



NZ Transport Agency annual reports

For the year ended 30 June 2025

Provided to the Minister of Transport and presented to the House of Representatives pursuant to section 150 of the Crown Entities Act 2004



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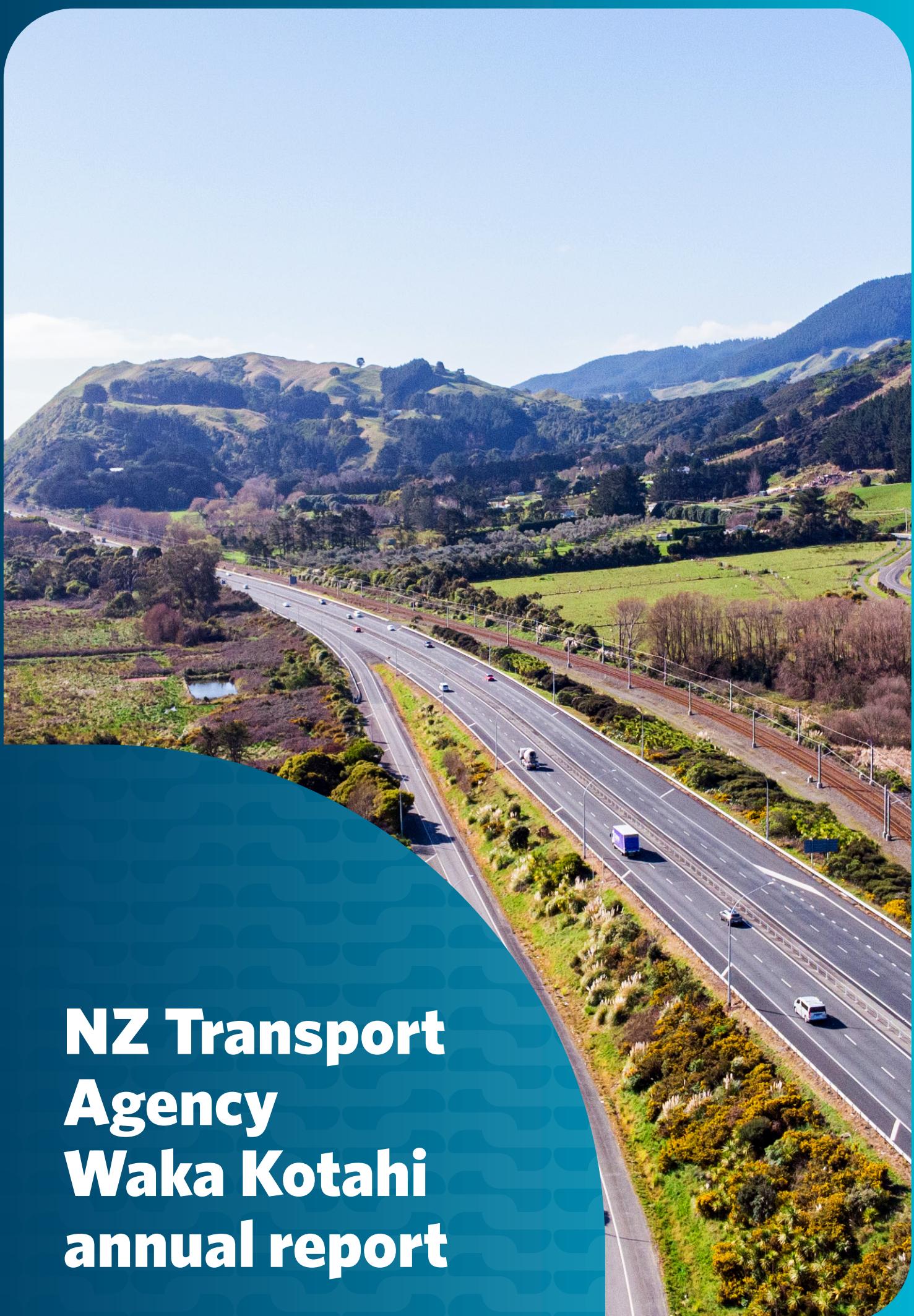
NZ Transport Agency Waka Kotahi

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NZ Transport Agency Waka Kotahi annual report

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Chair and chief executive overview

He tirohanga whānui nā te heamana me te pou whakahaere

It has been a busy 2024/25 – a year in which we worked closely with our partners and stakeholders to refocus the role of NZ Transport Agency Waka Kotahi (NZTA) in the land transport system in line with government priorities.

We implemented the first year of the Government Policy Statement on land transport (GPS) 2024, which reintroduces increasing economic growth and productivity as a priority, alongside increasing maintenance and resilience, safety and value for money. This past year was also the first year of the 2024–27 National Land Transport Programme, which sets a path forward for increased funding of core maintenance work as well as new projects.

We are committed to setting clear expectations for our role, aspirations and priorities. This translates to simplifying how we work, which underpins our new organisational strategy – Te Ara ki Tua, agreed by our Board in August 2025. This strategy refocuses us on our core roles in the land transport system: a planner, investor, regulator, deliverer, asset manager and customer service provider. It will support us to become a more modern, efficient and outcome-focused organisation that delivers our roles and provides value for money.

As part of this shift, we're on track to deliver savings across the organisation by taking actions such as strengthening our commercial capability, revising our approach to our most significant maintenance contracts, and making better use of technology.

Standardised infrastructure designs and business cases are helping us deliver faster, more consistent outcomes with lower long-term costs, supporting a more efficient, value-for-money approach to infrastructure investment. We renewed our focus on delivering the Roads of National Significance (RoNS) and Roads of Regional Significance (RoRS) programmes. Investment cases for the Roads of National Significance programmes met their mid-2025 completion targets and were presented to the Board for consideration.

This year, we marked the opening of Te Ahu a Turanga, a new four-lane highway replacing the old Manawatū Gorge Road, which closed in 2017 following major landslides. This highway is a vital connection for freight operators, businesses and the wider community, and will now deliver significantly improved safety, reliability and resilience.

The reopening of State Highway 1 Mangamuka Gorge was a notable accomplishment. Multiple weather-related landslides closed the highway in August 2022. The repair effort was a collaborative undertaking that overcame challenging and difficult terrain. We also made significant progress on the Takitimu North Link, which will provide an efficient, more reliable and safer route between Tauranga and Te Puna.

Additionally, the delivery contract was signed to commence the State Highway 2 Melling Transport Improvements, procurement commenced for the Warkworth to Te Hana section of the Northland Corridor, and pre-implementation commenced for the second Ashburton bridge.

Accelerating the use of technology, innovative transport solutions and improved information systems remains a priority for us. Our new NZTA app offers significant self-service benefits and has progressed well, growing to more than 148,000 registered users by year end. We are shifting towards digital service delivery to reduce operational costs and improve access to our regulatory and customer services. This shift is part of our Service Modernisation Programme, which is well underway.

A safe transport system is critically important and remains top of mind for us. It has been positive to see a downward trend in the number of road deaths and serious injuries over the year, although a lot of work remains. We are working at pace towards safer infrastructure, such as by repairing potholes and increasing maintenance, and are investing in new safety measures, public education, and funding for road policing and enforcement.

Ongoing challenges such as cost pressures (largely due to external operating conditions, supply chain disruptions, and the ongoing impacts of inflation) remain. The sustained impact of severe weather events challenges the resilience of both our roads and our maintenance programmes.

Bringing new public transport products to market under the National Ticketing Solution presented challenges, with timelines extending beyond initial expectations. Supplier performance, particularly market readiness, remains a focus area, and changes to the process around Integrated Delivery Contracts are underway which will improve our ability to drive performance.

Regulatory compliance continues to present complexities. We have seen improvements in driver licensing wait times, marking a significant turnaround from earlier in the year. Revenue collection also performed strongly, with ongoing efforts to ensure alignment with financial reporting standards.

The transfer of safety camera operations from NZ Police has proceeded smoothly and efficiently, and we took sole responsibility for all safety cameras from 1 July 2025.

