

DRAFT CAPITAL BUDGET INCLUDING ZERO CARBON OPTIONS 2024/25

Department: Civic and Finance

EXECUTIVE SUMMARY

- 1 This report seeks approval of the draft capital budget (draft budget) for inclusion in the 2024/25 Annual Plan (“Annual Plan”).
- 2 At its meeting on 27 February, Council approved the preparation of a 2024/25 Annual Plan for community consultation, rather than completing a 10 year plan 2024-34.
- 3 When the decision was made to prepare an Annual Plan, a significant amount of work had already been undertaken to develop capital budgets for the 10 year period 2024 – 34. There was, however, a high level of uncertainty of our information for years 2 – 10, as legislative changes signalled by the new Government would likely take effect from 2025/26 year onwards. The 2024/25 capital budget information that was prepared for the 10 year plan, is now being used to produce the draft Annual Plan.
- 4 The updated budget for 2024/25 is \$207.357 million, compared to \$157.044 million provided for in year four of the 10 year plan 2021-31, an increase of \$50.313 million.

RECOMMENDATIONS

That the Council:

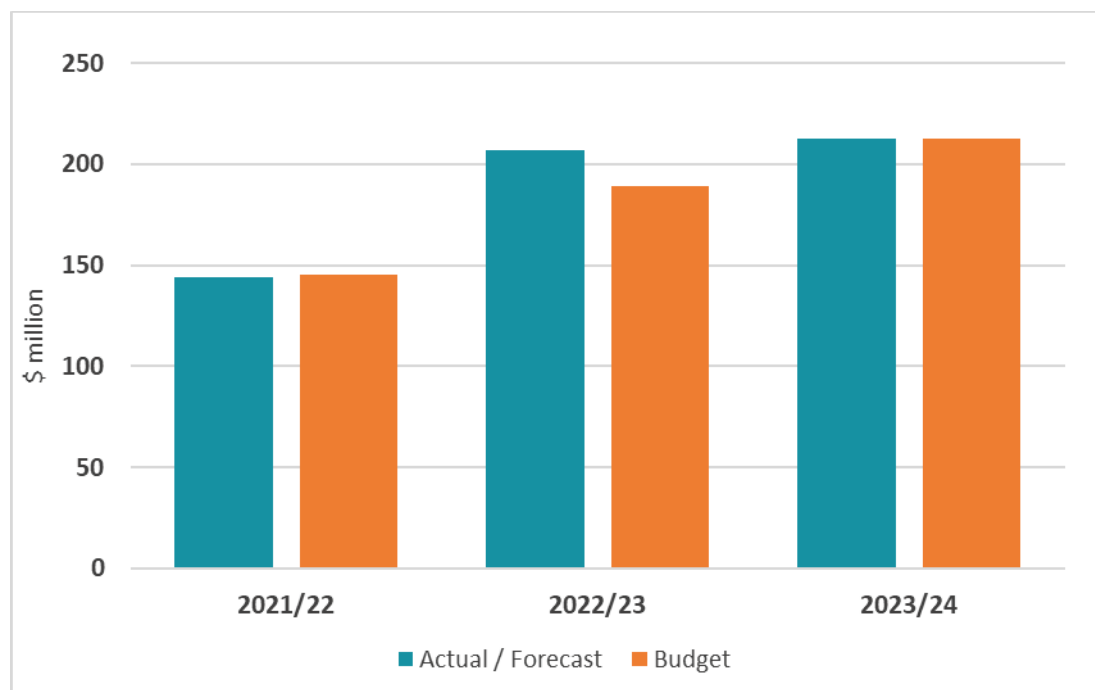
- a) **Approves** the proposed capital expenditure budget for inclusion in the draft 2024/25 Annual Plan.
- b) **Decides** what zero carbon investment option, if any, it wishes to include in the capital expenditure budget for the draft 2024/25 Annual Plan.

BACKGROUND

- 5 The 10 year plan 2021-31 provided a capital expenditure budget of \$1.5 billion to be spent over 10 years.
- 6 The first three years spend is forecast to be \$564 million compared to a budget of \$450 million. Projects such as the Central City Upgrade were brought forward, and capital spend in Three Waters were accelerated.
- 7 Chart 1 below shows progress against the 10 year plan 2021-31. It shows:
 - a) Actual capital expenditure for the 2021/22 and 2022/23 years
 - b) Forecast capital expenditure for the 2023/24 year

- c) 10 year plan 2021-31 capital expenditure budget for the 2021/22 to 2023/24 years.

Chart 1 – Bar chart showing actual and forecast capital expenditure vs budget



- 8 Capital expenditure is funded as follows:

- Funded depreciation – for renewals
- Debt – for new capital, and any shortfall in funded depreciation for renewals
- NZTA Waka Kotahi grant funding – renewals and new capital for transport projects
- Development contributions – for growth capital

DISCUSSION

- 9 The capital budgets proposed for the draft Annual Plan are year one of the budgets that were being prepared for the new 10 year plan 2024-34. The budget provides for a continuation of the capital programmes provided for in the current 10 year plan. The level of spend of \$207.357 million is higher than that provided for in the current 10 year plan, but more accurately reflects the cost and delivery phases of various projects.

- 10 The draft capital budget for 2024/25 reflects the following:

- Asset management plans, incorporating current condition assessments and risk profiling to inform the timing of any renewal
- Update of costs to complete projects underway
- Priority of work – renewals over new capital
- Ability to deliver – both internally and the available market capacity

- Timing of work – forecasting progress against the current 2023/24 budget and considering how timing differences may impact the 2024/25 year
 - Climate change and zero carbon targets – assessment of possible impacts from capital projects
 - Ability to fund – debt limits and our ability to service debt
- 11 The draft capital budget for the 2024/25 year provides for replacing existing assets and infrastructure. Across the Council's activities, the proposed budget is \$207.357 million in the 2024/25 year, compared to \$157.044 million provided for in year four of the 10 year plan. The draft capital budgets are at Attachment A.

Zero Carbon Plan approach

- 12 The Council's Zero Carbon Policy provides that all DCC activities, including renewals, should seek to minimise emissions and contribute to achieving both city-wide and DCC emissions reduction.
- 13 Staff have assessed proposed capital projects to determine if they contribute to reducing Dunedin's city-wide emissions. The capital expenditure budget at Attachment A indicate by project, what contribution they may make to Council's zero carbon goals. Projects have been assessed as follows:
- A **core** city-wide emissions reduction initiative (a key focus of the project is to reduce city-wide emissions and/or it is a priority area in the Zero Carbon Implementation Plan)
 - **Contributes** to reducing city-wide emissions (there is an emissions reduction aspect to the project, but city-wide emissions reduction is not a primary reason for investing in the project) or is an important aspect of the DCC's own decarbonisation
 - **Complements** emissions reduction efforts - the project is not focussed on emissions reduction; however emissions reduction is a co-benefit of this project
 - **Neutral** where the project is considered to neither increase nor decrease city-wide emissions, nor significantly decrease DCC emissions.
- 14 **Core** emissions reduction projects identified in the draft budgets include:
- Shaping Future Dunedin Transport: improvements to public transport, including Mosgiel Park and Ride, and some funding for Central City Cycle and Pedestrian Improvements.
 - Low Cost, Low Risk Improvements: - small projects aimed to improve pedestrian safety, particularly around schools.
 - Waste Futures and Green Island Landfill: measures to reduce waste emissions, such as constructing facilities to store/process material diverted from landfill, and improvements to landfill gas capture and destruction.
- 15 Projects that **contribute** towards achieving city-wide emissions reduction include:
- South Dunedin Library and Community Complex.
 - Construction of new infrastructure at wastewater treatment plants, including infrastructure to better capture and destroy greenhouse gases generated in treatment processes.
 - EV Charging Infrastructure: development of a network to service the city's fleet of electric vehicles.

- 16 There are a wide range of projects within the draft capital budgets that **complement** city-wide emissions reduction efforts. These projects will reduce emissions from stationary energy, transport and waste systems.
- 17 Most renewals are in the **neutral** category.
- 18 High/medium zero carbon investment scenarios are considered later in this report.

Draft 2024/25 Capital Expenditure Programme

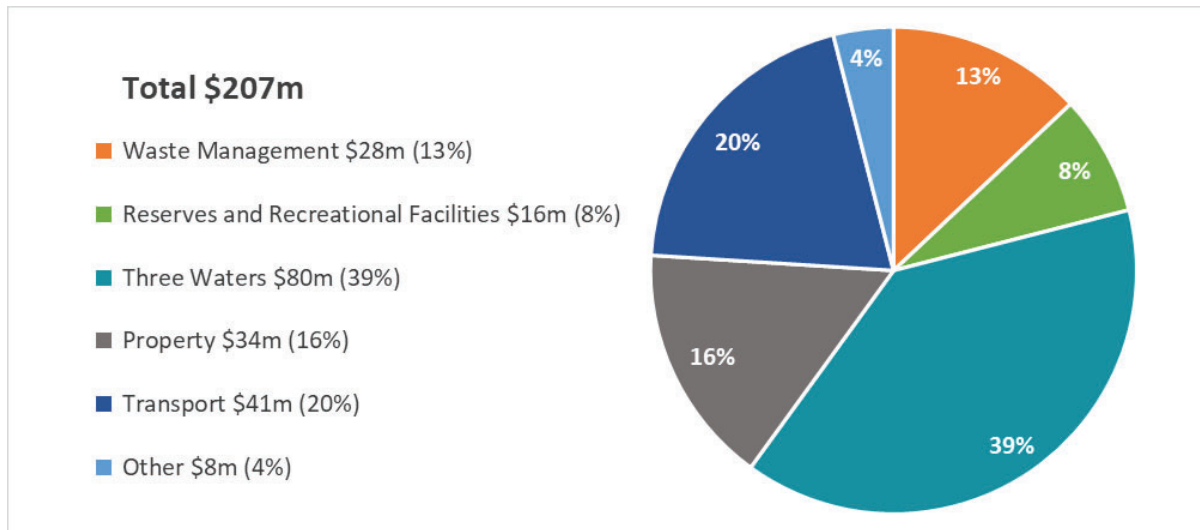
- 19 Table 1 provides a summary of the draft capital expenditure budget for 2024/25 year, by group activity. It also shows the budget included in year 4 of the 10 year plan 2021-31.

Table 1 – 2024/25 draft capital expenditure budget vs year 4 of the 10 year plan 2021-2031

| 2024/25 Capital Expenditure Budget \$000s | Draft Budget | Year 4 of 10 Year Plan 2021-31 | Increase (Decrease) |
|---|----------------|-----------------------------------|------------------------|
| Community and Planning | 105 | 201 | (96) |
| Economic Development | 60 | 5 | 55 |
| Galleries, Libraries and Museums | 2,816 | 1,574 | 1,242 |
| Governance and Support Services | 4,445 | 5,117 | (672) |
| Property | 33,795 | 24,086 | 9,709 |
| Regulatory Services | 600 | 731 | (131) |
| Reserves and Recreational Facilities | 15,975 | 17,198 | (1,223) |
| Roading and Footpaths | 41,226 | 48,916 | (7,690) |
| Three Waters | 80,123 | 48,047 | 32,076 |
| Waste Management | 28,212 | 11,169 | 17,043 |
| Total Expenditure | 207,357 | 157,044 | 50,313 |

- 20 Chart 2 below shows, for the larger groups of activities, the proportion of the \$207.357 million budget is for each group.

Chart 2 – Draft 2024/25 capital expenditure budget by group



- 21 The level of spend at \$207.357 million is higher than anticipated in the 10 year plan 2021-31 but more accurately reflects the delivery phases of various projects. The accelerated capital expenditure programme in Three Waters is continued.
- 22 Staff will manage the capital programme closely and look for any savings during the year. Regular reporting to either Council or the Finance & CCO Committee on progress on the capital programme will continue, with close attention to actual vs budget, to ensure that the capital budget is not exceeded.

Galleries, Libraries and Museums

- 23 The draft budget provides \$600k for the opening collection of the South Dunedin Library and Community Complex. This expenditure was previously scheduled for 2023/24. Additional budget of \$550k has been provided to renew the exhibition lighting at Toitū Otago Settlers Museum.

Governance and Support Services

- 24 Fleet Operations General Vehicle Replacement is lower than budgeted for in the 10 year plan due to the prior acceleration of spend to replace vehicles.
- 25 Business Information Services has \$1.500 million budgeted for the continuation of work on the Customer Self Service Portal project. This project will enable ratepayers to easily access DCC information, log a complaint, pay their rates, complete online bookings, and any other online services the DCC can provide though a DCC web interface/portal. The hardware replacement budget has increased to \$850k in response to the increasing cost of technology required.

Property

- 26 The Property budget provides \$17.500 million for the South Dunedin Library and Community Complex, previously scheduled to be undertaken during the first three years of the 10 year plan. The budget provides \$5.030 million for ongoing work on the Civic Centre. There is also an

increase in the budget for Public Toilets (provision for two locations) due to escalating costs of construction.

- 27 This uplift in spend has been partially offset by the rephasing and prioritisation of asset renewals work across the portfolios. The Performing Arts budget has been rephased while work continues on investigating possible options.

Reserves and Recreational Facilities

- 28 Renewals expenditure includes an increase in budget of \$4.128 million to \$8.902 million, to undertake work at Moana Pool. This increase is a result of the redevelopment plan having been rescoped and timelines changing, with some works deferred from 2023/24 to 2024/25 and later years.
- 29 Funding for Playground Improvements has increased by \$489k to \$1.017 million ahead of work for the Destination Playgrounds. There is also increased provision for creating more burial capacity across the city and the associated infrastructure.
- 30 These increases have been offset by a reduction in recreation facilities renewals and a Botanic Garden improvement decrease of \$720k. A Botanic Garden Strategic Plan is being developed, and this will inform a capital programme for the Garden.

Roading and Footpaths

- 31 Review of the transport capital budget has taken account of the uncertainty around the amount of co-funding that may be received from NZTA Waka Kotahi for new capital projects. Projects such as the Tunnels Trail and other cycleways will be considered in the development of the 9 year plan 2025-34.
- 32 The budget includes funding of \$1.500 million for Bath Street works. It also includes budget for Shaping Future Dunedin projects such as \$3.000 million for Central City Cycle and Pedestrian Improvements, \$1.200 million for Central City Parking Management and \$2.500 million for the Mosgiel Park and Ride.
- 33 Low Cost, Low Risk minor safety improvement projects such as intersection improvements and school safety are ongoing with an unchanged budget of \$2.000 million.
- 34 Over the first three years of the plan, the Central City Upgrade was brought forward and because of early completion, the budget of \$7.370 million for the 2024/25 year in the 10 year plan is not required.
- 35 An increase in budget of \$7.232 million to \$30.506 million for transport renewals highlights the work needed on the transport network. Of this, \$10.824 million is for Pavement Renewals and \$3.248 million is for Pavement Rehabilitations where roading surfaces require more intensive work than a standard renewal. Major Drainage Control, with a budget of \$6.102 million, allows for kerb and channel renewals, along with renewals for the culvert and mud tank network.
- 36 The draft Government Policy Statement on land transport 2024 -34 has just been released for consultation purposes. A copy of the draft Government Policy Statement is at Attachment C. Staff are reviewing the draft Statement to understand the impacts it may have on our assumptions around co-funding for the transport initiatives included in our proposed capital expenditure programme. Staff will report back to Council on its findings.

- 37 In the interim, the budget assumes that NZTA Waka Kotahi will provide the full funding assistance rate (grant funding) on the new capital expenditure, but the grant funding on renewals will be capped. The shortfall in renewals grant funding is estimated to be \$3.605 million and will be debt funded.

Zero Carbon - High and medium investment scenarios for roading and footpaths

- 38 At its meeting on 25 September 2023, Council considered a draft Zero Carbon Plan 2030, and at that meeting asked staff to develop a high investment option for the Zero Carbon Implementation plan (as the preferred option) with medium investment as the alternative option, to be done for the draft 10 year plan 2024-34.
- 39 With the decision to prepare an Annual Plan, two investment scenarios are presented below for the 2024/25 year only. Further work will be undertaken on these scenarios, to look at future investment for consideration as part of the 9 year plan 2025-34.
- 40 The high investment scenario for the 2024/25 year will require an additional \$3.9 million to be added to the capital budget.
- 41 The zero carbon initiatives in the high investment scenario fall within the Transport activity. These projects encompass cycle and pedestrian improvements, intersection safety and accessibility upgrades, investment in the Princes Street bus and corridor plan, and enhancements to the accessibility of footpaths.
- 42 The medium investment scenario would require an additional \$2.65 million to be added to the capital budget. These zero carbon initiatives mirror those in the high scenario, except for a reduction in the budget allocated for intersection safety and accessibility upgrades.
- 43 Staff have assumed that the items proposed will not attract co-funding from NZTA Waka Kotahi.
- 44 A summary table of the high and medium investment scenarios is shown in Figure 1.

| | | 2024/25 | |
|------------------------------------|---|---------------------|-----------------------|
| Activity Name | Project Name | High Package \$'000 | Medium Package \$'000 |
| Shaping Future Dunedin | Central City Cycle and Pedestrian Improvements | 500 | 500 |
| | Princes Street Bus Priority and Corridor Safety Plan | 400 | 400 |
| Transport | Accessibility-driven Footpath Renewals | 500 | 500 |
| | Low Risk, Low Cost Improvements: Intersection Safety and Accessibility Upgrades | 2,500 | 1,250 |
| Total Additional Investment | | 3,900 | 2,650 |

- 25 Council is asked to consider what, if any investment option it may wish to include in the capital programme for the 2024/25 year. Given the uncertainty around co-funding from NZTA Waka Kotahi, and how this may impact on transport's capital programme, it is recommended that no additional investment be added into the 2024/25 year.

- 45 This will allow more time to interrogate the programme, understand the implications of changes to co-funding priorities, refine the cost estimates and develop a more robust zero carbon investment programme in time for the 9 year plan 2025-34.

Three Waters

- 46 Three Waters capital expenditure budget of \$80.123 million provides an increase of \$32.076 million on year 4 of the 10 year plan. Tables 2 and 3 below provide a summary of the draft Three Waters capital budget.

Table 2 – 2024/25 Three Waters draft capital expenditure budget

| Capital Expenditure \$'000s | | 2024/25 Annual Plan Draft Budget | Year 4 of Current 10 Year Plan | Increase (Decrease) |
|---|----------------------------|---|---|------------------------|
| Stormwater | Renewals supporting Growth | 2,015 | 1,818 | 197 |
| | Renewals | 3,418 | 4,881 | (1,463) |
| | Total Renewals | 5,433 | 6,699 | (1,266) |
| | New Capital for Growth | 924 | 915 | 9 |
| | New Capital | 11,643 | 6,500 | 5,143 |
| | Total New Capital | 12,567 | 7,415 | 5,152 |
| Total Stormwater | | 18,000 | 14,114 | 3,886 |
| Wastewater | Renewals supporting Growth | 648 | 1,566 | (918) |
| | Renewals | 13,539 | 13,718 | (179) |
| | Total Renewals | 14,187 | 15,284 | (1,097) |
| | New Capital for Growth | 851 | 1,881 | (1,030) |
| | New Capital | 13,386 | 0 | 13,386 |
| | Total New Capital | 14,237 | 1,881 | 12,356 |
| Total Wastewater | | 28,424 | 17,165 | 11,259 |
| Water Supply | Renewals supporting Growth | 1,286 | 1,066 | 220 |
| | Renewals | 20,562 | 12,732 | 7,830 |
| | Total Renewals | 21,848 | 13,798 | 8,050 |
| | New Capital for Growth | 1,176 | 990 | 186 |
| | New Capital | 10,675 | 1,980 | 8,695 |
| | Total New Capital | 11,851 | 2,970 | 8,881 |
| Total Water Supply | | 33,699 | 16,768 | 16,931 |
| Total Three Waters Capital Expenditure | | 80,123 | 48,047 | 32,076 |

Table 3 – 2024/25 Summary of Three Waters draft capital expenditure

| Capital Expenditure \$'000s | | 2024/25 Annual Plan Draft Budget | Year 4 of Current 10 Year Plan | Increase (Decrease) |
|---|----------------------------|---|---|------------------------|
| Three Waters | Renewals supporting Growth | 3,949 | 4,450 | (501) |
| | Renewals | 37,519 | 31,331 | 6,188 |
| | Total Renewals | 41,468 | 35,781 | 5,687 |
| | New Capital for Growth | 2,951 | 3,786 | (835) |
| | New Capital | 35,704 | 8,480 | 27,224 |
| | Total New Capital | 38,655 | 12,266 | 26,389 |
| Total Three Waters Capital Expenditure | | 80,123 | 48,047 | 32,076 |

Growth

- 47 3 Waters infrastructure is required to service areas rezoned within the 2GP and Dunedin's anticipated growth as provided for in the draft Future Development Strategy.
- 48 The capital budget includes \$6.900 million for growth across the stormwater, wastewater and water supply activities, and of this, \$2.951 million is for New Capital Supporting Growth which enables the creation of new reticulation assets.
- 49 The balance of \$3.949 million is for "renewals supporting growth" projects. These renewal projects involve upsizing existing networks to cater for growth, e.g., upsizing pipes on renewal.

