

Date: Wednesday 18 September 2024
Time: 4.00pm
Meeting Room: Room 1, Level 26
Venue: Te Wharau o Tāmaki - Auckland House
135 Albert Street
Auckland

**Te Komiti mō te Tūnuku, mō te Manawaroa me te
Tūāhanga /
Transport, Resilience and Infrastructure
Workshop**

OPEN NOTES ATTACHMENTS

ITEM	TABLE OF CONTENTS	PAGE
3	Workshop: National Land Transport Programme – Funding Implications	
A.	18 September 2024, Transport, Resilience and Infrastructure Workshop: Item 3 - National Land Transport Programme – Funding Implications, Presentation	3



National Land Transport Programme 2024-27 Update

Transport, Resilience and Infrastructure Committee Workshop
18 September 2024



Purpose

An initial overview on the funding decisions included in the National Land Transport Programme (NLTP) and next steps

- This slide pack provides an initial overview of the NLTP decisions and funding implications for Auckland Transport (AT) over the next three years.
- More work is required to fully understand the impacts and more information will be provided in subsequent briefings in which we will seek your input into potential changes to the capital programme agreed as part of the Long Term Plan (LTP).
- AT will work collaboratively with Auckland Council (AC) to develop proposed options for your consideration.



Overview

- The LTP and Regional Land Transport Plan (RLTP) were prepared on the basis of assumed matched co-funding from central government.
- NZTA have now confirmed the amount of funding available from the National Land Transport Fund (NLTF), which is less in certain areas than was assumed.
- In allocating this funding NZTA must give effect to Government Policy Statement (GPS) on transport which has four strategic priorities:
 - Economic growth and productivity
 - Increased maintenance and resilience
 - Safety
 - Value for money



NLTP Allocations (NZTA view)



Continuous Programmes

- AT submitted bids for continuous programme funding for the next three years

Activity class	3 year LTP (\$M)	NZTA Approved (\$M)	Approved %	Previous 3 years actuals (\$M)
Maintenance Operations and Renewals	\$1,570	\$1,363	87%	\$990
PT Services	\$2,109	\$2,037	97%	\$1,516
Road safety promotion	\$25	\$11	44%	\$22

Note: Figures in the table above include both AC and NZTA funding.



Improvement projects

- The NLTP projects are assessed by NZTA using their investment prioritisation method and categorised as follows:
 - **Approved:** These projects have already been through funding approval process (e.g. Eastern Busway Stages 2-3, New trains).
 - **Probable:** Require funding applications supported by business cases (e.g. Level Crossing Removal for City Rail Link (CRL), National Ticketing System (NTS) and Auckland Housing Programme Improvements).
 - **Possible:** Unlikely that they will be funded unless circumstances change (e.g. Botany Interchange and Link, Time of Use Charging).
 - **Not included:** A number of projects have not been included in the NLTP and are therefore not eligible for NLTF funding during this three-year period.
- Further details of projects which are Approved, Probable, Possible and Not Included are set out in the Appendix.



LTP/RLTP Implications



Continuous Programme - Opex implications

- **Public Transport (PT) Services**

- Circa 97% of base services are funded including CRL rail services.
- A business case is required to access funding for new PT services.
- Late changes to the LTP also require additional NLTF funding.
- There is also pressures on KiwiRail track access charges.

- **Local Road maintenance and operations**

- Circa \$7 million less NLTF per annum compared with LTP.

