# Te Hana to Whangārei Long Term Route Protection Investment Case

**Note: The information in this document reflects a point in time. Timings are indicative only and may change during the next phase of development. Costs are subject to funding availability and approvals.**

August 2025

Version 1.0

NZ TRANSPORT AGENCY WAKA KOTAHI

Roads of National Significance

Te Kāwanatanga o Aotearoa
New Zealand Government

# The Northland Corridor

**There is an urgent need for investment**

There is an urgent need (and lost opportunity) to provide a safe, resilient and efficient State Highway connection between Auckland and Whangārei that is commensurate with its nationally strategic function.

**This decision is about protecting the long-term corridor**

A four-lane grade separated rural motorway is the long-term form and function needed for this corridor to unlock the economic opportunity for Northland.

**We should route protect the corridor now**

This corridor should be protected now to provide certainty and enable implementation (both now and into the future).

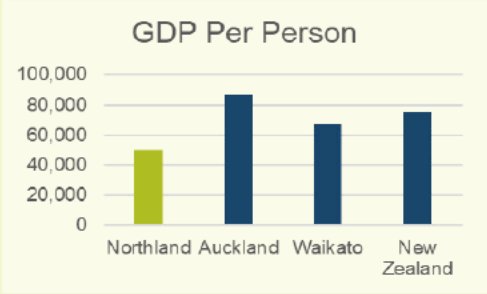
**Our approach provides flexibility for implementation**

The corridor will be staged over time and our approach enables future choices over timing, delivery, project size and funding. ***We are allowing for the accelerated delivery of the critical bypass of the Brynderwyn Hills.***

# Why investment is needed

The Northland Corridor continues to face challenges including deteriorating resilience and high safety risk which results in reduced Northland economic performance, including:

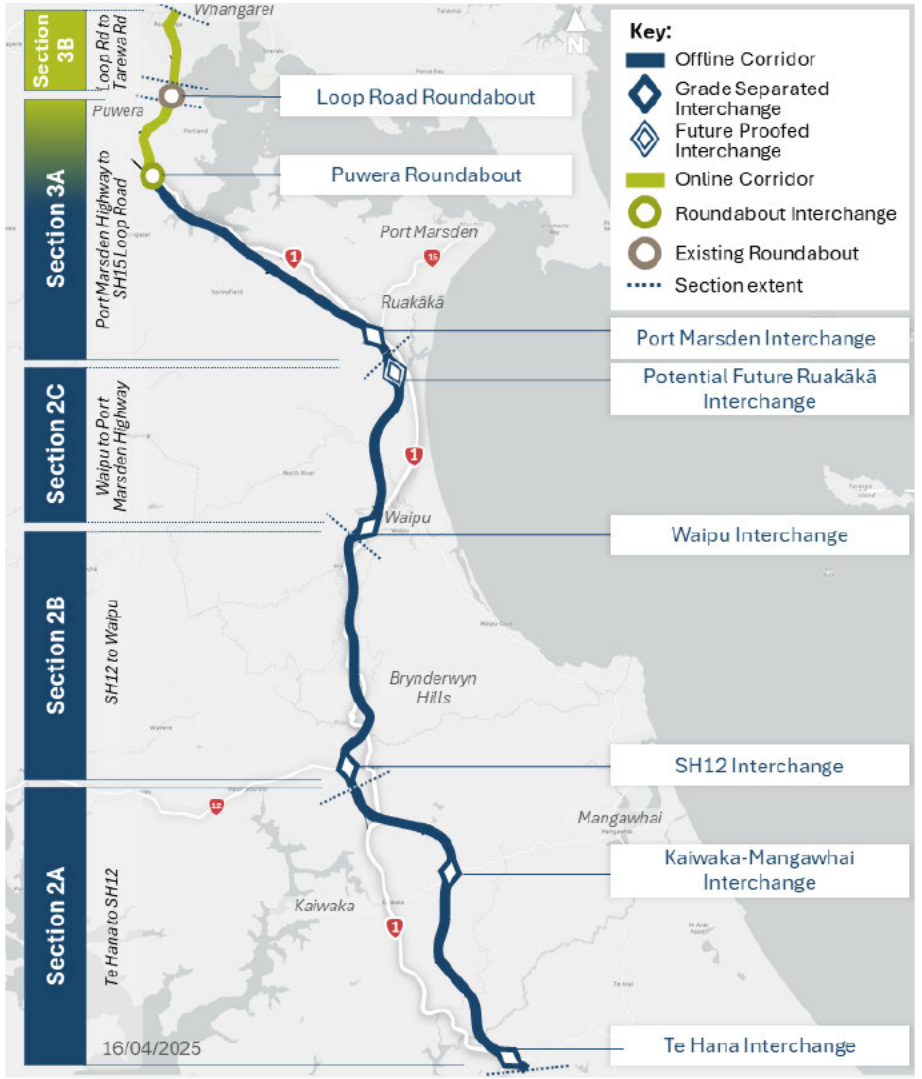
- Trend of more and longer closures under average conditions.
- Major weather events causing significant discrete closures that are costly and take significant time to remedy.
- Economic losses are estimated to be in the order of $1M per day resulting from closures at the Brynderwyn Hills alone.
- Every year, the route still experiences an average of 17 Deaths and Serious Injurie (DSI) crashes including 4 fatalities.
- The Northland economy is one of the poorer performing regions in the country. Given its climate and proximity to Auckland, the country's economic centre, there is an opportunity for significant (both regionally and national) economic improvement through enhanced access.




The performance of SH1 is therefore not consistent with the operating expectations of a 'National' state highway, which is its current classification in the ONRC.

**Investment is required now to stop further degradation in performance and to realise the economic opportunity.**

# What investment in the corridor is achieving




A low-cost corridor option was considered in detail but was not preferred as whilst it was cheaper it did not achieve the programme or GPS outcomes and delivered poorer Value for Money.

The long-term corridor will continue the Puhoi to Warkworth form, being an offline four lane grade separated rural motorway before transitioning to a four-lane online section approaching Whangārei. This will provide a safe, resilient and efficient State Highway connection between Auckland and Whangārei. This will be staged over a number of years and deliver nationally significant benefits.

**Up to 38 Minutes** **faster** between Te Hana & Whangārei

**64%** reduction in travel time delay

**~36%** increase in Operational Speed

**82%** Reduced Resilience Risk on average

**66%** **reduction** in deaths & serious injuries

**+1000** Extra households within 30-mins of Urban Whangārei

**1500** New jobs in Northland

**400** New jobs created nationally

**Economic Impact**

**$700M** Increase in GDP per annum

s 9(2)(b)(ii)

**1.4** $BCR_N$ No WEBS

# How the corridor will be delivered

## Flexibility is key

The Northland Corridor between Te Hana and Whangārei is over 75km and will be delivered in stages over the coming years s 9(2)(f)(iv) . It is therefore critical that flexibility is provided to enable efficient future implementation. Flexibility is provided through:

- Obtaining designations that are outcomes based and provide flexibility for constructors (like Puhoi to Warkworth).
- Obtaining multiple designations along the route to enable staged development.

**Consenting Strategy**

We will obtain statutory approvals using the FTAA through a staged approach as follows:

- Designation for entire corridor (by Q3 2026).
- Other statutory approvals for Section 2B SH12 to Waipu (Brynderwyns) and the urban section of Whangārei (Q1/2 2026).

The designation only sections might shift to all statutory approvals if the current RMA legislative reforms are confirmed shortly and can provide confidence that appropriate conditions can be achieved for longer term stages of the corridor.

**Property Strategy**

Designating the entire corridor will require funding to be set aside for some early acquisition (opportunistic and hardship).

The next stage of the Project Development for the Northland Corridor is obtaining statutory approvals to enable implementation. An approach that maximises flexibility and enables future staging is proposed.

## Deliverability

The corridor can be delivered in any order, however it is recommended at this time that:

- Section 2B SH12 to Waipu (Brynderwyns) implementation is commenced immediately to address the long term resilience risk.
- Early Works are completed in the Urban Whangārei section to manage future stage implementation impacts.
- The corridor is implemented south to north to provide inter-regional accessibility between the Port and Auckland as a priority (as well as the wider Northland region).

**Section 2B SH12 to Waipu (Brynderwyns)**

This section is in urgent need of a long term solution given the current resilience risk. This section of the corridor is proposed to be delivered next. Due to the scale and complexity of the project it is recommended that the Brynderwyns is delivered as a PPP.

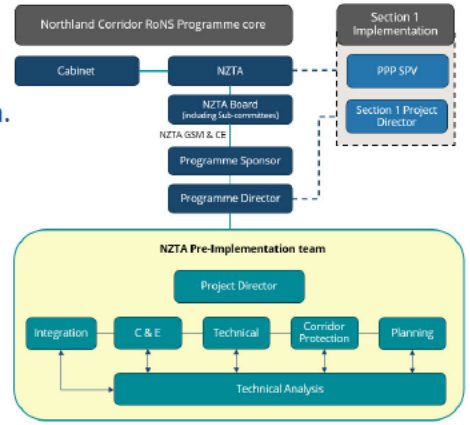
## Affordability

The transformative programme is costly and will be delivered over many years (much like the Waikato Expressway). The recommended programme is well outside the original GPS estimate for the Northland Corridor (due to being a different scope). So whilst the BCR shows the programme represents value for money, funding will be an ongoing challenge within the current NLTP. The staged delivery approach helps enable the programme cost to be managed over time. Tolling will provide assistance but not solve the funding challenge

The staged implementation of the corridor also assists in managing the affordability of the programme.

## Ensuring future success

The next steps are to obtain statutory approvals to facilitate future implementation.




The Northland Corridor programme has a dedicated team focused on delivery of the Te Hana to Whangārei works, working alongside the Section 1 (Warkworth to Te Hana) PPP procurement team.

It is critical for the success of this next phase of project development (Designation and Statutory Approvals) that this team is appropriately resourced from the client side. The team is in place.

**Investment Case recommendations**

The Investment Case is seeking:

- Endorsement of the Emerging Preferred Alignment.
- Approval to commence statutory approvals of this alignment as per the consenting strategy.
- Allocation of funding for early acquisition opportunities and requirements.
- Approval to commence Implementation Investment Case for Brynderwyns and the urban Whangārei section.
- Funding of $219M for this work.

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| Date | Version | Issue | Reviewer | Endorsed |
|---|---|---|---|---|
| 13 June 2025 | 0.1 | Issue to IQA | T Innes | D Robertson |
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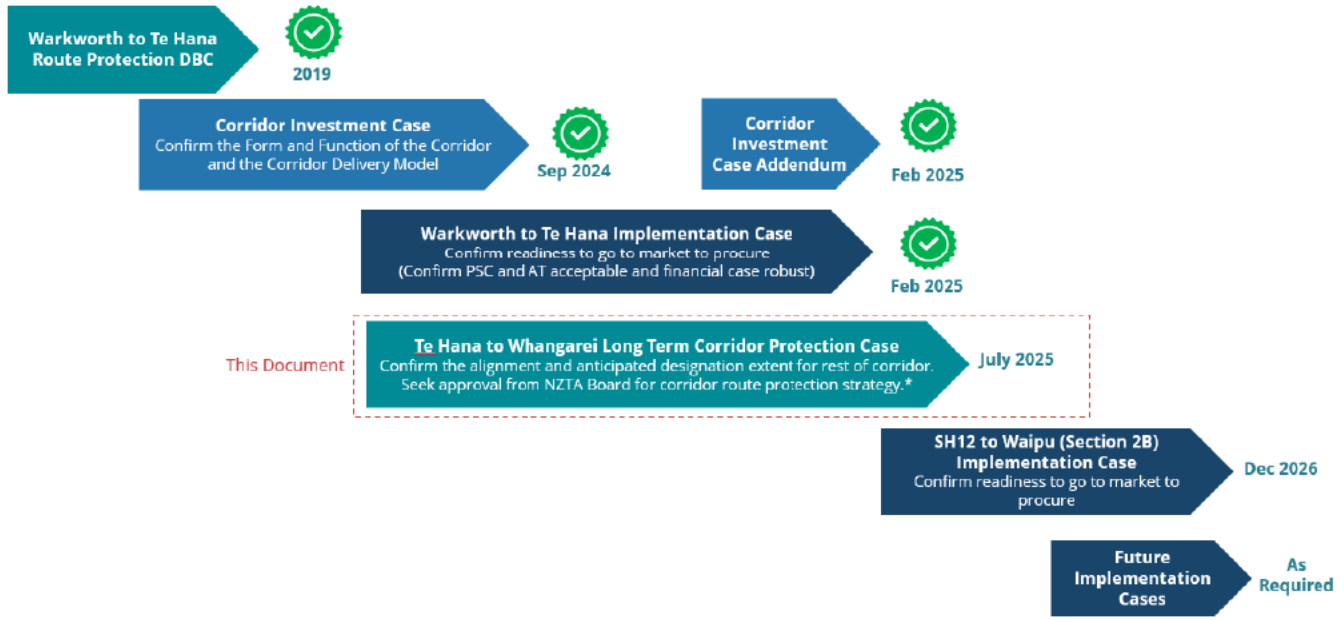
This document is a summary of the work undertaken to develop the Te Hana to Whangārei Long Term Corridor Protection Investment Case.

It should be read in conjunction with the suite of appendices which document in detail the substantial technical work completed as part of this project.

PURPOSE

# What does this document do?

- As the Northland Corridor is over 100km in length it is expected that changes will occur during the lifetime of the project and these changes will need to be considered as and when they arise.
- A staged investment case approach has been adopted to ensure the appropriate investment decisions and supporting material is available at the right time to support the accelerated delivery strategy and match the proposed construction timeline.
- **This Te Hana to Whangārei Long Term Corridor Protection Investment Case provides the investment justification to confirm the emerging preferred corridor and commence corridor protection between Te Hana and Whangārei.**
- The Section 1 Warkworth to Te Hana Implementation Case was approved by Cabinet in March 2025 and the procurement of a PPP for this section is currently underway.




This document includes:

- A summary of optioneering undertaken for Sections 2 & 3 Te Hana to Whangārei to confirm the recommended corridor for investment.
- Assessment of cost, economic outcomes and assessment of affordability of the proposed investment.
- Detailed strategies to progress corridor protection activities for corridor designations, consenting and property acquisition.

# The decision-led approach has guided project development

Decision-led project development is about doing the right work at the right time to enable the right decision to be made. The use of the decision-led approach allows genuine choices to be presented to decision makers during the development of the Investment Case narrowing the scope and reducing the risk of decisions needing to be relitigated ahead of it being finalised. There is a decision register for this project. The table below summarises key decisions which have impacted the direction of this project.

| Key Decisions | Sep 2024 | Oct 2024 | Nov 2024 | Jan 2025 | Feb 2025 | April 2025 | July 2025 | Aug 2025 |
|---|---|---|---|---|---|---|---|---|
| **Objectives and Governance** | Project objective, co-benefits and scope 1A | Project governance confirmed 1C 1B | | | | | Acceptance of Investment Case 1C 1B | Acceptance of Investment Case 1A |
| **Form and Function** | Form and Function for the corridor 1A | | Active mode provision for Section 3B 1B | | | Section 3A form and function amendments 1B | | |
| **Optioneering** | | Optioneering commencement point 2B | Short list options 1B | Emerging Preferred Corridor 1B | Interchange locations 2B | Design refinements, indicative footprint 2B | Preferred Route 1C 1B | Confirm preferred corridor 1A |
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1A NZTA Board
1B National Portfolio Governance / VOS
1C Sponsor / MPGG
2A Programme Director
2B Project Workstream Lead

# Strategic Case

It is critical to provide an efficient and reliable inter-regional connection between Northland and the rest of New Zealand to support and enhance the underperforming Northland economy.

There is an urgent need for investment as Northland Corridor continues to experience high safety risks with unreliable journey times and frequent closures.

The long-term inter-regional form and function is a four-lane rural motorway between Te Hana and  Whangārei with grade separated intersections.