New capital

- 50 Stormwater - The new capital budget includes \$5.059 million for the Bath St watercourse and \$1.750 million for the Mosgiel Pumpstations and Network, both not provided for in the 10 year plan. There is also an uplift in the budget of \$3.262 million for resilience projects, increased monitoring requirements and hydraulic model building.
- 51 Offsetting these increases is a reduction in the budget for South Dunedin Flood Alleviation of \$5.250 million against the 10 year plan budget. This is due to the rephasing of this work, which will be included in the 9 year plan 2025-34.
- 52 Wastewater – the new capital budget provides \$8.707 million for the construction of new infrastructure at the metro wastewater treatment plants, based on the outcomes of plant condition and resilience assessments. A budget of \$4.679 million has been provided for other projects such as wet weather discharges, resilience work and system upgrades.
- 53 Water Supply – the new capital budget has increased by \$8.695 million to \$10.675 million. Of this, \$4.859 million is for water supply resilience projects including upgrades to water treatment plants based on the outcomes of process capability assessments. A budget of \$4.748 million has been provided for other capital works such as water network upgrades to support compliance

with new regulations. A budget of \$1.068 million has been provided for the design and construction of a water supply main to Port Chalmers.

Renewals

- 54 The 3 waters renewals programme is informed by condition assessment programmes on treatment plants and performance data.
- 55 The proposed renewals programme only includes projects that are required to maintain service levels or meet exiting service level shortfalls. Renewals will proactively target significant risk areas such as highly critical areas to prevent service level failure.
- 56 Where possible, rather than replace assets, rehabilitation work will be undertaken to repair assets and extend their useful lives. Rehabilitation is a cost-effective method for maintaining the 3 waters network.
- 57 Stormwater - a budget of \$3.418 million provides for general network and pumpstation renewals, being an uplift in budget of \$2.334 million.
- 58 Wastewater - \$3.731 million has been provided for Metro Wastewater Treatment Plant Resilience and \$8.623 million for other renewals including systems upgrades and consent renewals.
- 59 Water supply – there has been an uplift in the budget of \$8.299 million to \$15.125 million for the renewal of existing water supply treatment and network assets renewals. A budget of \$5.437 million has been provided for the renewal of water treatment plants, and other critical water pump assets.

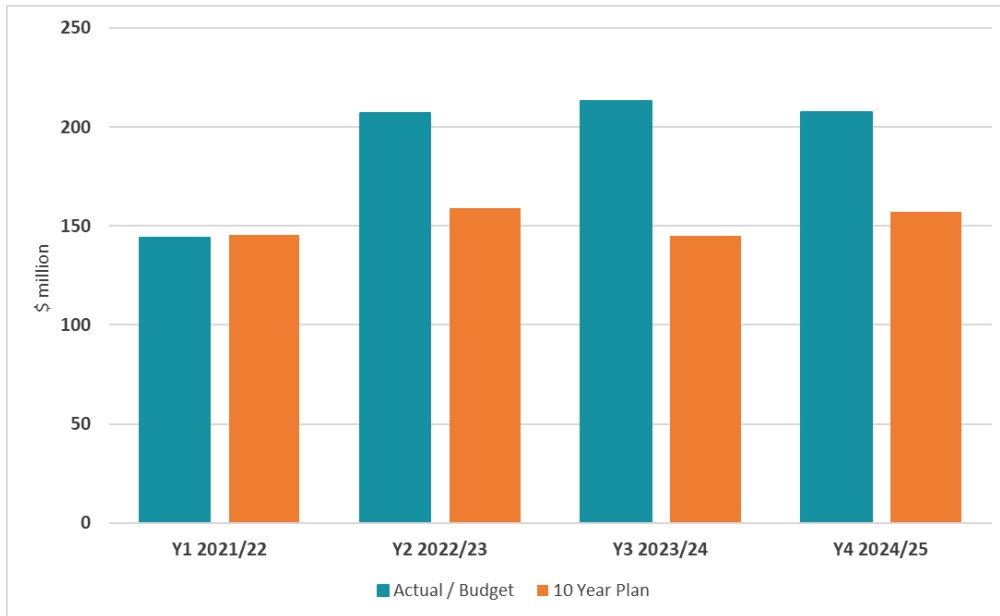
Waste Management

- 60 The Waste Futures budget is \$14.682 million higher than the budget provided for in the 10 year plan, due to timing changes. Projects now planned to be underway and continuing in 2024/25, include \$15.966 million for the construction of the Material Recovery Facility, \$3.512 million for the Resource Recovery Park and \$3.513 million for the Organics Facility. These projects will support the enhanced Kerbside Collection Services commencing on 1 July 2024.
- 61 Expenditure for Smooth Hill Landfill of \$9.552 million has been rephased to future years. It is assumed that resource consent will be granted to extend the life of the Green Island Landfill beyond what was expected in the 10 year plan.

Comparison with 10 year plan 2021-31

- 62 Chart 3 compares actual and forecast capital expenditure with the 10 year plan for the first 4 years from 2021/22 – 2024/25.

Chart 3 – Capital Expenditure Years 1 – 4 of the 10 Year plan 2021-2031



- 63 Over the four year period from 2021/22 – 2024/25, capital expenditure is forecast to be \$771.195 million, \$164.684 million higher than the 10 year plan budget of \$606.5111 million. This is made up as follows:

- the actual 2021/22 year expenditure was \$1.352 million less than year 1 of the 10 year plan;
- the 2022/23 year expenditure was \$48.263 million ahead of that provided for in year 2 of the 10 year plan;
- the 2023/24 year is forecast to be \$67.460 million ahead of that provided for in year 3 of the 10 year plan; and
- in 2024/25 the draft budget provides for an increase of \$50.313 million compared to that provided for in year 4 of the 10 year plan.

- 64 Table 4 provides a capital expenditure summary for the financial years ended 30 June 2022, 2023, 2024 and 2025 by activity group.

Table 4 – Capital Expenditure Years 1 – 4 of the 10 Year plan 2021-2031

| Capital Expenditure \$000s Years 1 - 4 10 Year Plan | Actual + Draft Budget | 10 Year Plan 2021-31 | Increase (Decrease) |
|--|--------------------------|-------------------------|------------------------|
| Community and Planning | 913 | 1,932 | (1,019) |
| Economic Development | 567 | 291 | 276 |
| Galleries, Libraries and Museums | 9,157 | 8,264 | 893 |
| Governance and Support Services | 15,107 | 19,835 | (4,728) |
| Property | 94,074 | 96,290 | (2,216) |
| Reserves and Recreational Facilities | 1,335 | 1,740 | (405) |
| Regulatory Services | 74,134 | 73,872 | 262 |
| Roading and Footpaths | 192,526 | 181,714 | 10,812 |
| Three Waters | 335,091 | 176,327 | 158,764 |
| Waste Management | 48,291 | 46,246 | 2,045 |
| Total Expenditure | 771,195 | 606,511 | 164,684 |

Three Waters

- 65 An increase of \$158.764 million reflects the acceleration of the 3 waters programme provided for in the current 10 year plan. The accelerated programme has resulted in an increased investment in 3 water asset renewal, sooner than planned, to address areas of risk and increase resilience in these significant infrastructure assets.

OPTIONS

- 66 There are no options presented but Council may decide to modify the draft capital budgets.

NEXT STEPS

- 67 The decision of Council will be included in the draft Annual Plan 2024/25 for the purposes of community engagement.

Signatories

| | |
|-------------|--|
| Author: | Sharon Bodeker - Special Projects Manager Carolyn Allan - Chief Financial Officer |
| Authoriser: | Sandy Graham - Chief Executive Officer |

Attachments

| Title | Page |
|-------|------|
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| | | |
|--------------------|---|----|
| ↓A | Capital Expenditure Comparison Summary | 60 |
| ↓B | Capital Expenditure Four Year Summary | 71 |
| ↓C | Draft Government Policy Statement on land transport 2024-34 | 82 |

SUMMARY OF CONSIDERATIONS

Fit with purpose of Local Government

This decision enables democratic local decision making and action by, and on behalf of communities and promotes the social, economic, environmental and cultural wellbeing of the communities in the present and for the future.

Fit with strategic framework

| | Contributes | Detracts | Not applicable |
|---|-------------------------------------|--------------------------|--------------------------|
| Social Wellbeing Strategy | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Economic Development Strategy | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Environment Strategy | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Arts and Culture Strategy | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3 Waters Strategy | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Spatial Plan | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Integrated Transport Strategy | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Parks and Recreation Strategy | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Other strategic projects/policies/plans | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

The Activity Groups contribute to the delivery of all of the objectives and priorities of the strategic framework.

Māori Impact Statement

The Annual Plan provides a mechanism for Māori to contribute to local decision-making. The Council's engagement with Mana Whenua and Mātāwaka is an ongoing and continuous process.

Sustainability

The Annual Plan budget is based on the 10 year plan 2021-31. Major issues and implications for sustainability were considered in the development of the 50 year Infrastructure Strategy and financial resilience was discussed in the Financial Strategy, both strategies being key to the development of the 10 year plan.

LTP/Annual Plan / Financial Strategy /Infrastructure Strategy

This report provides draft budgets for each Activity Group for inclusion in the Annual Plan.

Financial considerations

Financial considerations are detailed in the report.

Significance

The 10 year plan 2021-31 budgets were considered significant in terms of the Council's Significance and Engagement Policy, and were consulted on. Variations to those budgets as discussed in this report are not considered significant in terms of the policy.

Engagement – external

There has been no external engagement in developing the draft budgets for the Activity Groups.

Engagement - internal

Staff and managers from across council have been involved in the development of the draft budgets.

SUMMARY OF CONSIDERATIONS

Risks: Legal / Health and Safety etc.

There are no identified risks.

Conflict of Interest

There are no known conflicts of interest.

Community Boards

Community Boards will have an opportunity to engage on the Annual Plan.

Dunedin City Council
Capital Expenditure 2024/2025

| Activity Group | 2024/25 Annual Plan Draft Budget | Year 4 of Current 10 Year Plan | Increase (Dec) |
|--------------------------------------|--|--------------------------------------|-------------------|
| New Capital | \$'000 | \$'000 | \$'000 |
| Community and Planning | 100 | 200 | (100) |
| Economic Development | - | - | - |
| Galleries, Libraries and Museums | 1,045 | 381 | 664 |
| Governance and Support Services | 1,980 | 2,408 | (428) |
| Property | 19,610 | 6,200 | 13,410 |
| Regulatory Services | - | - | - |
| Reserves and Recreational Facilities | 2,552 | 5,231 | (2,679) |
| Roading and Footpaths | 10,720 | 25,642 | (14,922) |
| Three Waters | 38,655 | 12,266 | 26,389 |
| Waste Management | 27,607 | 10,697 | 16,910 |
| Total New Capital | 102,269 | 63,025 | 39,244 |
| Renewals | | | |
| Community and Planning | 5 | 1 | 4 |
| Economic Development | 60 | 5 | 55 |
| Galleries, Libraries and Museums | 1,771 | 1,193 | 578 |
| Governance and Support Services | 2,465 | 2,709 | (244) |
| Property | 14,185 | 17,886 | (3,701) |
| Regulatory Services | 600 | 731 | (131) |
| Reserves and Recreational Facilities | 13,423 | 11,967 | 1,456 |
| Roading and Footpaths | 30,506 | 23,274 | 7,232 |
| Three Waters | 41,468 | 35,781 | 5,687 |
| Waste Management | 605 | 472 | 133 |
| Total Renewals | 105,088 | 94,019 | 11,069 |
| Total Capital | | | |
| Community and Planning | 105 | 201 | (96) |
| Economic Development | 60 | 5 | 55 |
| Galleries, Libraries and Museums | 2,816 | 1,574 | 1,242 |
| Governance and Support Services | 4,445 | 5,117 | (672) |
| Property | 33,795 | 24,086 | 9,709 |
| Regulatory Services | 600 | 731 | (131) |
| Reserves and Recreational Facilities | 15,975 | 17,198 | (1,223) |
| Roading and Footpaths | 41,226 | 48,916 | (7,690) |
| Three Waters | 80,123 | 48,047 | 32,076 |
| Waste Management | 28,212 | 11,169 | 17,043 |
| Total Capital | 207,357 | 157,044 | 50,313 |

**Community and Planning
Capital Expenditure 2024/2025**

| Activity Group | Project | Carbon Zero | 2024/25 Annual Plan Draft Budget | Year 4 of Current 10 Year Plan | Increase (Dec) |
|----------------------------------|---|-------------|--|--------------------------------------|-------------------|
| New Capital | | | \$'000 | \$'000 | \$'000 |
| City Development | Minor Amenity Centres Upgrades | Contributes | - | 100 | (100) |
| | Street Trees and Furniture | Complements | 100 | 100 | - |
| | Total City Development | | 100 | 200 | (100) |
| Total New Capital | | | 100 | 200 | (100) |
| Renewals | | | | | |
| Community Development and Events | Task Force Green | Neutral | 5 | 1 | 4 |
| | Total Community Development and Events | | 5 | 1 | 4 |
| Total Renewals | | | 5 | 1 | 4 |
| Total Capital | | | 105 | 201 | (96) |

Economic Development
Capital Expenditure 2024/2025

| Activity Group | Project | Carbon Zero | 2024/25 Annual Plan Draft Budget | Year 4 of Current 10 Year Plan | Increase (Dec) |
|------------------------------|---|-------------|--|--------------------------------------|-------------------|
| Renewals | | | \$'000 | \$'000 | \$'000 |
| Economic Development | Minor Equipment Renewals | Neutral | 50 | - | 50 |
| | Total Economic Development | | 50 | - | 50 |
| Destination Marketing | Digital Content - Camera and Video Gear | Neutral | - | 5 | (5) |
| | Minor Equipment Renewals | Neutral | 10 | - | 10 |
| | Total Destination Marketing | | 10 | 5 | 5 |
| Total Renewals | | | 60 | 5 | 55 |
| Total Capital | | | 60 | 5 | 55 |

**Galleries, Libraries and Museums
Capital Expenditure 2024/2025**

| Activity Group | Project | Carbon Zero | 2024/25 Annual Plan Draft Budget | Year 4 of Current 10 Year Plan | Increase (Dec) |
|-----------------------------|--|-------------|--|--------------------------------------|-------------------|
| New Capital | | | \$'000 | \$'000 | \$'000 |
| Dunedin Public Art Gallery | Acquisitions - Donation Funded | Neutral | 35 | 35 | - |
| | Acquisitions - DPAG Society Funded | Neutral | 30 | 30 | - |
| | Acquisitions - Rates Funded | Neutral | 120 | 120 | - |
| | Minor Capital Works | Neutral | 100 | 40 | 60 |
| | Total Dunedin Public Art Gallery | | 285 | 225 | 60 |
| Toitū Otago Settlers Museum | Acquisitions - Rates Funded | Neutral | 50 | 50 | - |
| | Minor Capital Works | Neutral | 40 | 40 | - |
| | Total Toitū Otago Settlers Museum | | 90 | 90 | - |
| Dunedin Public Libraries | Heritage Collection Purchases - Rates Funded | Neutral | 60 | 56 | 4 |
| | Heritage Collection Purchases - Trust Funded | Neutral | 10 | 10 | - |
| | South Dunedin Library Opening Collection | Complements | 600 | - | 600 |
| | Total Dunedin Public Libraries | | 670 | 66 | 604 |
| Total New Capital | | | 1,045 | 381 | 664 |
| Renewals | | | | | |
| Dunedin Public Art Gallery | Exhibition Lighting | Neutral | - | 27 | (27) |
| | Heating and Ventilation System | Neutral | 30 | 33 | (3) |
| | Total Dunedin Public Art Gallery | | 30 | 60 | (30) |
| Toitū Otago Settlers Museum | Minor Equipment Renewals | Neutral | 100 | - | 100 |
| | Exhibition Lighting Renewal | Neutral | 550 | - | 550 |
| | Total Toitū Otago Settlers Museum | | 650 | - | 650 |
| Dunedin Public Libraries | Acquisitions - Operational Collection | Neutral | 996 | 1,030 | (34) |
| | Minor Capital Equipment | Neutral | 55 | 60 | (5) |
| | Total Dunedin Public Libraries | | 1,051 | 1,090 | (39) |
| Olveston House | Minor Capital Works | Neutral | 40 | 43 | (3) |
| | Total Olveston House | | 40 | 43 | (3) |
| Total Renewals | | | 1,771 | 1,193 | 578 |
| Total Capital | | | 2,816 | 1,574 | 1,242 |

Governance and Support
Capital Expenditure 2024/2025

| Activity Group | Project | Carbon Zero | 2024/25 Annual Plan Draft Budget | Year 4 of Current 10 Year Plan | Increase (Dec) |
|---|---|-------------|--|--------------------------------------|-------------------|
| New Capital | | | \$'000 | \$'000 | \$'000 |
| Business Information Services | Value Added External Services Workstream | Complements | 1,500 | 1,850 | (350) |
| | Internal Legacy Corrections | Neutral | 100 | 175 | (75) |
| | Internal Services Workstream | Neutral | 350 | 333 | 17 |
| | Total Business Information Services | | 1,950 | 2,358 | (408) |
| Fleet Operations | EV Charging Infrastructure | Contributes | 30 | 50 | (20) |
| | Total Fleet Operations | | 30 | 50 | (20) |
| Total New Capital | | | 1,980 | 2,408 | (428) |
| Renewals | | | | | |
| Customer Services | Self Service Kiosks | Neutral | - | 54 | (54) |
| | Total Customer Services | | - | 54 | (54) |
| Business Information Services | Internal Legacy Corrections | Neutral | 1,100 | 758 | 342 |
| | Internal Services Workstream | Neutral | 1,025 | 1,409 | (384) |
| | Total Business Information Services | | 2,125 | 2,167 | (42) |
| Fleet Operations | General Replacement | Contributes | 290 | 488 | (198) |
| | Total Fleet Operations | | 290 | 488 | (198) |
| Council Communications and Marketing | Minor Equipment Renewals | Neutral | 50 | - | 50 |
| | Total Council Communications and Marketing | | 50 | - | 50 |
| Total Renewals | | | 2,465 | 2,709 | (244) |
| Total Capital | | | 4,445 | 5,117 | (672) |