Looking ahead, NZTA faces a substantial pipeline of upcoming projects as outlined in the 2025/26 statement of performance expectations. We are committed to implementing service modernisation and regulatory reform, both of which remain important focus areas. In addition, we are exploring some government initiatives such as fleetwide road user charges, modernising drivers licences and a new approach to the driver licensing process.

We acknowledge the hard work of all our staff, partners and stakeholders in moving us forward. Together we will deliver a transport system that is productive, is resilient and provides for economic growth now and in the future.

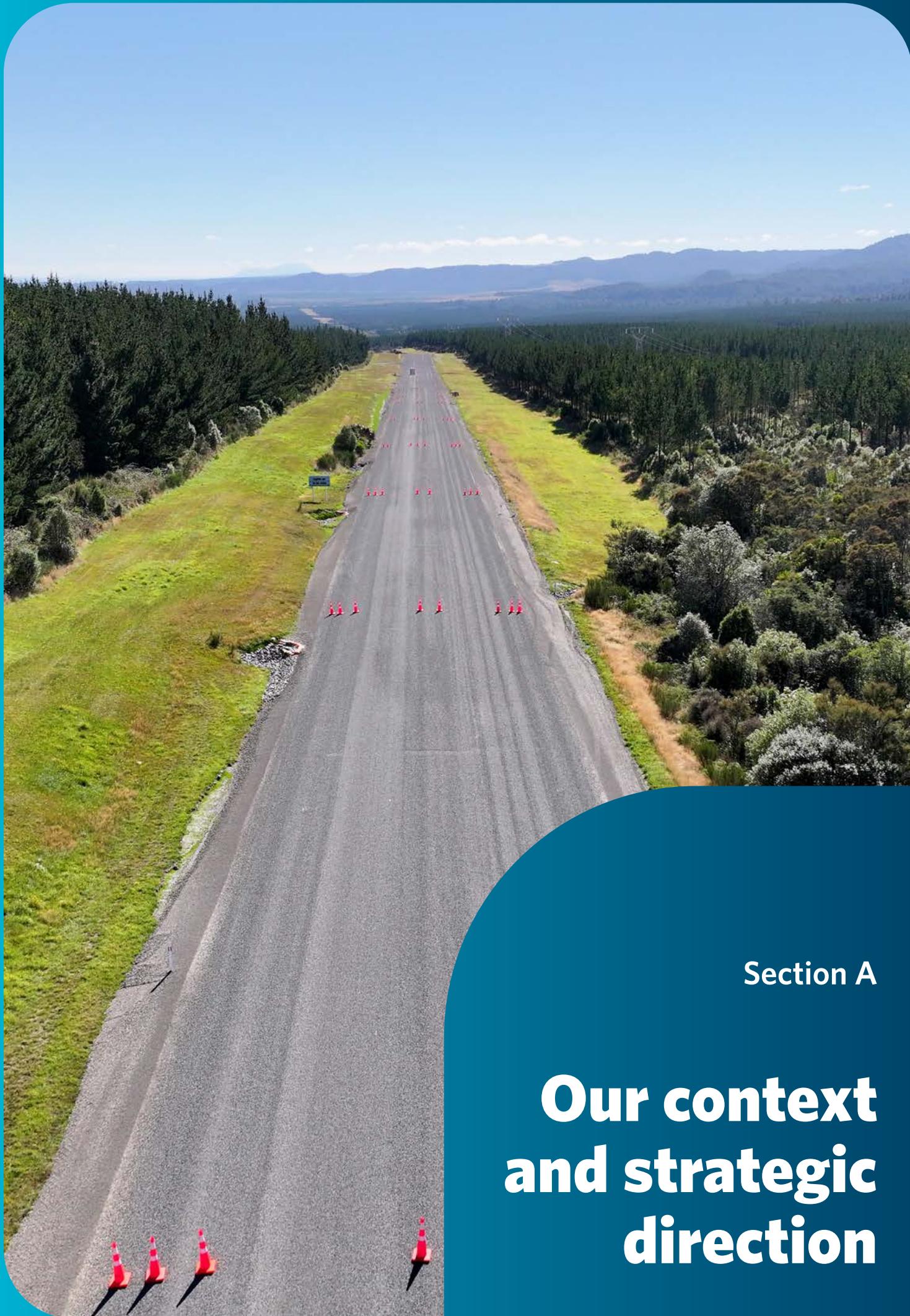


Simon Bridges
NZTA Board Chair



Brett Gliddon
NZTA Chief Executive





Section A

Our context and strategic direction

Transport outcomes framework

From a long-term investment perspective, the Ministry of Transport's transport outcomes framework guides our work and investments. The framework was launched in 2018. It describes 5 long-term outcomes for the transport system: inclusive access, economic prosperity, resilience and security, environmental sustainability, and healthy and safe people.

The New Zealand Transport Agency's land transport benefits framework aligns with the transport outcomes framework and is intended to endure as strategic priorities in the Government Policy Statement on land transport (GPS) are refreshed. Benefits and measures from the benefits framework are used in all planning and business cases for transport investment. For more information on our investment and decision-making approach and tools, visit: nzta.govt.nz/planning-and-investment.

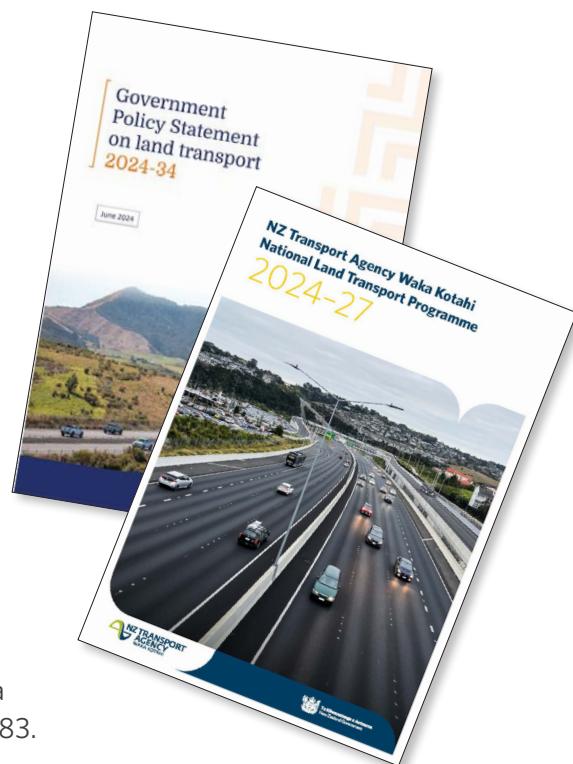
Government Policy Statement on land transport

The GPS sets out the land transport investment priorities for a 10-year period and is updated every 3 years. It guides how we invest the National Land Transport Fund (NLTF) and how we prioritise activities in regional land transport plans for inclusion in the National Land Transport Programme (NLTP). GPS 2024 reintroduces economic growth and productivity as priorities for land transport expenditure and focuses on maintaining the road network and making sure people and freight can get where they need to go quickly and safely. The 2024/25 financial year is the first year of both GPS 2024 and the 2024-27 NLTP.

The NLTP is a 3-year programme that details how we, along with our partners, plan to invest the NLTF to create a safer, more accessible, better connected and more resilient land transport system for New Zealand. The Land Transport Management Act 2003 requires NZTA to give effect to the GPS when planning and funding land transport. We prepare a separate annual report on the NLTF, which starts from page 183.

GPS 2024 has 4 strategic priorities:

- economic growth and productivity
- increased maintenance and resilience
- safety
- value for money.