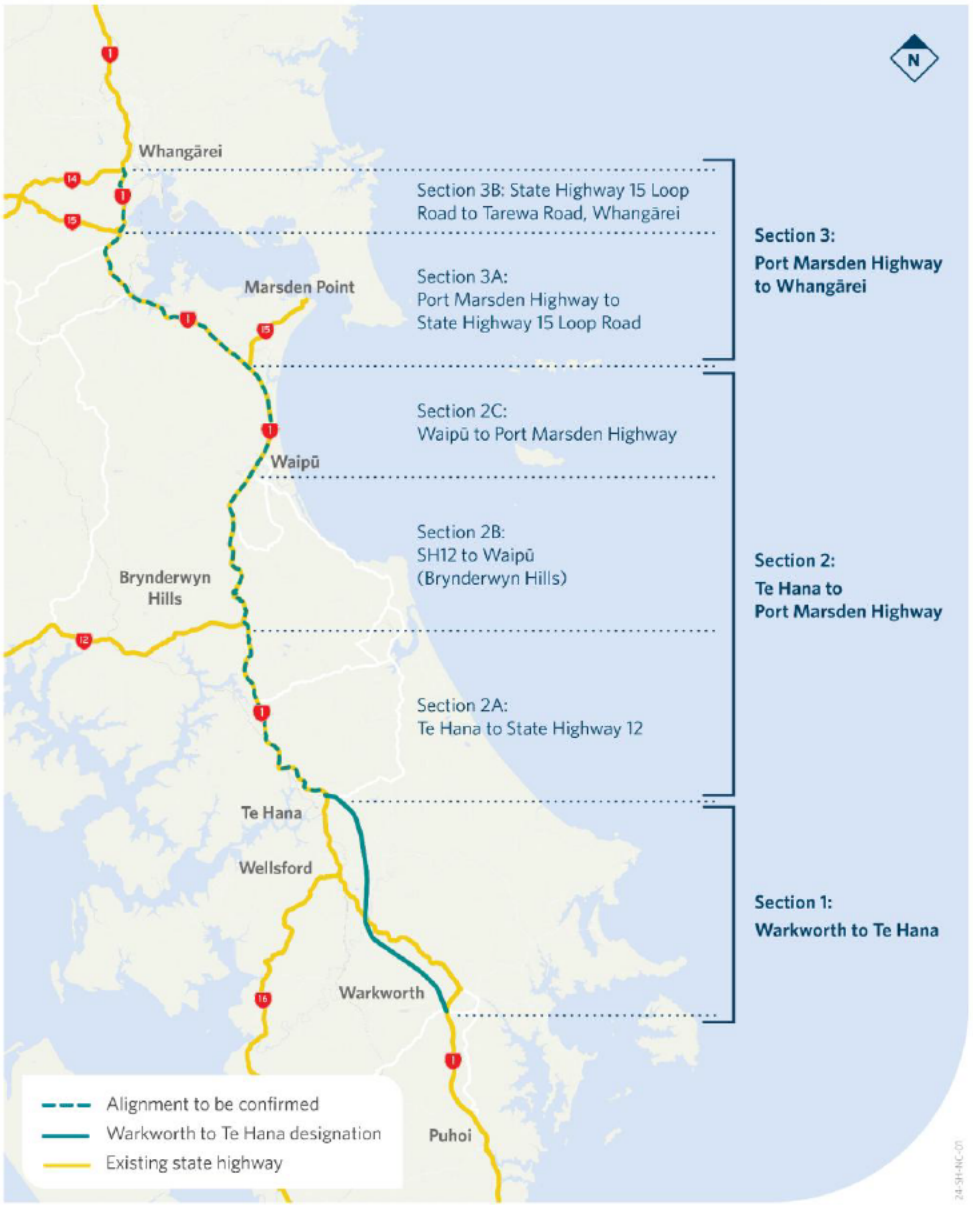
# What is the Northland Corridor?

- Despite Northland's advantageous proximity to Auckland, the Northland economy performs poorly when compared to other regions and has the lowest GDP per capita in New Zealand.[1] **Improving economic growth is a significant opportunity for the region.**
- **SH1 connects Northland to the rest of New Zealand,** and transport accessibility has been identified as one of the key enablers for improving the economic performance of Northland.
- At present the corridor between Auckland and Whangārei is often closed, its alignment is comparatively unsafe by national standards, and the cost of travel is an impediment to economic growth in Northland. This is not consistent with the One Network Framework (ONF) aspirations of an Interregional Connection and impacts around 2 million tonnes of freight each year.
- Improving this corridor will help Northland contribute to the 'golden triangle' of Auckland, Hamilton and Tauranga. Together these three Centre's generate 36% of New Zealand's Gross Domestic Product (GDP) with a prediction for this to rise to 47% by 2026. Investment in transport between Auckland and Whangārei will contribute significantly to this economic growth.

**Providing a safer, more resilient and cost-efficient route will enable more reliable access between Northland and New Zealand and indeed the rest of the world via Northport, Ports of Auckland, Auckland Airport and Ports of Tauranga.**

1 Statistics New Zealand (2021). Regional gross domestic product: Year ended March 2021.

## 1 Northland Corridor sections



# Why is this project needed?

## Previous work in the Corridor

- The future transport needs for the Northland Corridor have been the subject of multiple investigations. These have largely identified the same strategic transport need of a high-quality SH1 that is resilient, safe and efficient.
- The Whangārei to Auckland - Connecting Northland: Programme Business Case was completed in 2017 and endorsed by the NZTA Board. It has provided the blueprint for investment in the corridor in subsequent years.
- The PBC concluded that **"The vision for the Auckland to Whangārei state highway corridor is a safe corridor which provides reliable journey times to support the economic growth of the region and access to key markets"**.
- A staged approach for the corridor was identified including:
  - Ara Tūhono Pūhoi to Warkworth.
  - Ara Tūhono Warkworth to Wellsford.
  - Brynderwyns Bypass.
  - Port Marsden to Whangārei.
- The Ara Tūhono Pūhoi to Warkworth section has been constructed and the Warkworth to Te Hana section construction is expected to commence in 2026.
- Option identification for the Te Hana to Whangārei corridor has been undertaken through a series of Single Stage Business Cases (SSBC) between 2018 and 2022. All were paused just prior to confirmation of a preferred route.
- Since 2017, short to medium term investment for discrete resilience and safety projects has occurred in the Dome Valley and Brynderwyn Hills.

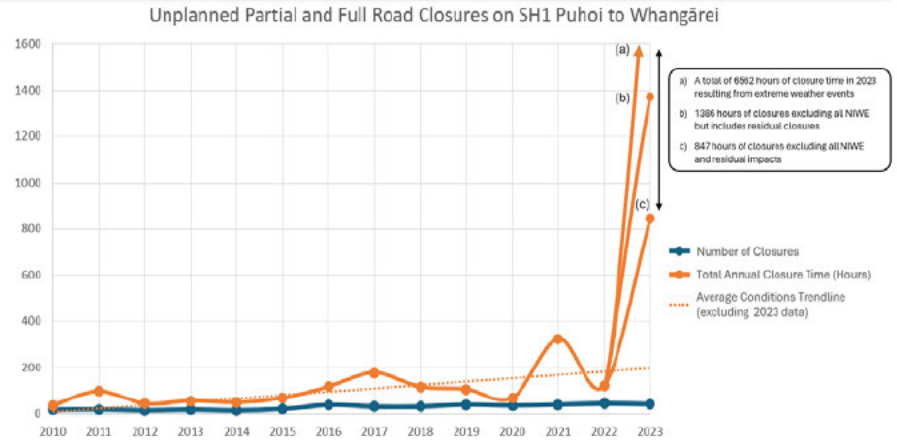

## Worsening corridor performance

Current transport forecasts and economic indicators are as compelling as when this strategy was developed in 2017. The future transport demand remains solid whilst the key issues remain.

### 1 SH1 resilience continues to decrease with more and longer road closures

Trend of more and longer closures under average conditions.

Major weather events causing significant discrete closures that are costly and take significant time to remedy




### 2 Deaths & Serious injuries remain stubbornly high despite safety investments

Every year, the route still experiences an average of 17 DSI crashes including 4 fatalities. This has resulted in 26 people dying on this corridor since 2019.

### 3 Northland continues to underperform when compared with other regions



Economic losses are estimated to be in the order of $1M per day resulting from closures at the Brynderwyn Hills

The Northland Corridor continues to face challenges including worsening resilience and high safety risk which results in reduced Northland economic performance.

# How does the Project align?

## GPS alignment

- The Government Policy Statement on Land Transport sets the strategic direction of transport investment in New Zealand. GPS 2024 has established four strategic priorities:
  - Economic growth and productivity.
  - Increased maintenance and resilience.
  - Safety.
  - Value for money.
- The transport sector supports economic growth and productivity by providing quality transport connections, which enable goods and people to reach their destinations efficiently and safely.
- The GPS has also identified Roads of National Significance (RoNS) and states that:

*"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 RoNS as set out the GPS includes Whangārei to Auckland, with the following three RoNS projects prioritised:
  - Warkworth to Wellsford.
  - Alternative to Brynderwyn Hills.
  - Whangārei to Port Marsden.

This Project and indeed the specific focus of this Investment Case (focusing on alternative and traditional models) is very closely aligned with the GPS for transport.

## Policy Alignment

### Ministry of Transport Outcomes Framework

The Northland Corridor strongly aligns across four of the core elements of the framework:

- **Economic prosperity:** The corridor is the interregional connection to link Northland to Northport, Auckland and the rest of New Zealand. Transport is a key enabler for access for Primary Industries and Tourism activities which are key contributors to Northland GDP.
- **Healthy and safe people:** The project has a clear safety focus for investment which is evidenced by the 101 Deaths and Serious Injuries including 26 fatalities on the corridor since 2019.
- **Resilience and security:** The corridor has been susceptible to weather events with long term closures in Dome Valley and Brynderwyn Hills. There are limited viable detours, particularly for heavy vehicles.
- **Inclusive access:** The corridor is the key access for both urban centres and small communities to access social, economic and healthcare opportunities.

### NZTA Arataki

Key efforts identified for Te Tai Tokerau in Arataki include:

- Improving safety.
- Provision of a safe, efficient and resilient transport network to support economic opportunities.
- Increased resilience of key connections.

This firmly aligns with the planned Northland Corridor investment objectives.

### NZTA National Resilience PBC

This PBC identified three **extreme** risks for the Northland corridor: landslips at Brynderwyn Hills, flood risk between Ruakaka to Whangārei and landslips at SH1/Wayby road. One other **major** risk was identified for flooding at Oakleigh and Mata. All sites are within the proposed Northland Corridor and would be addressed by this investment.

# What outcomes is the Project seeking?

- The Northland Corridor has one overarching Investment Objective with additional identified co-benefits which align closely with the GPS priorities.
- The outcomes of corridor investment will be measured against the Investment Objective using NZTA Key Performance Indicators and measures.
- The importance of this corridor means that achieving these outcomes will greatly improve the lives of the users of the route and the general Northland region.

## Outcomes and expectations in the GPS

1. Economic growth and productivity
2. Increased reliability and resilience
3. Improved safety

NZ Transport Agency


# Compelling investment

- The Northland Corridor is critical to deliver an efficient and reliable connection between Whangārei and Warkworth, linking Northland and the rest of New Zealand.
- The corridor response has been considered numerous times over the years with the latest PBC for the corridor identifying a plan for staged delivery of the corridor.
- The first of these identified stages has been completed (Ara Tūhono Pūhoi to Warkworth) and the Warkworth to Wellsford section has a designation in place.
- The completion of the remaining stages will deliver a transport corridor that provides additional co-benefits of:
  - Enhanced resilience.
  - Improved safety.
  - Regional economic growth through Improved access.

Given the strong GPS alignment, the historically consistent recommendations for the need for an enhanced State Highway corridor and the clear evidence of problems where enhancements are yet to occur, it is clear there is a very strong investment case for this Project.



Refer to **Appendix A1: Strategic Case**

# What should the Northland Corridor look like?

**The form and function and future transport demands support an ultimate four-lane rural motorway with grade separated intersections** for the strategically important Northland Corridor to provide safety, resilience and journey consistency.

The corridor is classified as a **National State Highway (with some sections High Volume) and an Interregional connection.** These are the most strategically important connections and make the largest contribution to the social and economic wellbeing of New Zealand. As such, it is expected that the corridor has consistent travel time, is always open during major weather or emergency events, has low safety risk, limited access and the journey has a high level of comfort.

The Northland corridor has a wide range of users including regular users, heavy vehicles (8-12% of AADT) as well as 'new/unfamiliar' users from the tourism sector. With only limited opportunities to safely pass on the current alignment, this causes tensions between the various road users.

## GPS 2024 form and function direction

GPS 2024 states an expectation that all Roads of National Significance will be "four-laned, grade-separated highways".

## Current assessment of Northland form and function

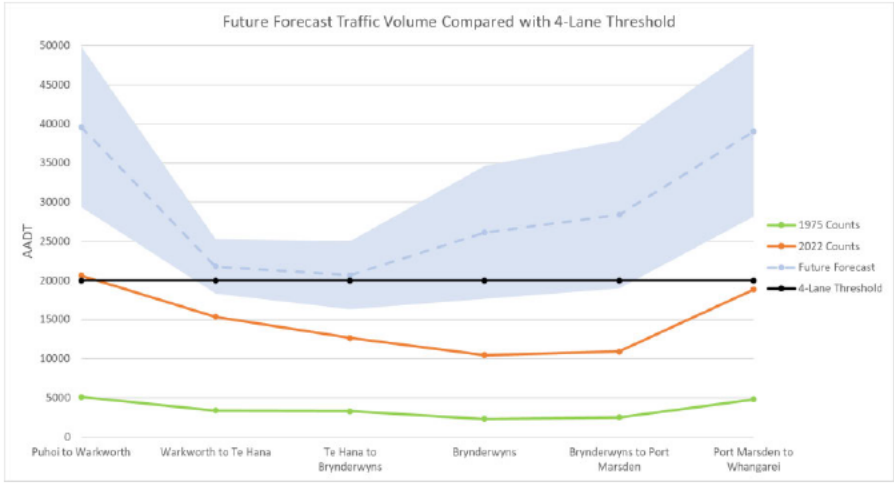
As a nationally classified road, it is expected that this inter-regional connection has:


Consistent travel time | Open during major weather events | Viable alternatives | Low safety risk | Limited land use access | Design speeds of 110km/hr need dual carriageway or divided median and grade separated intersections

**The Northland Corridor does not currently meet this strategic corridor form expectation**, and the existing 1+1 general alignment with limited passing opportunities has a high safety risk, variable journeys, and low resilience with frequent road closures.

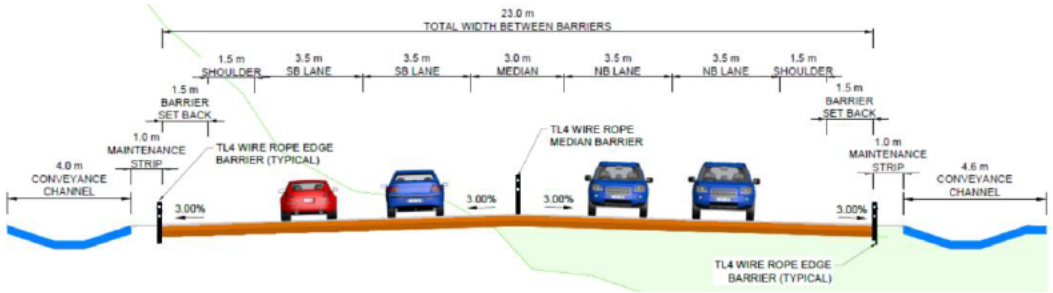
## Future travel demand

2022 volumes at Warkworth and Whangārei already support provision of a four-lane system. Future forecasted traffic volumes demonstrate the volumes alone along the corridor will support a four-lane system within the life expectancy of the infrastructure investment.




## Rural motorway cross-section

Four lanes is forecast to be required for the corridor within the next 30+ years which is inside the design life of the investment. The assumption for the corridor is the four-lane rural motorway cross section shown below. This investment case considers how this infrastructure could be staged including value engineering opportunities related to the cross section.






Refer to **Appendix A2: Form and Function**

# Communications and engagement to date

Taking an 'always on' communication and engagement approach with partners, stakeholders and the community.

- Substantial engagement on previous projects along the corridor has allowed us to build on existing relationships, along with developing stakeholder connections that are new to the Northland Corridor.
- All relationships have been regularly maintained throughout the development of the Te Hana to Whangārei Corridor Protection Investment Case, and this will continue throughout future stages of the Project.
- Engagement undertaken as part of this investment case includes:
  - Announcement of the emerging preferred corridor by the Transport Minister Hon. Chris Bishop on 23 April 2025.
  - Ongoing hui with Te Uri O Hau, Te Parawhau and Patuharakeke with respect to the optioneering process and identification of the emerging preferred corridor to be continued to corridor protection.
  - Meetings have been held with other key stakeholders including KiwiRail, Whangārei District Council, Kaipara District Council, Northern Regional Council, and Department of Conservation.
  - Meetings with utility and telecommunication providers.
  - Summer Roadshow for communities along the corridor between November 2024 and February 2025, including area specific interest groups.
  - Regular e-newsletters and social media sharing how we are working at pace and progressing this project for Northland.
  - Letters to potentially affected landowners were sent out in May/June, supported by community drop-in sessions in June/ July 2025. Further engagement will take place post endorsement of the preferred route.

## Summer Roadshow

### What we heard

Strong support for 'getting on with' the project

'This is a much needed resource for Northland'

'Excited for this project, get on and build it!'

