%	1,047	4,100
Local road improvements	18	7	58	46	(12)	(26%)	110	610
Walking and cycling improvements	11	8	69	48	(21)	(44%)	135	310
State highway operations	73	76	471	468	(3)	(1%)	1,089	3,021
State highway pothole prevention	83	53	306	242	(64)	(26%)	589	2,072
Local road operations	46	42	237	280	43	15%	707	1,610
Local road pothole prevention	62	40	228	215	(13)	(6%)	579	1,900
Public transport services	48	46	261	278	17	6%	608	1,955
Public transport infrastructure	33	17	199	177	(22)	(12%)	470	1,600
Safety	40	42	244	250	6	2%	509	1,680
Investment management	3	8	19	44	25	57%	86	265
Rail	20	26	331	217	(114)	(53%)	373	740
Activity class	508	450	2,846	2,745	(101)	(4%)	6,301	19,863
Housing Infrastructure Fund	2	4	23	25	2	8%	50	152
PPP debt and interest repayments	0	0	107	96	(11)	(11%)	192	571
Other debt and interest repayments	291	28	535	93	(442)	(475%)	264	1,280
Total NLTF funded expenditure	801	482	3,511	2,959	(552)	(19%)	6,807	21,866

¹⁵ Budget originally set at the start of the NLTP 2024-27 period.

	MONTH		YEAR TO DATE				FULL YEAR	NLTP 2024-27
	Actual	Budget	Actual	Budget	Variance		Budget	Budget ⁹
	\$m	\$m	\$m	\$m	\$m	%	\$m	\$m
Climate Emergency Response Fund	4	8	29	48	19	40%	107	181
Crown Infrastructure Partners	0	6	9	37	28	76%	82	82
Eastern Busway	8	3	43	32	(11)	(34%)	84	84
Major Crown Investment Projects	50	65	328	368	40	11%	811	4,206 ¹⁶
Ngauranga to Petone	3	2	17	10	(7)	(70%)	23	29
Regional resilience	5	7	16	41	25	61%	90	247
Retaining/recruiting bus drivers	1	1	7	9	2	22%	21	26
SuperGold card	0	0	37	36	(1)	(3%)	39	117
Supporting Regions Programme	2	1	9	8	(1)	(13%)	17	17
Crown funded expenditure	73	93	496	591	95	16%	1,275	4,990
NLTF & Crown funded expenditure	874	575	4,007	3,550	(457)	(13%)	8,082	26,856




¹⁶ The budget for MCIP is artificially inflated to reflect that the MCIP appropriation is due to end in 2026/27. It does not reflect a realistic spending pattern with spend expected to be spread into future years.





Appendices

Appendix 1: Performance against SPE 2024/25 commitments

Performance measures reported quarterly

Explanatory notes, providing detailed information on measures and targets including how they are calculated and any relevant data judgements, are available at nzta.govt.nz/assets/resources/statement-of-performance-expectations/2024-2025/spe-2024-2025-performance-measure-explanatory-notes.pdf





Key:  On track to be delivered  Not on track but likely to recover by year-end  Not on track and unlikely to recover by year-end

Measures on track to achieve the year-end target		
Measure name	2024/25 target	Quarter 2 result
Strategic measures		
Effectively and efficiently moving people and freight		
DEL3 Overall service quality	63% or greater	63%
TDD1 Percentage of transactions that can be done digitally	42% or greater	43%
SHU1 State highway user experience	53% or greater	57%
Safe		
SAFE1 Deaths and serious injuries	Less than 2,894	2,726 [^]
SAFE3 Number of deaths and serious injuries with inappropriate speed, including excessive speed, being a contributing factor	Less than 681	567 [^]
SAFE4 Number of deaths and serious injuries where restraints were not worn	Less than 320	216 [^]
DEL4 Quality of regulatory activity (percentage of regulatory activity that conforms to key decision-making criteria)	95% or greater	96%
Output class measures		
State highway pothole prevention		
SHP2 Percentage of network with rehabilitated pavement	0.9% or greater (217 lane kms)	0.38% (92.99 lane kilometres)*
SHP3 Percentage of potholes repaired within 24 hours from being logged by contractors	90% or greater	97%
Safety		
SFY1 Number of passive breath tests conducted ¹⁶	3.3 million or greater	2,278,565*
SFY3 Proportion of road safety advertising campaigns that meet or exceed their agreed success criteria	86% or greater	100%

¹⁶ This measure is delivered by New Zealand Police.