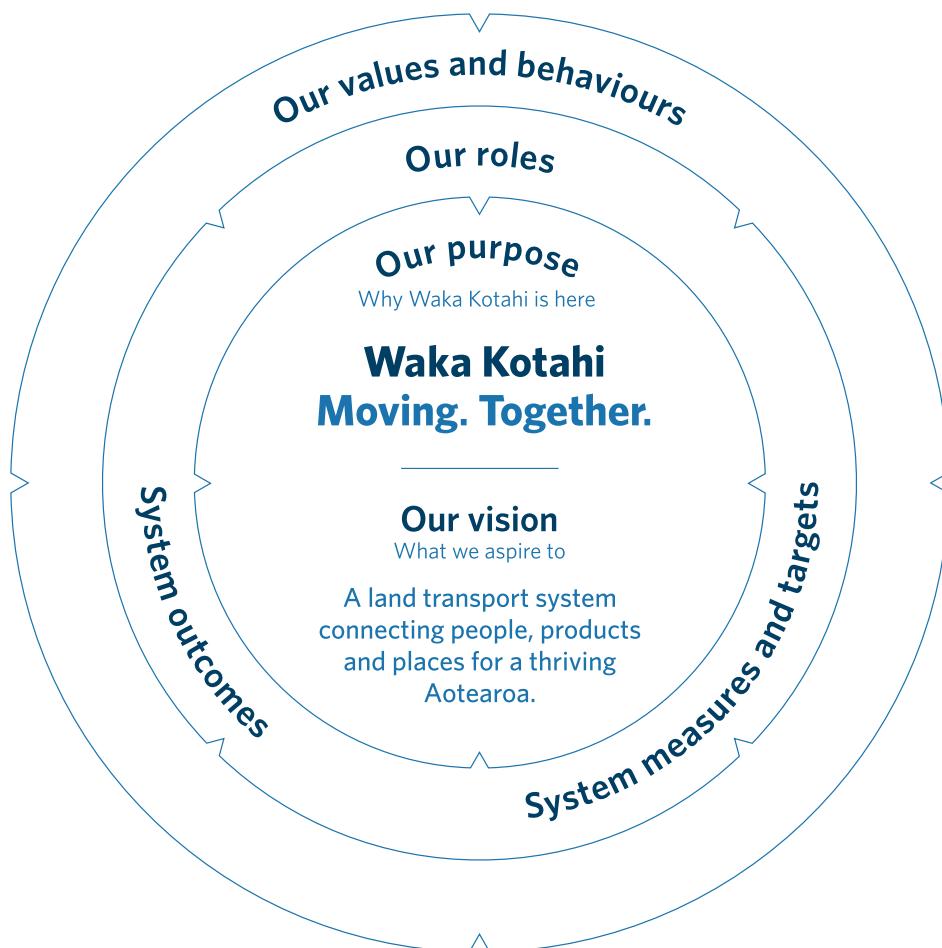
Our strategic direction – Te Kāpehu

In 2024/25, we were guided by Te Kāpehu, our strategic direction, which outlined our place and aspirations within the wider land transport system, what we wanted to achieve as an organisation and how we would go about achieving that (see figure 1).

Te Kāpehu has 4 system outcomes, which were the long-term changes to the transport system we focused on to realise our vision. These outcomes focus on a land transport system that is safe, environmentally sustainable, effective and efficient in moving people and freight, and meeting current and future needs.

Looking ahead, we are refreshing our strategic direction to align with our legislative role, frameworks and the government's transport priorities.

Figure 1 – Te Kāpehu | Our Compass



Our values and behaviours – Ngā mātāpono

Our four values and behaviours support the delivery of our strategy and shape our culture and the way we work together:



Kia Māia Be Brave

Our outcomes are better when we bring courage and self-belief to our passion and belief.



Ngākau Aroha Have Heart

We have the wellbeing of our people, community and planet at the heart of everything we do.



Kotahitanga Better Together

We achieve great things when we work together to build trusted relationships inside and outside NZTA.



Mahia Nail It

We create an enduring legacy, delivering our best work every day.

Our system outcomes

The long-term system outcomes in Te Kāpehu capture why we are here, where we were heading and what our destination is.

For each system outcome, we identify a set of NZTA results (short-term to medium-term outcomes) that capture how the system and the way we work with our partners need to change for us to achieve our long-term system outcomes.

While we group certain results under specific system outcomes, the relationship is not linear and the achievement of the same result can contribute to multiple system outcomes. We show this relationship using a colour coding system against our performance results:



**Meeting current
and future needs**



**Effectively and efficiently
moves people and freight**



Safe



**Environmentally
sustainable**

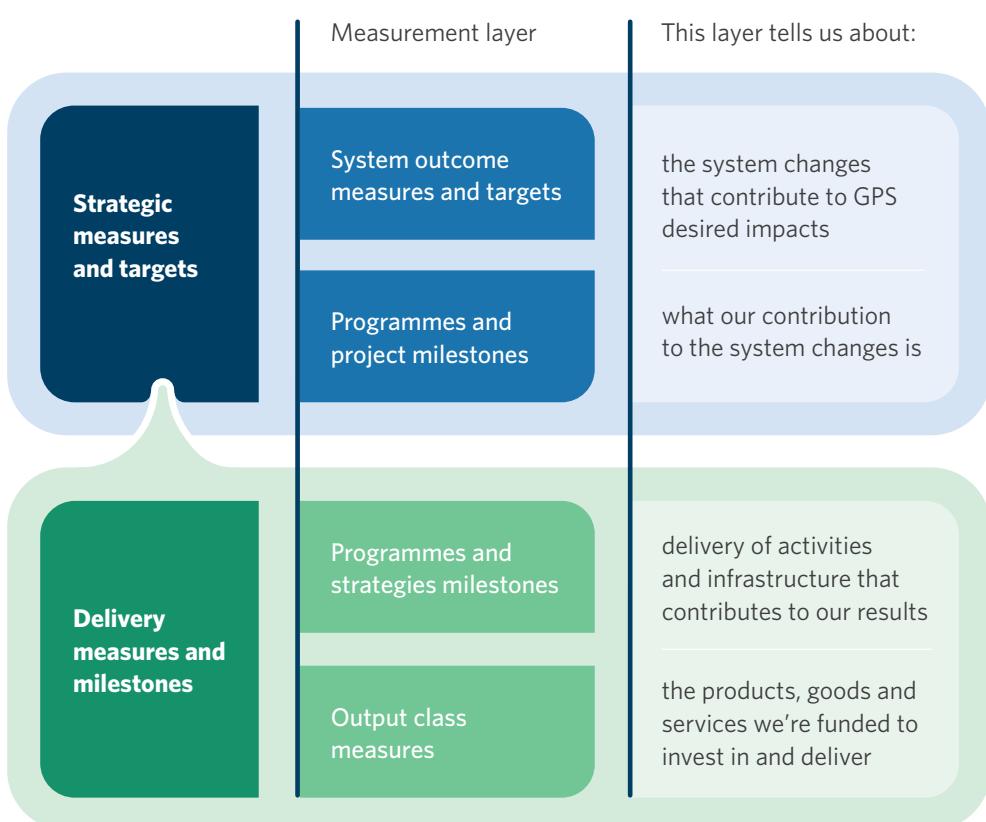
Our performance framework

Our performance framework (figure 2) helps us track progress towards achieving the strategic direction set in Te Kāpehu. It aligns with the transport outcomes framework, the GPS and other programme-specific frameworks, including those embedded in Toitū te Taiao – our Sustainability Action Plan, and Tū Ake, Tū Māia – our Regulatory Strategy.