Property
Capital Expenditure 2024/2025

| Activity Group | Project | Carbon Zero | 2024/25 Annual Plan Draft Budget | Year 4 of Current 10 Year Plan | Increase (Dec) |
|--------------------------|---|-------------|--|--------------------------------------|-------------------|
| New Capital | | | \$'000 | \$'000 | \$'000 |
| Community | Public Toilets Growth | Neutral | 510 | 200 | 310 |
| | Performing Arts | Neutral | - | 1,000 | (1,000) |
| | Total Community | | 510 | 1,200 | (690) |
| Operational | District Energy Scheme | Contributes | - | 3,000 | (3,000) |
| | South Dunedin Library and Community Complex | Contributes | 17,500 | - | 17,500 |
| | Total Operational | | 17,500 | 3,000 | 14,500 |
| Housing | Housing Growth | Neutral | 1,600 | 2,000 | (400) |
| | Total Housing | | 1,600 | 2,000 | (400) |
| Total New Capital | | | 19,610 | 6,200 | 13,410 |
| Renewals | | | | | |
| Community | Asset Renewals | Neutral | 1,000 | 2,710 | (1,710) |
| | Edgar Centre Refurbishment | Neutral | 300 | 2,060 | (1,760) |
| | Public Toilet Renewals | Neutral | 300 | 108 | 192 |
| | Community Hall Renewals | Neutral | 250 | 542 | (292) |
| | Tarpits | | - | 542 | (542) |
| | Total Community | | 1,850 | 5,962 | (4,112) |
| Housing | Asset Renewals | Neutral | 500 | 2,168 | (1,668) |
| | Fitzroy St Housing Upgrade | Neutral | 1,500 | - | 1,500 |
| | Total Housing | | 2,000 | 2,168 | (168) |
| Investment | Asset Renewals | Neutral | 850 | 737 | 113 |
| | Lift Renewals | Neutral | - | 347 | (347) |
| | Total Investment | | 850 | 1,084 | (234) |
| Operational | Asset Renewals | Neutral | 500 | 3,436 | (2,936) |
| | Asbestos Remediation | Neutral | - | 1,084 | (1,084) |
| | Civic Centre | Neutral | 5,030 | - | 5,030 |
| | Furniture | Neutral | 50 | - | 50 |
| | Dunedin Library Refurbishment | Neutral | 400 | - | 400 |
| | Dunedin Public Art Gallery Refurbishment | Neutral | 310 | 358 | (48) |
| | Octagon CCTV | Neutral | 100 | - | 100 |
| | Olveston House Renewal | Neutral | 250 | 542 | (292) |
| | Toitū Otago Settlers Museum | Neutral | 105 | - | 105 |
| | Town Hall/Municipal Chamber Exterior and Lift | Neutral | 1,600 | 1,084 | 516 |
| | Total Operational | | 8,345 | 6,504 | 1,841 |
| Commercial | Asset Renewals | Neutral | 500 | 2,168 | (1,668) |
| | Sims Building Renewal | Neutral | 640 | - | 640 |
| | Total Commercial | | 1,140 | 2,168 | (1,028) |
| Total Renewals | | | 14,185 | 17,886 | (3,701) |
| Total Capital | | | 33,795 | 24,086 | 9,709 |

Regulatory Services
Capital Expenditure 2024/2025

| Activity Group | Project | Carbon Zero | 2024/25 Annual Plan Draft Budget | Year 4 of Current 10 Year Plan | Increase (Dec) |
|-----------------------|------------------------------------|-------------|--|--------------------------------------|-------------------|
| Renewals | | | \$'000 | \$'000 | \$'000 |
| Compliance Solutions | Minor Equipment Renewals | Neutral | 50 | - | 50 |
| | Total Compliance Solutions | | 50 | - | 50 |
| Parking Operations | Parking Meter Renewals | Neutral | - | 325 | (325) |
| | Car Park Building Equipment | Neutral | - | 379 | (379) |
| | On and Off Street Parking Renewals | Neutral | 550 | - | |
| | Total Parking Operations | | 550 | 704 | (154) |
| Parking Services | Electronic Ticket Writers Renewals | Neutral | - | 27 | (27) |
| | Total Parking Services | | - | 27 | (27) |
| Total Renewals | | | 600 | 731 | (131) |
| Total Capital | | | 600 | 731 | (131) |

**Reserves and Recreational Facilities
Capital Expenditure 2024/2025**

| Activity Group | Project | Carbon Zero | 2024/25 Annual Plan Draft Budget | Year 4 of Current 10 Year Plan | Increase (Dec) |
|----------------------------------|---|-------------|--|--------------------------------------|-------------------|
| New Capital | | | \$'000 | \$'000 | \$'000 |
| Aquatic Services | Moana Pool Improvements | Neutral | 20 | 2,713 | (2,693) |
| | Total Aquatic Services | | 20 | 2,713 | (2,693) |
| Botanic Garden | Botanic Garden Improvements | Neutral | 105 | 825 | (720) |
| | Total Botanic Garden | | 105 | 825 | (720) |
| Cemeteries and Crematorium | Cemetery Strategic Development Plan | Neutral | 500 | 500 | - |
| | City Wide Beam Expansion | Neutral | 360 | 40 | 320 |
| | Total Cemeteries and Crematorium | | 860 | 540 | 320 |
| Parks and Recreation | Playground Improvements | Neutral | 1,017 | 528 | 489 |
| | Track Network Development | Contributes | 100 | 50 | 50 |
| | Recreation Facilities Improvements | Neutral | 450 | 550 | (100) |
| | Total Parks and Recreation | | 1,567 | 1,128 | 439 |
| St Clair - St Kilda Coastal Plan | St Kilda Transition Plan | Neutral | - | 25 | (25) |
| | Total St Clair - St Kilda Coastal Plan | | - | 25 | (25) |
| Total New Capital | | | 2,552 | 5,231 | (2,679) |
| Renewals | | | | | |
| Aquatic Services | Moana Pool Renewals | Complements | 8,902 | 4,774 | 4,128 |
| | Te Puna o Whakaehu Renewals | Neutral | - | 54 | (54) |
| | Port Chalmers Pool Renewals | Neutral | - | 54 | (54) |
| | St Clair Pool Renewals | Neutral | 850 | 300 | 550 |
| | Total Aquatic Services | | 9,752 | 5,182 | 4,570 |
| Botanic Garden | Botanic Garden Renewals | Neutral | 279 | 382 | (103) |
| | Total Botanic Garden | | 279 | 382 | (103) |
| Cemeteries and Crematorium | Structures Renewals | Complements | 142 | 78 | 64 |
| | Total Cemeteries and Crematorium | | 142 | 78 | 64 |
| Parks and Recreation | Greenspace Renewals | Neutral | 570 | 588 | (18) |
| | Playground Renewals | Neutral | 1,160 | 1,163 | (3) |
| | Recreation Facilities Renewals | Neutral | 1,520 | 4,574 | (3,054) |
| | Total Parks and Recreation | | 3,250 | 6,325 | (3,075) |
| Total Renewals | | | 13,423 | 11,967 | 1,456 |
| Total Capital | | | 15,975 | 17,198 | (1,223) |

Roading and Footpaths
Capital Expenditure 2024/2025

| Activity Group | Project | Carbon Zero | 2024/25 Annual Plan Draft Budget | Year 4 of Current 10 Year Plan | Increase (Dec) |
|-------------------------------|---|-------------|--|--------------------------------------|-------------------|
| New Capital | | | \$'000 | \$'000 | \$'000 |
| Transport | Central City Upgrade | Core | - | 7,370 | (7,370) |
| | Central City Upgrade Bath Street | Neutral | 1,500 | - | 1,500 |
| | Central City Upgrade Retail Quarter | Core | 60 | - | 60 |
| | City to Waterfront Connection | Contributes | - | 750 | (750) |
| | Coastal Plan | Neutral | 150 | - | 150 |
| | Dunedin Urban Cycleways | Core | - | 3,820 | (3,820) |
| | Major Centres and Other Centres Upgrade | Core | - | 1,900 | (1,900) |
| | Low Cost, Low Risk Improvements | Core | 2,000 | 2,000 | - |
| | Total Transport | | 3,710 | 15,840 | (12,130) |
| Shaping Future Dunedin | Harbour Arterial Efficiency Improvements | Complements | - | 3,952 | (3,952) |
| | Central City Parking Management | Complements | 1,200 | 3,500 | (2,300) |
| | Mosgiel Park and Ride | Core | 2,500 | - | 2,500 |
| | Central City Bike Hubs - Parking and Facilities | Core | 310 | 750 | (440) |
| | Central City Cycle & Pedestrian Improvements | Core | 3,000 | 1,600 | 1,400 |
| | Total Shaping Future Dunedin | | 7,010 | 9,802 | (2,792) |
| Total New Capital | | | 10,720 | 25,642 | (14,922) |
| Renewals | | | | | |
| Transport | Footpath Renewals | Complements | 5,750 | 4,645 | 1,105 |
| | Gravel Road Re-Metaling | Neutral | 1,184 | 1,365 | (181) |
| | Major Drainage Control | Neutral | 6,102 | 4,606 | 1,496 |
| | Pavement Rehabilitations | Neutral | 3,248 | 1,640 | 1,608 |
| | Pavement Renewals | Neutral | 10,824 | 8,088 | 2,736 |
| | Structure Component Replacement | Neutral | 2,076 | 2,110 | (34) |
| | Traffic Services Renewal | Neutral | 1,322 | 820 | 502 |
| | Total Transport | | 30,506 | 23,274 | 7,232 |
| Total Renewals | | | 30,506 | 23,274 | 7,232 |
| Total Capital | | | 41,226 | 48,916 | (7,690) |

Three Waters
Capital Expenditure 2024/2025

| Activity Group | Project | Carbon Zero | 2024/25 Annual Plan Draft Budget | Year 4 of Current 10 Year Plan | Increase (Dec) |
|--------------------------|---|-------------|--|--------------------------------------|-------------------|
| | | | \$'000 | \$'000 | \$'000 |
| New Capital | | | | | |
| Stormwater | New Capital Supporting Growth | | 924 | 915 | 9 |
| | New Resource Consents | Neutral | 322 | - | 322 |
| | Mosgiel Stormwater Pumpstations and Network | Neutral | 1,750 | - | 1,750 |
| | South Dunedin Flood Alleviation | Neutral | 750 | 6,000 | (5,250) |
| | Stormwater New Capital Other | Neutral | 3,762 | 500 | 3,262 |
| | Bath Street Piped Watercourse to Stormwater | Neutral | 5,059 | - | 5,059 |
| | Total Stormwater | | 12,567 | 7,415 | 5,152 |
| Wastewater | New Capital Supporting Growth | Neutral | 851 | 1,881 | (1,030) |
| | Wastewater New Capital Other | Neutral | 4,679 | - | 4,679 |
| | Metro Wastewater Treatment Plant Resilience | Contributes | 8,707 | - | 8,707 |
| | Total Wastewater | | 14,237 | 1,881 | 12,356 |
| Water Supply | New Capital Supporting Growth | Neutral | 1,176 | 990 | 186 |
| | Port Chalmers Water Supply | Neutral | 1,068 | - | 1,068 |
| | Water New Capital Other | Neutral | 4,748 | 40 | 4,708 |
| | Water Supply Resilience | Neutral | 4,859 | 1,940 | 2,919 |
| | Total Water Supply | | 11,851 | 2,970 | 8,881 |
| Total New Capital | | | 38,655 | 12,266 | 26,389 |
| Renewals | | | | | |
| Stormwater | Central City Renewals | Contributes | - | 843 | (843) |
| | Mosgiel Stormwater Pumpstations and Network | Neutral | - | 2,954 | (2,954) |
| | Other Stormwater Renewals | Neutral | 3,418 | 1,084 | 2,334 |
| | Renewals Supporting Growth | Neutral | 2,015 | 1,818 | 197 |
| | Total Stormwater | | 5,433 | 6,699 | (1,266) |
| Wastewater | Central City Renewals | Contributes | - | 822 | (822) |
| | Other Wastewater Renewals | Neutral | 8,623 | 5,206 | 3,417 |
| | Rural Wastewater Schemes | Neutral | 894 | 1,084 | (190) |
| | Wastewater Pumpstation Renewals | Neutral | 291 | 271 | 20 |
| | Metro Wastewater Treatment Plant Resilience | Neutral | 3,731 | 6,335 | (2,604) |
| | Renewals Supporting Growth | Neutral | 648 | 1,566 | (918) |
| | Total Wastewater | | 14,187 | 15,284 | (1,097) |
| Water Supply | Central City Renewals | Contributes | - | 1,239 | (1,239) |
| | Other Water Renewals | Neutral | 15,125 | 6,826 | 8,299 |
| | Water Supply Resilience | Neutral | 5,437 | 4,667 | 770 |
| | Renewals Supporting Growth | Neutral | 1,286 | 1,066 | 220 |
| | Total Water Supply | | 21,848 | 13,798 | 8,050 |
| Total Renewals | | | 41,468 | 35,781 | 5,687 |
| Total Capital | | | 80,123 | 48,047 | 32,076 |

Waste Management
Capital Expenditure 2024/2025

| Activity Group | Project | Carbon Zero | 2024/25 Annual Plan Draft Budget | Year 4 of Current 10 Year Plan | Increase (Dec) |
|--|---|-------------|--|--------------------------------------|-------------------|
| New Capital | | | \$'000 | \$'000 | \$'000 |
| Waste and Environmental Solutions | City Recycling Facilities | Complements | 15 | - | 15 |
| | City Recycling Hubs | Complements | 260 | - | 260 |
| | Green Island Landfill Aftercare | Neutral | 200 | 295 | (95) |
| | Green Island Landfill Gas Collection System | Core | 2,050 | 850 | 1,200 |
| | Green Island Landfill Leachate System | Complements | 100 | - | 100 |
| | Green Island Landfill Southern Valley Leachate Drain | Neutral | 700 | - | 700 |
| | Rural Community Hubs | Contributes | 30 | - | 30 |
| | Sawyers Bay Closed Landfill | Neutral | 18 | - | 18 |
| | Total Waste and Environmental Solutions | | 3,373 | 1,145 | 2,228 |
| Waste Futures | Organics Facility | Core | 3,513 | - | 3,513 |
| | Construction and Demolition Facility | Core | 383 | - | 383 |
| | Material Recovery Facility | Neutral | 15,966 | - | 15,966 |
| | Glass Facility | Complements | 860 | - | 860 |
| | Resource Recovery Park Precinct | Complements | 3,512 | - | 3,512 |
| | Smooth Hill Landfill | Complements | - | 9,552 | (9,552) |
| | Total Waste Futures | | 24,234 | 9,552 | 14,682 |
| Total New Capital | | | 27,607 | 10,697 | 16,910 |
| Renewals | | | | | |
| Waste and Environmental Solutions | Green Island Landfill and Transfer Station | Neutral | 150 | 163 | (13) |
| | Public Place Recycling and Rubbish Bins | Neutral | 165 | 65 | 100 |
| | Kerbside Bin Latches | Neutral | 60 | - | 60 |
| | Kerbside Bin Replacements | Neutral | 200 | 217 | (17) |
| | Green Island Leachate System Pump and Pumpstation | Neutral | 15 | 16 | (1) |
| | Forester Park Landfill Culvert Pipe Renew/Line/Re-route | Neutral | 15 | - | 15 |
| | Middlemarch Closed Landfill | Neutral | - | 11 | (11) |
| | Total Waste and Environmental Solutions | | 605 | 472 | 133 |
| Total Renewals | | | 605 | 472 | 133 |
| Total Capital | | | 28,212 | 11,169 | 17,043 |

Dunedin City Council
Capital Expenditure 2021-2025

| Activity Group | 2021/22 Actual | 2022/23 Actual | 2023/24 Annual Plan | 2024/25 Annual Plan Draft Budget |
|--------------------------------------|-------------------|-------------------|------------------------|--|
| New Capital | \$'000 | \$'000 | \$'000 | \$'000 |
| Community and Planning | 99 | 199 | 500 | 100 |
| Economic Development | - | - | - | - |
| Galleries, Libraries and Museums | 411 | 454 | 521 | 1,045 |
| Governance and Support Services | 118 | 542 | 2,018 | 1,980 |
| Property | 385 | 3,047 | 2,955 | 19,610 |
| Regulatory Services | 3 | 1 | - | - |
| Reserves and Recreational Facilities | 8,029 | 15,556 | 2,108 | 2,552 |
| Roading and Footpaths | 19,290 | 36,243 | 28,261 | 10,720 |
| Three Waters | 8,037 | 14,317 | 12,838 | 38,655 |
| Waste Management | 4,358 | 3,580 | 11,083 | 27,607 |
| Total New Capital | 40,730 | 73,939 | 60,284 | 102,269 |
| Renewals | | | | |
| Community and Planning | 5 | - | 5 | 5 |
| Economic Development | 2 | 5 | 500 | 60 |
| Galleries, Libraries and Museums | 1,348 | 1,601 | 2,006 | 1,771 |
| Governance and Support Services | 3,183 | 2,595 | 2,206 | 2,465 |
| Property | 14,277 | 15,558 | 24,057 | 14,185 |
| Regulatory Services | 113 | 13 | 605 | 600 |
| Reserves and Recreational Facilities | 4,531 | 9,964 | 17,971 | 13,423 |
| Roading and Footpaths | 21,273 | 24,150 | 22,083 | 30,506 |
| Three Waters | 58,494 | 79,112 | 82,170 | 41,468 |
| Waste Management | 220 | 215 | 623 | 605 |
| Total Renewals | 103,446 | 133,213 | 152,226 | 105,088 |
| Total Capital | | | | |
| Community and Planning | 104 | 199 | 505 | 105 |
| Economic Development | 2 | 5 | 500 | 60 |
| Galleries, Libraries and Museums | 1,759 | 2,055 | 2,527 | 2,816 |
| Governance and Support Services | 3,301 | 3,137 | 4,224 | 4,445 |
| Property | 14,662 | 18,605 | 27,012 | 33,795 |
| Regulatory Services | 116 | 14 | 605 | 600 |
| Reserves and Recreational Facilities | 12,560 | 25,520 | 20,079 | 15,975 |
| Roading and Footpaths | 40,563 | 60,393 | 50,344 | 41,226 |
| Three Waters | 66,531 | 93,429 | 95,008 | 80,123 |
| Waste Management | 4,578 | 3,795 | 11,706 | 28,212 |
| Total Capital | 144,176 | 207,152 | 212,510 | 207,357 |

Community and Planning
Capital Expenditure 2021-2025

| Activity Group | Project | Carbon Zero | 2021/22 Actual | 2022/23 Actual | 2023/24 Annual Plan | 2024/25 Annual Plan Draft Budget |
|----------------------------------|---|-------------|-------------------|-------------------|------------------------|--|
| New Capital | | | \$'000 | \$'000 | \$'000 | \$'000 |
| City Development | Minor Amenity Centres Upgrades | Contributes | - | - | 400 | - |
| | Street Trees and Furniture | Complements | 95 | 164 | 100 | 100 |
| | Warehouse Precinct Upgrades | Contributes | 4 | - | - | - |
| | Water Screen Puaka Matariki | | - | 35 | - | - |
| | Total City Development | | 99 | 199 | 500 | 100 |
| Total New Capital | | | 99 | 199 | 500 | 100 |
| Renewals | | | | | | |
| Community Development and Events | Task Force Green | Neutral | 5 | - | 5 | 5 |
| | Total Community Development and Events | | 5 | - | 5 | 5 |
| Total Renewals | | | 5 | - | 5 | 5 |
| Total Capital | | | 104 | 199 | 505 | 105 |

**Economic Development
Capital Expenditure 2021-2025**

| Activity Group | Project | Carbon Zero | 2021/22 Actual | 2022/23 Actual | 2023/24 Annual Plan | 2024/25 Annual Plan Draft Budget |
|------------------------------|---|-------------|-------------------|-------------------|------------------------|--|
| Renewals | | | \$'000 | \$'000 | \$'000 | \$'000 |
| Economic Development | Minor Equipment Renewals | Neutral | - | - | - | 50 |
| | iSITE Octagon Premises Refresh | Neutral | - | - | 500 | - |
| | Total Economic Development | | - | - | 500 | 50 |
| Destination Marketing | Digital Content - Camera and Video gear | Neutral | 2 | 5 | - | - |
| | Minor Equipment Renewals | Neutral | - | - | - | 10 |
| | Total Destination Marketing | | 2 | 5 | - | 10 |
| Total Renewals | | | 2 | 5 | 500 | 60 |
| Total Capital | | | 2 | 5 | 500 | 60 |