[^] Results are for a 12-month rolling period.

* Results are year-to-date cumulative at the end of the reporting quarter.

Measure name	2024/25 target	Quarter 2 result
Investment management		
IM1 Proportion of total cost of managing the investment funding allocation system to National Land Transport Programme expenditure	1% or less	0.8%
Revenue collection and administration		
REV2 Proportion of refunds processed within 20 working days ¹⁷	85% or greater	100%
REV3 Number of road user charges compliance monitoring activities completed for all road users	200 or greater	179*
Regulation of commercial transport operators		
CTO1 Proportion of non-compliance actions for commercial operators that are progressed within acceptable timeframes.	95% or greater	100%
CTO3 Proportion of transport service licences and permitting applications completed within the specified timeframes	95% or greater	99%
CTO4 Total number of random sample compliance monitoring activities, to provide a system-level view of compliance rates across the commercial transport operator sector	381 or greater	208*
Regulation of vehicles		
VSC1 Proportion of non-compliance actions for vehicle inspecting organisations, vehicle certifiers and vehicle inspectors that are progressed within acceptable timeframes	95% or greater	100%
VSC2 Number of compliance monitoring activities completed for inspecting organisations and vehicle inspectors	3,500 or greater	2,558*
DLT3 Number of compliance monitoring activities for driver licensing and testing course providers and driver testing officers	400 or greater	205*

¹⁷ Refunds included in this measure are the Fuel Exercise Duty refund, Road User Charge refund and Regional Fuel Tax refund.

* Results are year-to-date cumulative at the end of the reporting quarter.

Quarterly measures not on track or unable to report

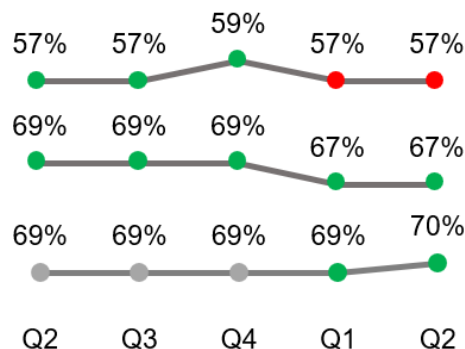
Measure name	2024/25 target	Quarter 2 result	Status	Trend (Q2 2023/24 to Q2 2024/25) ¹⁸
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Strategic measures

Effectively and efficiently moving people and freight

MOVE2 User experience of transport network by mode (Percentage of survey respondents who gave 8-10 out of 10 for their overall journey experience)

Public transport: 59% or greater	Public transport: 57%
Active modes: 67% or greater	Active modes: 67%
Private vehicles ¹⁹ : 69% or greater	Private vehicles: 70%^

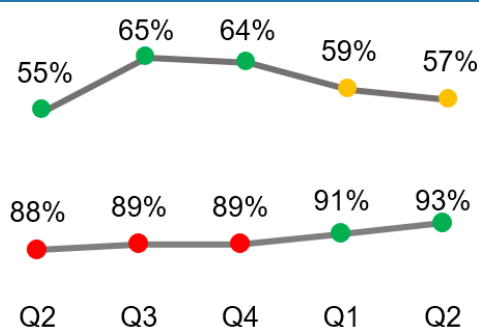


While user experience for private vehicles remains consistent with prior results, while results for active modes and public transport are lower than in Q4 2023/24. The decline in public transport satisfaction correlates with a decrease in the perception of public transport affordability and value for money. This reflects some public transport authorities increasing fares and changes to Community Connect fare concessions.

We are commissioning research into opportunities to increase private share funding through greater third-party initiatives. Generating more third-party funding may lessen fare increases. We will also focus on the efficiency and reliability of public transport to help lift satisfaction.

RES1 Proportion of unplanned road closures resolved within standard timeframes

Weather events: 60% or greater	Weather events: 57%
Other events: 90% or greater	Other events: 93%





The target was met for other events, however, there were a number of severe weather events during the quarter which caused longer closure durations. Current trends show that weather-related events fluctuate each year.

In 2023/24, an updated memorandum of understanding (MoU) was signed with New Zealand Police, Fire and Emergency New Zealand, St John Ambulance and Wellington Free Ambulance setting clear expectations on how incidents will be managed. Work has started on embedding this MoU into the processes of emergency services and contractors.

¹⁸ Some annual targets have changed from the previous financial year. Quarterly status is against the target for the 2024/25 financial year.