**Tolling**

'Will the road be tolled?'

'What are the toll locations?'

The Government Policy Statement on Land Transport 2024 sets a clear expectation that we consider tolling to support the construction and maintenance of all new roads, including RoNS. We will have more information as the project progresses.

**Corridor location**

'Where will the route go?'

We've got designation and consents in place for section 1 Ara Tūhono-Warkworth to Te Hana.

We'll be finalising the emerging preferred corridor north of Te Hana by the end of the first quarter of 2025 and will keep people updated.



Refer to **Appendix B1 and Appendix B2**

# Developing the Project

The corridor has many constraints including poor geology, challenging topography, flooding and sensitive ecological, cultural and coastal marine areas.

Offline long-term solutions in the rural areas provide the desired high-speed connection whilst maintaining existing access along SH1.

Online long-term widening solutions in the urban and peri urban area provide the much needed capacity without compromising local access.

A lower cost corridor option does not deliver the desired outcomes or value for money for Northland. A better opportunity is to deliver sections of the corridor to manage affordability challenges.

# What work has already been done?

- The complexity, challenges and opportunities of the Northland Corridor are well understood due to the extensive optioneering that has occurred since 2016.
- Significant Iwi and community engagement has already also taken place, and feedback has been incorporated into the corridor option development throughout the various projects.
- The three sections are at slightly different stages of optioneering; however, the breadth of work that has already been undertaken provides confidence in the optioneering outcomes and enables the team to work at pace.
- A targeted optioneering process has been applied to enable the confirmation of emerging preferred alignments in the development of the Te Hana to Whangārei Corridor Protection Investment Case.

| | Ara Tūhono – Warkworth to Wellsford (2010-2019) (Road of National Significance) | Connecting Northland – Whangārei to Auckland Programme Business Case (2016/2017) | Whangārei to Te Hana Single Stage Business Case (2017/18) | Whangārei to Port Marsden Highway Single Stage Business Case (2020/2021) | Whangārei to Port Marsden Highway Safety Improvements Single Stage Business Case (2021/2022) | Northland Corridor RoNS Corridor Investment Case (2024) | Warkworth to Te Hana Implementation Investment Case (2024) |
|---|---|---|---|---|---|---|---|
| |  |  |  |   |  |  |  |
| Work completed | • Second section of Road of National Significance Puhoi to Wellsford.<br>• Design completed for 4 lane divided carriageway on offline alignment to connect with Ara Tūhono - Puhoi to Warkworth section which has now been constructed.<br>• Public and landowner engagement completed in 2017, and designs modified in 2018. Detailed Business Case completed 2019. | • Built on 2015 Connecting Northland - Whangārei to Auckland Strategic Case.<br>• Considered range of activities to respond to the problems.<br>• Developed a long-term programme of interventions.<br>• Ultimate desired outcome is a 4-lane divided carriageway on a good alignment between Auckland and Northland. | • Developed and assessed 4 lane corridor options for the corridor.<br>• Short list of options developed over 5 separate sections.<br>• Public Engagement competed Sep 2017.<br>• Short List Options Workshop undertaken to gain consensus on Indicative Options for each section. | • New Zealand Upgrade Programme allocated $692M to the Northland Package for a new four lane corridor between Whangārei and Port Marsden. SSBC developed and assessed various design options for the corridor<br>• **Emerging Preferred alignment for urban section is online upgrade and rural section was to upgrade existing SH1 to four lanes with some new offline sections around the causeway and southern section.** | • Rescoping of NZUP Northland Package to include the KiwiRail Marsden Point rail spur of $450-500M and road investment refocused on safety improvements $150-200M<br>• Developed designs for urban and rural safety improvements within the identified affordability envelope.<br>**Emerging Technical option:**<br>• **Urban** included intersection, speed and pedestrian upgrades in the urban section.<br>• **Rural** focused on a discontinuous wire-rope median barrier, median breaks and retention of passing lanes. | • Reviewed previous work on the corridor and what has changed since to scope the next phases of the RoNS corridor development.<br>• Confirmed the project form and function.<br>• Established initial staging and delivery model assumptions.<br>• Developed the case for investment and outcomes sought.<br>• High level estimate of financial commitment required to deliver the Corridor.<br>• Recommended a **four-lane divided carriageway, delivered as a Staged PPP.** | • Sought approval to commence the procurement of the Warkworth to Te Hana RoNS as a Public Private Partnership (PPP) model.<br>• Cost estimate and investment justification for the Project.<br>• Sought an extension to the Crown Indemnity for future Unitary Charge payments required.<br>• Included a wider Northland Corridor Addendum to the wider Corridor Investment Case to provide an update on how Warkworth to Te Hana fits within the latest Northland Corridor context. |
| Status | • Detailed Business Case endorsed by NZTA Board in 2020.<br>• Corridor Consents and Designation approved 2023. | • Endorsed by NZTA Board.<br>• Led to subsequent business cases including the Whangārei to Te Hana SSBC (2017/18). | SSBC commenced but placed on hold in 2018. Final corridor recommendations not confirmed. | • Preferred alignment identified but not confirmed as SSBC put on hold during wider Government review of NZUP programme. | • SSBC safety improvements endorsed by NZTA Board. | • Project objective, scope, and form and function endorsed by NZTA Board. | • Warkworth to Te Hana procurement as PPP approved to proceed by NZTA Board. |

Viable options are clearly understood for the Northland Corridor. These historical studies have separately considered a wide variety of corridor options between Te Hana and Whangārei against a range of investment scenarios e.g., access, safety and options to complement Northport rail investment.

# Process for selecting the Northland Corridor

**This Corridor Protection Investment Case documents the work undertaken to establish the long term RoNS corridor for route protection.**

This document includes an executive summary of key considerations for the optioneering of each section.

A full option summary is provided in Appendix C1.

More detailed information can be found in the optioneering document suite:

- Appendix C2 Option Commencement Document
- Appendix C3 Emerging Preferred Corridor
- Appendix C4 Design Refinement Report
- Appendix C5 Lower Cost Corridor Option
- Appendix D Design Philosophy Report

## Optioneering Process

- The optioneering was split into three phases with an evolving value for money assessment throughout.
- **The corridor identified for route protection is based on the long-term infrastructure solution footprint.**
- Low-cost options were investigated in response to identified investment envelope pressures.
- Following confirmation of the emerging preferred option, staging was then investigated to understand opportunities for optimising the delivery of the infrastructure and maximising the value for money for the corridor.

| | Optioneering Stages | Value for Money Considerations |
|---|---|---|
| 1 **Long-term corridor Identification** (Appendix C2 & C3) | Stage 1: Confirming stage to commence optioneering e.g., long list, short list, design refinement<br>Stage 2: Selection of emerging preferred corridor. | • Using proxy costs to confirm the cost implications of each corridor option.<br>• Lowest cost corridor confirmed for all sections. |
| 2 **Long-term Emerging Preferred Alignment** (Appendix C4) | Stage 3: Emerging preferred alignment<br>Variety of alignments assessed, and design refined for each section. | Testing section specific parameters such as:<br>• Online vs offline<br>• Reduced cross sections for peri-urban areas<br>• Opportunities to reduce speed to 80km/hr to ease geometrics<br>• Alignments to better balance cut and fill<br>• Alignments to reduce impact on identified constraints and property |
| 3 **Low Cost** (Appendix C5) | Assessment of the corridor investment envelope and consideration of permanent low-cost alternatives. | • Testing section specific permanent low-cost options i.e., not interim interventions.<br>• As many of these will not achieve the RoNS standards or intentions additional VfM assessments to understand the trade offs. |
| 4 **Recommended Option** | Long term alignment | • Incorporating previous value for money investigations |
| 5 **Sub-Staging Considerations** (Appendix C4) | Assessment of delivery staging options to understand the impact for corridor protection and future implementation | Testing recommended option for section specific staging concepts such as:<br>• Timing of property acquisition to understand potential market appreciation<br>• Provision of at-grade interchanges first to then upgrade to grade- separated once triggers are met.<br>• Ability to build 2 lanes initially.<br>• Staging to match funding envelopes |

# Key considerations for the corridor

The corridor enables the inter-regionally significant connection between Auckland and Northland as well as the regional journey between Whangārei and the Port. Both are important journeys for the corridor and will be a key trade off when considering timing of implementation.

Throughout the corridor there are a number of notable constraints and challenges which impact each section. These are explored in more detail throughout the optioneering section. The whole corridor faces challenges in accommodating existing property access on SH1 which will need to be carefully considered in the corridor solution.

**Section 2A Te Hana to SH12**

- There is a strong case to bypass Kaiwaka, which with the pending completion of Warkworth to Te Hana section will be the only remaining township to be severed by the Northland Corridor. Kaiwaka expansion plans need to be considered in the development of the corridor.
- There are several other constraints on this section such as the Kaipara Harbour Coastal Management Area (CMA), flooding, Te Ika-a-Ranganui site of cultural significance, Pukekaroro Maunga and Bald Rock.

**Section 2B SH12 to Waipu (Brynderwyn Hills)**

- The Brynderwyn Hills have steep topography, areas of Outstanding Natural Landscape, and complex flora and fauna. The geology to the west of the hills is poor with soft and moving ground. There is a nationally significant commercial operation at the base of the hills.

**Section 2C Waipu to Port Marsden Highway**

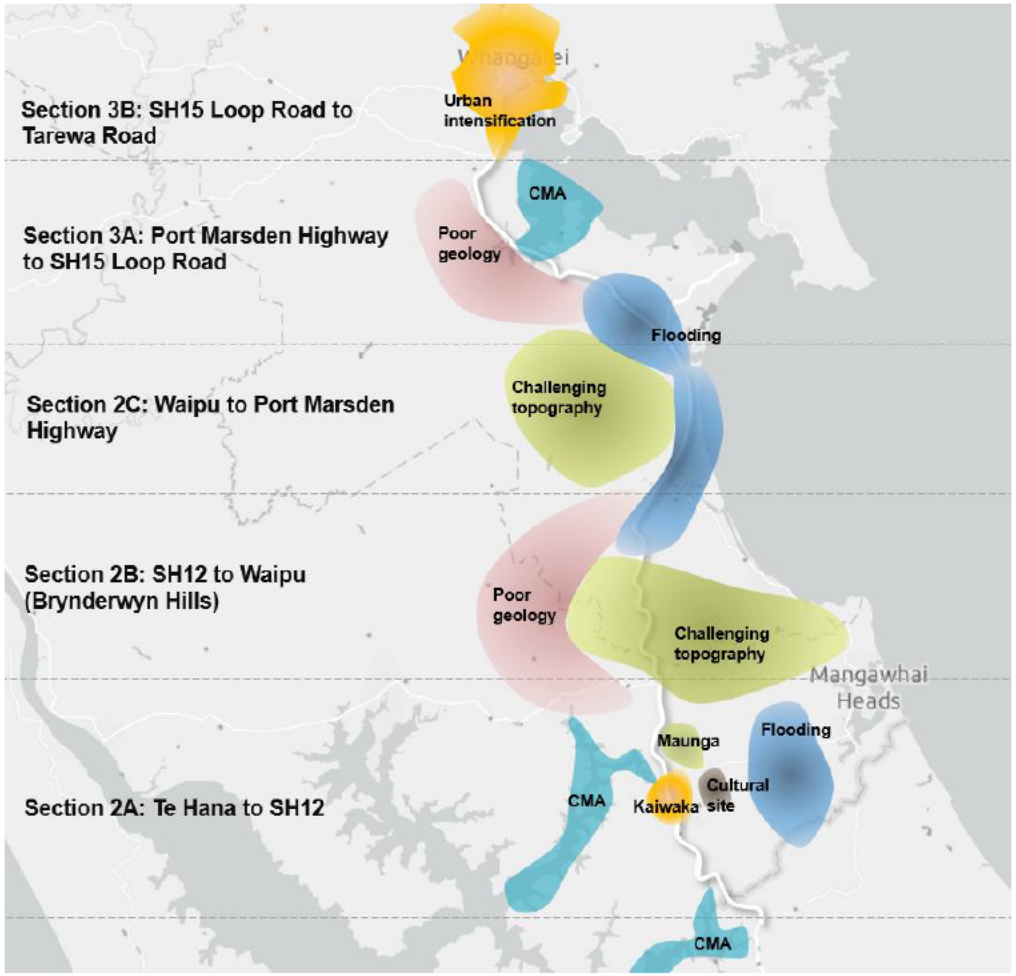
- This section is low-lying and susceptible to flooding and coastal inundation. A new corridor will need to consider raising the road to improve long term resilience.

**Section 3A Port Marsden Highway to SH15 Loop Road**

- There is low lying land on the eastern section and the central section of existing SH1currently traverses the CMA area. KiwiRail has a designation for the proposed Marsden Point Rail Line on the northeastern side of SH1 in the CMA. To the wider west of SH1 there is poor geology.
- The northern end of this section will need to tie in with the recently constructed Loop Road. The land use at this point transitions to peri-urban with increased access complexity.

**Section 3B SH15 Loop Road to Tarewa Road**

- This section is through the peri-urban and urban areas of Whangārei. Existing SH1 has insufficient width for widening to four lanes. Due to the urban nature, additional consideration will need to be given for active modes and pedestrian connectivity.



# Te Hana to SH12 Emerging Preferred Option

## Te Hana to SH12 - Emerging Preferred Option

**3-9 Minutes travel time savings**

**85% less road closures**

**3 DSI reductions per year**

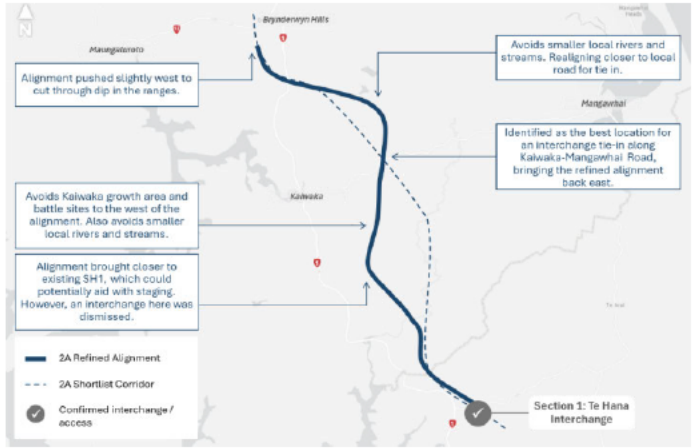
s 9(2)(b)(ii)

**19.5 km**
**Length new infrastructure**


- Safe, resilient and economically productive corridor.
- Interchanges will be provided at Te Hana and Kaiwaka-Mangawhai Road to directly connect both Kaiwaka and Mangawhai to the Northland Corridor.
- Alignment avoids key flooding areas in Hakuru and continues to minimise impact on Pukekaroro and Te-Ika-a-Ranganui battle site.

## Key Design Refinements

- **The eastern corridor is the preferred corridor as it is the shortest, quickest route with quantifiable and known geotechnical risks.** Refinements were focused on optimising earthworks and minimising crossings in flood prone areas.