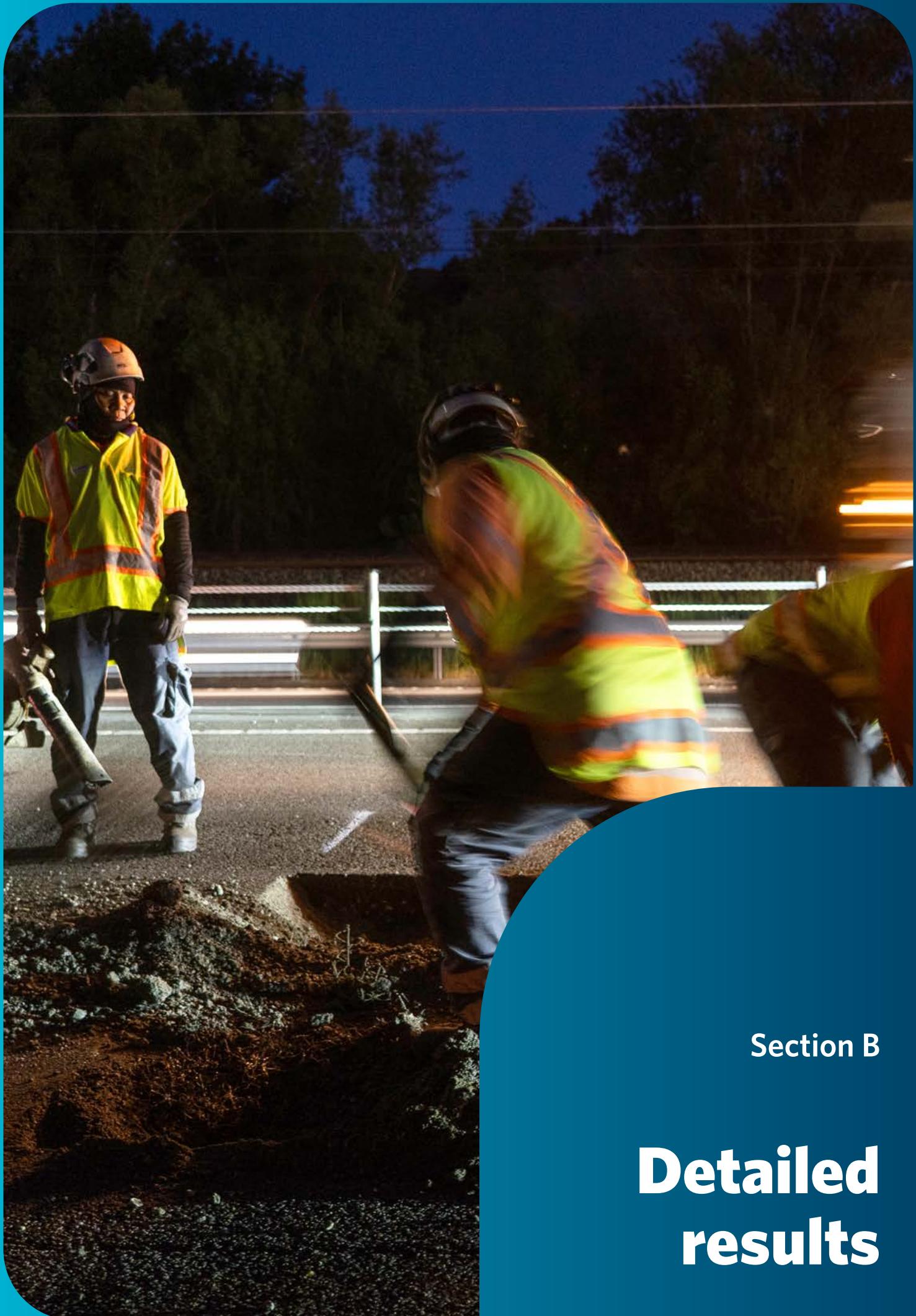
The layers of the framework measure our progress on different aspects of our strategic direction and over different timeframes. The strategic layer aligns to our system outcomes and identifies the GPS desired impacts, changes we need to see and results we aim to achieve in the short and medium terms.

The framework's delivery layer consists of what we, with our partners, invest in and deliver to achieve our results. Our delivery measures and milestones tell us whether we were effective. For detailed descriptions of our system outcomes and results, see our statement of intent for 2024-2028.¹

Figure 2 – Conceptual view of our performance framework



¹ NZTA (2024) NZ Transport Agency Waka Kotahi statement of intent 2024-2028 and statement of performance expectations 2024/25. Wellington: NZ Transport Agency Waka Kotahi. nzta.govt.nz/resources/nz-transport-agency-statement-of-intent-main-index/soi-2024-2028



Section B

Detailed results

About this section

Service performance reporting standard PBE FRS 48, which forms part of generally accepted accounting practice, establishes requirements for reporting non-financial performance information. The standard requires us to present information to help readers of the annual report understand and assess our service performance for the year.

Alongside the contextual information (in section A), this section provides a comprehensive overview of our performance outcomes for 2024/25. It details progress against our statement of intent 2024–2028 and statement of performance expectations 2024/25 and how we are delivering on transport priorities across our activities.² This section outlines progress against government priorities and Budget initiatives, strategic direction, significant activities and funded outputs.

The performance framework set in our statements of intent and performance expectations underpins how we present our performance information. In selecting and reporting measures, we make judgements and assumptions. Information on the judgements with the most significant effect on how we present our performance information are included alongside results and in the technical notes for non-financial performance measures available at nzta.govt.nz/resources/annual-report-nzta/2024-25. Why we select certain performance measures is explained in the statements of intent and performance expectations.



² (NZTA (2024) NZ Transport Agency Waka Kotahi statement of intent 2024–2028 and statement of performance expectations 2024/25. Wellington: NZ Transport Agency Waka Kotahi.nzta.govt.nz/resources/nz-transport-agency-statement-of-intent-main-index/soi-2024-2028).

Progress against government priorities and Budget initiatives

Capital project delivery

As part of the focus on economic growth and productivity, the Government Policy Statement on land transport (GPS) 2024 reintroduces the Roads of National Significance programme, introduces the Roads of Regional Significance programme across New Zealand, and sets out major public transport projects.

Over the year, we experienced some challenges in the delivery of state highway improvements, including consenting delays and programme reprioritisation. These challenges affected milestone completion (see appendix 2 on page 157). Despite these challenges, we made significant progress across our capital project programme, including:

- completing all but one of the Roads of National Significance investment cases, including the implementation investment cases for Northern Corridor – Warkworth to Te Hana and for Hawke's Bay Expressway, as well as the investment cases for Te Ara Hauāuru – Northwest Busway and Second Ashburton Bridge
- achieving progress with our Roads of National Significance programme, in particular starting construction on stage 1B of Papakura to Drury, and transitioning the Queenstown package into stage 2 of the construction sequence ahead of schedule
- opening new roads for State Highway 1 to State Highway 29 intersection improvements and Te Ahu a Turanga – Manawatū Tararua Highway
- beginning tunnelling works for Te Ara o Te Ata – State Highway 3 Mount Messenger and marine geotechnical drilling for Waitematā Harbour Connections
- restarting work on Waikare Gorge and State Highway 58 safety improvements (stage 2).

We also strengthened our portfolio, programme and project management practices. We have improved investment case and cost estimation processes through the Transforming Project Development initiative, which led to time savings and improved quality of investment cases. Our no-frills approach to project planning and scoping included using standard designs for greater efficiency.

We worked closely with the government to understand new processes and requirements under legislation such as the Fast-track Approvals Act 2024 and Public Works Act 1981. This work enabled us to identify opportunities to speed up consent applications and property acquisition. We have submitted referral applications for Mill Road and Takitimu North Link under the Fast-track Approvals Act 2024. We expect to lodge the substantive application for Mill Road, Belfast to Pegasus and Te Ara Hauāuru – Northwest Busway later this year, with others to follow in 2026-27.

We continue to consider the full range of funding and financing opportunities, including public-private partnerships, as we develop investment cases.

Significant Budget initiatives

Through the Budget process, the government allocates funding to deliver its strategic objectives and priorities. Table 1 identifies where reporting on progress for significant Budget initiatives we delivered or deliver can be found.

We have considered significant initiatives to be those completed within this reporting period (2024/25) and with funding of at least \$1 million.

Table 1 – Location of reporting on significant Budget initiatives

Initiative	Budget year funded	Location
National Resilience Plan: Phase 1 – transport package	Budget 2024	156
North Island Weather Events – road response, recovery, rebuild	Budget 2024	23, 168 and 170
National Resilience Plan: Phase 2 – transport package	Budget 2024	156
Public Transport Bus Decarbonisation – return of funding ^A	Budget 2025	167
Transport Resilience Fund – return of funding ^A	Budget 2025	169

^A We returned some previously allocated funding for projects that were stopped or reduced in scope. For further details, refer to the financial statements from page 59.

Significant activities

Our significant activities, identified in our statement of performance expectations for 2024/25, are what we planned to achieve through our major programmes, strategies and initiatives aligned with our Minister's letter of expectations and GPS 2024. Table 2 identifies where reporting on progress for each activity can be found.