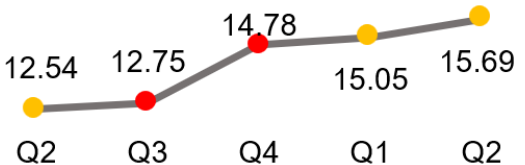
¹⁹ Private vehicles were not part of MOVE2 in the previous SPE.

^ Results are for a 12-month rolling period.

Measure name	2024/25 target	Quarter 2 result	Status	Trend (Q2 2023/24 to Q2 2024/25) ¹⁸
CSD1 Digital service quality (percentage of survey respondents who said that little or no effort was required to transact with us via online channels)	78% or greater	75%		 <p>75% 75%</p> <p>Q1 Q2</p>

There is some variability in customer perceptions for specific products. 89% found vehicle licensing required little or no effort, 75% for buying road user charges and 73% for paying a road toll. However, only 43% found booking a driving test as requiring little or no effort. High demand for driver licensing led to issues, such as limited availability of test slots and needing to book a test well in advance. A range of interventions have been introduced to reduce driver licence wait times, including recruitment and training of new driver testing officers, the end of the transition period that allowed unlimited free resits and a temporary extension to the time people can drive on an overseas licence before converting.



Safe

SAFE2 Significant incident frequency rate	12.00 per million hours worked or less	15.69 [^]		 <p>12.54 12.75 14.78 15.05 15.69</p> <p>Q2 Q3 Q4 Q1 Q2</p>
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The upward trend in the SIFR is primarily due to a 97% increase in the number of incidents reported by our external supply chain partners compared to the same time last financial year.

For quarter 2, the top 3 hazards remain unchanged, with harmful interactions at the top, followed by driving and working in and around live traffic.

A new internal HSW engagement form was introduced in quarter 2, encouraging more business groups and teams to conduct and record their engagements. This will help us identify areas of good practice and areas of improvement.

SAFE5 Number of deaths and serious injuries involving alcohol	Less than 300	334 [^]		 <p>357 334</p> <p>Q1 Q2</p>
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We still expect to meet target due to the increased levels of road policing activity, including alcohol breath and screening tests, targeting high risk impairment times and support from various regional and national public information and marketing campaigns.

SAFE6 Number of deaths and serious injuries involving drugs	Less than 155	361 [^]		 <p>331 361</p> <p>Q1 Q2</p>
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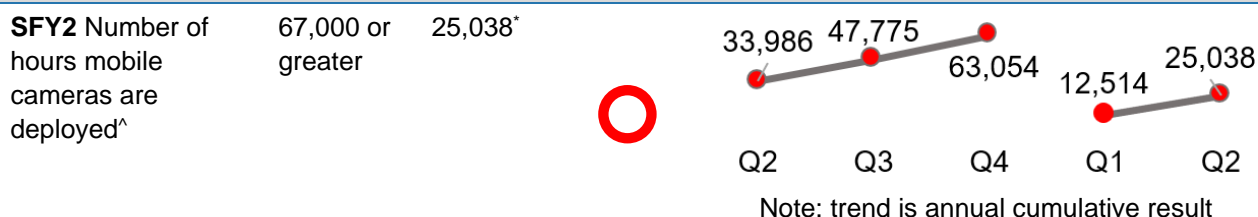
[^] Results are for a 12-month rolling period.

Measure name	2024/25 target	Quarter 2 result	Status	Trend (Q2 2023/24 to Q2 2024/25) ¹⁸
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NZ Police is carrying out more testing at crashes, especially serious crashes, which directly impacts on the proportion of DSIs where a driver tested positive for the presence drugs. The proposed introduction of new roadside drug testing legislation will enable New Zealand Police to undertake oral fluid testing at the roadside for drug screening purposes. Drivers who return a positive screening will have an oral fluid sample sent for laboratory testing and, if positive, will receive the required infringement fee and demerit points.