Galleries, Libraries and Museums
Capital Expenditure 2021-2025

| Activity Group | Project | Carbon Zero | 2021/22 Actual | 2022/23 Actual | 2023/24 Annual Plan | 2024/25 Annual Plan Draft Budget |
|------------------------------------|--|-------------|-------------------|-------------------|------------------------|--|
| New Capital | | | \$'000 | \$'000 | \$'000 | \$'000 |
| Dunedin Public Art Gallery | Acquisitions - Donation Funded | Neutral | - | 176 | 35 | 35 |
| | Acquisitions - DPAG Society Funded | Neutral | 35 | - | 30 | 30 |
| | Acquisitions - Rates Funded | Neutral | 91 | 126 | 110 | 120 |
| | Art in Public Places | Neutral | 63 | - | 100 | - |
| | Collection Store Painting Racks | Neutral | 26 | 14 | - | - |
| | Minor Capital Works | Neutral | 55 | 49 | 40 | 100 |
| | Total Dunedin Public Art Gallery | | 270 | 365 | 315 | 285 |
| Toitū Otago Settlers Museum | Acquisitions - Rates Funded | Neutral | 9 | 1 | 100 | 50 |
| | Minor Capital Works | Neutral | 87 | 41 | 40 | 40 |
| | Total Toitū Otago Settlers Museum | | 96 | 42 | 140 | 90 |
| Dunedin Public Libraries | Heritage Collection Purchases - Rates Funded | Neutral | 44 | 46 | 56 | 60 |
| | Heritage Collection Purchases - Trust Funded | Neutral | 1 | 1 | 10 | 10 |
| | South Dunedin Library Opening Collection | Complements | - | - | - | 600 |
| | Total Dunedin Public Libraries | | 45 | 47 | 66 | 670 |
| Total New Capital | | | 411 | 454 | 521 | 1,045 |
| Renewals | | | | | | |
| Dunedin Public Art Gallery | Exhibition Lighting | Neutral | 10 | 26 | 49 | - |
| | Heating and Ventilation System | Neutral | - | 9 | 62 | 30 |
| | Minor Capital Works | Neutral | - | 6 | - | - |
| | Total Dunedin Public Art Gallery | | 10 | 41 | 111 | 30 |
| Toitū Otago Settlers Museum | Gallery Furniture and Office/Gallery Renewal | Neutral | - | - | 515 | - |
| | Minor Equipment Renewals | Neutral | 2 | - | 196 | 100 |
| | Asset Renewals | Neutral | - | 110 | - | - |
| | Plant Renewal and HVAC | Neutral | 78 | 81 | 82 | - |
| | Exhibition Lighting Renewal | Neutral | - | - | - | 550 |
| | Total Toitū Otago Settlers Museum | | 80 | 191 | 793 | 650 |
| Dunedin Public Libraries | Acquisitions - Operational Collection | Neutral | 952 | 938 | 967 | 996 |
| | Minor Capital Equipment | Neutral | 51 | 22 | 58 | 55 |
| | RFID Replacement | Neutral | 223 | 406 | - | - |
| | Total Dunedin Public Libraries | | 1,226 | 1,366 | 1,025 | 1,051 |
| Oveston House | Minor Capital Works | Neutral | 32 | 3 | 77 | 40 |
| | Total Oveston House | | 32 | 3 | 77 | 40 |
| Total Renewals | | | 1,348 | 1,601 | 2,006 | 1,771 |
| Total Capital | | | 1,759 | 2,055 | 2,527 | 2,816 |

Governance and Support
Capital Expenditure 2021-2025

| Activity Group | Project | Carbon Zero | 2021/22 Actual | 2022/23 Actual | 2023/24 Annual Plan | 2024/25 Annual Plan Draft Budget |
|---|---|-------------|-------------------|-------------------|------------------------|--|
| New Capital | | | \$'000 | \$'000 | \$'000 | \$'000 |
| Business Information Services | Value Added External Services Workstream | Complements | 44 | 360 | 1,150 | 1,500 |
| | Internal Legacy Corrections | Neutral | - | 49 | 100 | 100 |
| | Internal Services Workstream | Neutral | 74 | 133 | 668 | 350 |
| | Total Business Information Services | | 118 | 542 | 1,918 | 1,950 |
| Fleet Operations | EV Charging Infrastructure | Contributes | - | - | 100 | 30 |
| | Total Fleet Operations | | - | - | 100 | 30 |
| Total New Capital | | | 118 | 542 | 2,018 | 1,980 |
| Renewals | | | | | | |
| Customer Services | Self Service Kiosks | Neutral | - | - | - | - |
| | Total Customer Services | | - | - | - | - |
| Business Information Services | Internal Legacy Corrections | Neutral | 959 | 937 | 1,106 | 1,100 |
| | Internal Services Workstream | Neutral | 925 | 415 | 600 | 1,025 |
| | Total Business Information Services | | 1,884 | 1,352 | 1,706 | 2,125 |
| Fleet Operations | General Replacement | Contributes | 993 | 827 | 500 | 290 |
| | Mobile Library Replacement | Contributes | 306 | 416 | - | - |
| | Heavy Vehicle Replacement | Neutral | - | - | - | - |
| | Total Fleet Operations | | 1,299 | 1,243 | 500 | 290 |
| Council Communications and Marketing | Minor Equipment Renewals | Neutral | - | - | - | 50 |
| | Total Council Communications and Marketing | | - | - | - | 50 |
| Total Renewals | | | 3,183 | 2,595 | 2,206 | 2,465 |
| Total Capital | | | 3,301 | 3,137 | 4,224 | 4,445 |

Property
Capital Expenditure 2021-2025

| Activity Group | Project | Carbon Zero | 2021/22 Actual | 2022/23 Actual | 2023/24 Annual Plan | 2024/25 Annual Plan Draft Budget |
|--------------------------|---|-------------|-------------------|-------------------|------------------------|--|
| New Capital | | | \$'000 | \$'000 | \$'000 | \$'000 |
| Community | Public Toilets Growth | Neutral | 10 | 113 | 1,505 | 510 |
| | Total Community | | 10 | 113 | 1,505 | 510 |
| Operational | District Energy Scheme | Contributes | 28 | 1 | - | - |
| | South Dunedin Library and Community Complex | Contributes | 210 | (295) | 100 | 17,500 |
| | Minor Capital | Neutral | - | 13 | - | - |
| | Total Operational | | 238 | (281) | 100 | 17,500 |
| Housing | Housing Growth | Neutral | 6 | 470 | 1,350 | 1,600 |
| | Total Housing | | 6 | 470 | 1,350 | 1,600 |
| Commercial | Commercial Property Purchases | | 131 | 2,745 | - | - |
| | Total Commercial | | 131 | 2,745 | - | - |
| Total New Capital | | | 385 | 3,047 | 2,955 | 19,610 |
| Renewals | | | | | | |
| Community | Asset Renewals | Neutral | 377 | 405 | 350 | 1,000 |
| | Edgar Centre Refurbishment | Neutral | - | 236 | - | 300 |
| | Public Toilet Renewals | Neutral | 4 | 40 | 250 | 300 |
| | Railway Station Exterior and Lift | Neutral | 2,423 | 1,780 | 1,100 | - |
| | Community Hall Renewals | Neutral | 269 | 739 | 250 | 250 |
| | Tar pits | | 21 | 29 | - | - |
| | Total Community | | 3,094 | 3,229 | 1,950 | 1,850 |
| Housing | Asset Renewals | Neutral | 1,935 | 1,762 | 1,000 | 500 |
| | Palmyra Refurbishment | | 2,583 | 64 | - | - |
| | Fitzroy St Housing Upgrade | Neutral | 75 | - | 1,500 | 1,500 |
| | Healthy Homes Upgrades | Neutral | 500 | 1,702 | 1,100 | - |
| | Total Housing | | 5,093 | 3,528 | 3,600 | 2,000 |
| Investment | Asset Renewals | Neutral | 1,239 | 2,711 | 650 | 850 |
| | 414 Moray Place (seismic strengthening) | Neutral | 468 | - | 3,300 | - |
| | Lift Renewals | Neutral | - | 98 | 719 | - |
| | Total Investment | | 1,707 | 2,809 | 4,669 | 850 |
| Operational | Asset Renewals | Neutral | 1,485 | 1,682 | 2,414 | 500 |
| | Asbestos Remediation | Neutral | - | - | 250 | - |
| | Civic Centre | Neutral | 2,529 | 3,199 | 6,988 | 5,030 |
| | Furniture | Neutral | - | 78 | - | 50 |
| | Dunedin Library Refurbishment | Neutral | - | 27 | - | 400 |
| | Dunedin Public Art Gallery Refurbishment | Neutral | 22 | 2 | 221 | 310 |
| | Octagon CCTV | Neutral | - | - | - | 100 |
| | Olveston House Renewal | Neutral | - | 410 | 600 | 250 |
| | Toitū Otago Settlers Museum | Neutral | - | - | - | 105 |
| | Town Hall/Municipal Chamber Exterior and Lift | Neutral | 347 | 591 | 2,300 | 1,600 |
| | Total Operational | | 4,383 | 5,989 | 12,773 | 8,345 |
| Commercial | Asset Renewals | Neutral | - | 3 | 2,065 | 500 |
| | Sims Building Renewal | Neutral | - | - | - | 640 |
| | Total Commercial | | - | 3 | 2,065 | 1,140 |
| Total Renewals | | | 14,277 | 15,558 | 24,057 | 14,185 |
| Total Capital | | | 14,662 | 18,605 | 27,012 | 33,795 |

Regulatory Services
Capital Expenditure 2021-2025

| Activity Group | Project | Carbon Zero | 2021/22 Actual | 2022/23 Actual | 2023/24 Annual Plan | 2024/25 Annual Plan Draft Budget |
|-----------------------|--|-------------|-------------------|-------------------|------------------------|--|
| New Capital | | | \$'000 | \$'000 | \$'000 | \$'000 |
| Compliance Solutions | Minor Equipment | Neutral | 3 | 1 | - | - |
| | Total Compliance Solutions | | 3 | 1 | - | - |
| Total Capital | | | 3 | 1 | - | - |
| Renewals | | | | | | |
| Compliance Solutions | Animal Services Body Worn Cameras | Neutral | - | - | 12 | - |
| | Noise Meter Renewals | Neutral | - | 6 | - | - |
| | Minor Equipment Renewals | Neutral | - | - | - | 50 |
| | Total Compliance Solutions | | - | 6 | 12 | 50 |
| Parking Operations | Parking Meter Renewals | Neutral | 103 | 1 | 317 | - |
| | Car Park Building Equipment | Neutral | 10 | 6 | 250 | - |
| | On and Off Street Parking Renewals | Neutral | - | - | - | 550 |
| | Total Parking Operations | | 113 | 7 | 567 | 550 |
| Parking Services | Parking Services Body Worn Camera Renewals | Neutral | - | - | 26 | - |
| | Total Parking Services | | - | - | 26 | - |
| Total Renewals | | | 113 | 13 | 605 | 600 |
| Total Capital | | | 116 | 14 | 605 | 600 |

Reserves and Recreational Facilities
Capital Expenditure 2021-2025

| Activity Group | Project | Carbon Zero | 2021/22 Actual | 2022/23 Actual | 2023/24 Annual Plan | 2024/25 Annual Plan Draft Budget |
|---|---|-------------|-------------------|-------------------|------------------------|--|
| New Capital | | | \$'000 | \$'000 | \$'000 | \$'000 |
| Aquatic Services | Te Puna o Whakaeahu | Neutral | 6,996 | 10,937 | - | - |
| | Moana Pool Improvements | Neutral | 18 | 4 | 625 | 20 |
| | Total Aquatic Services | | 7,014 | 10,941 | 625 | 20 |
| Botanic Garden | Botanic Garden Improvements | Neutral | 65 | 51 | 125 | 105 |
| | Total Botanic Garden | | 65 | 51 | 125 | 105 |
| Cemeteries and Crematorium | Cemetery Strategic Development Plan | Neutral | - | 15 | 250 | 500 |
| | City Wide Beam Expansion | Neutral | 49 | 96 | 40 | 360 |
| | Cemeteries and Crematorium Improvements | Neutral | - | 9 | 45 | - |
| | Total Cemeteries and Crematorium | | 49 | 120 | 335 | 860 |
| Parks and Recreation | Playground Improvements | Neutral | 594 | 265 | 761 | 1,017 |
| | Track Network Development | Contributes | 35 | - | 50 | 100 |
| | Recreation Facilities Improvements | Neutral | 272 | 4,179 | 210 | 450 |
| | Total Parks and Recreation | | 901 | 4,444 | 1,021 | 1,567 |
| St Clair - St Kilda Coastal Plan | St Kilda Transition Plan | Neutral | - | - | 2 | - |
| | Total St Clair - St Kilda Coastal Plan | | - | - | 2 | - |
| Total New Capital | | | 8,029 | 15,556 | 2,108 | 2,552 |
| Renewals | | | | | | |
| Aquatic Services | Hydroslide Renewal | Neutral | 60 | 14 | 7,550 | - |
| | Moana Pool Renewals | Complements | 1,014 | 4,077 | 4,874 | 8,902 |
| | Port Chalmers Pool Renewals | Neutral | 58 | - | 53 | - |
| | St Clair Pool Renewals | Neutral | 139 | 8 | 1,097 | 850 |
| | Total Aquatic Services | | 1,271 | 4,099 | 13,574 | 9,752 |
| Botanic Garden | Botanic Garden Renewals | Neutral | 166 | 53 | 402 | 279 |
| | Total Botanic Garden | | 166 | 53 | 402 | 279 |
| Cemeteries and Crematorium | Structures Renewals | Complements | 23 | 36 | 368 | 142 |
| | Total Cemeteries and Crematorium | | 23 | 36 | 368 | 142 |
| Parks and Recreation | Greenspace Renewals | Neutral | 567 | 554 | 480 | 570 |
| | Playground Renewals | Neutral | 700 | 1,157 | 1,051 | 1,160 |
| | Recreation Facilities Renewals | Neutral | 1,728 | 4,063 | 1,938 | 1,520 |
| | Total Parks and Recreation | | 2,995 | 5,774 | 3,469 | 3,250 |
| St Clair - St Kilda Coastal Plan | St Clair Beach Transition Plan | Neutral | - | 2 | - | - |
| | Kettle Park Transition Plan | Neutral | 76 | - | 158 | - |
| | Total St Clair - St Kilda Coastal Plan | | 76 | 2 | 158 | - |
| Total Renewals | | | 4,531 | 9,964 | 17,971 | 13,423 |
| Total Capital | | | 12,560 | 25,520 | 20,079 | 15,975 |

Roading and Footpaths
Capital Expenditure 2021-2025

| Activity Group | Project | Carbon Zero | 2021/22 Actual | 2022/23 Actual | 2023/24 Annual Plan | 2024/25 Annual Plan Draft Budget |
|-------------------------------------|---|-------------|-------------------|-------------------|------------------------|--|
| New Capital | | | \$'000 | \$'000 | \$'000 | \$'000 |
| Transport | Central City Upgrade | Core | 6,074 | 19,848 | 10,915 | - |
| | Central City Upgrade Bath Street | Neutral | - | - | - | 1,500 |
| | Central City Upgrade Retail Quarter | Core | - | - | - | 60 |
| | Coastal Plan | Neutral | - | - | - | 150 |
| | Dunedin Urban Cycleways | Core | 2,170 | 3,012 | 3,494 | - |
| | Mosgiel East & West Plan Change Areas | Neutral | 1,987 | 89 | - | - |
| | Peninsula Connection | Contributes | 2,396 | 7,995 | 1,500 | - |
| | Low Cost, Low Risk Improvements | Core | 2,469 | 3,258 | 2,000 | 2,000 |
| | LED Street Lights | Core | 583 | (52) | - | - |
| | Other | Neutral | 126 | 84 | - | - |
| Total Transport | | | 15,805 | 34,234 | 17,909 | 3,710 |
| Shaping Future Dunedin | Harbour Arterial Efficiency Improvements | Complements | 1,720 | 624 | 3,202 | - |
| | Princes St Bus Priority & Corridor Safety Plan | Core | - | - | 200 | - |
| | Central City Parking Management | Complements | - | 729 | 1,550 | 1,200 |
| | Mosgiel Park and Ride | Core | 1,627 | 262 | 1,600 | 2,500 |
| | Central City Bike Hubs - Parking and Facilities | Core | - | 133 | 750 | 310 |
| | Central City Cycle & Pedestrian Improvements | Core | 138 | 261 | 3,050 | 3,000 |
| Total Shaping Future Dunedin | | | 3,485 | 2,009 | 10,352 | 7,010 |
| Total New Capital | | | 19,290 | 36,243 | 28,261 | 10,720 |
| Renewals | | | | | | |
| Transport | Footpath Renewals | Complements | 2,824 | 4,410 | 4,514 | 5,750 |
| | Gravel Road Re-Metaling | Neutral | 885 | 890 | 1,326 | 1,184 |
| | Major Drainage Control | Neutral | 3,944 | 3,903 | 3,944 | 6,102 |
| | Pavement Rehabilitations | Neutral | 931 | 1,128 | 1,593 | 3,248 |
| | Pavement Renewals | Neutral | 9,369 | 10,444 | 7,859 | 10,824 |
| | Structure Component Replacement | Neutral | 2,078 | 2,269 | 2,050 | 2,076 |
| | Traffic Services Renewal | Neutral | 1,242 | 1,106 | 797 | 1,322 |
| | Total Transport | | 21,273 | 24,150 | 22,083 | 30,506 |
| Total Renewals | | | 21,273 | 24,150 | 22,083 | 30,506 |
| Total Capital | | | 40,563 | 60,393 | 50,344 | 41,226 |

Three Waters
Capital Expenditure 2021-2025

| Activity Group | Project | Carbon Zero | 2021/22 Actual | 2022/23 Actual | 2023/24 Annual Plan | 2024/25 Annual Plan Draft Budget |
|--------------------------|---|-------------|-------------------|-------------------|------------------------|--|
| New Capital | | | \$'000 | \$'000 | \$'000 | \$'000 |
| Stormwater | New Capital Supporting Growth | | - | 693 | 362 | 924 |
| | New Resource Consents | Neutral | - | - | - | 322 |
| | Mosgiel Stormwater Pumpstations and Network | Neutral | - | - | - | 1,750 |
| | South Dunedin Flood Alleviation | Neutral | 40 | 119 | 119 | 750 |
| | Stormwater New Capital Other | Neutral | 2,399 | 3,742 | 8,655 | 3,762 |
| | Bath Street Piped Watercourse to Stormwater | Neutral | - | - | - | 5,059 |
| | Total Stormwater | | 2,439 | 4,554 | 9,136 | 12,567 |
| Wastewater | New Capital Supporting Growth | Neutral | - | 67 | 288 | 851 |
| | Wastewater New Capital Other | Neutral | 2,119 | 2,373 | 576 | 4,679 |
| | Metro Wastewater Treatment Plant Resilience | Contributes | 969 | 4,264 | 980 | 8,707 |
| | Total Wastewater | | 3,088 | 6,704 | 1,844 | 14,237 |
| Water Supply | New Capital Supporting Growth | Neutral | 405 | 524 | 288 | 1,176 |
| | Port Chalmers Water Supply | Neutral | - | 179 | 1,570 | 1,068 |
| | Water New Capital Other | Neutral | 568 | 1,116 | - | 4,748 |
| | Water Supply Resilience | Neutral | 1,537 | 1,240 | - | 4,859 |
| | Total Water Supply | | 2,510 | 3,059 | 1,858 | 11,851 |
| Total New Capital | | | 8,037 | 14,317 | 12,838 | 38,655 |
| Renewals | | | | | | |
| Stormwater | Central City Renewals | Contributes | 3,166 | 10,504 | 11,211 | - |
| | Mosgiel Stormwater Pumpstations and Network | Neutral | 99 | 96 | 250 | - |
| | Stormwater Pumpstation Renewals | Neutral | 1 | 1 | - | - |
| | Tertiary Precinct Renewals | Complements | (168) | - | - | - |
| | Other Stormwater Renewals | Neutral | 4,163 | 5,201 | 1,973 | 3,418 |
| | Renewals Supporting Growth | Neutral | - | 73 | 233 | 2,015 |
| | Total Stormwater | | 7,261 | 15,875 | 13,667 | 5,433 |
| Wastewater | Biofilter Media Replacement | Neutral | 2,158 | (2) | 250 | - |
| | Central City Renewals | Contributes | 2,666 | 9,895 | 4,192 | - |
| | Other Wastewater Renewals | Neutral | 12,220 | 13,830 | 13,213 | 8,623 |
| | Rural Wastewater Schemes | Neutral | 282 | 617 | 2,513 | 894 |
| | Tertiary Precinct Renewals | Complements | (119) | - | - | - |
| | Wastewater Pumpstation Renewals | Neutral | 1,560 | 3,407 | 3,473 | 291 |
| | Metro Wastewater Treatment Plant Resilience | Neutral | 4,005 | 2,107 | 12,150 | 3,731 |
| | Renewals Supporting Growth | Neutral | - | - | 234 | 648 |
| | Total Wastewater | | 22,772 | 29,854 | 36,025 | 14,187 |
| Water Supply | Careys Bay Renewals | Neutral | 398 | 134 | 663 | - |
| | Central City Renewals | Contributes | 2,938 | 10,621 | 3,333 | - |
| | Dam Safety Action Plan | Neutral | 45 | 35 | - | - |
| | Other Water Renewals | Neutral | 24,373 | 21,205 | 18,878 | 15,125 |
| | Tertiary Precinct Renewals | Complements | (60) | - | - | - |
| | Water Supply Resilience | Neutral | 767 | 1,388 | 9,370 | 5,437 |
| | Renewals Supporting Growth | Neutral | - | - | 234 | 1,286 |
| | Total Water Supply | | 28,461 | 33,383 | 32,478 | 21,848 |
| Total Renewals | | | 58,494 | 79,112 | 82,170 | 41,468 |
| Total Capital | | | 66,531 | 93,429 | 95,008 | 80,123 |

