

Development of Maintenance, Operations and Renewals Programmes for 2024-27 NLTP

Purpose

To define the supporting information requirements for Maintenance, Operations & Renewals (MOR) programmes and how they will be assessed for approved organisations. (AOs)

Background

Waka Kotahi NZ Transport Agency (Waka Kotahi) develops the NLTP by applying a staged process for both continuous programmes and improvement activities.

The development of Regional Land Transport Plans (RLTPs) is a critical component of the development of the NLTP. Each Regional Transport Committee sets its own dates and information requirements for developing its RLTP. The Waka Kotahi TIO system is the repository for capturing and managing all approved organisations' activities and continuous programmes in the RLTP for inclusion in the NLTP. (Information required to be entered into TIO for programme submission was communicated through the 9th of May 23 – NLTP Bulletin.)

The upcoming DRAFT GPS 2024 will set out the activity classes for the 2024-27 NLTP. MOR programmes need to be allocated to the appropriate activity class, because of this, the 2024-27 NLTP requires separate programmes for:

- Public transport services
- Local Road maintenance
- State highway maintenance

The guidance below refers to the development of MOR programmes for Local Road and State Highway maintenance. For guidance on Public Transport Infrastructure maintenance activities which forms part of the Public Transport continuous programme, refer to the paper "Development of Public Transport Programmes for 2024-27 NLTP".

The role of the activity management plan in supporting the maintenance, operations & renewals programme

A MOR programme is underpinned by an activity management plan (AMP). The AMP is the key document that supports an Approved Organisation's NLTP investment proposal for a MOR programme. AMPs should reflect the expectations of the Local Government Act and also meet the expectations set out in the Land Transport Management Act. A well-developed AMP is considered by Waka Kotahi to be the equivalent of a programme business case.

The guidance on the role of AMPs in the business case process still applies and can be found in PIKB.

How do activity management plan's support the AO's maintenance, operations & renewals programme request?

The AMP should be aligned with [Waka Kotahi's investment policy](#) and sector best practice, including appropriate levels of evidence and analysis to support the AO's submitted programme. At a minimum this includes:

- Clear problem and/or opportunity statements that need to be addressed. In relation to the problem/opportunity statements the following evidence and analysis is required:
- consequences of not addressing the problem(s) or opportunity and the urgency e.g. 0-3 years, 3-10 years, 10 years +
- link to gaps in the level service seen within One Network Framework (ONF) outcomes and measures
- Consideration given to the progressing Government and regional priorities
- Benefits identification and analysis including the Waka Kotahi's benefits management framework and, One Network Framework (ONF) outcomes and measures, this includes long term trends that impact on the network's customer levels of service
- Strategic drivers that consider Waka Kotahi's planning documents
- An assessment of emission and VKT impacts as a result of the programme
- Confidence that the local funding share will be available to support the submitted programme
- Appropriate procurement approach to deliver value for money in the short, medium and long term
- Emerging procurement-related issues and opportunities, or outstanding issues have been identified

Further guidance for AMP developers is available through the Guide to integrating Waka Kotahi's business case approach. (<https://www.nzta.govt.nz/planning-and-investment/learning-and-resources/business-case-approach-guidance/>)

Activity management plan continuous improvement

Waka Kotahi set expectations on improving AMPs as part of the investment conditions tied to funding of each AO's maintenance programme in the 2024-27 NLTP. Waka Kotahi is working with the Te Ringa Maimoa to lead improvement across all facets of AMP development, management and implementation across the sector.

AMPs should be consistent with the expectations set out in ISO 55001 (Why asset planning is important) and with the International Infrastructure Management Manual (how to do good asset/activity planning). Both documents establish expectations that asset owners have a robust AMP development and continuous improvement programme.

Supporting the outcomes Waka Kotahi is expecting to achieve, Te Ringa Maimoa has independently assessed every AMP submitted to the 2021-24 NLTP.

In summary:

- Most current AMPs have made significant progress to incorporate the business case principles
- There are still some areas needing improvement, especially in:
 - problem and benefit definition
 - providing a coherent investment logic that clearly links strategic goals and objectives to both continuous programmes and improvements
 - indicating clearly how an AMP has recognised, or responded to, objectives for investment set in an RLTP or RPTP.

An AMP typically includes an improvement plan which supports the continuous improvement of the document. Waka Kotahi expects that improvement plans will address any gaps identified e.g. through conversations with their Waka Kotahi Investment Adviser and / or in response to findings of Waka Kotahi technical and procedural audits. The improvement plan is expected to be achievable and deliverable.