Output class measures

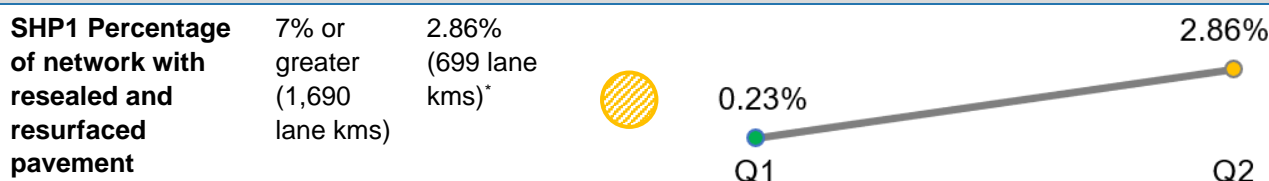
Safety



NZ Police have constrained resources to deliver mobile safety camera operations during the 2024/25 year. This is the result of the transfer of NZ Police's safety camera operations to NZTA by 30 June 2025 (as specified within the Ministry of Transport's Road Safety Objectives).

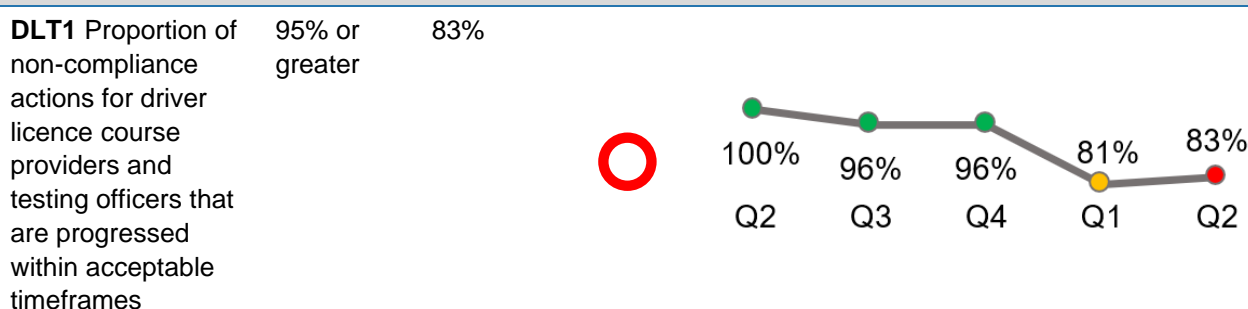
It is intended that NZTA's outsourced mobile camera supplier will provide additional hours in 2024/25, in anticipation of meeting this target in 2025/26.

State highway pothole prevention



Delivery was lower than anticipated during quarter 2 due to wetter conditions and colder temperatures for some regions in December. This has resulted in activities being rescheduled to quarter 3.


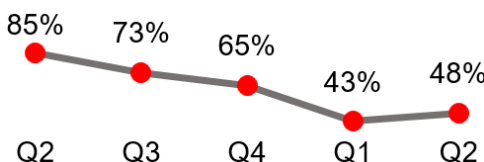

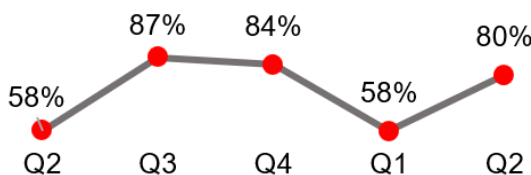

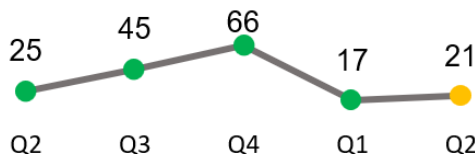

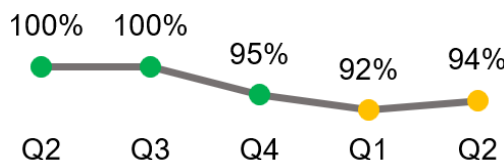
Regulation of drivers



Significant non-compliance cases are being progressed effectively and are now being actively managed, but overall performance was impeded by the diversion of resources to support the training of driving testing offices to reduce licensing wait times in the first quarter of the year. To address these challenges, a new case management process has been implemented and enforced and we expect that performance against this measure will remain above target across Q3 and Q4.

[^] Delivered by New Zealand Police





* Results are year-to-date cumulative at the end of the reporting quarter.