- A SH1 online corridor was discounted due to unsuitable geology and geometry, construction complexity and severance to Kaiwaka including impacts on existing businesses and planned growth.
- West of SH1 corridor was discounted due to proximity to the coastal area, less effective connections to Mangawhai and less stable geology.

s 9(2)(g)(i)

# SH12 to Waipu (Brynderwyn Hills) Emerging Preferred Option

## SH12 to Waipu (Brynderwyn Hills) - Emerging Preferred Option

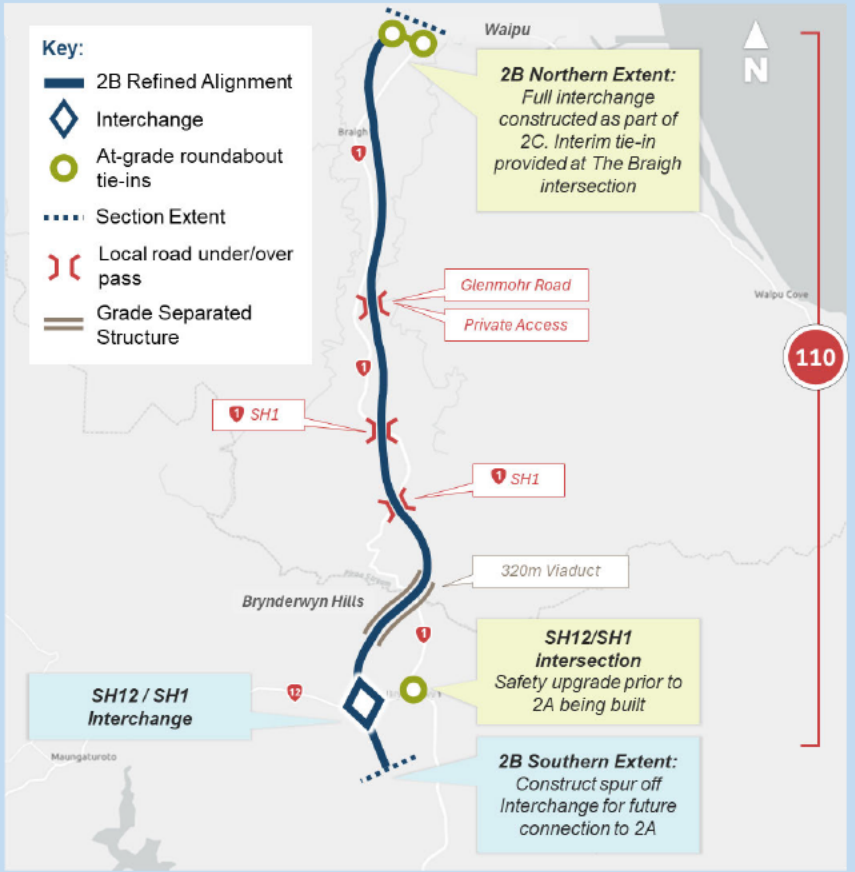
**2-8 Minutes travel time savings**

**79% less road closures**

**1 DSI reductions per year**

s 9(2)(b)(ii)

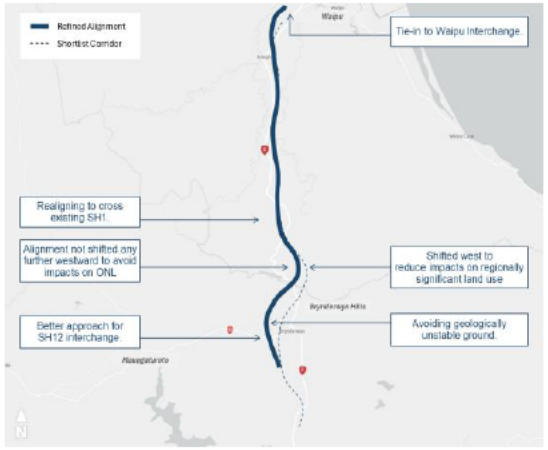
**15 km**
**Length new infrastructure**




- Safe, resilient and economically productive corridor.
- Alignment continues to balance environmental, property and constructability challenges.
- Interchange to be provided at SH12 and a temporary tie in to SH1 at Waipu at The Braigh /Millbrook Rd prior to the full Waipu interchange being delivered as part of the Waipu to Port Marsden Project (Section 2C).

## Key Design Refinements

- **Central corridor is preferred due to its direct route, lowest cost and known and quantifiable geological risk with being situated in greywacke.**




- Existing SH1 corridor does not have suitable geometry or resilience for a four lane RoNS road.
- Wider western corridor discounted due to unsuitable ground conditions, higher costs and less direct route.

Central corridor refinements include:

- A 2+2 online/offline option in northern section discounted due to poor value for money. Inner western alignments also discounted in northern section due to limited mitigation opportunities for floodplains.
- Inner west options in southern section discounted due to increased structures and costs.

s 9(2)(g)(i)

# Waipu to Port Marsden Highway Emerging Preferred Option

## Waipu to Port Marsden Highway- Emerging Preferred Option

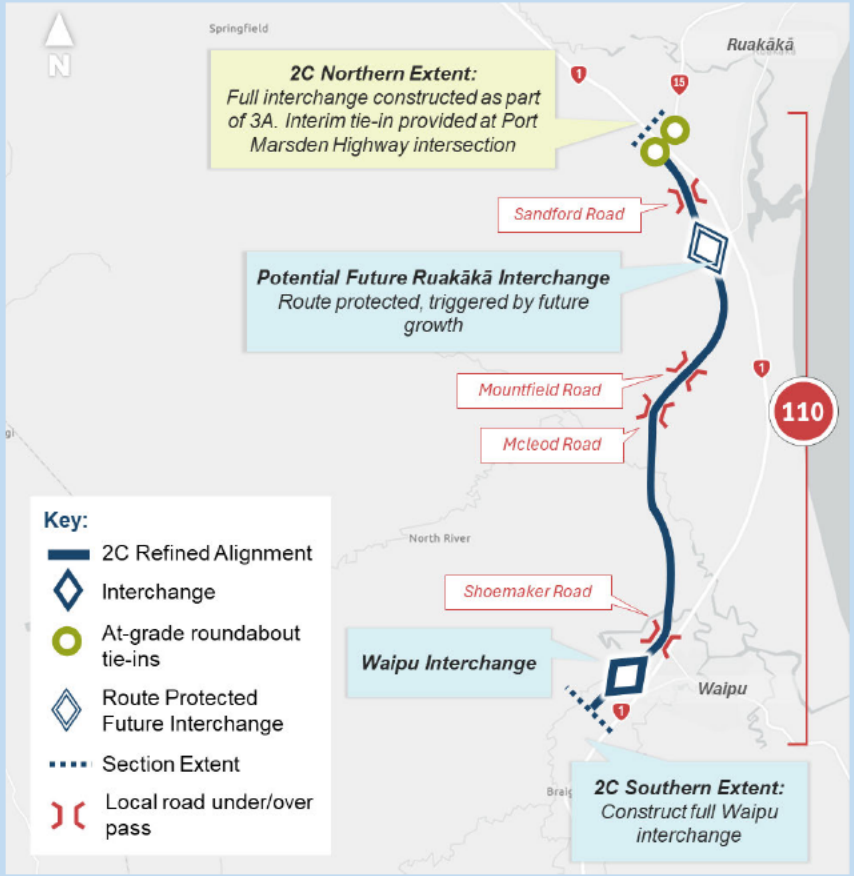
**2-4 Minutes travel time savings**

**Low Resilience Risk Section**

**1 DSI reductions per year**

s 9(2)(b)(ii)

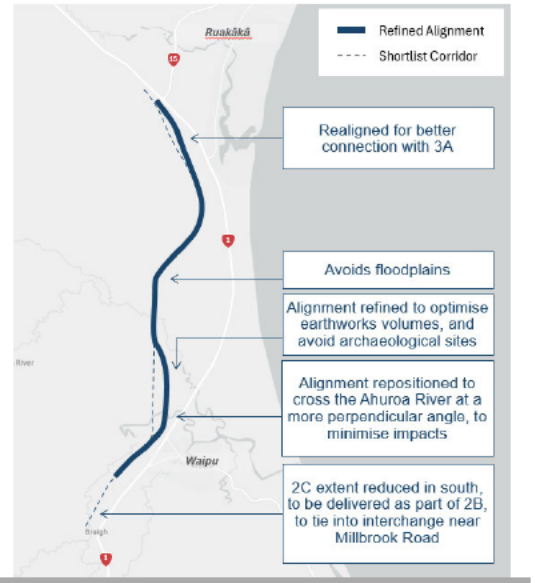
**10.5 km**
**Length new infrastructure**




- Safe and resilient corridor.
- Project will deliver the full interchange at Waipu and an interim tie in at Port Marsden Highway. A long term interchange will be protected at Ruakākā but delivery would be dependent on growth triggers for implementation.
- Alignment navigates flood plains, wetlands and cultural sites and continues to avoid key constraints such as Ruakākā School.

## Key Design Refinements

- **Wider western offline corridor is preferred as it the lowest cost corridor, has the best cut/fill balance and was refined to respond to earthworks and flood/ river management needs.**
- Online widening was discounted due to the complexity of retaining access to existing SH1 properties resulting in highest cost, significant constructability issues and ultimately wider final footprint due to requirement for service lanes.
- Offline corridor to near west of SH1 was discounted due to significantly higher earthwork and drainage costs from raising the road to address flood resilience issues.




s 9(2)(g)(i)

# Port Marsden to SH15 Loop Road Emerging Preferred Option

## Port Marsden Highway to SH15 Loop Road Emerging Preferred Option

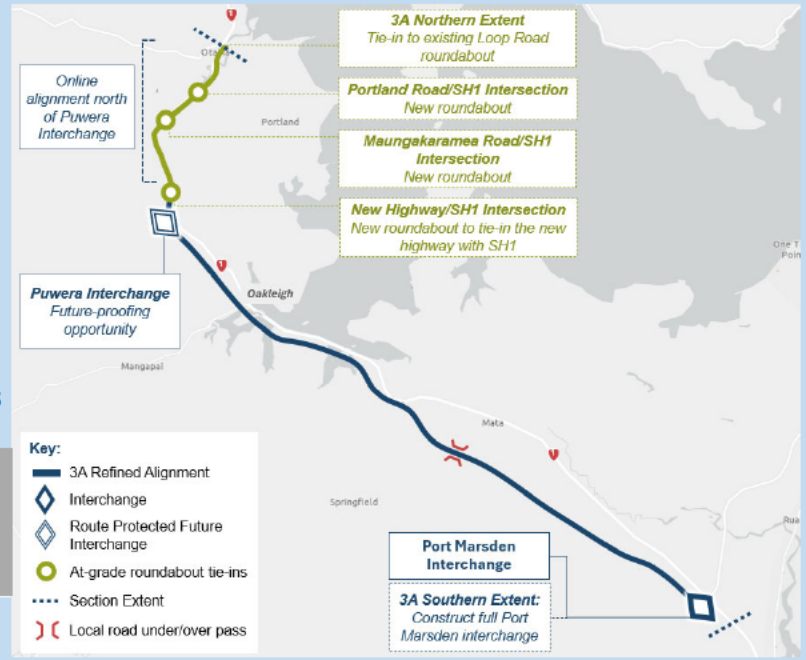
**1-9 Minutes travel time savings**

**86% less road closures**

**4 DSI reductions per year**

s 9(2)(b)(ii)

**21 km**
**Length new infrastructure**




- Safe, resilient and economically productive corridor.
- Project will deliver the full interchange at Port Marsden Highway, a termination of the rural motorway at Puwera and at grade roundabouts at both Maungakaramea and Portland Roads.
- Alignment navigates flood plains, rural and peri-urban communities land uses and continues to minimise impact on the CMA with further opportunities for refinement. It offers the best constructability of the central options assessed.

## Key Design Refinement

- Central corridor was preferred as it is the most direct connection with well understood geological conditions. A wider western corridor was discounted as whilst a similar order of costs, it has poor geology retaining significant geological risk and introduces new community severances.
- **Western offline route between Port Marsden and Puwera is preferred as it has lowest costs, best constructability with opportunities to further optimise alignment.**
  - Online widening in the central corridor was discounted due to highest proxy costs, extensive requirement for service lanes to mitigate SH1 property access and significant constructability issues relating to ground settlement and redundant temporary works.
  - Between Mata and Puwera, sharing a corridor with KiwiRail infrastructure was carefully considered. This was ultimately discounted as it has a higher cost, significantly increased construction complexity and potential to impact KiwiRail's ability to comply with consent conditions. Would also involve a complex, large and costly 3 tier interchange at Oakleigh.
- Connecting the Northland Corridor into SH15 Loop Road roundabout will sever the existing SH1 and create complex local access issues. Online and offline options with a variety of interchange locations and forms were tested. **The online option with a series of at-grade roundabouts was selected between Puwera and Loop Road** as it demonstrated best value for money, addressed local access whilst still providing the capacity upgrade required for this peri-urban transition to urban Whangārei.

s 9(2)(g)(i)

# SH15 Loop Road to Tarewa Road Emerging Preferred Option

## SH15 Loop Road to Tarewa Road Emerging Preferred Option

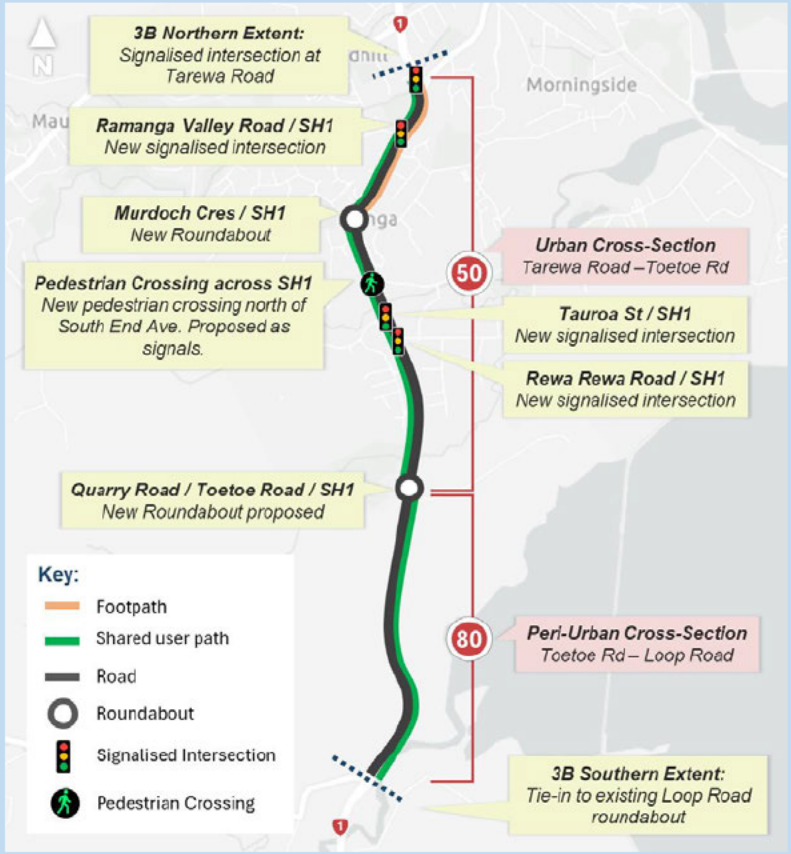
**0.5 - 9 Minutes travel time savings**

**84% less road closures**

**1 DSI reductions per year**

s 9(2)(b)(ii)

**5 km**
**Length new infrastructure**




- Safe and economically productive corridor with reduced congestion.
- Project streamlines cross sections to minimise impact to properties whilst still providing property access, intersection treatments and a fit for purpose connected active mode network.
- Widening to the west only to minimise property impact and enable a construction methodology to minimise impact during construction and provide opportunity for project staging.

## Key Design Refinements

- **Online widening of SH1 was reconfirmed as the preferred corridor for the peri-urban and urban sections of Whangārei.**
- Refinements explored a reduced cross section in the peri-urban section between Loop road and Toetoe Road to minimise impacts and continue to allow local access.
- Adoption of a shared path to the west only between Murdoch and Toetoe Road to minimise impact on adjacent properties. Shared path switches to the east between Toetoe Road and Loop Road to connect with newly constructed active mode facilities.
- Decision to widen on the western side only of the urban project to minimise impacts on eastern driveways, replace only one set of retaining walls ( which are nearing end of life) and create sufficient construction space to allow service relocation.

s 9(2)(g)(i)

# Lower cost corridor option

There are considerable challenges with providing a long-term low-cost intervention in the corridor. Recent SIP projects have shown that when corridor widening is required, it often triggers new drainage and stormwater requirements—substantially increasing both cost and complexity.

- The Project is continually looking for opportunities to deliver value for money infrastructure, and lower cost opportunities have been explored in three ways:
  1. Applying a lower standard upgrade across the whole corridor
  2. Staging sections to meet funding availability (refer to slide 29)
  3. Lower cost considerations within each section (refer to Appendix C4 Design Refinement)
- To understand if applying a lower standard upgrade is a beneficial approach, a lower cost corridor option was developed. This option is a long-term alternative option which doesn't fully meet RoNS standards.
- Based upon the 2017 PBC recommendation (as this was the basis of the Initial Investment Envelope), it includes a four-lane bypass of the Brynderwyn Hills and a new four-lane corridor from Port Marsden Highway to Whangārei, with online safety improvements on the remainder of the corridor.
- The assessment has demonstrated that a lower cost corridor option:
  - **Does not fully deliver the long-term resilience and economic productivity objectives** sought by the project.
  - Delivers worse value for money than the emerging preferred corridor, delivering **20-30% of the benefits for 50-60% of the cost**.

The lower cost corridor option is not recommended for the long-term solution. A better opportunity is to deliver sections of the corridor to manage affordability challenges.