Table 2 – Location of reporting on significant activities

Significant activity	Location
Meeting current and future needs	
1.1 Begin reporting on phase 1 of the Performance and Efficiency Plan required under GPS 2024 to drive performance and efficiency across all transport investments and continue working with the Ministry of Transport to refine the plan.	19
1.2 Deliver an internal effectiveness and efficiency plan aligned with the performance and efficiency plan.	19
1.3 Provide joint advice with the Ministry of Transport on a review of the National Land Transport Fund's (NLTF's) revenue system.	18
1.4 Develop a new project development approach, in response to the GPS 2024 expectation, to be in place for all Roads of National Significance projects and continually refined over the year to look for additional savings.	18
1.5 Implement the automatic road user charges invoicing from weigh-in-motion data.	24
Effectively and efficiently moving people and freight	
2.1 Investigate new funding and delivery models for major public transport and Roads of National Significance investments.	18

2.2 Mobilise the design, build, implementation and support activities for the National Ticketing Solution programme to deliver the pilot and full launch in Environment Canterbury and to plan for Greater Wellington Regional Council and Auckland Transport.	24
2.3 Work with KiwiRail to develop the Rail Network Investment Programme for 2024-27.	35
2.4 Provide the Minister of Transport with quarterly reviews of temporary traffic management from October 2024, including total cost and cost as a percentage of works, to ensure efficiency and effectiveness are being achieved, with a focus on increasing available data in further iterations. The first report will include information for each of the 3 previous financial years.	31
2.5 Enable self-service actions in the NZTA app (such as viewing demerit points and changing contact details) for public use from June 2025.	24
2.6 Deliver the customer strategy and associated roadmap that will improve the customer experience at NZTA.	24

● Safe

3.1 Work with the Ministry of Transport, New Zealand Police and our local government partners to contribute to the government's new approach to road safety, which will focus on safer roads, safer drivers and safer vehicles.	29
3.2 Deliver a risk-focused audit programme of our temporary traffic management process, which aims to ensure delivery partners and operational groups understand and manage their safety risks.	31

● Environmentally sustainable

4.1 Work with the Ministry of Transport and Ministry for the Environment to support development of the second emissions reduction plan.	36
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Responding to ministerial directions

As a Crown entity, we receive written directions from the Minister of Transport (as our responsible Minister) as well as from the Minister of Finance and the Minister for the Public Service who may issue joint whole-of-government direction. Ministerial directions may be issued for several reasons, including when the government changes, government direction changes significantly or a minister needs to specify certain expectations.

We received no written instructions from the Minister of Transport in 2024/25. Several previously issued directions continued to apply for some or all of 2024/25. These include directions to:

- amend to the Land Transport Rule: Setting of Speed Limits 2022 (June 2024)
- support a whole-of-government approach to implementing the Carbon Neutral Government Programme (March 2022)
- give effect to government policy in the administration of rebates under the Clean Vehicle Discount Scheme (February 2022)
- manage the delivery of any activities approved under section 20 of the Land Transport Management Act 2003 that are funded or to be funded out of the coastal shipping activity class in the National Land Transport Programme (NLTP) (December 2021)
- carry out an additional function to plan, fund, design, supervise, construct and maintain rapid transit networks and/or projects, including light rail (May 2018)
- support whole-of-government approaches to procurement, information and communication technology, and property (April 2014).

Listening, learning, and acting

Strengthening the voice of the customer

In 2024, we launched the Voice of Customer survey to better understand how New Zealanders interact with its services. The survey initially ran as a trial and has now been permanently adopted, demonstrating our commitment to using customer insights in the delivery of modern, efficient customer experiences.

Between October 2024 and June 2025, the survey collected real-time feedback across online transactions and contact centre interactions, measuring satisfaction, ease of interaction, whether issues were resolved on first contact, and how likely customers are to speak positively about NZTA based on their interactions. An average of 4200 responses were received each month.

Following analysis and prioritisation of the services and products causing the most frustration, we took targeted action to improve them.

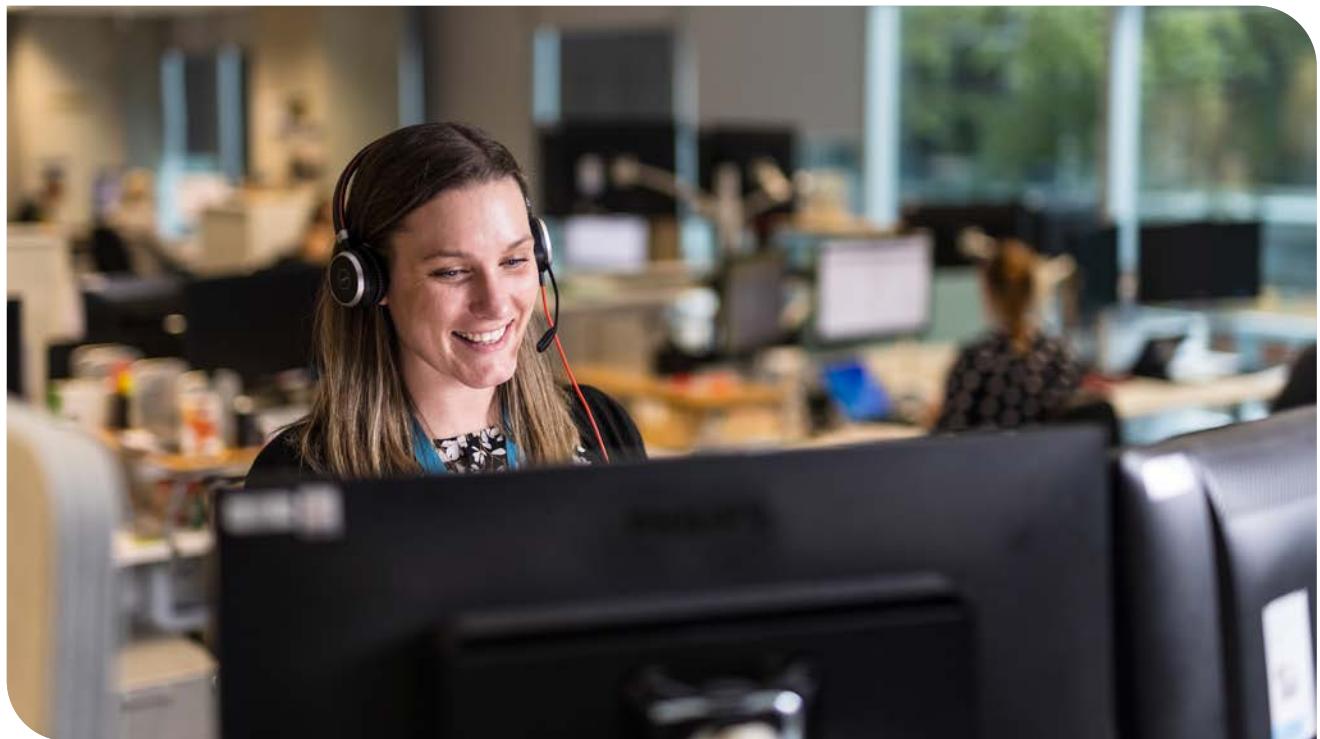
Some examples of changes made so far include:

- customers can now set different delivery addresses for their vehicle registrations online
- starting the implementation for customers to view and update their contact address details using the NZTA app.

We expect that this work will improve the usability of our website and potentially reduce call numbers to our contact centre.

Throughout the trial period, satisfaction scores were as high as 79 percent, ease of interaction 89 percent, and the number of transactions that were resolved at first contact with NZTA increased to 85 percent.

Voice of Customer will continue to ensure that we meet the needs of New Zealanders who access, pay for and use the land transport system. Our focus on improved customer satisfaction will lead to consistent, seamless customer experiences and enhanced productivity.



Progress toward our system outcomes



Meeting current and future needs

Meeting current and future needs is about ensuring we have access to the people, funding and systems we need

Our investment in this area enables us to deliver across our other 3 system outcomes. It is about ensuring that the way we work enables us to meet the needs of current and future users and aligns to the priorities of GPS 2024.

Maintaining the road network asset

GPS 2024 directs us to put users first and to deliver a well-maintained, reliable, resilient and safe land transport system efficiently so every dollar works harder. That means smoother day-to-day journeys, fewer disruptions when the unexpected happens, and smarter choices so congestion reduces over time and more people confidently choose public transport.