Information Requirements

Outlined below are the information requirements for the programme that will underpin the information requirements to be entered into Waka Kotahi's investment portal, Transport Investment Online (TIO) as set out in the 9th of May NLTP Bulletin.

Funding from the NLTF is effective immediately for MOR at the start of the NLTP period, so all information required for Waka Kotahi assessment needs to be provided with final bids (December 23). There should be no outstanding issues.

Therefore the 'Activity Management Plan 2024-27' and 'Maintenance, Operations and Renewals Programme 2024-27' TIO templates will need to be completed prior to the submission of the AO's final bid for its continuous programmes. Initial Bids are to be submitted end of August 2023 and final bids submitted before the end of Dec 2023

In addition to evidence and analysis that is found within the AO's AMP those preparing their MOR programme will be expected to support their Programme by:

- Showing how the programme has been optimised for both the mix and timing of interventions is supported by evidence which includes:
 - The programme being optimised effectively for scope, quantity and timing of deliverables
 - Consideration being given to addressing the problems/opportunities through maintenance and renewal strategies and/or additional improvement activities (funded as an improvement activity) and/or enhanced delivery arrangements
 - Cost and level of service performance benchmarking compared to national, regional and local peers
- Outlining how the programme will be delivered which includes processes in place to guarantee work quality, timeliness of responses, and ability to detect and respond to changes in conditions or circumstances
- Outlining how risks will be managed which includes identified risks and their mitigation strategies
- Showing alignment between their programme, AMP and low cost low risk programmes or build back better proposals.
- A high-level assessment of emissions related to the programme, using an appropriate methodology like CATi or other tools. This could also be a qualitative assessment where evidence is unavailable.
- Explain and demonstrate where programme integration is required and how the proposed programme aligns with:
 - other agencies programmes/activities (such as Regional Public Transport Programmes) highlighting areas that may affect and/or be critical to delivering the necessary outputs to achieve the desired outcomes
 - suppliers and partner organisations to ensure optimal programme coordination and delivery.

The supporting information requirements are to the best of our knowledge until we receive a GPS to enable final confirmation of the requirements.

Assessment Questions for the 2024-27 NLTP

The assessment questions for approved organisation’s activity management plan and maintenance, operation & renewal programme component have been reviewed and updated for the 2024-27 NLTP. The guidance provided for the questions, provides an insight to the assessment that will be undertaken, but is not limited to what is described below:

STRATEGIC CASE			
	Focus Area	Questions	Guidance
1	Strategic Alignment	What consideration has been given to progressing Government priorities, regional priorities, the One Network Framework (ONF) outcomes and measures? How do the strategic drivers align to Waka Kotahi’s planning documents?	Briefly describe the information that demonstrates how the business case: <ul style="list-style-type: none"> • Supports and aligns to government priorities • Takes account of regional priorities • Is informed by Waka Kotahi planning documents • Responds to the One Network Framework
2	Strategic Direction	What issues additional to the national (GPS) and regional priorities need to be addressed in managing the network	Briefly describe the information that identifies issues such as: <ul style="list-style-type: none"> • Long term trends that impact on the network's customer levels of service • Acceptable levels of service gaps • Risks to the reliability and continuity of the network • Other priorities identified in the business case
3	Problem identification (current state)	For the issues identified above, does the business case documentation provide evidence (trends) to indicate the scale of the problem, or opportunity, and give some indication of the relative importance and urgency of the issues	Briefly describe the information that provides: <ul style="list-style-type: none"> • A clear statement of the current state problem or problems, or opportunities being addressed • What would be the consequences of not addressing the problem(s) or opportunity and the urgency e.g. 0-3 years, 3-10 years, 10 years +
4	Objectives (benefits, outcomes) identified and reasonable	What benefits and measures, at a network level related to the programme, have been selected and are they reasonable	Briefly describe information provided on: <ul style="list-style-type: none"> • The benefits and measures selected and whether they are achievable • The traceability of the benefits and measures, and whether adequate evidence (trends) is available to confirm the benefits have been achieved • How well the programme responds to the customer levels of service (current and future state) and the relationship with the benefits

Is there compelling case for investment?