Waste Management
Capital Expenditure 2021-2025

| Activity Group | Project | Carbon Zero | 2021/22 Actual | 2022/23 Actual | 2023/24 Annual Plan | 2024/25 Annual Plan Draft Budget |
|--|--|-------------|-------------------|-------------------|------------------------|--|
| New Capital | | | \$'000 | \$'000 | \$'000 | \$'000 |
| Waste and Environmental Solutions | Community Recycling Hubs | Core | 4 | 117 | 90 | - |
| | City Recycling Facilities | Complements | - | - | - | 15 |
| | City Recycling Hubs | Complements | - | - | - | 260 |
| | Green Island Landfill Aftercare | Neutral | 1,357 | 1,284 | 250 | 200 |
| | Green Island Landfill Educational Facility | Complements | - | - | 50 | - |
| | Green Island Landfill Land Purchase | Neutral | 158 | - | - | - |
| | Green Island Landfill and Transfer Station | Neutral | - | 15 | - | - |
| | Green Island Landfill Gas Collection System | Core | 29 | 85 | 2,500 | 2,050 |
| | Green Island Landfill Leachate System | Complements | 515 | - | 500 | 100 |
| | Green Island Landfill Southern Valley Leachate Drain | Neutral | - | - | - | 700 |
| | Rural Community Hubs | Contributes | - | - | - | 30 |
| | Sawyers Bay Closed Landfill | Neutral | - | - | - | 18 |
| | Waikouaiti Transfer Station & North Taieri | Neutral | 447 | (5) | - | - |
| | Total Waste and Environmental Solutions | | 2,510 | 1,496 | 3,390 | 3,373 |
| Waste Futures | New Collection System (Waste, Recycling, Organics & Glass) | Core | - | 622 | 1,000 | - |
| | Organics Facility | Core | - | 36 | 2,550 | 3,513 |
| | Construction and Demolition Facility | Core | - | - | 300 | 383 |
| | Material Recovery Facility | Neutral | - | - | 3,143 | 15,966 |
| | Granulation Facility | Complements | - | - | 200 | - |
| | Glass Facility | Complements | - | - | - | 860 |
| | Bulk Waste System | Complements | - | - | 300 | - |
| | Resource Recovery Park Precinct | Complements | - | - | - | 3,512 |
| | Smooth Hill Landfill | Complements | 1,848 | 1,426 | 200 | - |
| | Total Waste Futures | | 1,848 | 2,084 | 7,693 | 24,234 |
| Total New Capital | | | 4,358 | 3,580 | 11,083 | 27,607 |
| Renewals | | | | | | |
| Waste and Environmental Solutions | Green Island Landfill and Transfer Station | Neutral | 222 | 10 | 159 | 150 |
| | Public Place Recycling and Rubbish Bins | Neutral | - | - | 125 | 165 |
| | Kerbside Bin Latches | Neutral | - | - | - | 60 |
| | Kerbside Bin Replacements | Neutral | (7) | 124 | 211 | 200 |
| | Green Island Leachate System Pump and Pumpstation | Neutral | - | - | 16 | 15 |
| | Waikouaiti Transfer Station | Neutral | - | 81 | 21 | - |
| | Forester Park Landfill Culvert Pipe Renew/Line/Re-route | Neutral | - | - | 50 | 15 |
| | North Taieri Closed Landfill | Neutral | 5 | - | 11 | - |
| | Sawyers Bay Closed Landfill | Neutral | - | - | 30 | - |
| | Total Waste and Environmental Solutions | | 220 | 215 | 623 | 605 |
| Total Renewals | | | 220 | 215 | 623 | 605 |
| Total Capital | | | 4,578 | 3,795 | 11,706 | 28,212 |

Draft Government Policy Statement on land transport 2024-34

March 2024

Not Government policy

CONSULTATION DRAFT



Te Kāwanatanga o Aotearoa
New Zealand Government

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Minister's Foreword

New Zealand's economic prosperity is underpinned by a transport network that enables people and freight to move around efficiently, quickly, and safely. This draft Government Policy Statement on land transport 2024 (GPS 2024), which is now out for consultation, sets out the Government's ambitious land transport investment agenda, designed to boost economic growth and productivity, resilience, reliability, and safety.

The draft GPS 2024 outlines the Government's land transport investment priorities, and guides expenditure of around \$7 billion from the National Land Transport Fund (NLTF), and around \$1.5 billion from local government, each year.

This GPS sets the balance between investing in new projects and ensuring we maintain and repair our existing infrastructure. It focusses on achieving four key strategic priorities:

- Economic Growth and Productivity
- Increased Maintenance and Resilience
- Safety
- Value for Money.

As part of GPS 2024, we are embarking on a significant programme of new and improved land transport infrastructure. Core to this is the re-introduction of the successful Roads of National Significance programme, which was started under the previous National Government in 2009.

These investments will ensure that key connections are provided so that Kiwis can get to where they need to go, quickly and safely. These investments will also reduce congestion on our roads, provide low-emission transport options in our main cities, and create a more productive and resilient transport network, driving economic growth, and unlocking land for thousands of new houses.



This GPS reintroduces a focus on increasing economic growth and productivity as a priority for land transport expenditure. Including economic growth and productivity as a strategic priority will help to ensure we meet our full potential as a nation. Moving people and freight as efficiently, quickly, and safely as possible is critical to achieving these priorities. GPS 2024 brings about a significant change in focus, realigning transport expenditure to better support economic growth, and to ensure all New Zealanders are provided with a well maintained and reliable transport network.

We also recognise the importance of local and rural roads in connecting our communities and businesses to key routes, and the importance of ensuring the whole network is maintained to a reliable standard.

Maintaining the road network is a priority in GPS 2024. To fix the increasing number of potholes on our roads that has occurred in recent years, and to prevent further deterioration in roading quality, GPS 2024 increases road maintenance funding by \$640 million, compared to the draft GPS released by the previous Government in

August 2023¹. This additional funding is reflected in the newly established State Highway Pothole Prevention and Local Road Pothole Prevention activity classes, to ensure that funding is focussed on fixing this growing problem.

The targeted investments in Auckland and Wellington public transport will reduce congestion and help to unlock the potential of our main cities. This GPS will invest in public transport with, up to \$2.3 billion available for public transport services, and up to \$2.1 billion available for public transport infrastructure over the next three-years.

Road safety is a responsibility we all share, and improving road safety in an efficient manner is a priority for this Government. Road deaths and serious injuries (DSIs) place a substantial burden on families, society, the economy, and the health sector each year.

GPS 2024 acknowledges these impacts and directs investment toward road policing and enforcement, fixing potholes and increasing the level of road maintenance completed on the road network to make our roads safer, and cost-effective infrastructure investments that will help to improve the safety of road users through safe infrastructure. Road safety investment is also directed to educating road users through road safety promotion.

GPS 2024 will also include investment in infrastructure to reverse recent speed-limit reductions where it is safe to do so, enabling people to get to where they need to go quickly and safely. This includes the NZTA increasing speed limits to 110 km/h on roads that are engineered to that safety standard.

Ensuring that investment in transport is resulting in better outcomes is a key focus of GPS 2024. A significant amount of taxpayers' money will be invested in transport over the period of this GPS. This investment must deliver better outcomes for New Zealanders and for future generations of New Zealanders.

We also recognise the increase in pressures on the NLTF and the need to increase revenue, with the draft GPS 2024 proposing to increase revenue by more than 30 percent over the coming three years. To help Kiwis through the cost-of-living crisis, we have also committed to not increasing Fuel Excise Duty (FED) or Road User Charges (RUC) rates during this term of government, instead supplementing the NLTF with significant Crown funding.

Delivering the Roads of National Significance and public transport projects will require the use of alternative delivery models, and a broader range of funding options and financing models. The Government expects public private partnerships, and other opportunities to use private expertise and finance, will be considered for all major projects.

The Government is also signalling a number of system reforms we will implement in parallel with the delivery of this GPS. These reforms will provide more sustainable revenue, help contain costs and make it easier for delivery agencies to do their jobs. Key among the changes is a move to a 10-year NLTP, which will provide more certainty to local authorities and their commercial partners, and to the travelling public.

I invite you to provide feedback on the priorities and programmes in the draft GPS 2024 and help build and maintain a transport system that is productive, resilient, and provides for economic growth.



Hon Simeon Brown
Minister of Transport

¹ This difference has been calculated at the midpoint of the funding ranges.

Section 1: Introduction to GPS 2024

The Government Policy Statement on land transport (GPS) sets out the government's land transport strategy. This includes, among other things:

- what the government expects to be achieved from its investment in land transport through the National Land Transport Fund (NLTF)
- what the government expects to be achieved from its direct investment in land transport
- how much funding will be provided and how the funding will be raised
- how it will achieve its outcomes and priorities through investment in certain areas, known as "activity classes" (e.g., the maintenance of state highways or road policing)
- a statement of the Minister's expectations of how the New Zealand Transport Agency (NZTA) gives effect to this GPS.

In this way the GPS influences decisions on how funding from the NLTF is invested (see Figure 1). It also provides direction to local government, KiwiRail and NZTA on the type of activities that should be included in Regional Land Transport Plans (RLTP), the Rail Network Investment Programme (RNIP) and the National Land Transport Programme (NLTP) respectively.

Local government, the NZTA, the New Zealand Police, KiwiRail, and other approved organisations under the Land Transport Management Act 2003 (the Act) can receive funding from the NLTF for the land transport activities they deliver, such as the construction and maintenance of state highways, local and rural roads, road policing, and public transport.

In turn, Regional Land Transport Plans (RLTP) must be consistent with the GPS. This means the direction and aims of the GPS have a

direct influence on the funding that goes to regions and activities. The NZTA determines the specific activities funded from the NLTF based on the direction provided by the GPS.

A GPS is issued by the Minister of Transport (the Minister) under terms specified in the Act. This GPS (the Government Policy Statement on land transport 2024 (GPS 2024)), covers the financial period 2024/25 to 2033/34, and will take effect from 1 July 2024.

The Government recognises that one of the action items in the current Emissions Reduction Plan (ERP1), prepared under the previous Government, refers to *ensuring the next Government Policy Statement on Land Transport guides investment that is consistent with the emissions reduction plan*. Following the general election and a change of government in late 2023, the intended emissions reduction policies foreshadowed by the previous Government are being reassessed. For this reason, GPS 2024 has not undertaken the alignment exercise as anticipated in ERP1.

The Emissions Trading Scheme (ETS) is the Government's key tool to reduce emissions. In addition to the ETS, matters relating to climate change/emissions reduction issues are being worked through and will be addressed during development of the second Emissions Reduction Plan (ERP2). This will include deciding on the cross-sector policy mix, to ensure the second emissions budget is achieved, and we are on track to achieve net-zero by 2050. *[This will be updated to reflect ERP2 when the final version of GPS 2024 is published.]*

Alongside GPS 2024, the Government is committed to doubling renewable energy through its Electrify NZ policy by removing red tape and regulatory constraints. The Government is also committed to delivering 10,000 public EV chargers by 2030, subject to cost benefit analysis. Doubling renewable

energy and delivering a comprehensive, nationwide network of public EV chargers will reduce New Zealand's emissions by enabling the electrification of New Zealand's vehicle fleet.

GPS 2024 covers NLTF spending of over \$20 billion across the next three years. Revenue to cover this expenditure comes from user charges such as fuel excise duty, road user charges, vehicle registration and tolls, and income from the sale and lease of state highway property. In addition, the NLTF is topped-up by direct funding from the Crown in the form of grants and loans.

Over the next decade, a significant portion of the NLTF is committed to maintaining and operating the system. This includes maintaining state highways, local and rural roads, continuing to deliver better public transport and maintaining public transport infrastructure, maintaining the rail network, promoting road safety, and road policing. The NLTF also needs to meet its debt repayment obligations – including payments for existing roads built through Public-Private Partnerships (PPPs).

Figure 1. The role of the GPS in the land transport planning and funding system

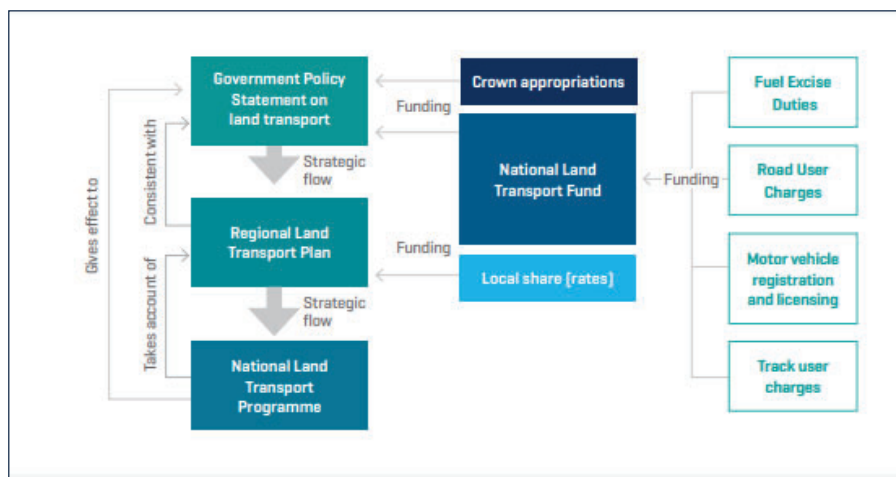


Figure 1. The GPS provides the strategic direction and sets the government funding contribution for Regional Land Transport Plans and the National Land Transport Programme.

The remainder of this document consists of:

- Section 2:** System Reform
- Section 3:** Strategic Priorities
- Section 4:** Investment in land transport
- Section 5:** Statement of Ministerial expectations
- Appendix A:** Debt Repayment schedule
- Appendix B:** Crown Investment Programme
- Appendix C:** Glossary/Definitions

Section 2: System Reform

Transport is a critical economic enabler, ensuring that people and goods can move efficiently and safely, connecting people with both economic and social opportunities.

The Government's top priority for transport investment will be to support economic growth and productivity in the New Zealand economy.

The Government's overarching goal for transport is an effective, efficient, safe, secure, accessible, and resilient transport system that supports the growth of our country's economy in order to deliver greater prosperity, security and opportunities for all New Zealanders.

This Government Policy Statement will reshape the direction of transport investment in New Zealand, with a significant focus on building and maintaining our state highway network to help achieve these objectives.

New Zealand is facing an infrastructure deficit which has grown over time, due, in part, to the following factors:

1. The transport sector is facing significant cost increases resulting in the affordability of maintenance and new infrastructure projects becoming more challenging through the traditional funding models.
2. The usefulness of fuel usage as a proxy for road usage is rapidly diminishing, due to growing fuel efficiency of vehicles and the shift to electric vehicles (Figure 2).
3. The current system is based on a pay-as-you-go model, where revenue is spent as it is raised, with limited access to long term funding and financing tools. Long-term funding and financing tools are used overseas to build transport infrastructure.
4. Consenting and property acquisition for major infrastructure projects has become more challenging, adding significant costs and delays to projects.

For example, the Mount Messenger project in Taranaki has been the subject of repeated litigation relating to consenting and property acquisition. The result has been cost increases, uncertainty for affected residents and a postponing of the benefits that will arise once the much-needed project is complete.

Figure 2. Vehicle Kilometres Travelled vs. fuel consumption

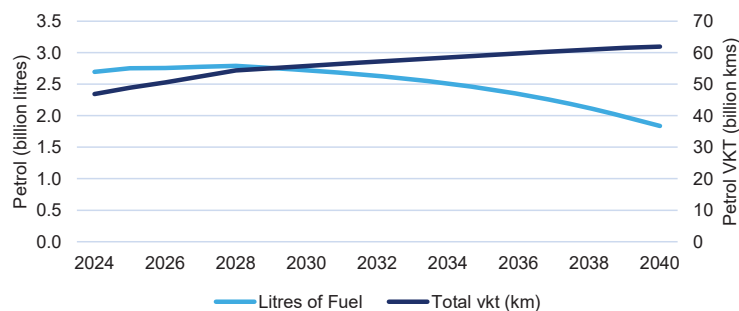


Figure 2. Total petrol consumption is forecast to decrease, despite a continuing increase in road travel distances, due to an increase in the fuel efficiency of vehicles and the shift to electric vehicles.

Source: Ministry of Transport NLTF revenue model.

The Government will be undertaking major reforms to address these challenges with the Ministers of Transport, Infrastructure, and Regional Development working closely together to establish a new framework for investment in New Zealand's infrastructure, delivering on the Government's objectives.

These reforms include:

1. Once established, the National Infrastructure Agency (NIA), and the Infrastructure Commission, will work closely with the NZTA to develop a 30-year plan for transport infrastructure in New Zealand and connect local and offshore investors with transport projects. These projects will include the Roads of National Significance, major public transport infrastructure, and other transport infrastructure which are identified as part of the Government's long-term infrastructure plan. This GPS will require NZTA to consider alternative funding and financing arrangements for all new infrastructure projects to ensure that New Zealand delivers more infrastructure sooner.
2. Fast tracking of consents for major infrastructure projects. Legislation is already underway to provide fast-track consenting approvals. The changes are expected to support the major transport projects within this GPS, including the Roads of National Significance and rapid transit projects. This is a significant step change which means confidence is provided to the construction sector to invest in the capability and equipment needed to deliver these projects.
3. Making it easier to sell land that is no longer required for transport purposes.
4. Rapidly advancing reforms to the National Land Transport Fund's revenue system. The first step of this is already underway, with light electric vehicles required to pay Road User Charges from April 2024. The next steps include requiring all road vehicles to move from Fuel Excise Duty to

Road User Charges, which is a fairer way of charging for road use based on weight and distance. As part of these reforms, we will reform tolling legislation and allow for time-of-use charging on the most congested parts of New Zealand's road network, helping to reduce congestion and maximise use of existing assets. Technology will be a critical enabler of these reforms. We expect to advance these reforms over the course of this GPS. Legislative changes will be required to achieve these reforms. It is expected that the Ministry and the NZTA will jointly report to the Minister on the future of land transport revenue within three months of the release of draft GPS 2024.

5. Amending the Land Transport Management Act to require future Government Policy Statements on land transport to adopt a 10-year investment plan, bringing it into alignment with local government Long Term Plans (LTPs), and providing the NZTA Board with greater confidence and certainty to invest in long-term projects and deliver on a long-term transport infrastructure pipeline.
6. Restoring the credibility of the Emissions Trading Scheme (ETS). The ETS is the Government's key tool to reduce emissions. The Government is committed to reestablishing a strong and stable ETS after the failed auctions in 2023, which were caused by policy uncertainty and changes to the ETS auction settings. Other matters relating to climate change/emissions reduction issues are being worked through and will be addressed during development of the second Emissions Reduction Plan. This will include deciding on the cross-sector policy mix to best ensure the second emissions budget is achieved and that the economy is on track to achieve net-zero by 2050. *[This will be updated to reflect the state of play of ERP2 when the final version of GPS 2024 is published.]*

Section 3: Strategic Priorities

The Government has four Strategic Priorities which this GPS will deliver against:

- Economic Growth and Productivity
- Increased maintenance and resilience
- Safety
- Value for money.

Strategic Priority: Economic Growth and Productivity

The Government's top priority for investment through this GPS is to support economic growth and productivity. Efficient investment in our land transport system connects people and freight quickly and safely, supporting economic growth and creating social and economic opportunities including access to land for housing growth.

Core to this priority will be the re-introduction of the Roads of National Significance programme, which was started under the previous National Government in 2009. The Government will also invest in major public transport projects alongside local government to deliver more travel choices and reduced congestion in our major cities.

Strategic investments in land transport, including the Roads of National Significance, combined with better use of existing infrastructure, will boost New Zealand's long-term growth prospects, and improve housing affordability – making a material difference to our nation's standard of living.

New Zealand has among the least affordable houses in the world, the result of a persistent undersupply of houses. New Roads of National Significance and major public transport projects will unlock access to greenfield land for housing development and support greater intensification to ultimately improve housing supply, choice and affordability.

These investments will also bring benefits for national economic growth and productivity,

particularly given that state highways carry most of New Zealand's inter-regional freight and link major ports, airports and urban areas. The expectation is that land transport funding will be directed into projects and activities that will support improved productivity and economic growth. The transport sector supports economic growth and productivity by providing quality transport connections, which enable goods and people to reach their destinations efficiently.