Measure name	2024/25 target	Quarter 2 result	Status	Trend (Q2 2023/24 to Q2 2024/25) ¹⁸												
DLT2 Proportion of practical tests taken within 30 working days of booking	90% or greater	48% ⁺		 <table><tr><th>Quarter</th><th>Proportion (%)</th></tr><tr><td>Q2</td><td>85%</td></tr><tr><td>Q3</td><td>73%</td></tr><tr><td>Q4</td><td>65%</td></tr><tr><td>Q1</td><td>43%</td></tr><tr><td>Q2</td><td>48%</td></tr></table>	Quarter	Proportion (%)	Q2	85%	Q3	73%	Q4	65%	Q1	43%	Q2	48%
Quarter	Proportion (%)															
Q2	85%															
Q3	73%															
Q4	65%															
Q1	43%															
Q2	48%															
<p>The policy change on 1 October 2023 to remove resit fees, combined with high immigration numbers led to a substantial increase in demand, exceeding our testing capacity. Despite these challenges, the national average wait time for full tests has been below 30 days since the end of October 2024, with restricted test targets met by 13 December 2024.</p> <p>The backlog of tests has decreased significantly from 72,000 in September to just under 37,500, with 92% of full test sites and 85% of restricted test sites now meeting the target.</p> <p>We expect wait times to continue to decrease for users, however, the long wait times in the first 2 quarters of the 2024/25 make the target unobtainable this financial year.</p>																
Regulation of the rail transport system																
RTS1 Proportion of non-compliance actions for rail participants that are progressed within acceptable timeframes	95% or greater	80%		 <table><tr><th>Quarter</th><th>Proportion (%)</th></tr><tr><td>Q2</td><td>58%</td></tr><tr><td>Q3</td><td>87%</td></tr><tr><td>Q4</td><td>84%</td></tr><tr><td>Q1</td><td>58%</td></tr><tr><td>Q2</td><td>80%</td></tr></table>	Quarter	Proportion (%)	Q2	58%	Q3	87%	Q4	84%	Q1	58%	Q2	80%
Quarter	Proportion (%)															
Q2	58%															
Q3	87%															
Q4	84%															
Q1	58%															
Q2	80%															
<p>Results have improved significantly from last quarter and all significant non-compliance actions have been actioned within the agreed timeframe. However, a few smaller and less significant non-compliance actions from the first quarter took longer than the agreed timeframe due to the resourcing issues in rail regulation.</p>																
RTS2 Number of compliance monitoring activities completed for rail licence holders	50 or greater	21		 <table><tr><th>Quarter</th><th>Number of activities</th></tr><tr><td>Q2</td><td>25</td></tr><tr><td>Q3</td><td>45</td></tr><tr><td>Q4</td><td>66</td></tr><tr><td>Q1</td><td>17</td></tr><tr><td>Q2</td><td>21</td></tr></table>	Quarter	Number of activities	Q2	25	Q3	45	Q4	66	Q1	17	Q2	21
Quarter	Number of activities															
Q2	25															
Q3	45															
Q4	66															
Q1	17															
Q2	21															
<p>The total number of activities completed year-to-date is 21 with 17 of these being completed in Quarter 1 (reported incorrectly in Quarter 1 as 15).</p> <p>There is a seasonal drop off in monitoring activities in quarter 2, but we expect to increase these and meet the end-of-year target.</p>																
RTS3 Proportion of ordinary safety assessments completed for rail licence holders within specified timeframes	95% or greater	94% ⁺		 <table><tr><th>Quarter</th><th>Proportion (%)</th></tr><tr><td>Q2</td><td>100%</td></tr><tr><td>Q3</td><td>100%</td></tr><tr><td>Q4</td><td>95%</td></tr><tr><td>Q1</td><td>92%</td></tr><tr><td>Q2</td><td>94%</td></tr></table>	Quarter	Proportion (%)	Q2	100%	Q3	100%	Q4	95%	Q1	92%	Q2	94%
Quarter	Proportion (%)															
Q2	100%															
Q3	100%															
Q4	95%															
Q1	92%															
Q2	94%															
<p>In quarter 2, both ordinary safety assessments (OSA) were completed within 30 days. However, due to this low number of OSA's, the 1 that was not completed in time in Quarter 1, is pulling down the result. We expect to achieve target by year-end.</p>																


⁺ Results are year-to-date average at the end of the reporting quarter.

⁺ Results are year-to-date average at the end of the reporting quarter.