People and goods need to be able to move around easily, with less congestion, increased patronage on public transport and more efficient supply chains for freight.

Resurfacing is one of the most cost-effective ways we can look after our roads. It renews the waterproof seal that protects the underlying pavement from water and heavy vehicle wear, reducing the risk of potholes and premature failure. Because resurfacing is seasonal, most delivery occurs in warmer, drier months to ensure quality and durability. We track resurfacing by the share of the state highway network renewed each year. In 2024/25, the target was 7 percent (about 1690 lane kilometres), which we exceeded by resurfacing about 8 percent (1928 lane kilometres). We also rehabilitated 1.4 percent (349 lane kilometres) of the pavement network across New Zealand, exceeding the target of 0.9 percent (217 lane kilometres).

Funding for the new pothole prevention and operations activity classes allows us to allocate more to programme resurfacing and other renewals, with over \$1 billion signalled across 2024–27 for state highway maintenance, including more than \$400 million ring fenced for state highway pothole prevention.

Alongside these operational improvements, we developed our State Highway Strategy, which supports a national tactical plan to improve data, planning and programme consistency. As new delivery arrangements bed in, we will review targets to ensure they are realistic and are driving better outcomes.

Building a sustainable system

The demands on New Zealand's land transport system continue to grow, driven by population growth, the need for greater resilience, and demand for a safe, reliable and well-maintained network. In this context, sustainable funding has become both a challenge and a strategic priority for us.

In 2024/25, we secured funding certainty for the next 3 years through a mix of sources outlined in GPS 2024. This stability has enabled us to plan with greater confidence while accelerating work on long-term revenue solutions with our partners.

A key milestone this year was the establishment of a joint revenue programme with the Ministry of Transport and The Treasury. Together, we are implementing the recommendations of the Land Transport Revenue Review. This collaboration reflects the importance of partnerships and our shared commitment to designing a funding system that is fair, future-focused and responsive to user needs.

While cost escalation pressures stabilised in the second half of the year, the gap between projected revenue and the investment required to maintain and improve the network continues to widen. This reinforces the need for a sustainable funding model that delivers value for money and supports long-term resilience.

Looking ahead, we will continue working with the Ministry of Transport to develop a funding system that supports the ambitions of GPS 2024 and ensures the transport network can meet the needs of all New Zealanders.

Implementing the decision-led project development approach

We developed a new development approach for all Roads of National Significance projects. All Roads of National Significance now actively pilot the decision-led project development approach, with investment cases progressing toward completion. This marks a significant shift toward more targeted, efficient decision-making in infrastructure planning.

We have formally adopted the new approach across all state highway investment cases. Early results demonstrate that the approach enables more robust investment cases, accelerates delivery timelines and enhances strategic clarity. Benefits already observed include faster cost-effective outcomes through improved sequencing and clarity, as well as better scope, budget and risk management. The approach aligns with Treasury's Better Business Cases methodology and the 5-case model, and it is both scalable and flexible, making it fit for purpose for projects of all sizes.

This transition positions us to lead with greater agility and consistency across our national transport portfolio. The new approach will be applied to other projects from July 2025.

Partnerships are critical to delivering our outcomes

Partnerships are at the heart of how we deliver value for New Zealanders. Whether we're investing in infrastructure, shaping policy or improving safety outcomes, our ability to work effectively with others determines our success.

In our role as investor, we've continued to strengthen relationships with local government and approved organisations. These partnerships are built on shared accountability, transparency and a commitment to delivering value for money. Through the development of the latest NLTP, we worked closely with our investment partners so transport solutions reflect the needs of local communities and align with government priorities.

Our stakeholder satisfaction score rose to 70 percent, the highest score since 2019 (figure 3). Improvements were driven by better communication, responsiveness and collaboration. Our professionalism and interest in stakeholders' work contributed significantly to this result.

Figure 3 – Partnerships and engagement with stakeholders (co-investment partners), stakeholder satisfaction



This year, our performance measure result for partnerships and engagement with Māori, based on annual survey feedback from Māori stakeholders, fell. While still meeting target, our overall Māori partnership score dropped 11 percentage points to 46 percent. Four key drivers of partnership saw significant declines: recognition of Māori as equal partners; provision of sufficient time, funding, and resources to foster relationships; delivering on our commitments; and understanding and meeting the needs of Māori.

We regularly monitor our staff engagement progress through Tapatahi, our staff engagement survey. This year, we increased our result for engagement to 7.6, increasing on last year's score of 7.5 despite an environment of significant organisational change. The results show that autonomy, management support and goal setting are areas of strength, with opportunities to improve in the areas of development, careers and communication. For more information on our organisational foundations and the work we are doing for our staff, see appendix 5 on page 173.

Focusing on performance and efficiency

During the year, we began reporting on the first performance and efficiency plan in our quarterly reports and published the plan's second iteration. The plan aims to drive performance and efficiency across all transport investments in alignment with expectations in GPS 2024. We also prepared an internal performance and efficiency plan that aligned with the performance and efficiency plan.

Our simplification programme, known as MOVE, aims to identify and deliver significant operational savings, efficiencies and simplification across the organisation. This year, we began work to scope the second step of this plan.

Measuring our performance

Results measures

Reference	Measure	Status	Target	2024/25 actual	2023/24 actual
Improved asset sustainability ●●●					
MEET2	Proportion of the state highway network that meets minimum asset condition requirements ^A	Achieved	93% or greater	93%	New measure for 2024/25
MEET3	Expenditure on state highway renewals as a proportion of depreciation (asset sustainability ratio) ^B	Not achieved	Pavement (base): 35-100% Pavement (surface): 70-110% Drainage: 25-100% Traffic facilities: 20-75% Bridges: 20-65%	Pavement (base): 316% Pavement (surface): 71% Drainage: 19% Traffic Facilities: 16% Bridges: 17%	Baseline and target set

Our focus for 2024/25 was primarily on pavement resurfacing and renewals, with a small but focused growth in delivery of our other assets in coming years to prevent unnecessary strain on drainage, traffic services and bridges. While pavement resurfacing and renewals and drainage renewals increased over the year, continued investment in other assets was also maintained.

The new State Highway Strategy supports the National Tactical Plan and Lifecycle Asset Management Plan to improve how we manage and maintain our assets, from maintaining consistent asset condition and record keeping to improving asset valuation to planning 1-year, 3-year, 5-year and 10-year programmes. These programmes will outline minimum asset maintenance and renewal activity, improving this result.

After we finish choosing contractors through the new delivery process, we'll review our targets. This will help us better understand what's really needed and what the sector can handle, so we can set clearer and more realistic goals.

Better partnerships

COL1	Partnerships and engagement with Māori (average performance score of key strategic relationship drivers of Māori partnerships)	Achieved	45% or greater	46%	57%
COL2	Partnerships and engagement with stakeholders (co-investment partners)	Achieved	54% or greater	70%	60%

In 2024/25, external stakeholder satisfaction rose to 70 percent, the highest since the survey started in 2019. 'Very satisfied' responses increased from 13 percent in 2024 to 21 percent in 2025. This result is driven by improvements in our working relationships with stakeholders, including gradual improvements in key areas such as prioritising the needs of stakeholders' organisations, commitment to partnership and internal collaboration across NZTA. Our professionalism, communication, responsiveness to problems and queries, and interest in stakeholders' areas of work or region have also driven satisfaction.

An engaged workforce

DEL1	Staff engagement (overall engagement score out of 10)	Achieved	7.5 or greater	7.6	7.5
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^A The methodology for this measure changed for 2024/25. As a result, the baseline and targets were updated and the previous year's results are no longer comparable. Targets for the next 2 years are to maintain condition while we respond to pricing challenges, reduce the trend in decay and prepare to improve overall condition from 2027/28.

^B An asset sustainability ratio of 100% indicates that renewals are being done at the level required to maintain asset condition.

Case study

iPAVe

Using iPAVe to target maintenance where it's needed most

The Intelligent Pavement Assessment Vehicle (iPAVe) is a high-tech survey truck we use to assess the health of the state highways at normal traffic speeds. Advanced sensors like the Traffic Speed Deflectometer (TSD) and ground penetrating radar (GPR) help us detect weak spots in the road before they become visible problems.