Optimising the use of existing networks and services to deliver an appropriate level of service for users will be critical. In addition, improving the productivity of the transport system, to help manage flows and congestion, will be important to allow users to make decisions in real time.

It is expected that part of this optimisation will lead to greater use of digital infrastructure and information systems to improve productivity in the transport system, particularly in the management of New Zealand's supply chain.

Road pricing, such as tolling and time of use charging, will play a key role in the delivery of the Roads of National Significance programme, as part of a wider package of transport revenue and investment tools.

Tolling provides an opportunity for an additional source of revenue and will support infrastructure which provides reduced travel times compared to alternative routes. Time of use charging will improve travel times and

network performance, reducing overall costs for freight businesses and their customers.

Investments in rail should be focused on the busiest and most productive parts of the existing rail network, to support efficient movement of freight. This will complement investment in our state highway network to deliver a productive and efficient supply chain. Investment in metro rail networks will also support the efficient movement of people in Auckland and Wellington.

Roads of National Significance (RoNS)

The Government will reintroduce the successful Roads of National Significance programme to achieve its strategic priorities. The Roads of National Significance are some of New Zealand's most essential state highway corridors that require significant development and investment that, when complete, will reduce congestion, improve safety, support housing development to address New Zealand's ongoing housing crisis, boost economic growth, and provide a more resilient roading network.

The New Zealand Institute of Economic Research carried out a report that was focussed on two proposed RoNS, Warkworth to Wellsford and Cambridge to Piarere, finding significant economic benefits with these projects. The report found that, once operational, each of these RoNS would contribute up to \$500 million a year to New Zealand's GDP.

All Roads of National Significance will be four-laned, grade-separated highways, and all funding, financing and delivery options should be considered to deliver them in stages and as quickly as possible. The Government further expects that the National Land Transport Fund can be used to fund the development of future Roads of National Significance.

The Government expects that the NZTA will prioritise these strategic corridors in the development of the National Land Transport Programme given their importance, alignment

and impact on the Government's wider programme and the Government's focus on returning the NZTA to its core statutory activities and particularly, for this GPS period, maintaining and developing the state highway network.

The Roads of National Significance include:

Whangarei to Auckland, with the following stages prioritised:

- Alternative to Brynderwyns
- Whangarei to Port Marsden
- Warkworth to Wellsford.

Tauranga to Auckland, with the following stages prioritised:

- Cambridge to Piaere
- Tauriko West State Highway 29.

Auckland roads:

- Mill Road
- the East West Link.

Roads to unlock housing growth:

- Hamilton Southern Links
- Petone to Grenada Link Road and the Cross Valley Link
- North West Alternative State Highway (SH 16).

Other major routes:

- Takitimu Northern Link Stage 2
- Hawkes Bay Expressway
- Second Mt Victoria Tunnel and Basin Reserve upgrade
- the Hope Bypass
- The Belfast to Pegasus Motorway and Woodend Bypass.

More detail on the Roads of National Significance can be found in Appendix B. Further Roads of National Significance may be added over time.

Commitments to other projects

The Government has identified a number of other projects it wants to progress in this GPS period. These include a number of Roads of Regional Significance, such as the Second Ashburton Bridge; projects that improve resilience and support the cyclone and flood recovery for the East Coast and Central North Island; and investment in resilience for a number of critically important bridges in the South Island.

The Government will continue with identified projects that will be delivered outside of the National Land Transport Programme through direct Crown and other funding approaches. Those priority projects previously funded through the Regional Fuel Tax, will be considered eligible for funding from the NLTF. The remaining RFT revenue will be used to fund the Eastern Busway, Local Road Improvements (e.g. Glenvar Road and Lake Road) and Electric Trains and Stabling. A full list and map of projects that the Government will deliver in this GPS period is contained in Appendix B.

Additional Waitematā Harbour Connections

The Government is committed to delivering an additional crossing that, at a minimum, provides for additional road connections between Auckland's North Shore and the CBD. It will seek to reduce the upfront cost of this project to taxpayers by tasking the NZTA with identifying options for private funding, including through equity financing and value capture mechanisms.

Projects for further investigation

The government expects the NZTA will continue to plan and develop the state highway network to reduce congestion, drive economic growth, and increase safety and resilience. NZTA should work with the wider transport sector to make progress on projects that deliver on these objectives.



Public Transport

Effective public transport provides commuters with more choice and helps to reduce travel times, congestion, and emissions.

A key focus of this strategic priority will be the completion of the City Rail Link and Eastern Busway in the next three years. Alongside this work, planning will also, be undertaken in the next three years for the delivery of the Northwest Rapid Transit Corridor and the Airport to Botany Busway.

The major public transport projects include:

- Completion of the City Rail Link
- Completion of the Eastern Busway
- Northwest Rapid Transit corridor
- Airport to Botany Busway
- Lower North Island Rail Integrated Mobility²

The Government expects NZTA to consider:

- alternative funding sources to deliver major public transport investments, including 'Build, Own, Operate, Transfer' schemes and value capture
- new ways of thinking and different delivery models to increase delivery speed.

This modern rapid transit system will support urban development and housing growth, which allows for increased public transport choice, building on the investment already made in the City Rail Link in Auckland and the additional trains to be introduced in Wellington later this decade, and the acceleration of Wellington's North-South, East-West, and Harbour Quays' bus corridors. The Government is funding KiwiRail to deliver network repairs and upgrades to ready the network for these major improvements. Completing Auckland's Rail Network Rebuild and upgrading Wellington's rail network substations are priorities for the Government.



² The Lower North Island Rail Integrated Mobility project is forecast to be funded from a combination of Crown Grants, NLTF and Local Share contributions.

There has been a 71 percent increase in Crown/NLTF funding for public transport over the past 5 years (Figure 3). However, over the same period patronage has decreased by 23 percent. This has partly been caused by

COVID-19 restrictions, but numbers have not increased back to pre-COVID levels.

Increased public transport fare-box recovery and third-party revenue will be expected from local government.

Figure 3. Local, private and NLTF/Crown shares of public transport services and infrastructure funding

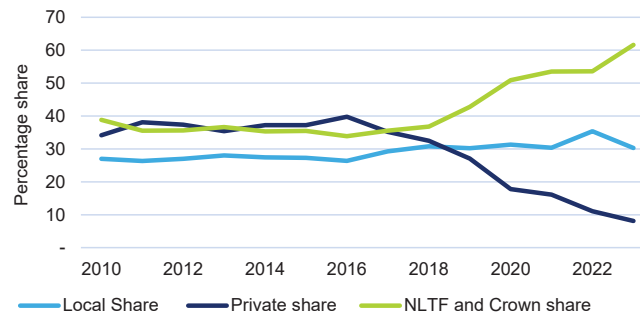


Figure 3. The private share of public transport costs has been falling since 2016/17. In 2022/23, private share of public transport costs was less than 10 percent.

Source: NZTA



Rail

Rail plays a role in moving large volumes of goods between major cities, particularly within the Auckland, Hamilton and Tauranga triangle. This Government will continue to invest in the national rail freight network to support the overall objective of economic growth and productivity while also ensuring that this investment delivers value for money to taxpayers.

In recent years, despite a significant increase in investment in the national rail freight network, which included cross-subsidisation of the network by road users, the amount of freight being moved via rail has continued to decline (Figure 4).

Over the past six years there has been almost \$2.5 billion invested but rail freight (net tonne kilometres) is lower now than it was in 2012. This Government's focus will be to invest in maintaining the network between the busiest and most productive parts of the existing rail network – between Auckland, Hamilton, and Tauranga. While rail freight network investments will remain within the GPS, rail infrastructure will no longer be cross-subsidised from revenue generated from road users. It is unfair to ask people using the roads to fund rail infrastructure. Rail investments will continue to be supported and funded through the Rail Network Investment Programme, as agreed by Cabinet. Track User Charges paid by rail users will be used to support these investments.

Figure 4. Rail investment and freight tonnage

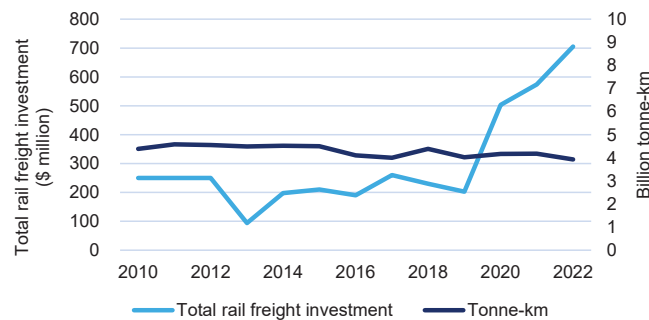


Figure 4: The amount of rail freight has been in steady decline despite significant Crown capital investment. Capital investment in rail compared with tonnage carried (2012/13-2022/23).

Source: Ministry of Transport/ KiwiRail.

Walking and cycling

Investment in walking and cycling should only take place where there is either clear benefit for increasing economic growth or clear benefit for improving safety and demonstrated volumes of pedestrians and cyclists already exist.

All investment in walking and cycling will come from the Walking and Cycling activity class, including investment in maintaining the existing walking and cycling network.

Strategic Priority: Increased maintenance and resilience

Increasing maintenance levels and improving resilience on our state highways, local and rural roads is critically important in achieving the Government's overall objective of supporting economic growth and productivity.

Access to markets is essential and this means having a resilient network that is well maintained.

New Zealand has faced significant challenges in recent years with weather events and the Christchurch and Kaikōura Earthquake rebuilds, which have highlighted the need for a

focus on resilience of the roading network. Increasing maintenance outcomes is critically important, as well as adopting a more proactive approach to maintenance, to achieve a more reliable network for individuals and businesses to be able to rely upon.

Potholes have become increasingly apparent on our roading network in the past five years.

While road maintenance funding has increased significantly, the amount of rehabilitation and resealing has not (Figures 5 & 6).

Figure 5. Maintenance funding trends – State Highways

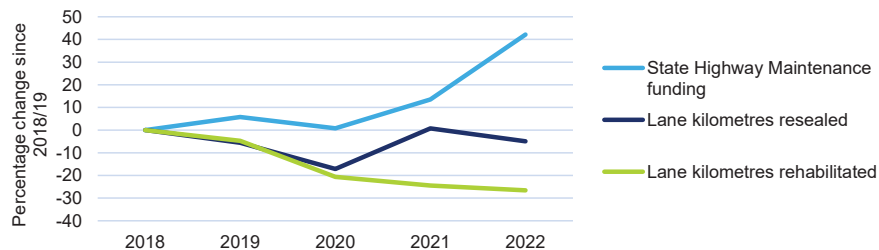


Figure 5. The amount of state highway rehabilitation and resealing has not increased, despite a increase in funding. State highway maintenance funding, excluding emergency works 2018/19 – 2022/23.

Source: Ministry of Transport/NZTA.

Figure 6. Maintenance funding trends – Local roads

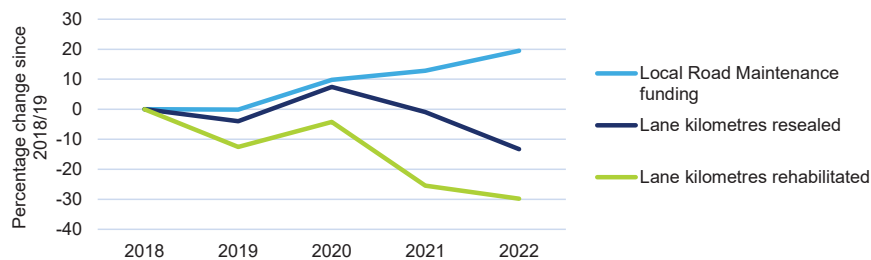


Figure 6. The amount of local road rehabilitation and resealing has not increased despite a significant increase in funding. Local Road maintenance funding excluding emergency works 2018/19 – 2022/23.

Source: Ministry of Transport/NZTA.

This GPS takes a new approach. GPS 2024 increases road maintenance funding by \$640 million, compared to the draft GPS released by the previous Government in August 2023³, and this Government will be requiring road maintenance to be undertaken with a proactive rather than reactive approach.

GPS 2024 establishes new activity classes to ensure that maintenance funds are prioritised and ringfenced to fix potholes, and to prevent potholes by ensuring that state highways, local and rural roads are maintained to a higher standard. The State Highway Pothole Prevention and Local Road Pothole Prevention activity classes will ensure that maintenance funds are prioritised and ringfenced, with clear outcomes that must be achieved by both central and local government. Funding from these activity classes will only be available for the following activities: road resealing, road rehabilitation and drainage maintenance.

GPS 2024 introduces a new expectation for NZTA to consider tolling to support the construction and maintenance of all new roads, including the Roads of National Significance. Increased tolling on new roads will protect existing funding in the National Land Transport Fund for maintaining existing roads.

Due to the deterioration of the road network, the Government will appoint independent members to the Road Efficiency Group, started by the previous National Government, and refocus it on ensuring that all investment in maintaining and improving resilience on the state highway, local and rural road network is spent in the most efficient manner. It is not acceptable that while funding for road maintenance activities has increased, the real outcomes on our road network continue to worsen.

The Road Efficiency Group will have a number of key focus areas:

- finding efficiency in road maintenance spend to deliver more for road users and taxpayers' investment.
- standardising maintenance protocols and processes to find efficiency where efficiencies can be found.
- reducing expenditure on temporary traffic management, which is adding significant cost to road maintenance and reducing efficiency of the spend.
- reviewing Network Outcome Contracts with a focus on achieving long-term maintenance outcomes of 2 percent rehabilitation and 9 percent resurfacing per year, ensuring a proactive approach to road maintenance.

Contract review will also include increased requirements to fix potholes on our state highway network within 24 hours to increase safety on our roads.

The exact scope and role of the refocused Road Efficiency Group will be developed and approved as part of the new Performance and Efficiency Plan. This will ensure activities and functions are aligned to drive better accountability, delivery and value for money from our transport investments.

GPS 2024 does not include specific additional funding to reseal and rehabilitate roads that have been damaged due to the North Island Weather Events (NIWE) of 2023. Since February 2023, Crown funding of \$2.172 billion⁴ has been provided for State Highway, Local Road, and Rail network response and recovery activity. Additional funding for NIWE is intended to be funded through a separate process to this GPS.

³ This difference has been calculated at the midpoint of the funding ranges.

⁴ This is made up of, \$1,263 million of Crown funding provided to the NLTF and \$495m of direct Crown funding for State Highway and Local Road recovery and response, and \$414m of Crown funding for the Rail response

Strategic Priority: Safety

Safety on our transport networks is critically important. The steady decline in deaths and serious injuries we observed between the 1980s and early 2010s has slowed over the past decade.

Road deaths and serious injuries place a substantial burden on families, society, the economy, and the health sector each year, with significant direct costs incurred by the Accident Compensation Corporation (ACC) and other parties.

The Government expects that NZTA will make efforts to facilitate contributions from ACC to investments which improve road safety. There are examples of investments made by ACC, including investment in the Transmission Gully motorway and in motorcycle safety. The Government expects to see this approach extended further in all areas where investment by ACC will result in safety improvements that meet ACC's statutory criteria for investment.

GPS 2024 directs investment towards road policing and enforcement, which is one of the most important tools for improving safety on New Zealand's roads.

Poor road user choices affect everyone on the road. Alcohol and drugs are the leading contributors to fatal crashes in New Zealand (Figure 7), but only 26 percent of drivers think they are likely to be caught drug driving, and only 60 percent of people think they are likely to be caught drink driving. 27 percent of drink-drive offenders are repeat offenders. Similarly, wearing a seatbelt during a crash doubles the chances of surviving a serious crash, yet each year over 80 people die in crashes not wearing a seatbelt. Every year, around 67,000 people are disqualified from driving, and about 8700 a year are prosecuted for driving while disqualified. Between 2008 and 2017, 113 people were killed in crashes involving disqualified drivers.

Figure 7. Deaths in crashes involving alcohol or drugs

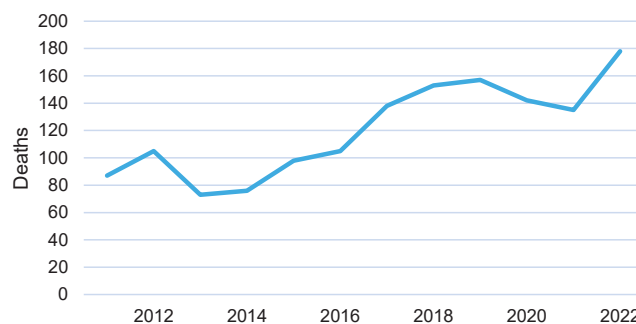


Figure 7. The number of crash deaths involving alcohol or drugs continues to increase. Deaths in crashes involving alcohol or drugs 2011-2022.

Source: Ministry of Transport

Police play a significant part in helping to make New Zealand roads safer through rigorous enforcement of the traffic laws including alcohol/drug and speed regulations, promoting good driving practices, and road safety education. The Government expects Police to provide sufficient enforcement levels of traffic laws to achieve specific, as well as general, deterrence aims. The Government also expects Police to identify high-risk drivers and proactively intervene to reduce opportunities for offending. Vehicle technology can also play a role, such as mandatory alcohol interlocks for the most severe offenders and improved automated enforcement.

Most of the financial penalties and demerit point levels for offences have not been reviewed since the Land Transport (Offences and Penalties) Regulations were set in 1999. As a result, a number of these penalties are poorly targeted, too low to deter unsafe behaviour, or misaligned with risk (which weakens the signal of risk to the public). The infringement fees, in particular, are significantly lower than the equivalent fees in overseas jurisdictions. For example, almost all jurisdictions in Australia, the United Kingdom and Canada have higher penalties for not wearing a seatbelt compared to New Zealand. Bringing our penalties in line with Australia would require nearly tripling the infringement fee, while also adding demerit points.

Delivering safe roading infrastructure is also critically important for improving road safety. GPS 2024 supports investment in safe roading infrastructure by fixing potholes and increasing the level of road maintenance completed on the road network, while also investing in new and safe Roads of National Significance.

Delivering improvements to level crossings, like installing safety barriers on rural roads and separating road from rail in busy metropolitan networks, are a key safety priority for road and rail infrastructure to be funded by NZTA, KiwiRail's RNIP, and local councils.

Upgrading road infrastructure to higher safety standards has a significant impact on improving road safety. Independent analysis

has found the construction of eight new bypasses, between January 2009 and December 2016, resulted in up to a 37 percent reduction in deaths and serious injuries across those roads.

Lower cost safety interventions should be retrofitted on high-risk parts of the network, where they provide value for money. For example, it is expected that there will be greater use of rumble strips across the state highway, local and rural road networks.

The Government will be introducing a new set of objectives and intended actions for road safety that will focus on safer roads, safer drivers and safer vehicles.

The Government will make a number of reforms to improve road safety during the timeframe of this GPS. These reforms will be targeted towards the highest contributing factors in fatal road crashes. We will:

- Enact legislation to rollout roadside oral fluid drug testing and set targets for Police to undertake 50,000 roadside oral fluid tests per year once the provisions come into force.
- Increase central government's focus on drink driving and set targets for Police to undertake at least 3 million roadside alcohol breath tests per year.
- Review fines for traffic offences including consideration of indexing the value of infringements to inflation.
- Review the vehicle regulatory system to (among other objectives) enable better management of the safety performance of the vehicle fleet,
- reduce regulatory burden, and ensure our domestic rules are fit for purpose.
- Invest in road policing and road safety promotion to ensure an appropriate level of enforcement while promoting safer driving.

While speed is a contributing factor to safety outcomes on our roads, the Government will

not be continuing with a blanket approach to reducing speed limits. Instead, we will be focused on improving road safety by building safer infrastructure, investing in safer drivers, and requiring safer vehicles.

We will make changes to the Land Transport Rule: Setting of Speed Limits 2022 to enable Road Controlling Authorities to reverse blanket speed limit reductions where it is safe to do so and to require Road Controlling Authorities to determine speed limits using consistent benefit-cost analysis criteria.

Speed limit reductions will also be tightened to focus on areas with high safety concerns. Where subsequent safety investments are made, speed limits should be restored to prior speed limits.

Strategic Priority: Value for Money

There has been a significant increase in investment in transport in recent years, however, this is not translating to better outcomes.

GPS 2024 will invest over \$20 billion into the transport network, which is a significant amount of road user and taxpayer money. This investment must deliver better outcomes for present and future generations of New Zealanders.