			<ul style="list-style-type: none"> • How well the benefits and measure will address the problem/s identified • The flow between benefits and measures in the AMP, the benefits and measures in the MOR, and whether there is an appropriate level of continuity. • If new benefits and measures are selected, and they are not part of the ONF or Waka Kotahi's Benefits Framework, assess whether they whether they add value. 	
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ECONOMIC CASE				Is the programme optimising value for money?
	Focus Area	Questions	Guidance	
5	Programme	For the programme as a whole and for each of the work category bids, is there sufficient evidence to show the programme has been optimised for both the mix and timing of interventions, and is there an appropriate procurement approach to deliver value for money in the short, medium and long term?	<p>The business case and supporting information must demonstrate and you need to be satisfied that:</p> <ul style="list-style-type: none"> • A sufficient range of alternatives and options have been identified and explored, and that the preferred maintenance programme, within the AO's total transport programme, as set out in the AMP is the best way to respond to the problems and to deliver the expected benefits • The programme has been optimised effectively for scope, quantity, timing and deliverables • What consideration was given to addressing the problems/opportunities through maintenance and/or additional improvement activities (funded through the relevant Improvements Activity Classes) and/or enhanced delivery arrangements • Cost and level of service performance benchmarking compared to national, regional and local peers • Has the programme been assessed for emissions impact? 	
6	Evidence	Is there sufficient evidence to underpin the problems, benefits and the response?	<p>The business case and supporting information must demonstrate and you need to be satisfied that:</p> <ul style="list-style-type: none"> • Sufficient evidence has been provided to supports the proposed programme. This includes evidence such as modelling, benchmarking, incremental analysis & sensitivity analysis and is of sufficient granularity to support any assertions made. 	
7	Alignment of programme expenditure	How well are planning documents aligned to the core programme (and any associated funding applications) in TIO?	<p>Review documentation/references provided and provide assurance that there is:</p> <ul style="list-style-type: none"> • An alignment between the planning documentation and the TIO funding application for the total core programme (including any service improvement(s)) in relation to other documents including the RLTP and councils LTPs 	

			<ul style="list-style-type: none"> Any gaps are identified 	
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FINANCIAL CASE				
	Focus Area	Questions	Guidance	
8	Affordability	<p><i>"Affordability should be considered in the context of the size of the problem.</i></p> <p>What is the confidence that funding will be available to support the proposed programme?</p>	<p>Briefly describe:</p> <ul style="list-style-type: none"> If the proposed programme is feasible and sustainable. <i>Has local funding availability confirmed? (Councils Only)</i> <i>Have all funding options been considered?</i> <i>How will any cost increases be managed?</i> 	Is the programme affordable?

COMMERCIAL CASE				
	Focus Area	Questions	Guidance	
9	Procurement	What is the status of Council's procurement strategy?	<p>Briefly identify & describe:</p> <ul style="list-style-type: none"> Does the AO have an endorsed Procurement Strategy Whether there is a procurement assessment consistent with the Smart Procurement evaluation guide published by the Road Efficiency Group (REG) procurement group Any emerging risks or opportunities related to procurement that need to be addressed or accommodated in future If there are any issues or risks identified in the procurement strategy where further mitigation is required 	Is the programme commercially viable?

MANAGEMENT CASE				
	Focus Area	Questions	Guidance	
10	Integration / Partnering	How well is the delivery of the proposed programme and related activities aligned and integrated?	<p>Briefly describe:</p> <ul style="list-style-type: none"> How the programme takes account of other agencies programmes/activities (such as Regional Public Transport Plans) highlighting areas that may affect and/or be critical to delivering the necessary outputs to achieve the desired outcomes? 	Can the programme be delivered successfully?

			<ul style="list-style-type: none"> • Does the proposal ensure optimal programme delivery efficiency and co-ordination with suppliers and partner organisations? • How has integration with other classes been managed? • How Build back better considerations will be managed? 	
11	Performance Management	How will suppliers and the programme be monitored and managed?	<p>The business case and supporting information must demonstrate and you need to be satisfied that:</p> <ul style="list-style-type: none"> • Key milestones outlined and are traceable • Key Quality measures • Key parties involved in managing & delivering the Maintenance, Operations & Renewals programme are identified, and their role outlined • Programme delivery is described and will be monitored 	
12	Confidence in delivery / Risk management	What is the confidence that the programme can be delivered, and risks managed?	<p>Briefly describe:</p> <ul style="list-style-type: none"> • How findings from previous Transport Agency audits have been, or will addressed, and your confidence in the programme owner to deliver on the planned approach • Identify, if any, concerns related to delivery of the maintenance programme such as work quality, timeliness of responses, and ability to detect and respond to changes in conditions or circumstances • The proven track record of sound delivery with previous investments in the continuous programme and related activities (particularly in terms of timing and alignment/management of the funding allocation) • The capability and capacity of the organisation to deliver and manage the future programme and related activities, particularly in terms of adequacy of resourcing and skillsets available • The extent to which risks have been adequately identified for the type / complexity of the network (and/or related activities) and whether there is a sound risk mitigation strategy in place 	

			<ul style="list-style-type: none">• The organisation's self-assessment and/or its independent assessment result from the application of the Te Ringa Maimoa Excellence Framework	
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