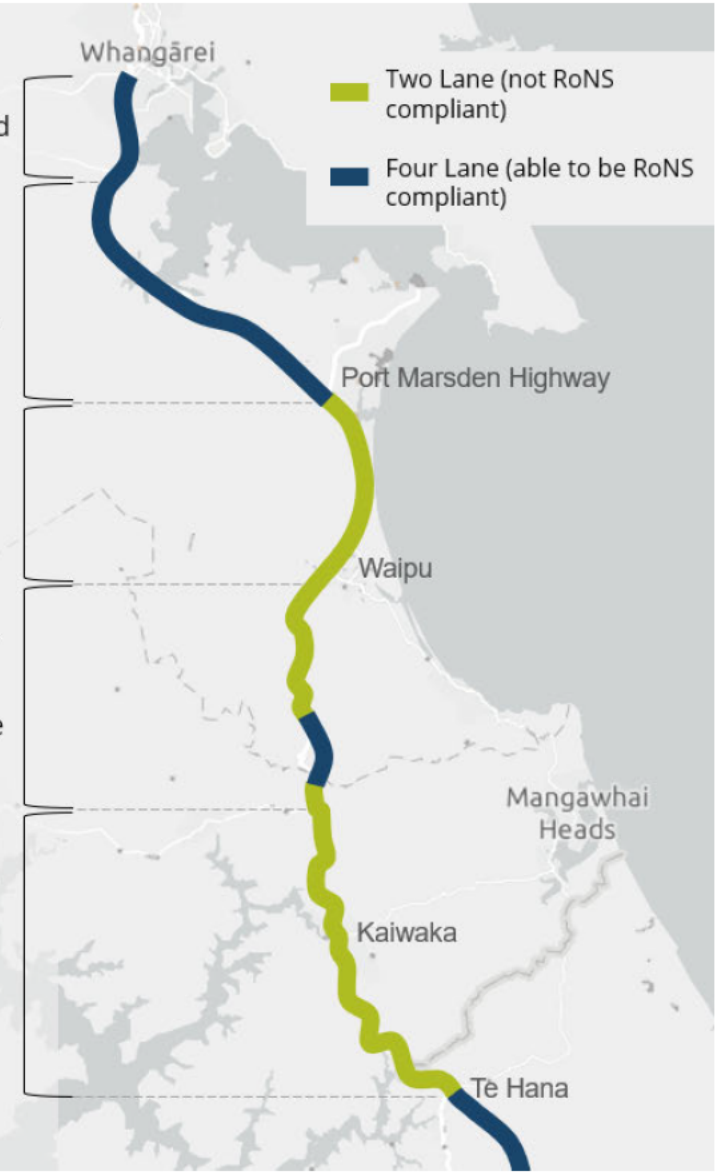
**Section 3B: SH15 Loop Road to Tarewa Road**
- Online widening to four lanes, as per the emerging preferred corridor option

**Section 3A: Port Marsden Highway to SH15 Loop Road**
- Construction of additional two lanes (2+2) between Puwera and Port Marsden Hwy, without raising the existing lanes.
- Online upgrade to four lanes from Puwera to SH15 Loop Rd, as per emerging preferred corridor option.

**Section 2C: Waipu to Port Marsden Highway**
- Online safety improvements including central wire rope barrier.
- No road raising.
- Upgrade SH15/SH1 intersection and Waipu intersections.

**Section 2B: SH12 to Waipu (Brynderwyn Hills)**
- Offline bypass of southern section of Brynderwyn Hills only, to be four lanes in the alignment as per the emerging preferred corridor option.
- Safety barriers for the rest of the section from the top of the Brynderwyn Hills to Waipu.
- Roundabout at SH12/SH1.

**Section 2A: Te Hana to SH12**
- Safety upgrades including median barrier, side barriers and wide centreline
- Widening and ground improvements to accommodate safety upgrades
- Kaiwaka township upgrades






Refer to **Appendix C5: Lower Cost Corridor Option**

# Emerging Preferred Route

This transformative, safer, and more resilient 75km route will cut travel time (38mins) and unlock major economic opportunities for Northland

The corridor continues to demonstrate value for money (with a corridor BCR of 1.5) and has the opportunity for a corridor tolling strategy to be applied

The corridor implementation will be staged over time

NZ TRANSPORT AGENCY WAKA KOTAHI

Roads of National Significance

Te Kāwanatanga o Aotearoa
New Zealand Government

# Emerging Preferred Route

The Northland Corridor has been thoroughly investigated and analysed over the previous decade and this Investment Case brings together this historical analysis with the recent work focused on achieving the aims of the RoNS programme.

**The resulting recommended option is the lowest cost corridor to achieve the desired long term form and function for this nationally significant interregional connection between Auckland and Northland.**

The emerging preferred route is recommended to be mainly offline to best manage constraints, costs and to enable provision of a safe, resilient and high-speed connection.

The individual sections are:

- Section 2A Te Hana to SH12: Offline bypass to the east of SH1
- Section 2B SH12 to Waipu: Offline bypass of Brynderwyn Hills near to SH1
- Section 2C Waipu to Port Marsden Highway: Offline bypass to the west of SH1
- Section 3A Port Marsden Highway to SH15 Loop Road: Offline corridor to the west of SH1 between Port Marsden Highway and Puwera and online widening to four lanes between Puwera and SH15 Loop Road
- Section 3B SH15 Loop Road to Tarewa Road: Widening of the existing SH1 alignment to four lanes.

When complete this 75km route will truly transform Northland's connectivity to Auckland and the rest of New Zealand unlocking significant economic opportunity. It will have up to 6 full interchanges to connect communities and businesses to the safe, efficient and resilient infrastructure. It can be delivered in stages and continues to demonstrate value for money.

**Up to 38 Minutes** **faster** between Te Hana & Whangārei

**1500** New jobs in Northland

**400** New jobs created nationally

**82%** Reduced Resilience Risk on average

**Economic Impact** **$700M** Increase in GDP per annum

s 9(2)(b)(ii)

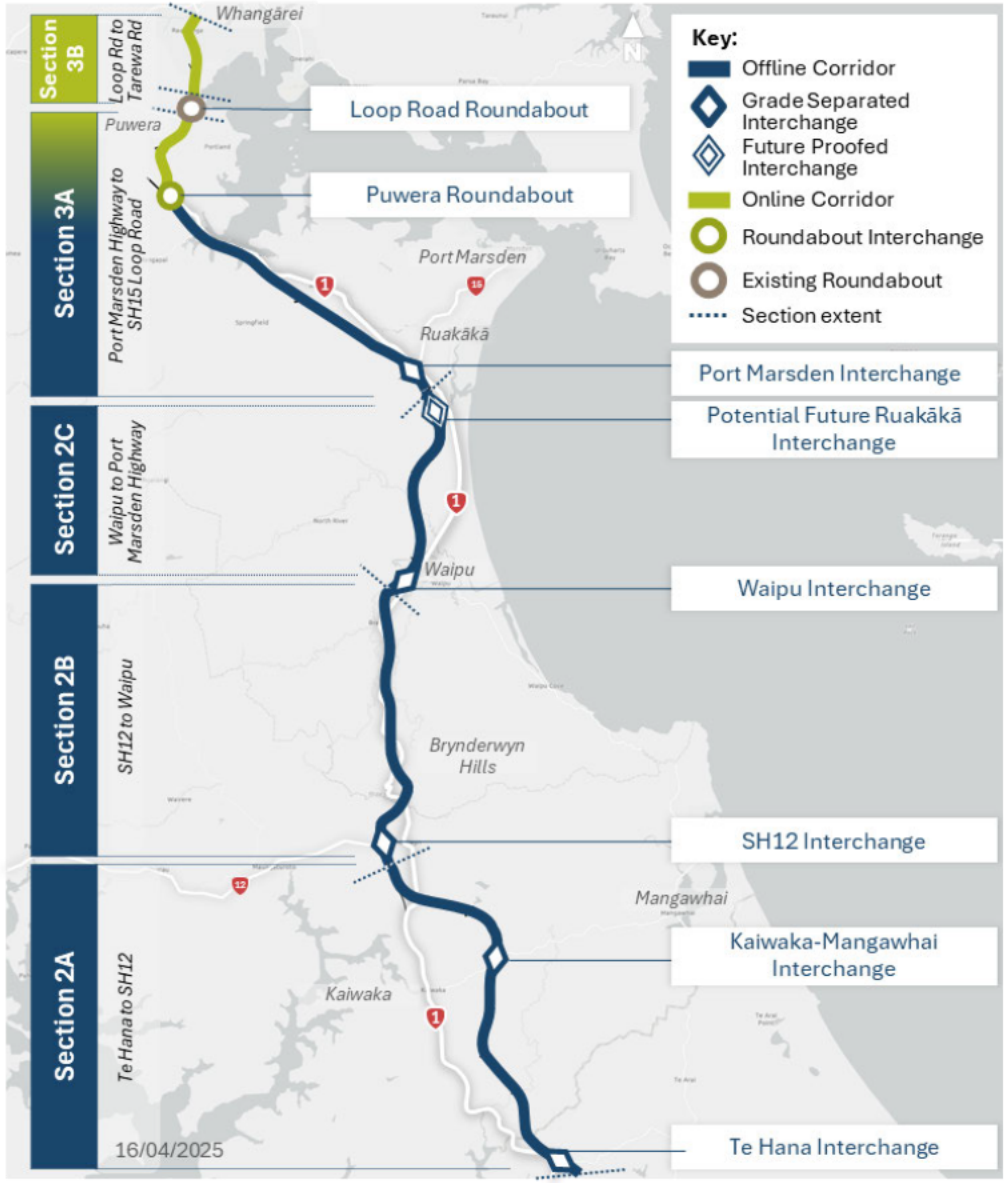
**64%** reduction in travel time delay

**~ 36%** increase in operational speed

**+1000** extra households within 30-mins of Urban Whangārei

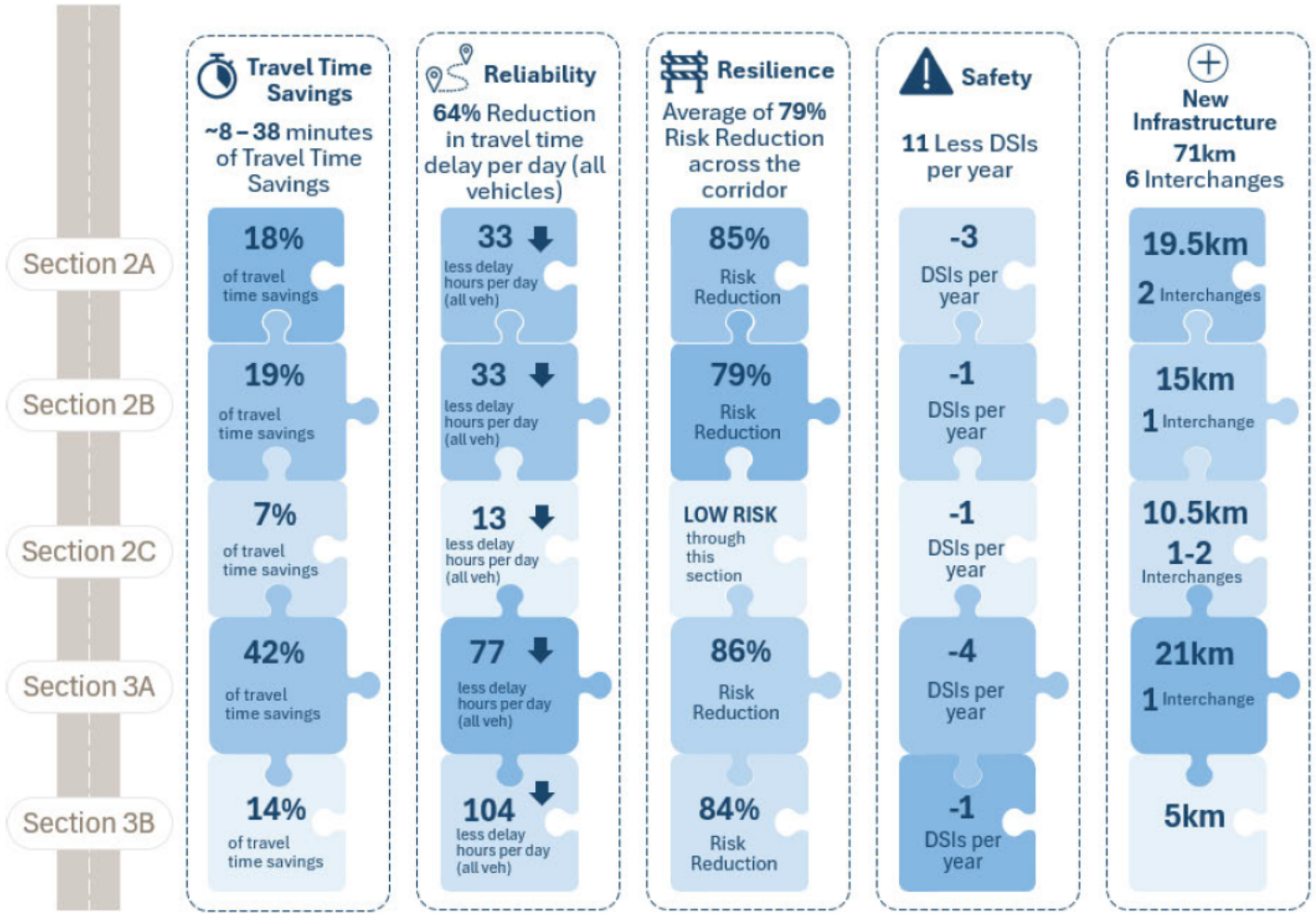
**66%** **reduction** in deaths & serious injuries

**1.4** BCR (exclude WEBs)



# What outcomes do different sections deliver?

- The Northland Corridor will achieve significant transformation for connections to and from Northland.
- Each section of the corridor contributes to the overall corridor outcomes in different ways.
- Investment in these individual projects along the corridor will solve location specific issues such as poor safety, resilience risk and efficiency.
- Visibility of the individual benefit profile of each section will enable the future corridor to be delivered in smaller packages to best match future funding priorities.




## What type of project does each section provide?

**Journey Focussed – 2A**
Bypassing Kaiwaka improves travel time and reliability, and continues on a consistent journey from Section 1

**Resilience Focussed – 2B**
Progressing with 2B addresses the biggest resilience risk along the corridor

**Safety Focussed – 2C**
Addresses existing safety concerns along existing SH1

**Travel Time Reliability Focussed – Section 3**
Highest traffic volumes on the corridor, with improved capacity greatly improving travel time reliability

# Northland Corridor continues to demonstrate value for money

## Project Benefits

The benefits have been developed using MBCM methodology including outputs from the Northland Corridor Saturn model.

Travel time efficiency continues to provide the most significant benefit stream for the project due to the provision of a 110km/hr route for the majority of the corridor.

Section 3A has the highest total benefits which is commensurate with the volume of traffic. Section 3B is a much shorter length and has proportionality higher benefits per km.

s 9(2)(b)(ii)

The transformational Northland Corridor continues to show value for money with a BCR of 1.2-1.4 (P95 to P50 costs excluding WEBS) and 1.3-1.5 including WEBS and provides confidence to continue with the recommended route protection and staged delivery plan.

## Benefit cost ratio (BCR)

The BCR is focused at a corridor level with indicative BCR's by section. The BCR is based on P50 costs using a 60 year evaluation period at a 2% discount rate.

| | BCR P50 Costs | BCR P95 Costs |
|---|---|---|
| National BCR (untolled without WEBS) | 1.4 | 1.2 |
| National BCR (untolled with WEBS) | 1.5 | 1.3 |
| Government BCR (with tolling without WEBS) | 0.8 | 0.7 |

A range of sensitivity tests have been undertaken including speed of growth, discount rates and alternative staging. Sensitivity testing demonstrates that the BCR >1.0 in all scenarios except for the discount rate at 4% and 8% and Tolling at P95 cost demonstrating the ongoing viability of the corridor.

## Investment prioritisation assessment

| Factor | Rating | Rationale |
|---|---|---|
| GPS alignment | Very high | Specified in GPS. Investment reduces travel time between Auckland and Whangārei by up 38 minutes. |
| Scheduling | High | Economic performance of Northland is significantly impacted the longer the project is delayed. Investment is critical due to the ongoing sub-optimal safety and resilience outcomes. Corridor supports planned population and employment growth in Whangārei, Ruakākā, Kaiwaka and Mangawhai. |
| Efficiency | Low | Based on a BCR of 1.5 the economic efficiency is low. |
| Priority rating | 2 | |

# How can the Northland corridor be staged?

**Given the large scale of this programme, the corridor will be delivered in stages over several years.** Preliminary analysis has explored a range of staging options and tested multiple scenarios. This investment case is focused on securing route protection and advancing the next phase of design and planning. It does not seek implementation funding for the entire corridor. As such, certainty is required for these early activities, while flexibility must be maintained to support future implementation decisions.

The staging analysis has identified two scenarios which have been used to test economic, consenting, property and task planning parameters for the project to aid decision makers in understanding the project envelopes. These scenarios do not determine the final delivery timeline, and later stages remain subject to change.

Scenario 1 has been adopted as the working base staging assumption (refer to Appendix E: Staging Assessment), with Scenario 2 being used for sensitivity tests. Section 2B SH12 to Waipu is the preferred first project in both scenarios. A key future decision will be whether Section 2A or Section 3A should follow the Section 2B. This will depend on the priorities of decision-makers at that time. Section 3B remains decoupled from other sections (it is not an earthworks project subject to resource levelling) and would be suitable to be delivered as Early Works.