- The Agency, as the Government's delivery agent, will continue to take a leading role in securing improved effectiveness and efficiency within the priorities for investment established by the Government. This means a key focus on value for money in all parts of the transport sector. NZTA will be expected to reduce its head office expenditure by 7.5 percent, with those savings reinvested into delivering against the GPS objectives.
- Increased public transport fare box recovery and third-party revenue will be expected from local government.

- Reduction in expenditure on temporary traffic management, while maintaining the safety of workers and road users.
- Focus on outcomes in road maintenance investment to deliver smoother and more reliable journeys for New Zealanders.
- Review of road safety investment to be undertaken to ensure investment is focussed on efficient changes, which make improvements to the roading network at the lowest cost.
- Making better use of existing assets by allowing time of use charging or the use of dynamic lanes in main cities to manage demand.
- Focus on whole-of-life costs to maximise long-run value.
- Making better use of existing digital infrastructure and information systems where appropriate to help achieve the strategic priorities in this GPS.

All entities involved in providing for the land transport system need to work together to improve the system's performance.



Outcomes the Government expects will be achieved by this GPS

The 2024-27 NLTP and corresponding RLTPs are expected to prioritise projects and activities that progress the GPS 2024 priorities. In doing this, the focus should be on achieving the following impacts in the short to medium-term:

Economic growth and increased productivity

- reduced journey times and increased travel time reliability
- less congestion and increased patronage on public transport
- improved access to markets, employment and areas that contribute to economic growth
- more efficient supply chains for freight
- Unlocked access to greenfield land for housing development and supporting greater intensification

Increased maintenance and resilience

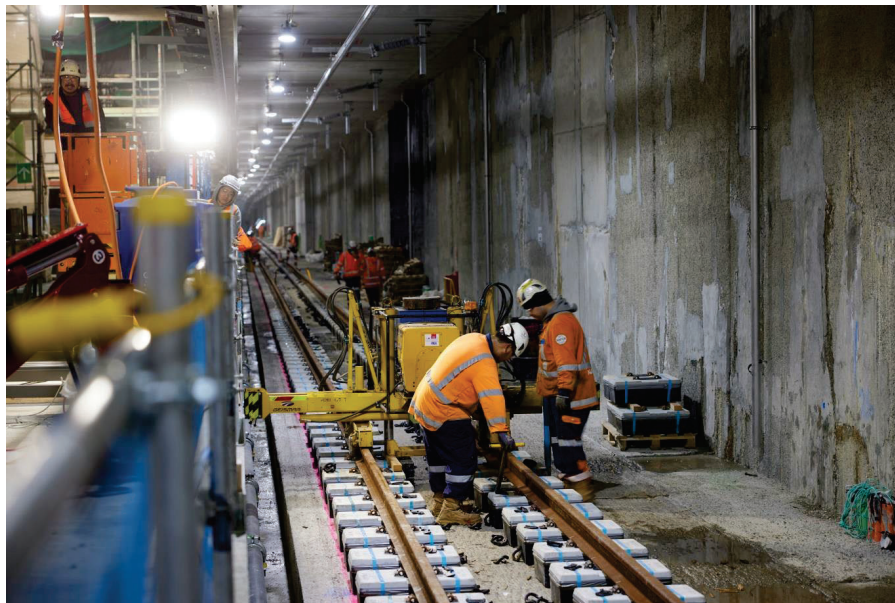
- more kilometres of the road network resealed and rehabilitated each year
- fewer potholes
- a more resilient network.

Improved safety

- reduction in deaths and serious injuries
- increased enforcement.

Value for money

- better use of existing capacity
- less expenditure on temporary traffic management.



Section 4: Investment in land transport

This section describes how different funding and financing sources will contribute to land transport investments and it sets expenditure limits, including NLTF activity class funding ranges.

Revenue

Central and local government are partners in planning, building, maintaining, improving, and funding land transport infrastructure and activities. Some activities, like state highway activities, road policing and training and research, are fully funded by central government.

However, if the activity aligns with the GPS priorities and is included in the NLTP, it will

receive co-funding from central government according to the relevant funding assistance rate. Sources of the local government funding share for land transport activities include rates, development contributions, borrowing and investments. The local funding share is not included in the GPS.

National Land Transport Fund

Funding for the NLTF for 2024/25-2027/28 will come primarily from:

- fuel excise duty, road user charges and motor vehicle registration and licensing fees
- direct Crown funding in the form of grants and loans.

There will also be some contributions from other sources such as tolling, track user charges and the rental or sale of land.

The annual licensing fee component of Motor Vehicle Registration (MVR) hasn't been increased since 1994. Inflation since that time has reduced the real value of this NLTF contribution by a half. The government is now proposing to increase MVR by \$25 in January 2025, and a further \$25 in January 2026 to return MVR to the 1994 level, in real terms. This will increase the annual cost of MVR in 2026 by \$50 for most vehicles, \$28 for Motorcycles, trailers and ATVs and \$16.5 for Mopeds. The increase in MVR will add approximately \$530 million to the NLTF over the years 2024/25-2026/27.

Table 1. NLTF funding sources 2024/25-2026/27

| NLTF Funding Source | Amount (\$ billion) |
|-----------------------------------|---------------------|
| FED/RUC/MVR | 14 |
| Crown grant – capital expenditure | 3.1 |
| Crown loan | 3.1 |
| Total revenue | 20.2 |

The MVR increase and Crown grant reflect our commitment to replace the revenue from fuel tax increases with an equivalent commitment, which provides the revenue stream required for repayment of the loan facilities.

On an annual basis the expected revenue from all sources is as shown in Table 2.

The Government plans to return to the previous practice of regular FED/RUC increases from January 2027. The funding profile in Table 2 assumes increases of 12 cents per litre in January 2027, a further 6 cents in January 2028, followed by a 4 cent per litre annual increase starting in January 2029.

As is shown in Table 2, these increases are not in themselves sufficient to fully replace the fixed term funding top-ups that will be provided by the Government over the first three years.

The Government is very aware of the need to address this potential reduction in funding. We are initiating policy work to determine the tools required to meet our future revenue needs and provide a predictable and sustainable revenue outlook. This is likely to include road pricing alternatives, time of use charging and the transition of all vehicles to road user charges.

Table 2. NLTf Annual funding 2024/25-2029/30

| | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 |
|--------------|---------|---------|---------|---------|---------|---------|
| | \$m | \$m | \$m | \$m | \$m | \$m |
| NLTf revenue | 6,750 | 7,000 | 7,200 | 6,800 | 7,100 | 7,400 |

Expenditure

Table 3 shows the expenditure target (the expected level of expenditure) along with the maximum and minimum range for National Land Transport Programme expenditure for the first three years of this GPS.⁵

The total level of funding represents a balance between achieving the government's expected impacts set out above, and the level of revenue that can be raised.

Table 3. Expenditure targets and ranges

| | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 |
|---------------------|---------|---------|---------|---------|---------|---------|
| | \$m | \$m | \$m | \$m | \$m | \$m |
| Expenditure target | 6,250 | 6,350 | 6,050 | 5,800 | 6,350 | 6,600 |
| Maximum expenditure | 6,550 | 6,650 | 6,350 | 6,100 | 6,650 | 6,900 |
| Minimum expenditure | 4,800 | 5,100 | 5,050 | 5,600 | 6,150 | 6,400 |

[NB. Current funding profiles show the inclusion of \$1 billion p.a. of potential grant or debt funding from 2027/28 onwards. Treasury, the Ministry of Transport and NZTA are working on options around this additional \$1 billion that will be further detailed or revised in the final version of the GPS.]

⁵ The differences between NLTf revenue and the expenditure targets reflect debt repayments, which are not part of the expenditure target.

Funding ranges for activity classes

Funding in the National Land Transport Programme is allocated to activity classes. The allocation of funding to these activity classes reflects the strategic direction the government has set. For each activity class, a funding range determines how much can be spent.

The following activity classes will be used for the 2024-27 National Land Transport Programme:

State Highway Improvements

This activity class is for the purpose of investment in new state highways, improving the capacity of existing state highways, and end of life bridge and structures renewals.

Investment in this activity class prioritises the strategic priorities of supporting economic growth and productivity, and a safe and resilient transport system.

This activity class has a significant increase in funding, which will be used to deliver state highway infrastructure under the Roads of National Significance programme and priority resilience projects.

The Government expects that funding in this activity class will not be used to make multi-modal improvements, i.e., cycleways and busways, or fund traffic calming measures, such as speed bumps and in-lane bus stops. Funding may be used to remove speed bumps that exist on high volume corridors. It is expected that NZTA will prioritise reliable travel times in all investment decisions in this activity class.

State Highway Pothole Prevention

This activity class is for the purpose of investment in resealing, rehabilitating, and drainage maintenance on the state highway network.

The State Highway Pothole Prevention activity class is intended to address the significant rise

in the number of potholes and deterioration of the state highway network.

Previous Government Policy Statements have funded resealing, rehabilitating, and drainage maintenance activities through the State Highway Maintenance activity class. The State Highway Pothole Prevention activity class differs from this approach as it is ring-fenced to fund resealing, rehabilitating, and drainage maintenance activities on state highways and will not fund other maintenance activities.

This activity class is paired with a focus on achieving long-term maintenance outcomes of 2 percent of the state highway network renewed each year and 9 percent of the state highway network resealed each year, and increasing requirements for potholes to be fixed within 24 hours.

The Government expects that funding in this activity class will not be used to make multi-modal improvements. Funding should only be used to reseal, rehabilitate, and maintain drainage on the state highway network.

State Highway Operations

This activity class is for the purpose of investment in the operation of the state highway network.

Operational activities include managing demand and operating services to optimise utilisation across the network. This activity class will fund all operational activities on the state highway network, and includes funding for emergency reinstatement after loss of service.

Local Road Improvements

This activity class is for the purpose of investment in new local roads and improving the capacity of existing local roads, and end of life bridge and structures renewals.

Investment in this activity class prioritises the strategic priorities of supporting economic growth and productivity, and a safe and resilient transport system.

Funding in this activity class will not be used to make multi-modal improvements, and there will be reduced funding for traffic calming measures, such as speed bumps. It is expected that Road Controlling Authorities (RCA) will prioritise reliable travel times in all investment decisions in this activity class.

Local Road Pothole Prevention

This activity class is for the purpose of investment in resealing, rehabilitating, and drainage maintenance on the local road network.

The Local Road Pothole Prevention activity class is intended to address the significant rise in the number of potholes and deterioration in our local road network.

Previous Government Policy Statements have funded resealing, rehabilitating, and drainage maintenance activities through the Local Road Maintenance activity class. The Local Road Pothole Prevention activity class differs from this approach as it is ring-fenced to fund resealing, rehabilitating, and drainage maintenance activities on local roads and will not fund other maintenance activities.

The Government expects that funding in this activity class will not be used to make multi-modal improvements. Funding should be used to reseal, rehabilitate, and maintain drainage on the local road network.

Local Road Operations

This activity class is for the purpose of investment in the operation of the local road network.

Operation activities include managing demand and operating services to optimise utilisation across the network. This activity class will fund all operational activities on the local road network and includes funding for emergency reinstatement to loss of service.

Public Transport Services

This activity class is for the purpose of investment in the management and operation of contracted public transport services and total mobility transport services. This GPS will expect greater farebox recovery and third-party revenue by Public Transport Authorities in order to help support the increased costs that are occurring through the public transport sector.

Public Transport Infrastructure

This activity class is for the purpose of investment in the management and delivery of renewing and improving infrastructure to support public transport services. It is expected that funding in this activity class will be used to invest in projects that reflect the priorities of this GPS, including a rapid transit network in Auckland and upgrades to rail in the lower North Island.

The Government expects to realise the benefits of its investments in major public transport infrastructure, like the City Rail Link and Wellington's new trains. Completing major network renewals (Rail Network Rebuild, Rail Network Growth Impact Management, Backlog Renewals) and upgrades (Wellington's rail substations) is a key priority for the Government.

Safety

This activity class is for the purpose of investment in road policing and nationally consistent and coordinated road safety promotion and will be focused on improving road safety through enforcement and behavioral change, not blanket speed limit reductions.

Police must achieve road policing targets set by the Government through funding in this activity class. There will be a strong focus on performance in the next Road Safety Partnership Programme and a small amount of the NLTF that is available to Police will be dependent on performance against enforcement targets relating to speed, alcohol

breath testing, and oral fluid testing for drugs once the provisions come into force. Specific details of the Police activities, performance metrics and funding will be developed by NZTA and approved by the Minister in accordance with the Act. The Government expects that investment in road safety will be achieved across activity classes in GPS 2024. This includes the delivery of new Roads of National Significance through the State Highway Improvements activity class and investment in a well-maintained road network through pothole prevention activity classes.

Funding toward road safety will be focused on safer roads, safer drivers, and safer vehicles.

The Government expects that investment from this activity class will not be made in traffic calming measures such as raised pedestrian crossings, raised platforms, speed bumps, and in-lane bus stops on state highways and local roads.

Investment Management

This activity class is for the purpose of investment in the transport planning system, investment in strategic and operational research to support system planning and investment, and investment in the funding allocation system.

This activity class will provide investment for funding allocation management, including the development of and administration of the National Land Transport Programme (NLTP), associated funding and procurement procedures, policies and guidelines, funding agreements with approved organisations, assistance and advice to approved organisations, and regional land transport committees.



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Rail Network

This activity class is for the purpose of investment in operation and maintenance, renewals and improvements to the national rail network. This includes both operational and capital expenditure as outlined in the Rail Network Investment Programme (RNIP).

NLTF Funding for this activity class will be capped at the level of revenue from Track User Charges (TUCs) and specific Crown funding for rail investments (if any). The Government expects that activities funded through this activity class will be targeted to parts of the rail network where the most significant economic benefits and opportunities for boosting the productivity of freight movement exist, i.e., Auckland, Hamilton, and Tauranga.

Walking and Cycling

This activity class is for the purposes of maintaining the existing walking and cycling network and investment in walking and cycling where there is either clear benefit for increasing economic growth or clear benefit for improving safety where demonstrated volumes of pedestrians and cyclists already exist.

Investment in walking and cycling is expected to make a contribution to economic growth and productivity. To achieve this, funding should be directed to reducing congestion and/or improving pedestrian and cyclist safety.

A provision has been made in the Walking and Cycling Activity Class to fund the maintenance of walking and cycling infrastructure (including footpaths, shared use paths and cycle paths).

Prior to GPS 2018, no funding from the National Land Transport Fund was provided to local government to fund the maintenance of walking and cycling infrastructure (including footpaths, shared use paths and cycle paths). A provision has been made in the Walking and Cycling Activity Class to fund this infrastructure and it is expected that the NZTA Board will consider options to deliver value for money. This could include amending the funding

assistance rate (FAR) for these maintenance activities.

Any investment in walking and cycling must be funded exclusively through this activity class.

The Government expects that any activities funded under this activity class will undergo robust consultation with community members and business owners that could be affected by the investment, prior to any investment decisions being made.

Funding ranges

The NZTA is required to allocate funding to activity classes within the funding ranges set out in Table 4 on the following page, and within the overall expenditure targets set out in Table 3. The expenditure targets do not envisage funding being allocated at the top end of every activity class range. Specifying the funding allocations as a range provides the NZTA with some flexibility to respond to the actual funding applications received and to manage issues such as weather delays affecting its own state highway investment programme.

Table 4. Activity class funding ranges

IN CONFIDENCE

| Activity Class | | 2024/25 | GPS 2024 funding ranges (\$m) | | | | | Forecast funding ranges (\$m) | | | | |
|------------------------------------|-------|---------|-------------------------------|---------|---------|---------|---------|-------------------------------|---------|---------|---------|--|
| | | | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 | 2030/31 | 2031/32 | 2032/33 | 2033/34 | |
| State Highway Maintenance | | | | | | | | | | | | |
| State highway pothole prevention | Upper | 700 | 790 | 790 | 820 | 920 | 980 | 1,050 | 1,070 | 1,080 | 1,100 | |
| | Lower | 420 | 460 | 490 | 540 | 630 | 690 | 750 | 760 | 780 | 790 | |
| State highway operations | Upper | 760 | 850 | 960 | 1,050 | 1,130 | 1,150 | 1,170 | 1,200 | 1,220 | 1,240 | |
| | Lower | 560 | 640 | 690 | 730 | 780 | 800 | 820 | 830 | 850 | 870 | |
| Local Road Maintenance | | | | | | | | | | | | |
| Local road pothole prevention | Upper | 780 | 850 | 900 | 1,170 | 1,230 | 1,260 | 1,280 | 1,300 | 1,320 | 1,340 | |
| | Lower | 570 | 610 | 640 | 840 | 890 | 900 | 920 | 930 | 950 | 970 | |
| Local road operations | Upper | 450 | 480 | 590 | 420 | 450 | 460 | 470 | 480 | 490 | 500 | |
| | Lower | 240 | 260 | 280 | 290 | 320 | 320 | 330 | 340 | 340 | 350 | |
| Other continuing programmes | | | | | | | | | | | | |
| Public transport services | Upper | 750 | 770 | 790 | 810 | 830 | 850 | 870 | 890 | 910 | 930 | |
| | Lower | 400 | 420 | 440 | 460 | 480 | 500 | 520 | 540 | 560 | 580 | |
| Investment management | Upper | 85 | 90 | 90 | 90 | 95 | 95 | 100 | 100 | 105 | 110 | |
| | Lower | 65 | 70 | 70 | 70 | 75 | 75 | 80 | 80 | 85 | 90 | |
| Safety | Upper | 600 | 610 | 620 | 630 | 630 | 630 | 640 | 640 | 640 | 650 | |
| | Lower | 500 | 510 | 520 | 530 | 530 | 530 | 540 | 540 | 540 | 550 | |
| Rail network | Upper | 550 | 560 | 560 | 570 | 570 | 570 | 580 | 580 | 580 | 580 | |
| | Lower | 360 | 360 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | |
| Improvements | | | | | | | | | | | | |
| Public transport Infrastructure | Upper | 680 | 730 | 780 | 830 | 880 | 930 | 950 | 970 | 990 | 1,010 | |
| | Lower | 240 | 290 | 340 | 390 | 430 | 480 | 500 | 520 | 540 | 560 | |
| State highway Improvements | Upper | 1,950 | 2,050 | 2,250 | 2,300 | 2,350 | 2,400 | 2,400 | 2,400 | 2,400 | 2,400 | |
| | Lower | 1,150 | 1,250 | 1,350 | 1,400 | 1,450 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | |
| Local road Improvements | Upper | 400 | 400 | 410 | 410 | 420 | 420 | 420 | 430 | 430 | 430 | |
| | Lower | 150 | 150 | 160 | 160 | 170 | 170 | 170 | 180 | 180 | 180 | |
| Walking and cycling improvements | Upper | 250 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | 130 | |
| | Lower | 135 | 70 | 70 | 70 | 70 | 70 | 70 | 70 | 70 | 70 | |

Linking planned expenditure with revenue

A principle underlying land transport expenditure is that the NZTA will manage expenditure so that it links with the amount of revenue that is raised.

The authority to approve police funding, a Rail Network Investment Programme (RNIP) and NLTF funding for an RNIP sits with the Minister of Transport. For other investments, decision rights for funding from the NLTF rests solely with the NZTA Board.

The NZTA is expected to plan funding allocations for each activity class and approve funding for activities so that total planned expenditure in any year matches the expenditure target set out in Table 3 for that year. It is accepted that the NZTA may not achieve the expenditure target in any one year, if expenditure is within the range specified in Table 3.

The need to manage planned expenditure against revenue arises because expenditure and revenue are subject to uncertainty and fluctuation. Expenditure can vary due to factors such as unforeseen cost increases in key inputs and/or unexpected changes in project timing.

As revenue is dependent on the level of economic and transport activity it will fluctuate according to economic conditions. As a result, there may be unplanned imbalances between expenditure incurred under the National Land Transport Programme, and the revenue received into the National Land Transport Fund. NZTA has a specific short-term loan facility to help it manage this situation.

Policy on borrowing for the purposes of managing the delivery of the NLTP

At times borrowing will be required to manage the delivery of the NLTP. Borrowing increases available funding in the short-term, which can be used to manage cash flow, cope with unexpected shocks, or deliver additional activities. However, in the future there will be a corresponding decrease in available funding as the borrowing is repaid.