Significant activities

Key:	 On track to be delivered	 Not on track but likely to recover by year-end	 Not on track and unlikely to recover by year-end	 Unable to be reported
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Significant activity	Status
Meeting current and future needs	
1.1: Begin reporting on phase 1 of the Performance and Efficiency Plan required under GPS 2024 to drive performance and efficiency across all transport investments and continue working with the Ministry of Transport to refine the plan.	
1.2: Deliver an internal effectiveness and efficiency plan aligned with the performance and efficiency plan.	
1.3: Provide joint advice with the Ministry of Transport on a review of the National Land Transport Fund's (NLTF's) revenue system.	
1.4: Develop a new project development approach, in response to the GPS 2024 expectation, to be in place for all Roads of National Significance projects and continually refined over the year to look for additional savings.	
1.5: Implement the automatic road user charges invoicing from Weigh-in-Motion data.	
Effectively and efficiently moving people and freight	
2.1: Investigate new funding and delivery models for major public transport and Roads of National Significance investments.	
2.2: Mobilise the design, build, implementation and support activities for the National Ticketing Solution programme to deliver the pilot and full launch in Environment Canterbury, and plan for Greater Wellington Regional Council and Auckland Transport.	
2.3: Work with KiwiRail to develop the Rail Network Investment Programme (RNIP) for 2024–27.	
2.4: Provide the Minister of Transport with quarterly reviews of temporary traffic management from October 2024, including total cost and cost as a percentage of works, to ensure efficiency and effectiveness is being achieved, with a focus on increasing available data in further iterations. The first report will include information for each of the 3 previous financial years.	
2.5: Enable self-service actions in the NZTA app (such as viewing demerit points and changing contact details) for public use from June 2025.	
2.6: Deliver the customer strategy and associated roadmap that will improve the customer experience at NZTA.	
Safe	
3.1: Work with the Ministry of Transport, NZ Police and our local government partners to contribute to the government's new approach to road safety, which will focus on safer roads, safer drivers and safer vehicles.	
3.2: Deliver a risk-focused audit programme of our temporary traffic management process, which aims to ensure delivery partners and operational groups understand and manage their safety risks.	



















Significant activity	Status
Environmentally sustainable	
4.1: Work with the Ministry of Transport and the Ministry for the Environment to support development of New Zealand's second emissions reduction plan.	
<p>Since the publication of the SPE, the second emissions reduction plan (ERP 2) has been consulted on, further refined and published on 11 December 2024 alongside an amendment to the first emissions reduction plan (ERP 1). We supported the Ministry of Transport, providing advice as and when required throughout the development of ERP 2.</p>	

Appendix 2: Significant capital projects – progress against SPE milestones















Significant capital projects progress update









This section includes reporting on significant capital projects as set out in NZTA's SPE 2024/25, assessing delivery of capital projects as outlined below.

PROGRESS AGAINST SPE MILESTONES (Likelihood of achieving the SPE annual milestones)	
	Highly likely, and there are no known significant risks in achieving the milestones by 30 June 2025
	There are delays and risks, but all the annual SPE milestones are still likely to be achieved 30 June 2025
	There are delays and risks, and not all or none of the SPE annual milestones will be achieved by 30 June 2025











Roads of National Significance		
Project	SPE Progress Q1	SPE Progress Q2
Wave 1 (Likely start of construction during NLTP 2024–27)		
Northland Corridor²⁰		
Mill Road		
Takitimu North Link Stage 1		
<i>Annual milestone</i> Minden Gully main alignment bridge completed. <i>Q2 update</i> Piling was completed at the Minden Gully bridge. We are on track to complete the bridge by year end.		
<i>Annual milestone</i> Takitimu Northbound flyover bridge completed. <i>Q2 update</i> Columns for Takitimu Northbound flyover bridge completed. Completion of the Takitimu Northbound flyover bridge has been delayed to August 2025 due to unforeseen ground conditions. This meant that piles had to be redesigned, with bigger machinery required. This delay does not affect the overall programme and project completion date.		
SH29 Tauriko West - Omanawa Bridge		
SH1 Cambridge to Piarere		
SH2 Hawke's Bay Expressway		
Ōtaki to North of Levin		
SH1 Belfast to Pegasus Motorway and Woodend Bypass		
Wave 2 (Likely start of construction during NLTP 2027–30)		
Takitimu North Link Stage 2		

²⁰ Includes SH1 Whangārei to Port Marsden Highway, Alternative to Brynderwyns and SH1 Warkworth to Wellsford (Te Hana).