Key trade-offs to consider in the future staging decision include:

| Criteria | Scenario 1 South to North with Brynderwyns advanced | | Scenario 2 Section 3A/3B advanced before 2A/2C | |
|---|---|---|---|---|
| **Journey prioritisation** | Prioritises the wider economic benefit of the **inter-regional** connection from the Northland Port to Auckland. | ● | Prioritises the **regional** economic benefit of the connection between the Northland Port and Whangārei. | ● |
| **Delivering benefits early** | Delivering Section 2B first achieves greatest resilience benefits. Delaying Sections 3A/3B to after 2A/2C is not in order of greatest benefits | ● | Sections 3A/3B have the highest traffic volumes and economic benefits, which will be realised earlier if brought forward | ● |
| **Journey consistency** | Maintains broadly the south to north delivery strategy and limits issues with piecemeal construction | ● | Inconsistent journey with alternation between upgraded sections and sub-standard existing sections | ● |
| **Alignment to previous guidance** | Aligns with the previous Accelerated Delivery Strategy (ADS) recommended a south to north delivery S1, S2, then S3. This was agreed in principle by cabinet in 2024. | ● | Differs from the previous ADS. | ● |

## Working Staging Assumptions

Scenario 1 south to north with the Brynderwyns advanced has been selected as the working assumption to use in the Investment Case as it prioritises a critical resilience risk and the inter-regional connection between Auckland and the Port. As several factors will influence the final sequence of projects, Scenario 2 is included as a sensitivity test in the economics assessment.

Note these assumptions do not include opportunities for acceleration and reducing the overall timeframe will be a focus of future staging and constructability assessments.

s 9(2)(ba)(ii)



Refer to **Appendix E: Staging Assessment**

# Staging and Value for Money considerations within sections

s 9(2)(ba)(ii), s 9(2)(f)(iv)

# Can scope decisions be used to meet the investment envelopes?

- The lower cost corridor investigation confirmed that the emerging preferred option is the right long-term corridor. It has also identified a number of challenges with implementing a long term low cost option that increases the costs considerably. The recommended option is however outside of the previously identified cost envelopes.
- We have considered scope decisions be used to meet the cost envelopes that have been estimated during earlier stages for Sections 2 and 3 of the programme:
  1. Envelope 1 of s 9(2)(b)(ii) was the initial envelope established in 2023 based on previous projects
  2. Envelope 2 of s 9(2)(b)(ii) was indicated in 2024 based on the updated form.
- If restricted by the investment envelope, the table below sets out the resultant impacts on the long term corridor solutions.

| | Envelope 1 | Envelope 2 | Emerging Preferred |
|---|---|---|---|
| **Section 3B** | | | |
| **Section 3A** | No investment, remains 2 lanes | | |
| **Section 2C** | No investment, remains 2 lanes | No investment, remains 2 lanes | |
| **Section 2B** | | | |
| **Section 2A** | | | |
| **Cost** | s 9(2)(b)(ii) | | |
| **BCR (P50 without WEBS)** | **1.3** | **1.4** | **1.4** |
| **Incremental BCR** | → | → | **1.5**<br>**1.5** |


- Whilst Envelope 2 and the Emerging Preferred Option have similar BCRs, the additional investment associated with the Emerging Preferred option will unlock approximately 20% additional benefits by completing the corridor. This Value for Money is demonstrated with an incremental BCR of 1.5.
- Envelope 1 will only achieve half of the benefits and doesn't meet the objectives of the corridor.

Given neither of the options that fit within Envelope 1 or 2 meet the form and function set out by the GPS, nor are they commensurate with the ONF aspirations of an Interregional Connection and they also have a similar or worse BCR it is recommended that the long-term corridor option is the Emerging Preferred programme and that additional funding is earmarked for the future implementation. This will ensure the long-term solution for the Northland corridor is protected for future implementation, enabling the substantial economic, safety and resilience benefits forecast to be realised.



Refer to **Appendix C5: Lower Cost Corridor Option**

# Early works opportunities

Due to the large scale of this programme, the corridor will be delivered in stages over a number of years. As part of this staging we have also considered what Early Works packages could be delivered to start realising benefits earlier.

**What value does Early Works deliver for the Northland Corridor?**

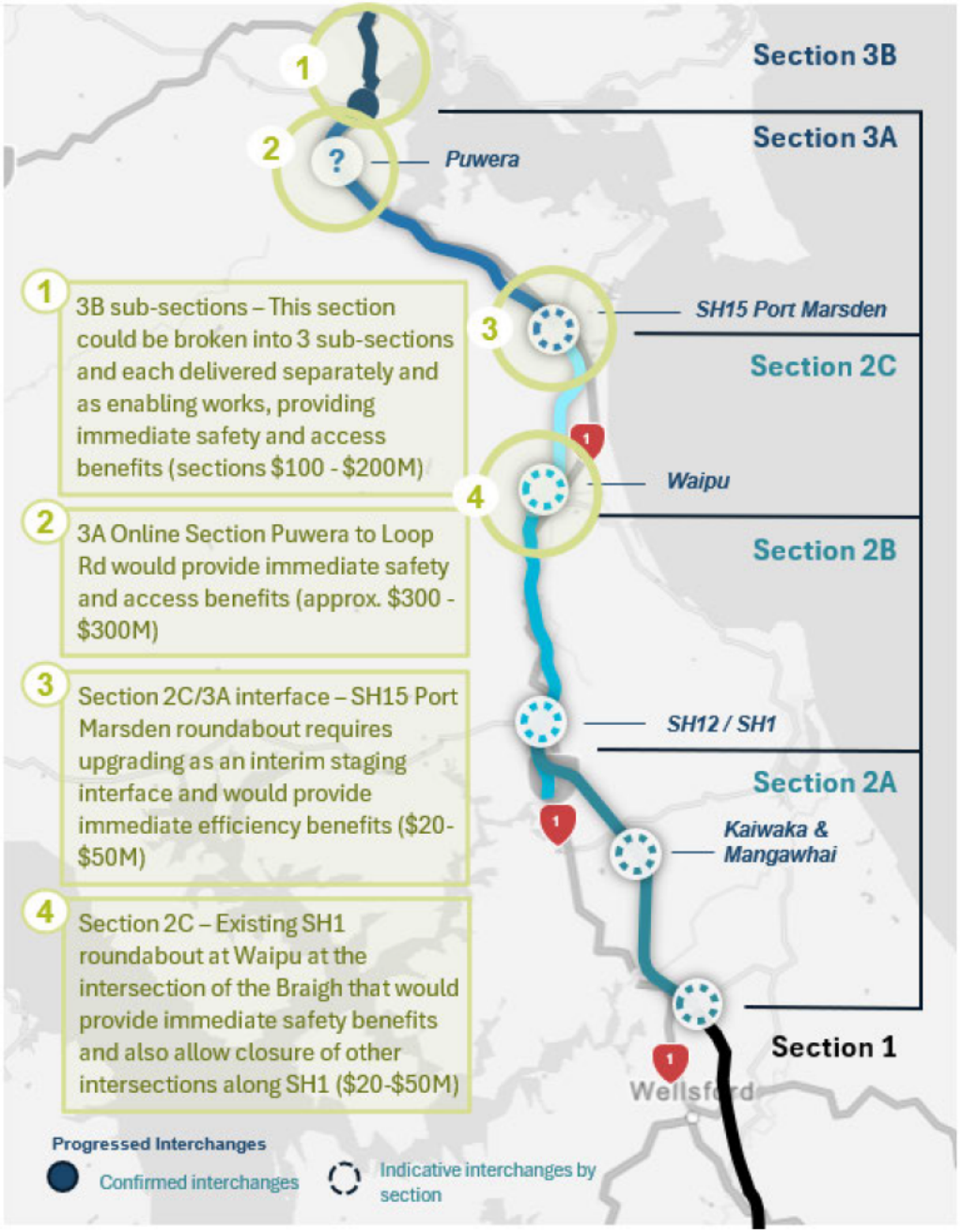
- The Corridor's current alignment traverses a wide range of utilities, services, forestry blocks etc. Early works can materially mitigate this interface risk.
- Derisks the main works packages therefore making the scale of core works more manageable and attractive for the market and decision makers.
- The Early Works are of a smaller scale compared to the mainline sections and the use of standard form contracts for these support early commencement of physical activities, allowing for better management of negotiation periods and potentially lower tender costs.
- Delivering this package ahead of the main construction works facilitates early risk identification and informed design decision-making. Case studies indicate that early ground investigations and utility relocations can significantly reduce project risks and enhance the attractiveness of the main works packages.
- NZTA retains the flexibility to competitively tender contracts through an open procurement process, which can support local market skill development and accelerate works by advancing procurement of specific sub-sections.

A range of potential early works packages across the Corridor have been identified as shown on the figure to the right. These include online widening and intersection developments.

**Recommended Approach**

To enable Early Works to proceed:

- The designation and associated approvals will need to support spatial and temporal staging of the works.
- The designation process for the corridor should accommodate the interface (interchange) works identified.
- Section 3B requires all necessary statutory approvals to allow for its potential early staged delivery.



# Tolling Assessment for the Northland Corridor

- Tolling is considered an alternative funding source, that could support the delivery of the Northland Corridor RoNS programme. A Gate One tolling assessment has confirmed that the corridor meets the legislative requirements and practicality tests to be tolled. All sections (except for Section 3B) lend themselves to being tolled.
- The scale and length of the Northland Corridor RoNS make it a complicated project for tolling assessment. There is no NZ precedent for a multi-staged toll road like the this, although there are some international examples which can offer insights.

s 9(2)(f)(iv)

- A detailed corridor strategy will need to be developed in the next stages, to set out the specific toll price for all sections (including the existing sections) and confirm if there is a dynamic pricing response and how this will operate.
- A Gate 2 assessment has been carried out for Section 1 Warkworth to Te Hana (not documented here).
- A **'pre-gate 2' assessment** has been carried out for Sections 2 and 3 of the corridor. The NZTA tolling team provided the traffic modelling leads with a matrix of estimated toll values for each section, giving a high/med/low price estimated based on first principles of travel time savings and length.
- The estimated toll ranges were modelled in the Northland Corridor model to check **diversion rates** are within sensible a range and **identify the revenue maximising** price for each section.

s 9(2)(f)(iv), s 9(2)(ba)(ii)



Refer to **Appendix F: Tolling Corridor Strategy**

# Delivering the Option

We should route protect the long-term Te Hana to Whangārei corridor now to give landowners certainty, support future planning, and enable a flexible, fast-delivery pipeline

The delivery approach provides flexibility for implementation and enables future choices over timing, delivery, project size and managing the overall affordability of the programme

The team is in place and is appropriately resourced

We are managing our identified project risks and seeking out opportunities to continue to drive value for money

# Procurement and Delivery

**Scale and Complexity**
The Northland Corridor is a large and complex programme of works that will take decades to deliver. The Northland Corridor will therefore be delivered in stages. This approach ensures that benefits are delivered as early as possible and that funding requirements of the corridor can be managed.

## Accelerated Delivery Strategy

Important context for the delivery of the Corridor is the fact that there is an Accelerated Delivery Strategy (ADS) for the corridor that has been supported by the NZTA Board and Cabinet. The key elements of the ADS included:

- Corridor to be delivered south to north, commencing with Warkworth to Te Hana immediately
- Progressive Public Private Partnership (PPP) was identified as the delivery model
- Enabling legislation was required (at the time) to accelerate the statutory approvals and PWA to enable the ADS to be delivery

As part of the Warkworth to Te Hana Implementation Investment Case a PPP was confirmed as the delivery approach for this section, however the "progressive/staged" wider corridor approach was amended to reflect standalone PPP's along the corridor rather than a single Progressive PPP.

The ADS was recently updated given the commencement of the Warkworth to Te Hana PPP procurement. This focus of this update was on the acceleration of Section 2B SH12 to Waipu (Brynderwyns). This update considered an assessment of different delivery models for this section. **The outcome of this assessment confirmed a PPP as the most appropriate delivery model for Section 2B as outlined below.**

s 9(2)(b)(ii)

s 9(2)(b)(ii)

**Section 2B SH12 to Waipu (Brynderwyns) Preferred Delivery Model: PPP**
An assessment was undertaken of several different procurement models, including a progressive D&C, Alliance and PPP. The PPP procurement model is the strongest performing of the options assessed. This is due to:

- The stronger whole of life outcomes
- The ability to leverage off the current Section 1 procurement and maximise international market participation
- Provides strong price certainty and effective risk management
- Provides commercial incentive to deliver to programme

For the next phase of obtaining statutory approvals, the existing professional service teams will be used as this was part of their original scope when tendered in 2024

# Consenting Strategy

### Scope of approvals required

There are a wide range of statutory approvals required for the project under the RMA and other legislation, including (but not limited to):

- Notices of Requirement(s) (NoR)
- A suite of regional resource consents
- National Environmental Standard consent(s)
- Archaeological Authority under the Heritage New Zealand Pouhere Taonga Act 2014
- Wildlife Permit(s) under the Wildlife At 1953
- Fish passage authorisations (Freshwater Fisheries Regulations 1983)
- Approvals under the Reserves Act 1977

## Key Issue 1 – Approvals Pathway

To support the delivery of the corridor it is recommended that the Fast-track Approvals Act (FTAA) is utilised to obtain all necessary RMA designations, resource consents, and other statutory approvals. Other consenting / approval pathways have been assessed, but the scale of the Northland Corridor and the urgency to progress with some sub-sections over others (i.e., Section 2B SH12 to Waipu, Brynderwyns) means that the FTAA is likely the most time-effective and efficient method for consenting / approvals to be obtained.

This recommendation is subject to the following three matters:

- Following a screen of the proposed corridor against the FTAA eligibility criteria, the Project remains eligible to use the FTAA.
- The parts of the Northland Corridor that need to progress urgently (Section 2B) are granted priority under the FTAA.
- Some parts of the Northland Corridor (Sections 2A and 2C) are not listed in the FTAA or may need changes to their description (Sections 3A and 3B). As such, they will need to be referred under the FTAA so NZTA can use this process (work on this is underway).

## Key Issue 2 – Designation Only or all Approvals

As well as considering the approvals pathway, the type of approvals to be obtained was also considered and assessed. The key considerations included:

- Designations Only
- Designation and Resource Consents
- Other Approvals

In assessing these considerations, the timing of the likely implementation of the different sections as well as the efficiency of process were important considerations.

In that regard it was concluded that whilst there is limited development pressure in many areas of the corridor, the certainty for landowners and the region as well as being implementation ready that **the entire corridor should be route protected** through obtaining a designation.

**Resource Consents are recommended to be sought for Section 2B** s 9(2)(f)(iv) Section 3B and therefore all statutory approvals are recommended in this section also.

As other sections are likely to commence implementation s 9(2)(f)(iv) and given the current legislative uncertainty we recommend that these sections only seek designation, however, as this legislative uncertainty abates, if the outcome is seen to be providing appropriate conditions (and not overly onerous for long term projects) these sections may pivot to seeking all statutory approvals.

s 9(2)(g)(i)

Other approvals such as Wildlife Act are recommended to be secured closer to construction time to allow for site specific data collection at the time of implementation (which is typical practice).

### Why Route Protection now is critical

Key reasons and benefits to route protecting the corridor now, include:

- Provides ability to deliver sections at pace in the future as statutory approvals are already in place (e.g. Section 1 commencing now as it has approvals in place).
- Provides decisions makers with choice on the delivery of future projects by having a pipeline of projects ready to go.
- Provides certainty to landowners on the route location.
- Provides certainty to councils to allow for future planning.



Refer to **Appendix G2: Consenting Strategy**

# Consenting Strategy

## Key Issue 3 – Lodgement Timing

The Northland Corridor has real momentum and strong support from stakeholders and the community. It is important that this momentum is maintained. This expectation has also been established through the Cabinet's support of the Accelerated Delivery Strategy for the Northland Corridor. This urgency needs to be balanced with ensuring sufficient time to develop and lodge robust applications.

**Lodgement Priorities**

There is urgency to commence **Section 2B SH12 to Waipu (Brynderwyns)** as soon as possible given the resilience risk in this section. It is therefore recommended to lodge this section as soon as possible.

Two dates have been considered - before the end of 2025 and early 2026.

On balance early 2026 is recommended as it enables environmental baseline monitoring to take place as well as geotechnical investigation information to be incorporated into the footprint development. This timeframe does not fundamentally impact final project delivery.

**Section 3B SH15 Loop Road to Tarewa Road** should be lodged at a similar time to Section 2B to unlock Early Works opportunities, however not at the detriment of Section 2B which remains the urgent priority.