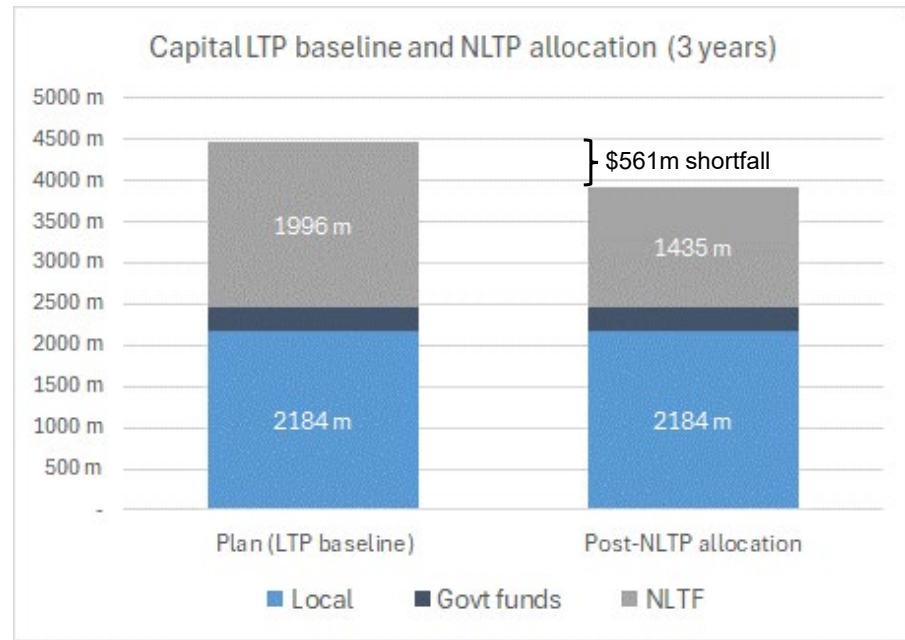
- **Road safety promotions**

- Funding for regional advertising and educational programmes has been substantially reduced. The implications of this will require detailed analysis.