Project	SPE Progress Q1	SPE Progress Q2
Hamilton Southern Links <i>Annual milestone</i> Investment case approved by the NZTA Board. <i>Q2 update</i> The macro scope for the Investment Case has been confirmed and funding for the phase approved. Professional services for the Investment Case have been procured. The Investment Case is on track for completion by year end although timeframes in getting NZTA Board approval are tight. We are investigating ways to achieve the milestone by year end		
SH1 Second Mt Victoria Tunnel and Basin Reserve Upgrade <i>Annual milestone</i> Investment Case approved by the NZTA Board. <i>Q2 update</i> The macro scope for the Investment Case has been confirmed and funding for the phase approved. The Investment Case is on track for completion by year end although timeframes in getting NZTA Board approval are tight. We are investigating ways to achieve the milestone by year end.		
Wave 3 (Likely start of construction during NLTP 2030–34)		
SH16 North-West Alternative State Highway		
East-West Link		
SH29 Tauriko West – Wider scope		
Petone to Grenada Link Road and the Cross Valley Link <i>Annual milestone</i> Investment Case approved by the NZTA Board. <i>Q2 update</i> Funding for the Investment Case has now been approved. Timeframes in achieving the milestone are tight due to the complexity of the project. There is a need to ensure that the right level of work is undertaken to ensure the preferred alignment can be designated and consented. Furthermore, the potential route has significant environmental, topographical and property constraints that need to be investigated. We are investigating ways to achieve the milestone by year end.		
SH6 Hope Bypass		

Roads of Regional Significance		
Project	SPE Progress Q1	SPE Progress Q2
O Mahurangi – Penlink <i>Annual milestone</i> Duck Creek Road Bridge completed. <i>Q2 update</i> A slip at a fill site is affecting the earthworks which may in turn impact SPE progress. We are working to understand the impacts of this slip.		
<i>Annual milestone</i> Season 2 earthworks completed. <i>Q2 update</i> A slip at a fill site is affecting the earthworks which may in turn impact SPE progress. We are working to understand the impacts of this slip.		
SH1 Papakura to Drury		
SH2 Melling Transport Improvements The NZTA Board approved the current scope of the project and entry into the Project Alliance Agreement, subject to confirmation of additional funding by Cabinet and finalisation of commercial agreements. <i>Annual milestone</i> Project Alliance Agreement signed. <i>Q2 update</i> Signing of the Project Alliance Agreement has been delayed to April 2025 to allow finalisation of commercial arrangements with Hutt City Council and Greater Wellington Regional Council.		
<i>Annual milestone</i> Detailed design commenced. <i>Q2 update</i> Detailed design has commenced.		
<i>Annual milestone</i> Construction commenced. <i>Q2 update</i> Construction mobilisation planning will commence in April/May, however, main works construction is unlikely to commence by year end.		
Queenstown Package		

Other major projects delivered under the National Land Transport Programme

Project	SPE Progress Q1	SPE Progress Q2
Waitematā Harbour Connections		
Northwest Rapid Transit Improvements		
Te Ara o Te Ata: Mt Messenger Bypass		
<p>The NZTA Board approved an interim price level adjustment to fund construction of the project through to June 2025. The forecast to complete the project remains well above funding allocation. Full construction funding will be sought once there is more certainty on property acquisition dates.</p> <p><i>Annual milestone</i> Final property acquired.</p> <p><i>Q2 update</i> Property acquisition is ongoing, however, final property acquisition is now unlikely to be achieved by year end.</p> <p><i>Annual milestone</i> Tunnel excavation completed.</p> <p><i>Q2 update</i> Tunnel excavation will now commence in January 2025 (initially scheduled for December 2024).</p>		
Te Ahu a Turanga: Manawatū Tararua highway		
Te Ara Tupua: Ngā Ūranga ki Pito-One		
<p>While the KiwiRail Traction Station building is complete and the pile foundations are on track with 3 out for already finished, full completion of the utilities and pavement work will now not be completed until quarter 4 2025/26.</p> <p><i>Annual milestone</i> KiwiRail Traction Station building completed.</p> <p><i>Q2 update</i> The KiwiRail Traction Station building is now substantially complete.</p> <p><i>Annual milestone</i> Shared path bridge piling completed.</p> <p><i>Q2 update</i> Three of the four pile foundations have been completed. One remaining pile will be completed in February 2025.</p> <p><i>Annual milestone</i> Utilities and pavement works completed.</p> <p><i>Q2 update</i> Common services utilities construction has commenced and is tracking to schedule. Full completion will not be achieved until 2025/26 quarter 4.</p>		

Appendix 3: Enterprise top risks

The Q2 review of top risks has been completed, with the top 13 NZTA risks remaining stable. There have been no changes to risk ratings since September 2024. The top risks that will have prioritised focus for the next 6 months are the Infrastructure programme, Non-Infrastructure programmes (e.g. National Ticketing Solution, Safety Cameras), Fraud and Integrity, Resilience of Critical Infrastructure and People top risks. These risks are prioritised due to their critical importance to the GPS 2024, Statement of intent 2024-2028, letter of expectations, and trust and confidence in NZTA.