**Designation Only**

The remaining sections that are seeking Designation Only should be lodged in August 2026.

| | Section | Approvals | Indicative Lodgement Date |
|---|---|---|---|
| 2A | Te Hana to SH12 | Route protection | August 2026 |
| 2B | SH12 to Waipu | **All approvals** | **March 2026** |
| 2C | Waipu to Port Marsden Highway | Route protection | August 2026 |
| 3A | Port Marsden Highway to SH15 Loop Rd | Route protection | August 2026 |
| 3B | SH15 Loop Rd to Tarewa Rd | **All approvals** | **March 2026** |

## Key Issue 4 – s 9(2)(g)(i)

s 9(2)(g)(i)

## Key Issue 5 – Application Details

The FTAA is new legislation and as such there is little experience with what is expected from an assessment perspective. We are actively working on ensuring any future application is suitable to meet the tests and allow decision makers to make an informed decision.

We see an opportunity to ensure decision-makers fully understand the time and cost impacts of overly onerous consent conditions. Appropriate conditions are essential—not just to enable project delivery, but to set it up for long-term success. For this reason, we reserve the right to shift from seeking designation only to also pursuing statutory approvals, where consent conditions better support projects with longer lead times.

**The recommended next steps:**

1. Complete the referral process for all sections that are not currently listed under the FTAA.
2. Commence preparation for lodgement under FTAA for **designation and consents** for Section 2B and 3B
3. Commence preparation for lodgement under FTAA for **designation only** for Section 2A, 2C and 3A.
4. Package multiple sub-sections together to provide greater efficiencies to the programme.

# Property Strategy

**It is critical to route protect Northland Corridor now.** Key benefits include:

- **Accelerated delivery**: Securing statutory approvals enables rapid progression of future sections (e.g., Section 1 is already in implementation because it was delivery-ready).
- **Greater flexibility**: Establishes a pipeline of ready-to-go projects, giving decision-makers more options for future delivery. This provides the corridor with maximum opportunity to stage deliver and secure future funding.
- **Certainty for landowners**: Clarifies the route location and removes uncertainty.
- **Land cost control**: Helps mitigate future increases in land value due to subdivision and development.
- **Support for local planning**: Gives councils the certainty needed for long-term planning.

## Property acquisition phasing/pathways

There are a wide range of property types along the route that may be impacted by the Project. The types of properties include:

- Residential and Lifestyle blocks
- Dairy Farms and Larger Rural Holdings
- Businesses
- Third Party Infrastructure
- Forestry
- QEII Covenants
- Heritage Property
- Publicly Owned Land

s 9(2)(j)

The property acquisition process comprises of two parallel pathways:

1. Acquisition by agreement, where the Crown negotiates in "good faith" with the landowner to agree to the terms of sale under Section 17 Public Works Act 1981.
2. A compulsory acquisition process under the Public Works Act 1981.

## Key property challenges

s 9(2)(g)(i)

## Critical Opportunities

The government is currently reviewing the PWA legislation (Public Works (Critical Infrastructure) Amendment Bill released 13 May) and this presents opportunities for optimising the property acquisition timelines. This includes reducing appeal grounds and improving remuneration levels for acquisitions by agreement.

# How much property is impacted?

s 9(2)(j)

s 9(2)(j)

** Scenario 2 tests an 'outside in' staging ( Section 3B and 3A following Section 2B) to understand the sensitivity for property acquisition.

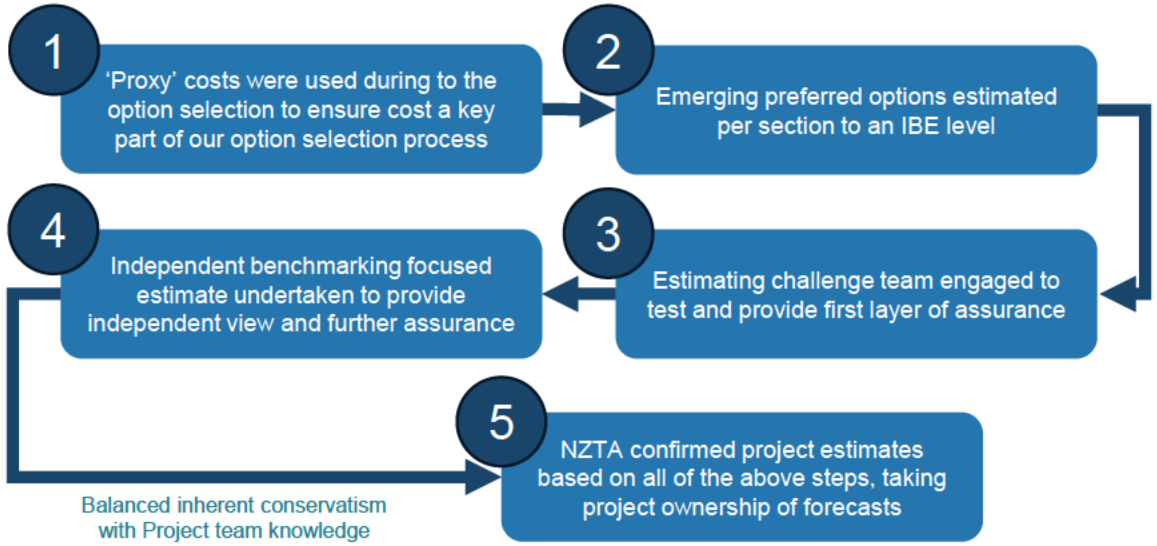
Refer to **Appendix H: Financial Case**

# Project cost estimate

## Our approach

This is a large corridor that will be delivered over a number of years. The costs of implementation are also significant given this scale.

We are at an early stage in the project development and therefore the costs have an appropriate range. Because of the stage we are at we have undertaken a comprehensive five step process to develop the project cost range at this time.




Costs have been developed for the five sub sections between Te Hana and Whangārei as set out in SMO14.

These costs have then been benchmarked against recent projects delivered by NZTA and also under construction to provide overall confidence in the level of cost certainty.

## Dealing with risk

In alignment with SM014 a general level of risk assessment has been applied to the costs to determine an expected estimate and a funded estimate. This general approach was further tested using inherent risk analysis across the section to determine appropriate risk percentages to be applied for each individual section. It is intended as the design detail increases, future cost estimates will move to a full Quantitative Risk Assessment (QRA) as was undertaken in the Warkworth to Te Hana Investment Case as an example.

This has resulted in the following risk levels:

**20% Expected Risk** + **25% Funded Risk** = **45% Total Risk**

Our estimates have been developed using the recent Warkworth to Te Hana costs (which are in the same corridor in similar terrain and geotechnical conditions) used for setting the PPP Affordability Threshold based on a Reference Design and many months of estimating. This information has provided invaluable to provide us with robust and corridor relevant estimating information.

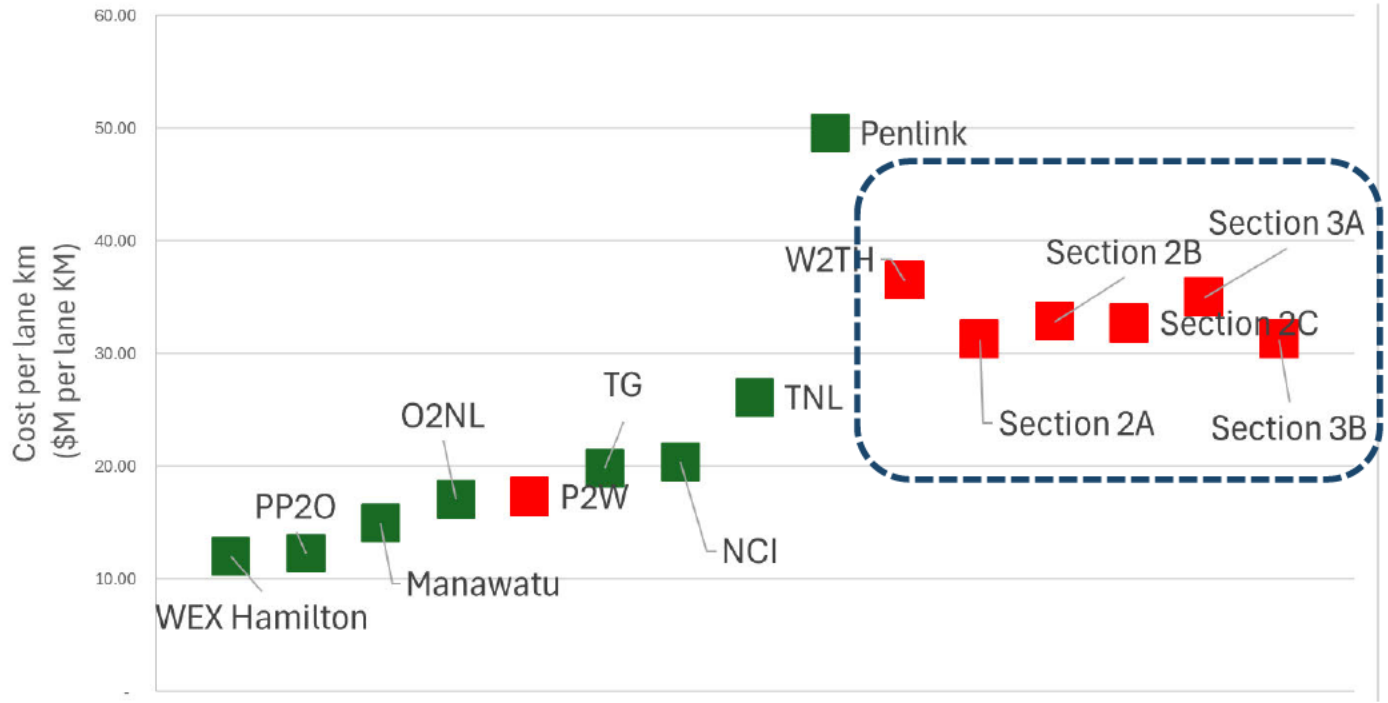
The general typography is not as bad north of Te Hana and there is no tunnel proposed. We will also be seeking more appropriate resource consent conditions than those achieved on Warkworth to Te Hana. There is therefore inherent conservatism built into the base estimates, s 9(2)(j)

# Project cost estimate

## Estimate Range

Applying the estimating process results in the following costs

| Section | Location | Base Estimate $Bn | Expected Estimate $Bn | Funded Estimate $Bn |
|---|---|---|---|---|
| 2A | Te Hana to SH12 | s 9(2)(b)(ii) | | |
| 2B | SH12 to Waipu | | | |
| 2C | Waipu to Port Marsden Highway | | | |
| 3A | Port Marsden Highway to SH15 Loop Road | | | |
| 3B | SH15 Loop Road to Tarewa Road | | | |
| TOTAL | (unescalated) | | | |
| TOTAL | (escalated) | | | |




## Benchmarking analysis

This corridor has been benchmarked against other NZTA projects. Of most relevance is the Section 1 Warkworth to Te Hana project which has had a recent reference design undertaken with similar Northland terrain and as such is a good comparator for this project. **The Section 2 & 3 costs are commensurate with Warkworth to Te Hana on a per km basis.**

This analysis also shows that the Northland Corridor costs are high compared to other areas of the State Highway network. Another aspect of the current level of cost is the consent conditions on the Warkworth to Te Hana project which we will be actively seeking to improve on (from a cost perspective).

The benchmarking also shows that the Northland Corridor costs are high compared to other areas of the State Highway network due in part to the geology and typography.

The benchmarking exercise has highlighted a number of areas where there is considerable opportunity to reduce the costs materially through design optimisation (given the high level of the current design and based on recent Warkworth to Te Hana knowledge). As an example the current designs have bridges at a rate of up to twice that of the current Warkworth to Te Hana and if this could be optimised to reflect the same rate as Warkworth to Te Hana, this could save up to $1Bn across the corridor. Other areas of focus moving forward for project optimisation include:

- Earth works optimisation (including bridge vs embankment)
- Consent conditions
- Material handling and sourcing

We have included some of these aspects in the current estimate through a reduced risk allowance. The next phase will focus on design optimisation to drive cost certainty and further value

# Financial Case

The 75km Northland Corridor is a significant transport investment. It has been confirmed that Section 1 Warkworth to Te Hana will be delivered through a Public Private Partnership (PPP) model but no decisions have yet been made about future delivery models for the remaining projects between Te Hana and Whangārei.

As such the cash flow implications of a range of delivery options have been tested for decision makers to understand the potential whole-of-life cash flow envelope the full corridor programme may incur.

Three scenarios are shown :

- Case 1: All projects delivered by traditional delivery methods (No PPP)
- Case 2: PPP for Section 2B SH12 to Waipu (Brynderwyns) and traditional delivery methods for remaining sections.
- Case 3: PPP between Te Hana and SH15 Loop Road with the urban section delivered via traditional delivery methods.

The cash flows indicate the significant scale of ultimate investment required for the corridor. As expected the traditional delivery requires more capital up front with PPP providing for deferral of capital spend.

The NLTF is confirmed every three years, meaning there is currently considerable uncertainty about the level of NLTF revenue commitments at the time of delivery for the medium to long-term projects. This will be subject to ongoing analysis of NZTA's ability to fund this investment through increased NLTF revenues and / or revised balance sheet setting.

**For now this investment case is focused on the next steps of project development (route protection for the whole corridor) and pre-implementation phases for selected sections.**

Given the scale of the implementation funding required it is expected that alternative revenue sources will be required to provide a funding stream for a proportion of the Project's capital cost.

Case 1: Traditional Delivery Model

s 9(2)(b)(ii)

Case 2 and 3: Mixed Delivery Model

s 9(2)(b)(ii)

Notes

- Cash flows provided are costs to government. They are initial estimates based on high level assumptions and further work is required at the next stage.
- Scenario 1 base assumptions testing a 'south to north' prioritisation ( Section 2B followed by 2A and 2C).
- Scenario 2 tests an 'outside in' staging ( Section 3B and 3A following Section 2B)

# Funding the project

NZTA needs to consider all funding, financing and delivery options. The type and scale of benefits of the funding options and the potential likelihood for the Northland RoNS project are summarised below. As the project develops, the feasible funding options / tools will be considered further including how multiple funding streams and associated interdependencies could impact the beneficiaries.

### Traditional transport project funding options

| Beneficiary type | Traditional funding options | Scale of benefits | Legislatively possible | Scale of potential funding |
|---|---|---|---|---|
| Transport - national | National Land Transport Fund (NLTF) | 🟢 | ✓ | NLTF funding to prioritised nationally |
| GDP uplift | Crown grant | 🟢 | ✓ | Prioritised against other crown funding projects |

### Initial consideration of alternative funding options/ tools

| Beneficiary type | Potential funding options | Scale of benefits | Legislatively possible | Notes |
|---|---|---|---|---|
| Transport – Local / Regional | Tolling | 🟢 | ✓ | s 9(2)(ba)(ii), s 9(2)(f)(iv) |
| | Time of use charging | 🔴 | X | Not suitable for inter-regional project. Potential interplay with tolling. |
| | Regional Fuel tax | 🟡 | X | Complex as it spans multiple regions. Potential interplay with tolling. Could be merit with urban section 3B project. |
| Property | Land value uplift - Infrastructure Funding and Financing (IFF) Levy | 🟡 | X | Further work required to test viability of contributions due to varying densities along the rural motorway. |
| | Property development charges | 🟡 | X | |
| Business general | Business Rate Supplement (IFF) | 🟡 | ✓ | Predominantly rural corridor, but possible future opportunities |
| Business - port | Negotiated contribution | 🟡 | ✓ | Potential material benefit. Have to consider interplay with tolling. |
| Business - airport | Negotiated contribution | 🔴 | ✓ | Not expected to receive a material benefit |

## Tolling Revenue

- Preliminary corridor tolling modelling has been undertaken. s 9(2)(ba)(ii), s 9(2)(f)(iv)
- s 9(2)(ba)(ii), s 9(2)(f)(iv)
-

🟢 Clear case to proceed to the next phase of analysis

🟡 Potential case, continue to next phase of analysis

🔴 No or very limited case, do not continue to the next phase



Refer to **Appendix H: Financial Case**

# How will NZTA manage the corridor?

## Team structure

This is a large, complex programme which needs a well-resourced NZTA team. Sections 2 and 3 form part of the wider Northland Corridor RoNS programme, and the next stages of the programme will be managed by a Section 2&3 Pre-implementation Team structured within the broader Northland Corridor structure. The Pre-Implementation team will be led by a Project Director who reports to the Programme Director.

When future stages proceed to Implementation, it is expected that these will be run by a separate but integrated team structure similar to how the Section 1 is being managed.