At the time of publishing this GPS, formal arrangements are in place for NZTA to use several borrowing facilities. Table 5 provides details of these arrangements. A forecast of the expected debt repayments over the next six years is presented in Appendix A. If additional borrowing facilities are required, NZTA must seek approval from the Ministers of Finance and Transport. Two of the facilities relate to revolving credit. These provide access to committed funding to manage fluctuations in cash flow – either due to seasonal variations or shocks.

A change in how borrowing is reported is being implemented in GPS 2024. The activities funded through borrowing (and any new PPPs) will be reported at the time of the investment as expenditure in the appropriate activity class. Repayment of borrowing will be reported as expenditure from the NLTF, separate from activity class spend. Put simply, the interest and debt repayments will be reflected separately from the activity class ranges in GPS 2024.

The Ministry will work with NZTA to develop reporting practices to ensure both the spend on activities funded from borrowing and the repayments of borrowing are clearly reported.

Table 5. NZTA borrowing facilities

| Borrowing Facility | Purpose of borrowing | Size of facility | Amount drawn down ⁶ | Repayment Period |
|--|--|---|--------------------------------|--|
| Management of cash flow (revolving credit facility) | To manage seasonal cash flow variations in the NLTF | \$250m | \$0 | Annually |
| Revenue and expenditure shocks (revolving credit facility) | To manage any unexpected fluctuation in revenue or expenditure | \$250m | \$150m | Within 4 years of draw down |
| Auckland Transport Package | To progress the Auckland Transport package | \$375m | \$318m | Before 30 June 2027 |
| Tauranga Eastern Link | To bring forward construction of the Tauranga Eastern Link | \$107m | \$107m | To be repaid through future tolls revenue by June 2050 |
| Housing Infrastructure Fund | To accelerate transport projects that support housing development | \$357m | \$46m | Before June 2031 |
| COVID-19 | To manage the shortfall in revenue resulting from COVID-19 restrictions | \$425m | \$332m | Before 30 June 2027 |
| 2021-24 NLTP facility | To address the gap between planned investments in the NLTP and level of investment required to deliver GPS 2021 priorities | \$2b | \$1,300m | 10 years from drawdown |
| 2024-27 NLTP facility | To address the gap between planned investments in the NLTP and level of investment required to deliver GPS 2024 priorities | \$3.1b (Note: subject to NZTA Board approval) | 0 | 10 years from drawdown |

Note: This list does not include lending facilities related to NZTA's regulatory functions.

⁶ Amounts drawn down will be updated before final publication

Allowable variation between expenditure and revenue

NZTA is expected to match its expenditure to the target expenditure set out in Table 3. However, it is also legally required to limit its spending to the levels of available revenue in the NLTF. Because both the timing and levels of revenue and expenditure are subject to uncertainty, the Act provides that an 'allowable variation' be set in a GPS as a way of managing any imbalances that arise.

In practice this 'allowable variation' is determined by the loan facilities provided to NZTA as these set the limit on the extent to which expenditure from the NLTF can exceed revenue inflows. For the avoidance of doubt, in GPS 2024 the allowable variation is the sum of all borrowing made available to NZTA by the Minister of Transport and the Minister of Finance, reduced over time as the borrowing is drawn down.

Section 5: Statement of Ministerial expectation

The Act provides for the Minister, as part of the GPS, to make a statement of their expectations of how the Agency gives effect to the GPS on land transport.

Although these are expectations of NZTA under the Act, most of the expectations also apply to other players in the sector including the Ministry, local government and other delivery agencies. Active cooperation of all players in the sector will be necessary to deliver the results that New Zealanders want and deserve.

The Minister expects a focus on delivery

The NZTA has a significant role to play in improving the performance and quality of our infrastructure. To deliver on this it will need to have a tight focus on its core statutory roles. All NLTP-related activities need to be judged against the benchmark of whether the activity promotes delivery of this GPS.

The Government is looking to the NZTA to deliver on its priorities at pace. The elimination of our infrastructure deficit will require new ways of thinking, maximising the use of new funding and financing tools, implementing new delivery models, and focusing on cost and value over the lifetime of any project.

The Government expects NZTA to build a much more efficient business case process by the end of 2024. Business cases have become increasingly costly and time consuming for the sector without necessarily leading to better investment choices and more efficient and timely infrastructure delivery. I expect NZTA to make business case decisions focussed on the core objectives of the project and in a timely fashion to ensure decisions on progressing projects can occur prior to projects increasing significantly in costs.

The NZTA needs to maintain a tight control on project scope and cost. Project specifications should take a “no frills” approach, focusing on delivery of the primary transport objectives that most cost-effectively deliver on the strategic priorities in this GPS.

The NZTA is expected to identify and report to the Minister every six months on any regulatory or other government-controlled barriers to timely delivery, including what changes are needed to reduce project costs and speed up delivery.

The Minister expects a focus on core business

The Ministry is to lead the oversight and development of policy for New Zealand's transport system. NZTA and other RCAs are to act primarily as delivery agencies.

The Minister expects the NZTA to focus on its core roles as defined in the Land Transport Management Act 2003. While NZTA supports other agencies to deliver other parts of the transport network, it should ensure that its focus is on building and maintaining our state highway roading network and it is not doubling up on delivery where other agencies have specific obligations. Work on programs which are not aligned with NZTA's core purposes or with the GPS should be discontinued.

The Minister expects a focus on value for money

The NZTA is responsible for around \$7 billion of road user/taxpayer funds each year and manages one of New Zealand's largest economic assets – the state highway network. Businesses rely on that network to generate the wealth that sustains us all and individuals rely on it for access to jobs, families, and friends. The NZTA must exercise the highest level of stewardship of its assets and investment funding to enable the people of New Zealand to prosper.

Obtaining value for money will require:

- Keeping costs under control and identifying savings that can be reinvested back into maintaining or improving the network.
- Selecting and funding activities and projects that will make the greatest contribution to the government's long-term goals and strategic priorities outlined in this GPS.
- Choosing the most advantageous combination of whole of life cost and infrastructure quality to meet a "no frills" specification that delivers the primary transport objective of the project in the most cost-effective manner.
- Monitoring operational expenditure and reporting to the Minister regularly on this expenditure,
- Reporting expenditure on temporary traffic management on a quarterly basis and reducing this expenditure, while maintaining the safety of workers and road users. NZTA was unable to provide a breakdown of its expenditure on temporary traffic management in preparation of this GPS. It is expected that NZTA will calculate its expenditure on temporary traffic management for each of the three previous financial years to form a baseline for future savings.

- Reducing expenditure on general advertising and identifying the most cost-effective and beneficial method for necessary advertising, such as road safety promotion.
- Focusing on providing services that meet the needs and expectations of users.
- Standardising the delivery of building and maintaining roading infrastructure, while remaining open to new models of delivery that are likely to result in better and smarter services and/or lower costs.
- Identifying more efficient ways to manage road tolling. Currently 32 percent of total toll revenue is spent on administering tolls. This level of expenditure on toll administration is expected to reduce.

The Minister expects consideration of other revenue sources and other funding and delivery models

There are several funding and procurement mechanisms already available to support investment in land transport and the government expects to implement more of these during the term of GPS 2024.

The NZTA is expected to maximize its own revenue and consider opportunities to supplement that revenue with contributions from beneficiaries/users whenever possible. "Maximising" its own revenue means ensuring that the amount spent on RUC investigations and enforcement is consistent with obtaining the most revenue, net of the investigation and enforcement costs.

However, just maximising revenue does not go far enough, and alternative funding tools are required for investment in land transport. The Government expects the Ministry and NZTA to work together on the future of land transport revenue and report to the Minister within three months on this work. This work programme should include how each of the following funding tools will be incorporated into the provision of investment in land transport:

- tolling
- time of use charging
- equity finance
- value capture.

The NZTA will be required to find efficiencies in the delivery of its services. This includes developing digital and electronic systems and processes and allowing third parties to bid to operate these services. One example of where this can be used is with New Zealand's road tolling arrangements, which currently require 32 percent of total toll revenue to be spent on administering the tolls. Finding efficiencies in the tolling system can reduce administration costs, enabling greater focus on maintaining the road network. Existing digital infrastructure and information systems should be used where appropriate, in line with the Value for Money strategic priority.

The NZTA should consider tolling to construct and maintain all new roads, including the Roads of National Significance. The Government will support all recommendations by NZTA to toll roads. Opportunities for toll roads should be explored where:

- they are likely to meet the requirements set out in the Act, and
- toll revenues, net of the costs of the tolling scheme itself, will make a positive contribution to the costs of the project.

Increased tolling on new roads will protect existing funding in the National Land Transport Fund for maintaining existing roads.

PPPs, concessions, and other alternative delivery options are to be considered for all projects. The Board should ensure that it has undertaken a more specific set of tests including assuring itself that:

- all relevant options have been examined in relation to any particular project.
- all relevant sources of funding and financing have been examined in relation to any particular project and those deemed suitable have been actively pursued and included in the projects funding mix.
- all relevant delivery models have been examined in relation to any particular project, including delivery models where NZTA may not be the delivery entity, but rather delivered by an expert third party. For the avoidance of doubt, any delivery model selected must represent value for money and balance appropriate levels of risk and timely delivery.

The Government is considering how city and regional deals between central and local government can provide an opportunity to integrate long-term strategy and planning, across the transport system. I expect that the Ministry and NZTA will engage with relevant entities to support this work and, once established, deliver on these deals.

As described above, the Government is also intending to amend the Act to require future GPSs to adopt a 10-year investment plan, bringing them into line with local government Long Term Plans (LTPs). NZTA should consider how to adjust its own systems and processes so that it is ready to deliver a 10-year plan as part of GPS 2027.

NZTA shall develop a strategic approach to the acquisition of land and other property interests, including reviewing existing land holdings, and route protection and land acquisition strategies, to determine alignment with the approach described above.

The Minister expects increased focus on performance and efficiency:

Over the past five years investment has increased significantly in a number of activity classes but this has not resulted in improved outcomes.

- State Highway Maintenance funding has increased by 42 percent, but lane kilometres resealed has reduced by 5 percent and lane kilometres rehabilitated has reduced by 27 percent
- Local Road Maintenance funding has increased by 19 percent, but lane kilometres resealed has decreased by 13 percent and lane kilometres rehabilitated has decreased by 30 percent
- Investment in public transport has increased by 71 percent since 2018 but there has been a 23 percent decrease in patronage.

Road maintenance has become less efficient, and productivity across the sector is not increasing. The Ministry has advised that it is difficult to ascertain whether the amount spent on road maintenance is delivering value for money.

NZTA will be expected to develop a Performance and Efficiency plan that will drive performance and efficiency across all transport investments. The Performance and Efficiency Plan will identify how NZTA and all road delivery agencies will:

- Improve the management of benefits, costs, risk and uncertainty at the programme and activity class level
- Increase the capability and capacity of the transport sector.
- Improve asset management practices across the sector.
- Provide analysis to inform price/quality trade-offs for maintenance and operations expenditure.

- Ensure business case and cost estimation reflect best practice.
- Manage overheads and back-office costs.

The Performance and Efficiency Plan will also need to integrate with the refocussed Road and Efficiency Group (REG) to ensure activities and functions are aligned to drive better accountability, delivery and value for money from our transport investments. The exact scope, functions and reporting lines of the refocussed REG will be developed and approved as part of the Performance and Efficiency Plan.

This plan should be developed in conjunction with the Ministry and submitted for approval by the Minister within three months of the release of draft GPS 2024.

The Minister expects NZTA to ensure that RCAs are following the Ministerial expectations in GPS 2024

It is expected that NZTA will ensure that these expectations are, to the extent applicable, incorporated into the requirements placed on other road controlling authorities as a condition of the inclusion of their projects in the NLTP.

Reporting on the expectations

The NZTA is expected to demonstrate how it is giving effect to these expectations, and specifically how it is progressing with the Performance and Efficiency plan.

Existing NZTA reporting mechanisms are likely to be used wherever possible in this reporting. Possible mechanisms include:

- Statement of Intent and Statement of Performance Expectations
- Assessment of how the NLTP gives effect to GPS 2024
- Annual Report on the NLTF and Annual Report
- Annual reporting on matters relating to the RNIP.

Section 6: Appendices

Appendix A: Debt repayment schedule

The expected NZTA debt repayment schedule is tabulated below. These repayments are a 'top-slice' from the NLTF and sit outside of the activity classes.

The debt repayment schedule aggregates the repayments associated with the formal debt arrangements that are currently in place for NZTA and are outlined in Table 5 - NZTA borrowing facilities. The bulk of these repayments are formed by the \$3.144 billion loan facility provided to NZTA to deliver GPS 2024 priorities.

In addition to repayments on NZTA's borrowing facilities, the expected debt repayments include repayments on the Public Private Partnerships that have been used to deliver Transmission Gully and Puhoi to Warkworth projects included in the previous Roads of National Significance.

As already indicated in Section 4, GPS 2024 represents a change in how borrowing is reported. The activities funded through borrowing (and any new PPPs) will be reported at the time of the investment as expenditure in the appropriate activity class. In practice this means that the repayments indicated in the below table will be 'top-sliced' from NLTF revenue outlined in Table 2 – NLTF Annual funding 2024/25-2029/30, before it is spent on activities included in the NLTP, reducing the NLTP expenditure targets in Table 3 – Expenditure targets and ranges.

Table 6. Debt repayment schedule

| | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 |
|--------------------------|---------|---------|---------|---------|---------|---------|
| | \$m | \$m | \$m | \$m | \$m | \$m |
| Expected debt repayments | 500 | 650 | 1,150 | 1,000 | 800 | 800 |

Appendix B: Crown Investment Programme

Major Transport Projects



In addition to the forecast \$74 billion investment in land transport through the NLTF over the next 10 years, the Crown also intends to contribute additional funding into transport infrastructure and operations.

The following tables highlight the different projects and programmes that are currently identified for Crown funding.

| Roading projects | Region |
|---|---------------|
| SH1 Whangarei to Port Marsden | Northland |
| o Mahurangi – Penlink | Auckland |
| South Auckland Package | Auckland |
| SH1 Papakura To Drury | Auckland |
| SH1-29 Intersection Improvement - Piarere | Waikato |
| Takitimu North Link – Stage 1 | Bay of Plenty |
| Takitimu North Link Stage 2 | Bay of Plenty |
| Sh58 Safety Improvements | Wellington |
| SH2 Melling Transport Improvements | Wellington |
| Otaki To North Of Levin | Wellington |
| Canterbury Package | Canterbury |
| Queenstown Package | Otago |
| Recovery and rebuild | Nationwide |
| Regional resilience | Nationwide |

| Rail projects | Region |
|---|-----------------------|
| City Rail Link | Auckland |
| Wiri To Quay Park - Third Main | Auckland |
| Papakura To Pukekohe | Auckland |
| Drury Rail Stations | Auckland |
| Whangarei To Otiria | Northland |
| Ashburton Freight Hub | Canterbury |
| Lower north island rail improvements (includes new passenger rolling stock for the wairarapa and manawatu lines and related network infrastructure) | Wellington / Manawātū |
| Rail network investment programme – freight | Nationwide |
| Non-commercial rail investment | Nationwide |
| Rolling stock | Nationwide |

| Public Transport | Region |
|------------------------------|------------|
| Public Transport Concessions | Nationwide |
| Eastern Busway | Auckland |

| Other | Region |
|--|------------|
| Electric Vehicle Charging Infrastructure | Nationwide |

Appendix C: Glossary/Definitions

| | |
|--|---|
| Activity | Defined in the LTMA as a land transport output or capital project, or both |
| Activity class | Refers to a grouping of similar activities |
| Approved organisations | Organisations eligible to receive funding from NZTA for land transport activities. Approved organisations are defined in the LTMA 2003 |
| Benefits realisation | A process that demonstrates whether or not (and how well) the anticipated results have been achieved |
| Capacity of network | The amount of movement of people and/or goods that the network can support at a given time |
| Demand management | Demand management refers to interventions which change the demand for transport. These interventions may seek to influence how, when and where people travel, and freight is transported. The purpose of demand management is to ensure the transport system is utilised efficiently and effectively, and to reduce the negative impacts of travel and freight movement |
| Emissions Trading Scheme (ETS) | The New Zealand Emissions Trading Scheme. The ETS requires businesses to surrender one 'emissions unit' (known as an NZU) to the Government for each tonne of emissions they emit. NZUs are tradeable. The ETS limits emissions by limiting the number of NZUs available to emitters (i.e., that are supplied into the scheme) |
| Fuel Excise Duty (FED) | Fuel Excise Duty is a tax imposed by the government to fund land transport activities. FED includes excise duty paid on liquid petroleum gas and compressed natural gas (in addition to petrol excise duty), but these account for a very small proportion of overall fuel excise |
| Hypothecation | The direct allocation of all income from a tax or charge (e.g., Fuel/Petrol Excise Duty or Road User Charges) to a particular type of activity (e.g., the National Land Transport Fund) |
| Lead investment | Investment which acts as a catalyst for future development |
| Land Transport Management Act 2003 (LTMA) | The main Act governing the land transport planning and funding system |
| Land transport revenue | Revenue paid into the Fund under the LTMA 2003 |
| Local road | Defined in the LTMA 2003 as a road (other than a state highway) in a district that is under the control of a territorial authority |
| Local share | The contribution that communities make (through local government) towards transport projects that have shared national and local benefits |
| Maintenance | Care and upkeep of infrastructure so that it can deliver a defined level of service, while leaving the fundamental structure of the existing infrastructure intact |
| Ministry of Transport (the Ministry, MoT) | The government's principal transport policy adviser that leads and generates policy, and helps to set the vision and strategic direction for the future of transport in New Zealand |
| Motor vehicle registration and licensing fees | Motor vehicles pay a registration fee when first registered to enter the fleet, and an annual licence fee to legally operate on the road network. Motor vehicle |

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| | registration and licensing fees are defined as land transport revenue. The fees are intended to contribute to the maintenance of the Motor Vehicle Register where the details of motor vehicles are recorded |
| National Land Transport Fund (NLTF, the Fund) | The set of resources, including land transport revenue, that are available for land transport activities under the National Land Transport Programme |
| National Land Transport Programme (NLTP) | A programme, prepared by NZTA, that sets out the land transport activities which are likely to receive funding from the National Land Transport Fund. The NLTP is a three-yearly programme of investment in land transport infrastructure and services from the Fund |
| New Zealand Rail Plan | Government's plan that guides investment to be made through the rail investment programme to achieve a reliable, resilient, and safe rail network |
| One Network Framework | A tool, prepared by NZTA, to help establish transport network function, performance measures, operating gaps and potential interventions for each road and street type |
| Petrol Excise Duty (PED) | Petrol Excise Duty is a tax imposed by the Government on petrol and is used to fund land transport activities |
| Public transport | Passenger transport infrastructure and services contracted by local and central government which may include shared on-demand services identified in Regional Public Transport Plans as integral to the public transport network. Interregional passenger transport by means of a rail vehicle |
| Rail Network Investment Programme (RNIP) | A ten-year plan of projects, guided by the New Zealand Rail Plan, to achieve a reliable, resilient, and safe rail network. The programme is written by KiwiRail and approved by the Minister of Transport with guidance from NZTA |
| Regional Land Transport Plans (RLTPs) | Plans prepared by Regional Transport Committees, that set out each region's transport objectives and policies for a period of at least 10 years. This includes bids for funding from the NLTP |
| Regional Transport Committees (RTCs) | A transport committee, which must be established by every regional council or unitary authority for its region. The main function of a regional transport committee is to prepare an RLTP |
| Results | The outcomes that the Crown wishes to achieve from the allocation of funding from the National Land Transport Fund. They are expressed by a measure change, and are impacted by the level of investments, activities and deliverables required to realise the change |
| Road controlling authorities (RCAs) | Authorities and agencies that have control of the roads, including NZTA, territorial authorities, Auckland Transport, the Waitangi Trust, and the Department of Conservation |
| Road User Charges (RUC) | Charges on diesel and heavy vehicles paid to the Government and used to fund land transport activity |
| State highways | A road designated as such by NZTA, as defined by the LTMA 2003 |
| Track user charges (TUC) | Charges paid for access to/use of the rail tracks |
| Total Mobility Scheme | The Total Mobility Scheme provides subsidised licensed taxi services to people who have an impairment that prevents them from making a journey unaccompanied, on a bus, train or ferry in a safe and dignified manner |
| New Zealand Transport Agency - Waka Kotahi (NZTA) | The government agency with statutory functions to manage the funding of the land transport system and manage the state highway system |

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