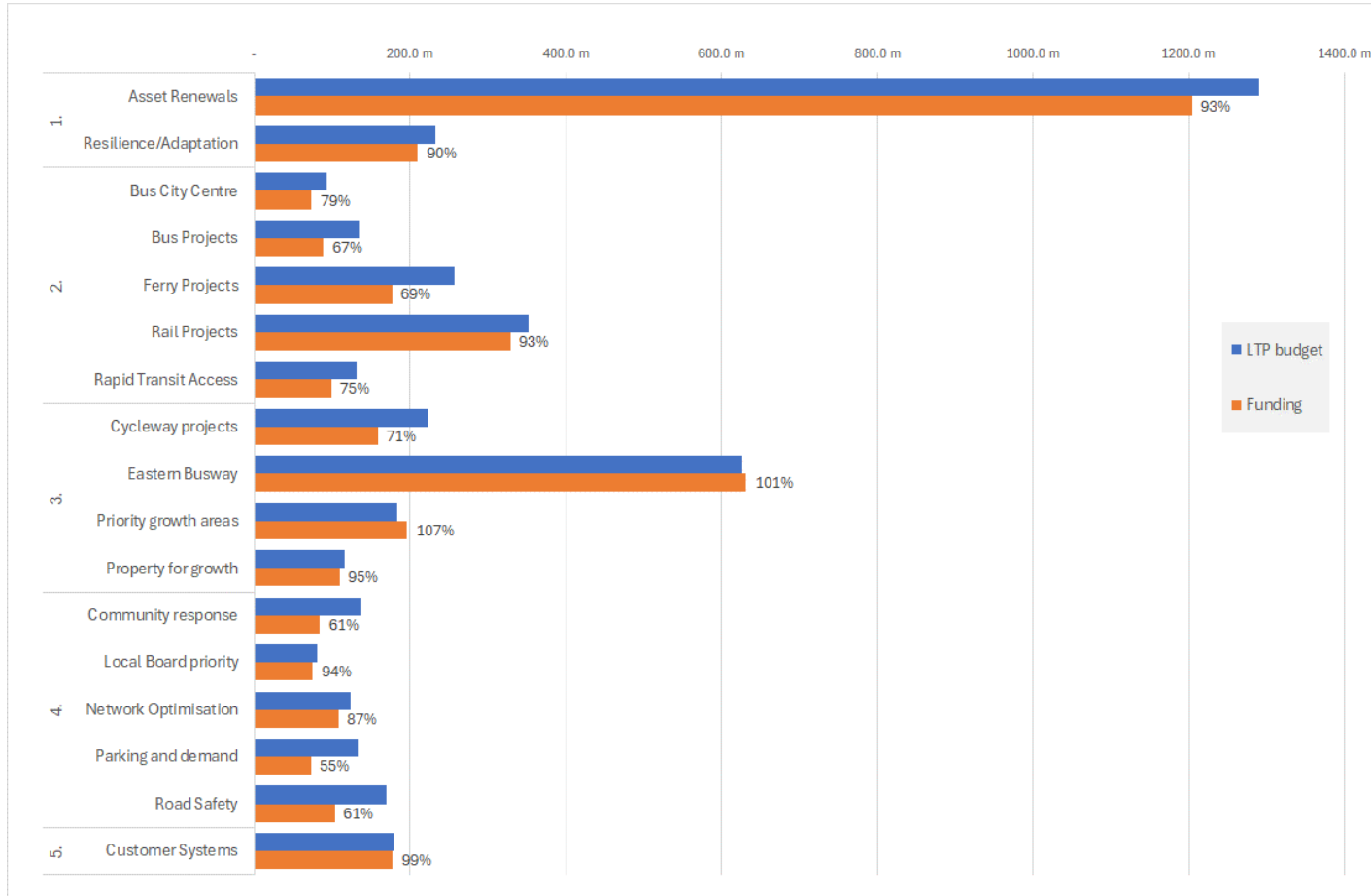


Capital - Programme Overview

- The capital programme in the LTP of \$4,468 million for the three year period, was assumed to be 49% funded by AC.
- Over the last six years AC has funded between 44% and 60% of AT’s capital programme.
- If AC local share is left unchanged, AC would be funding around 56% of AT’s capital programme over the next three years.
- AC has a choice around whether it retains the existing level of local share funding.
- An exercise is being undertaken to determine the impact of the shortfall in NZTA funding.
- The shortfall will require stopping certain projects, scaling back some programmes and reallocating local share to activities that are considered the highest priority.



Capital – Projects and Programmes

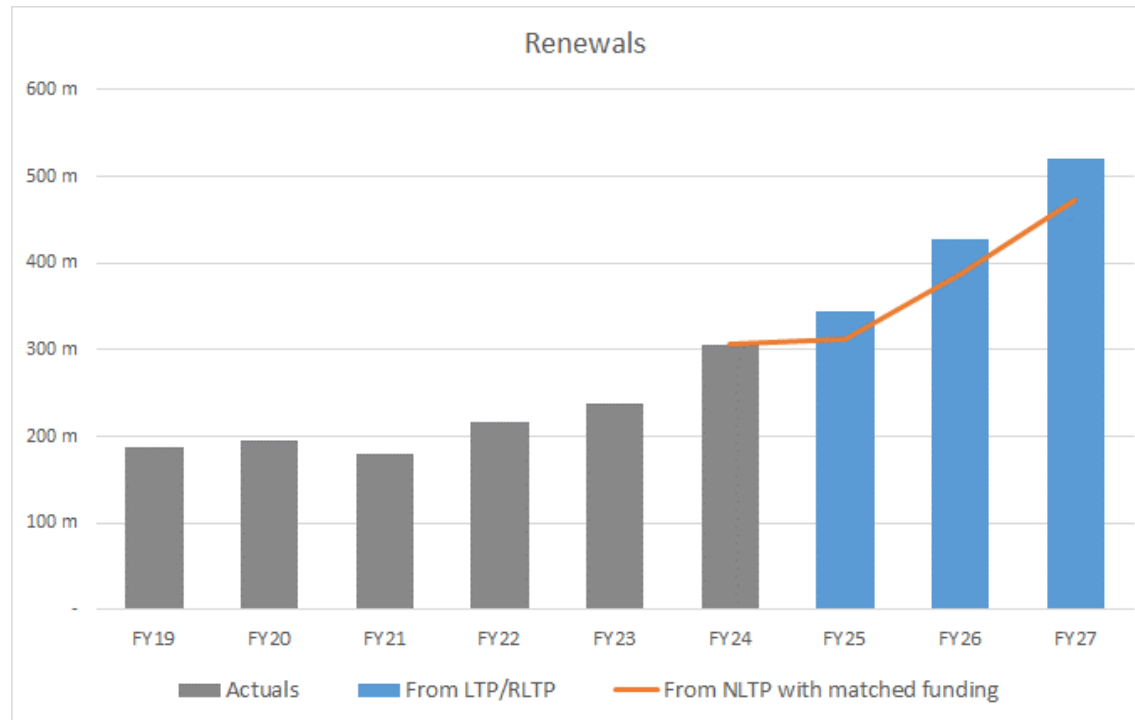


- The graph shows total project costs by category.
- The blue bars show the budget assumed in the LTP.
- The orange bars reflect the impact of the shortfall in assumed NTLF funding.



Asset Renewals

- If AC funding was reduced to match NZTA, renewals funding would still be materially higher than previous periods.



Summary

- AT's renewals, maintenance and PT services are largely funded.
- Larger committed projects are funded (CRL Day One, new trains and Eastern Busway).
- Major elements of new PT infrastructure are unfunded.
- The biggest funding shortfalls are in smaller projects and new cycling projects.