Top risk name	Risk description	Rating
Delivery risks		
Resilience of critical infrastructure	Our critical infrastructure and strategic assets* are not resilient to physical threats (e.g., natural hazards, malicious human made activity), limiting their ability to fulfil their intended purpose. *Includes the state highway network, Auckland Harbour Bridge and tunnels	Critical
Infrastructure programme	Delivery of infrastructure programme does not meet expectations set out for NZTA in the GPS and letter of expectations.	Critical
Road safety outcomes	NZTA does not achieve a significant reduction in deaths and serious injuries over the 2024-27 period.	High
Non-infrastructure programmes	Non-infrastructure programmes are not agile, sequenced or delivered in an efficient and effective manner, resulting in intended benefits not materialising	High
Regulatory	There is a risk of us not undertaking our role as the regulatory steward of the Land Transport System to a satisfactory level in line with the dimensions of regulatory stewardship (therefore not performing our regulatory functions efficiently and effectively), resulting in harm, alongside reputational damage.	High

Top risk name	Risk description	Rating
Enabler risks		
People safety	Our people/contractors are seriously hurt or killed at work. Serious hurt includes psychological/physical injury and acute/chronic illness.	High
People	NZTA is unable to attract, develop or retain enough of the identified key capability needed to deliver on government expectations.	High
Funding sustainability	Inability to efficiently plan longer term investment and meet stakeholder expectations due to funding uncertainties	High
Fraud and integrity	Risk of fraud corruption or other unethical behaviour perpetrated against NZTA and the land transport system (internal and external threats).	High
Technology systems	NZTA's critical technology systems are unable to support the delivery of our performance objectives.	High
External risks		
Cyber and information security	The risk that NZTA or its third parties' data or technology are inappropriately accessed, manipulated, or damaged from cybersecurity threats or vulnerabilities.	Critical
System resilience – natural hazard and climate	NZTA does not adequately plan or proactively invest in activities that can reduce the impact of natural hazards and a changing climate in order to retain minimum levels of service and to manage future financial liabilities.	Critical
Trust and confidence	Ability of NZTA to maintain trust and confidence and license to operate with the public, stakeholders and Government in order to deliver our role in the transport system.	High

Appendix 4: Road user charges investigation and enforcement activity

Road User Charges (RUC) non-compliance rates and extra revenue generated from investigation and enforcement activity

In September 2024, a three-year funding renewal was given by the ministers of transport and finance for funding to continue with enhanced RUC investigation and enforcement activity. This followed a \$24.8m net benefit from three years' previous investment. Funding was approved on the condition that information be provided as part of NZTA's quarterly report on estimated RUC non-compliance for light and heavy vehicles and on the extra revenue generated because of NZTA's investigation and enforcement activity.

The continued increased funding for enhanced RUC investigation and enforcement activity is forecast to deliver a \$15.8m reduction in total potential lost revenue to \$129m (from \$144.8m).

Estimated RUC non-compliance for light and heavy vehicles (as at 31 December 2024)

Vehicle type	Estimated non-compliance	Total potential lost revenue
Light vehicles	\$108m	\$50m
Heavy vehicles	\$92m	\$79m
Total	\$200m	\$129m

Note: Total potential lost revenue is the estimated lost revenue from both uncollected and unidentified RUC.

Extra revenue generated because of NZTA's RUC investigation and enforcement activity

The table below provides the costs and benefits associated with the additional funding to deliver enhanced RUC investigation and enforcement activity for the financial year to December 2024.

Investigation and enforcement activity	Cost	Net-benefit ²¹	Return on investment
Transport Service Licence RUC assessments	\$1.2m	\$3.3m	262%
Electric vehicle RUC assessments	\$0.2m	\$2.2m	1237%
RUC debt recovery	\$0.4m	\$2.4m	598%
Total	\$1.8m	\$7.9m	429%

The table below provides the full-year forecast (to the end of FY2024/25) of return on investment for the additional funding to deliver enhanced RUC investigation and enforcement activity.

Cost	Net-benefit	Return on investment
\$3.7m	\$15.8m	429%

²¹ Additional revenue collected.