## Next steps

The management team will be responsible for leading the next steps for the programme:

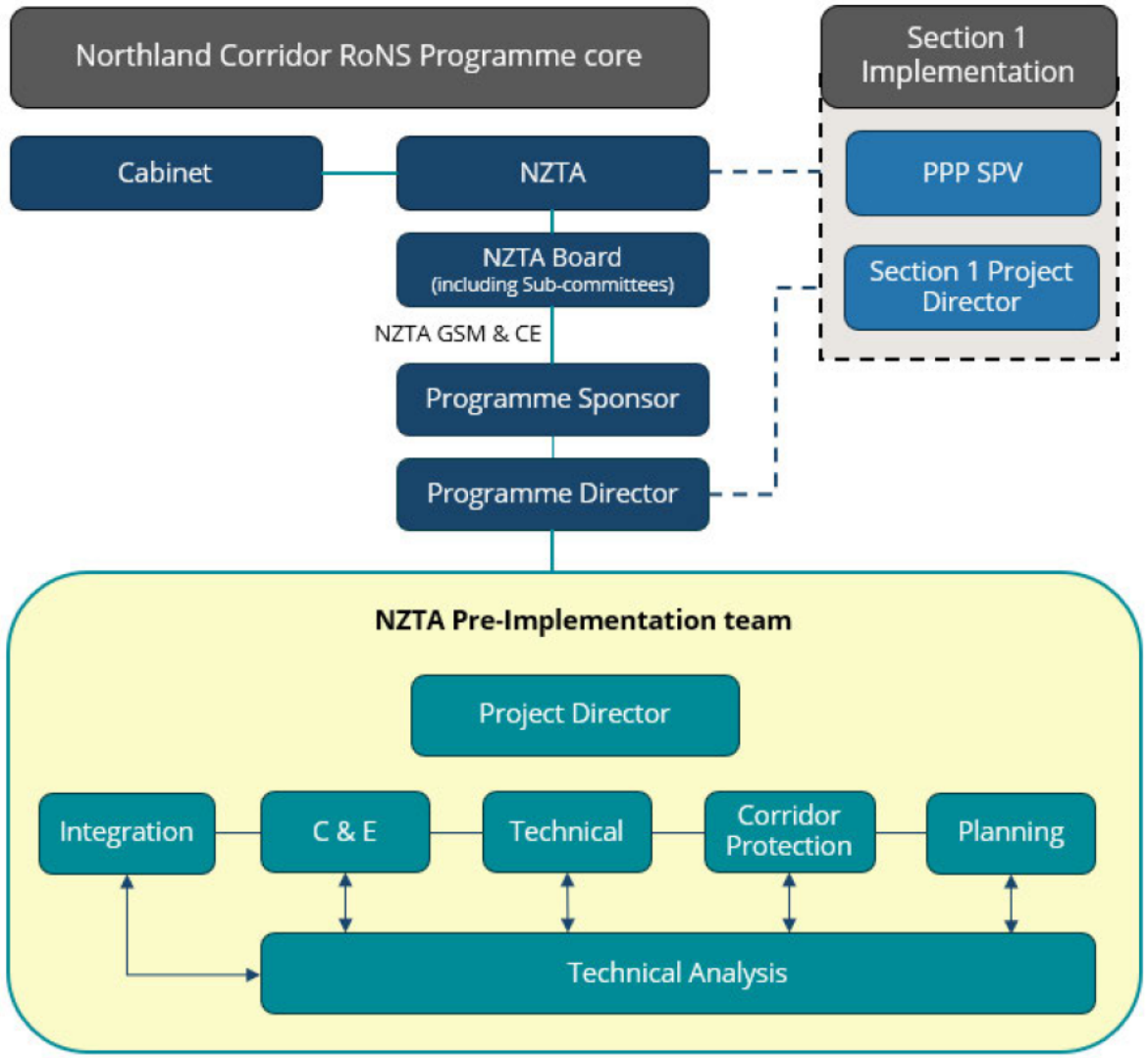
- **Route protection, consenting** and consent design including alternatives assessment and early property acquisition.
- **Preparing Section 2B for Implementation**
- **Enabling works** / early works
- Further developing the **staging programme.**

The project director will establish the approach to the approvals process, including right sizing the investigations and applications for designation and consents under the FTAA. An Alternatives Oversight Group will be established to rapidly assess alternatives as directed which will feed into the applications. The scope of work, including design, alternatives, and investigations will be tightly directed to ensure the right effort is occurring to help inform key decisions. The existing procurement plan has provision to extend to the next stages, and it is proposed to retain the current Technical Advisor consultant team for this.

## Governance and decision making

The existing governance structure will continue to be utilised, with the following decision-making hierarchy:

- Level 1A – NZTA Board / PPP-subcommittee
- Level 1B – National Portfolio Governance / VOS
- Level 1C – Sponsor / MPGG
- Level 2A – Programme Director
- Level 2B – Workstream Leads



# Key Risks for the project

This is a complex corridor project and inherently has a range of programme risks. The current highest key risks and proposed mitigations are shown below. The Project will continue proactively managing risk through targeted risk workshops.

s 9(2)(g)(i)

# Communications and engagement for future phases

The approach will continue to deliver 'always on' communication and engagement to support the consenting and approvals for the Northland Corridor from Te Hana to Whangārei

| Timeline | May – August 2025 | September 2025- June 2026 |
|---|---|---|
| **Iwi** | • Confirmation of Terms of Reference for the route protection phase of the project.<br>• Undertake engagement for the FTAA referrals process. | • Regular hui and project updates including consent design, site visit protocols and site investigations<br>• Completion of Cultural Value Assessments<br>• Cultural inductions<br>• Undertake engagement for the FTAA substantive application |
| **Stakeholders** | • Briefings with key stakeholders following emerging preferred corridor announcement<br>• Undertake engagement for the FTAA referral application | • Briefings with key stakeholders following NZTA Board meeting outcomes<br>• Undertake engagement for the FTAA substantive application |
| **Landowners** | • Study area for emerging preferred corridor letters and landowner information sheet distributed by post to potentially impacted landowners, inviting landowners to share contact details | • Preferred route letter distributed by post and invite to one-on-one meetings<br>• Land plans prepared for meetings<br>• Ongoing liaison through the project phone and email inbox<br>• 1:1 meetings as well as drop-in sessions |
| **Community** | • Community info sessions at locations in the corridor (project progress, emerging preferred corridor and next steps)<br>• Updates provided through the e-newsletter, social media posts and website | • Regular updates provided through the e-newsletter, social media posts and website<br>• Contact through the project phone and email inbox<br>• Letter drops to adjacent landowners as appropriate<br>• Media release and e-newsletter to announce consent application lodged |

**Section 2: Te Hana to Port Marsden Highway and Section 3: Port Marsden Highway to Whangārei timeline**




Refer to **Appendix K: Management Case**

# Key Uncertainties

There are a number of uncertainties which will need to be monitored as the programme progresses, to assess if there is a significant impact on the project.

| Uncertainty | Description | Management approach |
|---|---|---|
| s 9(2)(g)(i) | | |

# Future Implementation factors

Future decisions on the timing and order of section implementation will be approached with flexibility. The staging programme working assumption given for the emerging corridor provides certainty for the next sections identified for short term delivery (Section 2B SH12 to Waipu and potentially Section 3B SH15 Loop Road to Tarewa) and retains flexibility for medium to long term implementation. Future staging decisions will be managed through two key decision points which will determine the future staging of sections:

1. The decision to **develop an Implementation Investment Case**
2. The decision to **proceed to implementation**.

Project team prepares assessment of all future sections against future implementation factors. These generally align with the Investment Prioritisation Method and MOT Indicators.

**Urgency / need**

- Safety record trend
- Significant weather events and resilience trend
- Traffic volume growth
- Congestion levels

**Deliverability**

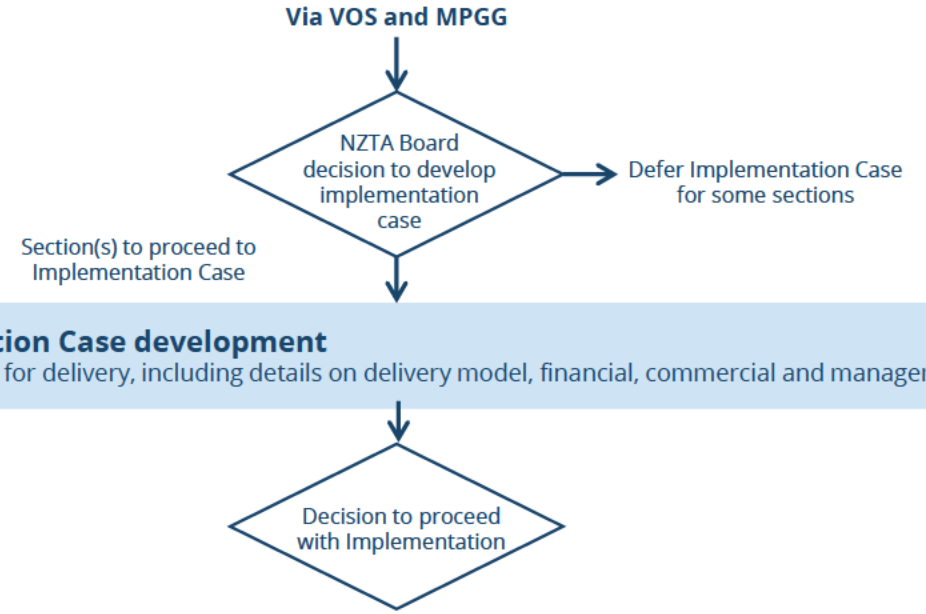
- **Funding availability**
- Constructability
- Value for Money

**Whole of journey**

- Full corridor vs sub-journeys
- Inter-regional vs regional needs

**Stakeholder expectations**

- Arising from stakeholder engagement



# What are the next steps?

Following the completion of this Investment Case, there are four key next steps for the Northland Corridor.

1

### Corridor Route Protection

- Notice of Requirement designation for whole corridor from Te Hana to Whangārei
- Regional Consenting for Sections 2B (SH12 to Waipu) and 3B (Urban Whangārei)
- Targeted geotechnical investigations
- Landowner meetings
- Consenting level design

2

### Section 2B: SH12 to Waipu (Brynderwyn Hills) Implementation Investment Case

- Development of Implementation Investment Case
- Reference design
- Advance property acquisition process

3

### Section 3B: Loop Rd to Tarewa Rd (Urban Whangārei) Implementation Investment Case

- Development of Implementation Investment Case to support Early Works programme

4

### Confirmation of Future Staging

- Further work on implementation and early works staging for project development over the medium term (5-10 years)

| | 2025 | 2026 | | | | 2027 | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| **1 . Corridor Route Protection** | | | | | | | | | |
| Section 2A NoR | | | | | ◆ 2A Lodgement | | | | |
| Section 2B NoR and Consents | | | ◆ 2B Lodgement | | | | | | |
| Section 2C NoR | | | | | ◆ 2C Lodgement | | | | |
| Section 3A NoR | | | | | ◆ 3A Lodgement | | | | |
| Section 3B NoR and Consents | | ◆ 3B Lodgement | | | | | | | |
| **2. Section 2B Implementation Case** | | | | | | | | | |
| Develop Implementation Case | | | | | ◆ 2B Implementation Funding Approval | | | | |
| Reference Design | | | | | | Utilised in procurement | | | |
| Procurement Development | | | | | | Procurement ready | | | |
| Advance property acquistion process | | | | | | Transitions to Active Acquisition | | | |
| **3. Section 3B Implementation Case** | | | | | | | | | |
| Develop Implementation Case | | | | | | ◆ 3B Implementation Funding Approval | | | |
| Reference Design | | | | | | | Utilised in procurement | | |
| Procurement Development | | | | | | | Procurement ready | | |
| Advance property acquistion process | | | | | | | Transitions to Active Acquisition | | |
| **4. Confirmation of Future Staging** | | | | | | | | | |
| Early works / enabling works | | | | ◆ Confirmation of early works programme | | | | | |
| Future sections to Implementation case | | | | | | ◆ NZTA Board decision on next stages | | | |

# Short–term Funding Requirements

The delivery of the Northland Corridor will happen over a long period of time and staging and funding are intrinsically linked which offers opportunities to explore procurement models and types of delivery packages.

To progress the project in accordance with the planned delivery schedule, the following funding is required from the NLTP 2024/2027. The corridor implementation will be staged, and we have therefore considered different scenarios for the next phase also. Five scenarios have been considered as outlined in the table below, which increases the amount of the corridor that is delivery ready for with each subsequent scenario.

| Scenario | Outcomes Achieved | | | Cost |
|---|---|---|---|---|
| | Route certainty - Designation | Delivery Ready – Statutory Approvals | Delivery Ready – Procurement | |
| 1 – Designation for the entire corridor and Statutory approvals for 2B and 3B | Entire Route | Only for 2B and 3B | None | $147M |
| 2 – Designation and Statutory Approvals for entire corridor | Entire Route | Entire Route | None | $177M |
| 3 – Scenario 1 plus Imp IC (incl. reference design) for 2B only | Entire Route | Only for 2B and 3B | Only for 2B | $187M |
| 4 – Scenario 3 plus Imp IC (incl. reference design) for 3B | Entire Route | Only for 2B and 3B | Only for 2B and 3B | $219M |
| 5 – Scenario 2 plus Imp IC (incl. reference design) for 2B and 3B | Entire Route | Entire Route | Only for 2B and 3B | $251M |

The Investment Case recommendation is to proceed with Scenario 4 for the following reasons:

- It is consistent with the Consenting Strategy
- Enables Section 2B SH12 to Waipu (Brynderwyns) to be accelerated as much as possible and be procurement ready in 2027
- Provides opportunity for early works in the northern Urban Whangarei section (3B)

**This requires funding of $219M over the next 2 years as per the following breakdown**

| Funding request* | Value ($M) | Time | Commentary |
|---|---|---|---|
| Programme management | s 9(2)(b)(ii) | July 26 to July 27 | Overarching management costs such as office costs, PMO, peer reviews etc |
| Section 2B SH12 to Waipu (Brynderwyns) Statutory Approvals and Procurement Ready | | August 25 to June 27 | This includes the investigations, engineering, planning and environmental costs of preparing the applications |
| Urban Whangārei Statutory Approvals and Procurement Ready | | | |
| Remainder of Corridor designation | | July 26 to March 27 | Obtain designation for remainder of corridor |
| Sub Total | | s 9(2)(b)(ii) | |
| Contingency and Escalation | | | |
| Total | | | |
| Admin Fee (6.5%) | | | |
| **GRAND TOTAL** | **$219** | | |

## Available Funding

- The route protection phases for Sec 2 and 3 were included as 'probable' items in the NLTP with a total 2024-27 cash flow of s 9(2)(b)(ii) The proposed request for $219m represents a significant increase compared to earlier provisions due to the acceleration of pre implementation phases for the Brynderwyns and the Urban Whangarei sections and brings forward the currently assumed pre-implementation funding from the 2027-2031 into this period if approved
- Work is progressing on a wider RoNS portfolio assessment including advice on prioritisation, costs, benefits and sequencing options for consideration at the August Board meeting. Given the increase in requested funding, there is currently insufficient information to confirm affordability and priority ahead of wider programme decisions.
- Commencing route protection phases may also invoke advanced property liability costs within the 2024-27 period. Property funds are eligible for transfer from the RoNS property bulk fund, of which there is s 9(2)(j) remaining in the Northland share for 25/26 and 26/27.

# Investment Case Approvals Sought

There is an urgent need to provide a safe, resilient and efficient State Highway connection between Auckland and Whangārei that is commensurate with its nationally strategic function. The recommended consenting strategy will route protect the long-term corridor form and function to provide certainty for Northland. By making the corridor 'delivery ready', NZTA has maximum flexibility to stage the implementation of the corridor over a number of years to respond to affordability challenges.

This investment case recommends the NZTA Board:

1. Endorse the preferred route between Te Hana and Whangārei
2. Endorse proceeding with corridor protection and delegation to lodge:
    - **Package 1**: Use Fast Track Approvals Act for Sections 2B and 3B for designations and relevant statutory approvals with lodgement estimated in Q1/Q2 2026
    - **Package 2**: Use Fast Track Approvals Act for Notice of Requirement for Sections 2A, 2C and 3A with lodgement estimated in Q3 2026
3. Endorse development of the implementation case for Section 2B SH12 to Waipu (Brynderwyn Hills), including Reference Design to be procurement ready
4. Endorse development of the implementation case for Section 3B SH15 to Whangārei (Urban Whangārei), including Reference Design to be procurement ready
5. Endorse the Northland Corridor to be tolled at a principle level (specific tolls to be determined in subsequent Implementation Investment Cases)
6. Approve funding for $205M +6.5% NZTA administration fee ($219M)

NZTA Board should note:

- s 9(2)(g)(i)
- s 9(2)(j)
- Northland Corridor Project is asking for funding to progress corridor protection and selected procurement ready activities. Implementation funding for the next section[s] will be requested separately from the Board.