Next steps

- We are seeking your direction on if you want to use **some or all** of the unmatched AC funding to fund high priority projects.
- In bringing initial advice to council, AT will take into account the priorities and outcomes sought in the LTP and Statement of Intent, such as network productivity improvements, community projects and building public confidence.
- AT will work with AC staff to understand any broader impacts on the AC Group.
- AC finance are modelling the rates and debt impacts of council different funding levels.
- An update will be provided at the Transport, Resilience and Infrastructure Committee (TRIC) in two to three weeks time to discuss options around how to utilise AC funding, highlighting choices and trade-offs.
- Further advice will be provided to support decision-making in October (staff will advise in due course what decisions will be required and from which committee)
- We look forward to engaging with you on this.



Appendix: Projects by activity class



Local Road Improvements

Included in the NLTP

Committed / Approved: (NLTF share approved)*

- Network Optimisation (continuation from FY24) (\$3.4 million)
- Glenvar / East Coast Road Intersection (\$25.5 million)
- Eastern Busway (Reeves Road Flyover) (\$56.5 million)
- Some Safety Projects (continuation from FY24) (\$5.0 million)
- Supporting Growth – Post Lodgement (\$13.2 million)

Included (Probable)

- Network Optimisation
- Auckland Housing Programme
- Drury Local Road Improvements (Single Stage Business Case (SSBC) only)
- Safe Speeds Programme
- Some Safety Projects

* Excluding the 5.7% administration fee NZTA pays to AT

Included (Possible)

- Lake Road (design only in this NLTP period)
- NorthWest Growth Improvements (SSBC only)
- Time-of-use Programme (congestion)

Not included in the NLTP

- Hill Street Intersection Improvement (construction)
- Room to Move Programme
- Unsealed Road Improvements
- Various Safety Projects



Public Transport Infrastructure

Included in the NLTP

Committed / Approved: (NLTF Share approved)*

- Airport to Botany Interim Bus Improvements (Pre-Implementation only) (\$6.6 million)
- Eastern Busway Pakuranga to Botany (\$347.5 million + \$93 million NZUP funding)
- EMU Rolling Stock / Wiri Stabling (\$126.9 million)
- Ferry New Purchases & Infrastructure (for long-lead items) – Stage 1 (\$50.5 million)
- Midtown Bus Improvements for CRL (Wellesley Street) (\$12.5 million)
- Rosedale Station (\$25.3 million)

Included (Probable)

- Bus Improvements (Wellesley Street, Stage 2)
- Karanga-a-Hape Neighbourhood Improvements (Implementation)
- Level Crossing Removal for CRL - Church Street East
- Level Crossing Removal for CRL and Level Crossings Removal Takanini Stage 1
- National Ticketing System (NTS)
- Rail Fleet, Stabling and Depots (IBC) (Investigations for Rapid Transit Integration)
- Rail Signalling and Driver Assist (ETCS2)

Included (Possible)

- Botany Interchange and Link
- Bus Improvements – Downtown
- Bus Transit Lanes programme (dynamic lanes) (SSBC)
- Whangaparaoa Bus Access

Not included in the NLTP

- Bus Access and Optimisation Programme
- Bus Depot and Stabling
- Bus Improvements – Panmure
- Bus Layover – Newmarket
- Carrington Road Upgrade (subject of an IAF Agreement for local share funding)
- Decarbonisation of Ferries Stage 1 (Charging/Landside - for installation)
- Ferry Terminal Bayswater
- Ferry Terminal and Berths Pine Harbour
- First and Final Leg Programme
- Park and Ride Programme/Improvements



* Excluding the 5.7% administration fee NZTA pays to AT

Walking and Cycling

Included in the NLTP

Committed / Approved: (NLTF share approved)*

- Cycleways Programme (Lower Cost) – Mangere East (SSBC and Pre-Implementation) (\$4.4 million)
- Cycleways Programme (Lower Cost) – Manukau (SSBC, Pre-Implementation, Tranche 0 Imp) (\$3.8 million)
- Cycling for Climate Action (SSBC phases) – Albany Highway, Kelston-New Lynn and Manurewa) (\$1.9 million)
- Great North Road Improvement (\$10.3 million)
- Urban Cycleway Projects – Glen Innes to Tamaki Drive (Section 4) (\$17.1 million), Links to Glen Innes (\$6.2 million), Pt Chevalier to Westmere (\$11.8 million)

Included (Probable/Possible)

- None

* Excluding the 5.7% administration fee NZTA pays to AT

Not included in the NLTP

- Cycleways Programme (Lower Cost)
- Cycling for Climate Action
- Meadowbank to Kohimarama Connectivity Project
- Mangere West Cycleway
- Supporting Growth (Active Mode Corridor) – Post Lodgement
- Walking for Climate Action – Manurewa