By collecting this data quickly and safely, we can:

- plan better repairs that last longer
- avoid emergency patching
- keep roads open and workers safe.

iPAVe information feeds our asset management models, helping prioritise maintenance and renewals and directing limited funds to the right places at the right time. Collecting this data at traffic speed also reduces the need for road closures and manual surveys, improving safety for road workers and the public.

As part of our 2024-27 programme, we're surveying the entire state highway network annually to track changes and respond faster after weather events. Later in 2025, a new iPAVe-4 vehicle will be based in New Zealand, giving us faster access, the ability to support local roads, and with upgraded sensors to offer deeper insights into road conditions.

iPAVe's data enables more targeted reviews and helps identify road weaknesses early. This helps plan interventions that last longer and reduce reactive patching, saving money and reducing disruption to users.

Overall, iPAVe provides better value for users of the NLTF by directing investment to priority renewals and reducing costly reactive works. It also improves safety for workers and customers, aligning with our broader outcomes framework.



Effectively and efficiently moving people and freight

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

Our investments in this area, aim to provide reliable, accessible transport networks that encourage efficient, cost-effective and low-carbon travel. Guided by GPS 2024, our investment focuses on safely connecting people and freight, supporting economic growth and delivering better outcomes for New Zealanders.

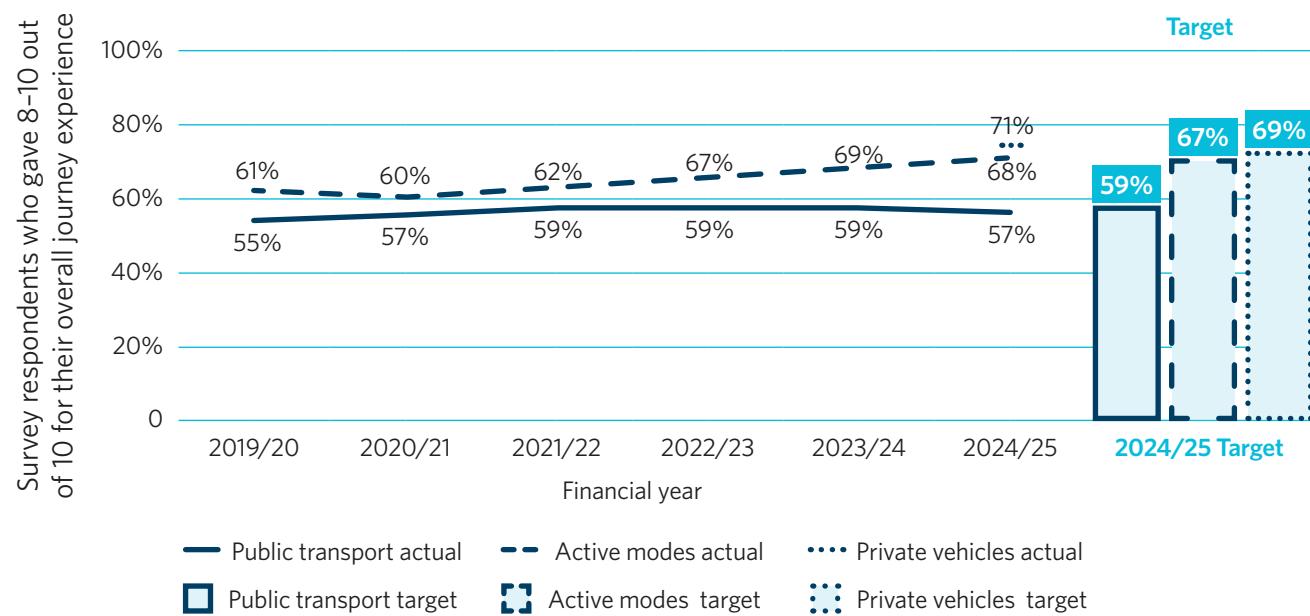
Keeping New Zealand moving by maintaining, improving and planning for a reliable and safe network

In 2024/25, more people chose public transport. Urban public transport boardings reached just over 159 million. This resulted in an increase on last year's result, supporting the GPS 2024 desired impact of less congestion through increased public transport patronage.

We also improved the experience for people travelling on the state highway network; 57 percent of survey respondents rated their overall journey experience 8-10 out of 10, which improves on the baseline result of 49 percent, see figure 4. While we had an increase in the user experience on our state highway network, we also saw a decrease of 2 percentage points in the user experience of public transport and active modes of transportation.

We implemented the government's new speed rules, resulting in more than 80 speed changes across the state highway network.

Figure 4 – User experience of transport network by mode (percentage of survey respondents who gave 8-10 out of 10 for their overall journey experience)



A new mode has been added to the measure to monitor user experience of private road vehicle drivers in 2024/25.

Investing in a resilient network

As the steward of the land transport system, NZTA continues to invest in a network that is not only reliable but resilient. Resilience means more than adapting to climate change. This year, it meant responding to emergencies, recovering from severe weather and planning for future disruptions.

We continued the long tail of recovery from the North Island weather events of early 2023, which caused widespread damage to the network. Our resilience programmes, including the North Island Weather Events programme, remained active, with ongoing claims being managed and infrastructure restored.

The North Island Weather Events programme is one of the largest coordinated recovery efforts in recent history. By May 2025, over 90 percent of the total state highway recovery programme had been delivered in Northland and Coromandel, and just over 60 percent completed in Tairāwhiti and Hawke's Bay. The Local Road recovery programme is expected to continue through to 2029.

A strategic recovery framework developed in response to Cyclone Gabrielle is now guiding decisions when major or repeated damage occurs. This framework supports long-term recovery choices and helps ensure resilience is built into every stage of planning.

Despite strengthened pre-season readiness, weather-driven closures took longer to resolve than targeted, 57 percent were resolved within standard timeframes against a 60 percent target. This shortfall reflects the increasing frequency and severity of weather events and reinforces the need for resilience planning that goes beyond climate impacts to include emergency readiness and critical route planning. For weather-related road closures, our approach has evolved to prioritise safety over keeping roads open.

Our response to non-weather unplanned closures showed strong performance. We work closely with our partners in emergency services to improve how quickly we can reopen roads after serious incidents close them. We worked alongside NZ Police, Fire and Emergency New Zealand and Hato Hone – St John to meet our target of resolving 93 percent of these closures within standard timeframes, exceeding the 90 percent target. This partnership approach is reducing delays and improving safety outcomes for road users.

Delivering better experiences for our customers

In 2024/25, we made significant strides in transforming how customers engage with us by putting the customer at the centre of our services and modernising them to increase internal efficiency and effectiveness. This makes it easier for people to engage with us, whether renewing a licence, checking vehicle details or accessing transport services.

In October 2024, we launched a new customer strategy. Key initiatives include a voice of the customer survey, the digitisation of forms and processes, new customer relationship management and communication platforms, and better complaint management.

We launched the NZTA app, which had 148,000 users at the end of June. This app is a modern way to deliver services and collect revenue. The app offers customers a simple way to view their driver licence and motor vehicle details, request a certificate of particulars and initiate common transactions.

Public engagement with the app is strong, reflecting a clear demand for digital-first services. This increase in digital uptake reduced pressure on our traditional service channels, contributing to cost-effective service delivery.

Recent updates to our app and other digital services make it easier for customers to complete transactions with us. We recorded a 3 percent increase in respondents noting these improvements, especially for test bookings, licence renewals and queries or complaints handling. We will continue to reduce digital transaction effort through our online channels.

While digital tools improved access to our services, we also addressed persistent challenges in our contact centre. Wait times have once again been significantly reduced from averaging 4 and a half minutes last year down to 2 minutes this year.

We also progressed the rollout of the National Ticketing Solution, branded as Motu Move. This initiative will unify public transport payment systems across the country, offering more flexible payment options and encouraging greater uptake of public transport.

Exploring innovative funding and financing for major transport projects

As part of investigating new funding and delivery models for major public transport and Roads of National Significance investments, we convened the inaugural Transport Funding and Financing Working Group in June 2025. This group involved NZTA, National Infrastructure Funding and Financing, the Ministry of Transport and the Treasury. Under the terms of reference, NZTA as project leaders provide the group with project details and identify opportunities for alternate funding and financing, including tolling, infrastructure funding and financing, and development contributions.

We continue to support the Ministry of Transport with its market sounding process for potential toll road concessions.

Measuring our performance

System outcome measures

Reference	Measure	Status	Target	2024/25 actual	2023/24 actual
MOVE2	User experience of transport network by mode (percentage of survey respondents who gave 8–10 out of 10 for their overall journey experience) ^A	Not achieved	Public transport: 59% or greater Active modes: 67% or greater Private vehicles: 69% or greater	Public transport: 57% Active modes: 68% Private vehicles: 71%	Public transport: 59% Active modes: 69% New mode added from 2024/25

Satisfaction with public transport declined slightly, falling 2 percentage points below the previous year's result and the target for this year. Active modes maintained a score of 68 percent, meeting the target and being consistent with the 67–69 percent result we have seen since 2022/23. Private vehicle satisfaction showed a slight improvement, rising from 69 percent in 2023/24 to 71 percent. These results suggest steady user experience of active travel modes and growing satisfaction with private vehicle use, while public transport may require targeted improvements to meet expectations.

MRFN1	Interpeak predictability of travel times on priority freight routes (percentage of trips completed within expected timeframes)	Achieved	Maintain or increase from baseline ($\geq 90\%$)	90%	89.5%
APD1	Arterial productivity (average number of people moving in major urban areas during peak hours)	Not achieved	Maintain or increase from baseline Baseline = 225,100 combined people-kilometres	Auckland (local roads): 29,100 average people-kilometres travelled per hour morning peak Auckland (state highways): 199,700 average people-kilometres travelled per hour morning peak Combined people-kilometres: 228,800 2024/25 compared with a baseline of 225,100	New measure for 2024/25

Network productivity across Auckland increased relative to the baseline. This year, a marginal decrease in local arterial results of 0.7 percent was more than offset by an increase in state highway productivity. However, for the measure to be considered achieved, both the local road and state highway networks must increase in productivity.

The opening of the City Rail Link in 2026 is likely to have a positive impact on results, as it is expected to decrease average travel time into the central city. However, ongoing developments and urban growth will continue to add pressures to the transport network.

Reference	Measure	Status	Target	2024/25 actual	2023/24 actual
ATT1	Arterial travel time (average travel time across the arterial network in major urban areas)	Not achieved	Maintain or increase from baseline Auckland (state highways) baseline: 11.1 minutes per 10km Auckland (local roads) baseline: 22.4 minutes per 10km	Auckland (state highways): 11.1 minutes per 10km travelled morning peak Auckland (local roads): 22.8 minutes per 10km travelled morning peak	New measure for 2024/25
RES1	Proportion of unplanned road closures resolved within standard timeframes ^B	Not achieved	Weather events: 60% Other events: 90%	Weather events: 57% Other events: 93%	New measure for 2024/25

The target for this measure is to reduce travel time from the baseline. While travel time has improved on state highways, delays on local roads slightly increased by 2 percent. In Auckland, we would expect to see small increases in delays each year due to population growth. This is usually balanced out by capital projects as they come online. As the baselines were set after the COVID-19 pandemic, current results may reflect people's gradual return to the central city.

The opening of the City Rail Link in 2026 is likely to have a positive impact on results, decreasing average travel time into the central city. However, ongoing developments and urban growth will continue to add pressures to the transport network.

This result shows mixed performance, with the resolution rate for weather-related events at 57 percent, falling short of the target of 60 percent. This shortfall reflects the ongoing challenges posed by increasingly frequent and severe weather events, which continue to affect our ability to respond within standard timeframes.

In contrast, the resolution rate for other unplanned events was 93 percent, exceeding the target of 90 percent. This result shows recent improvements in incident response are working well to improve network reliability and reduce disruption for road users.

The weather event target was raised from 50 percent after strong performance last year. This year's result is still within a reasonable margin of the target and reflects ongoing resilience efforts and operational improvements.

For weather-related road closures, our approach has evolved to prioritise safety over keeping roads open. Winter is our busiest season, and we've strengthened our pre-season readiness through workshops, scenario planning, and coordination with Civil Defence and NZ Police. We've also enhanced public messaging during severe weather events, using social media, roadside signage and regional alerts to manage customer expectations.

^A A new mode has been added to the measure to monitor user experience of private road vehicle drivers.

^B The methodology for this measure changed in 2024/25. The target timeframe for urban events has increased from 2 hours to 4 hours to ensure we're measuring against the most up-to-date figure (the previous 2-hour target was more than 10 years old). Due to the change in methodology, previous results are not comparable. The target for weather events has increased from 53 percent to 60 percent, reflecting our intention to improve performance in this area.

Results measures

Reference Measure	Status	Target	2024/25 actual	2023/24 actual
Improved user experience on the state highway network ●				
SHU1 State highway user experience (percentage of survey respondents who gave 8-10 out of 10 for their overall journey experience on state highways)	Achieved	53% or greater	57%	New measure for 2024/25
Improved service quality and customer satisfaction ● ●				
CSD1 Digital service quality (percentage of survey respondents who said that little or no effort was required to transact with us via online channels)	Not achieved	78% or greater	74%	New measure for 2024/25
<p>Overall, 74 percent of people said the process required 'little or no effort', which is 4 percentage points below target. In the survey, relicensing a motor vehicle achieved 89 percent, exceeding the target. Buying road user charges (74 percent) and paying a road toll (72 percent) were just below target. Booking a driver licence test remains well below target at 46 percent, although this has shown steady improvement, up 4 percentage points from last year.</p> <p>In 2024/25, booking practical driver licence tests online was negatively affected by long wait times, up to 90 days. A significant programme of work has since been implemented, reducing average wait times to just 2-6 days. These improvements are already contributing to improved customer satisfaction. While more work is yet to be done to improve this result, our work this year shows a steady improvement.</p>				
DEL3 Overall service quality (percentage of survey respondents who said that little or no effort was required at service touchpoints when transacting with NZTA)	Achieved	63% or greater	65%	62%
TDD1 Percentage of transactions that can be done digitally	Achieved	42% or greater	45%	New measure for 2024/25

Te Ahu a Turanga - Manawatū Tararua highway

Te Ahu a Turanga - Manawatū Tararua Highway opened in June 2025. Following the permanent closure of State Highway 3 through the Manawatū Gorge after major landslides, it has restored a critical transport connection between Ashhurst and Woodville.

As a key freight corridor, the highway strengthens the national network by improving safety, regional development, and access to employment, essential services and tourism opportunities.

Construction began in 2021, delivered by an alliance of NZTA, Fulton Hogan, HEB Construction, Aurecon, WSP, Rangitāne o Manawatū, Rangitāne o Tamaki nui-a-Rua, Ngāti Kahungunu ki Tāmaki nui-a-Rua, Te Runanga o Raukawa (Ngāti Raukawa ki te Tonga and Nga Kaitiaki ō Ngāti Kauwhata).

Pioneering in its construction, Te Ahu a Turanga includes Parahaki Bridge, with the widest balanced cantilever design in the southern hemisphere. The project's 6.5 million cubic metre earthworks programme has made the highway more durable and reduced long-term maintenance needs. The highway includes 6 major structures, 2 of which are more than 300 metres long.

The route includes land excavations up to 55 metres deep and embankments up to 28 metres high, with roundabouts at both ends to manage traffic flow.

Designed to carry up to 9000 vehicles per day, including a high proportion of heavy freight, the 11.5km highway has 2 lanes in each direction, separated by a flexible median barrier. Travel times have been halved compared with the Saddle Road detour. The route includes rest areas, scenic lookouts over Ashhurst, Woodville and Te Āpiti Wind Farm, and a shared path improving access and recreation.

Te Ahu a Turanga demonstrates how focused investment in core transport infrastructure can deliver durable, efficient outcomes. Its design and delivery reflect a clear commitment to resilience, performance and long-term value, ensuring the corridor will continue to meet national transport needs well into the future.



Safe

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

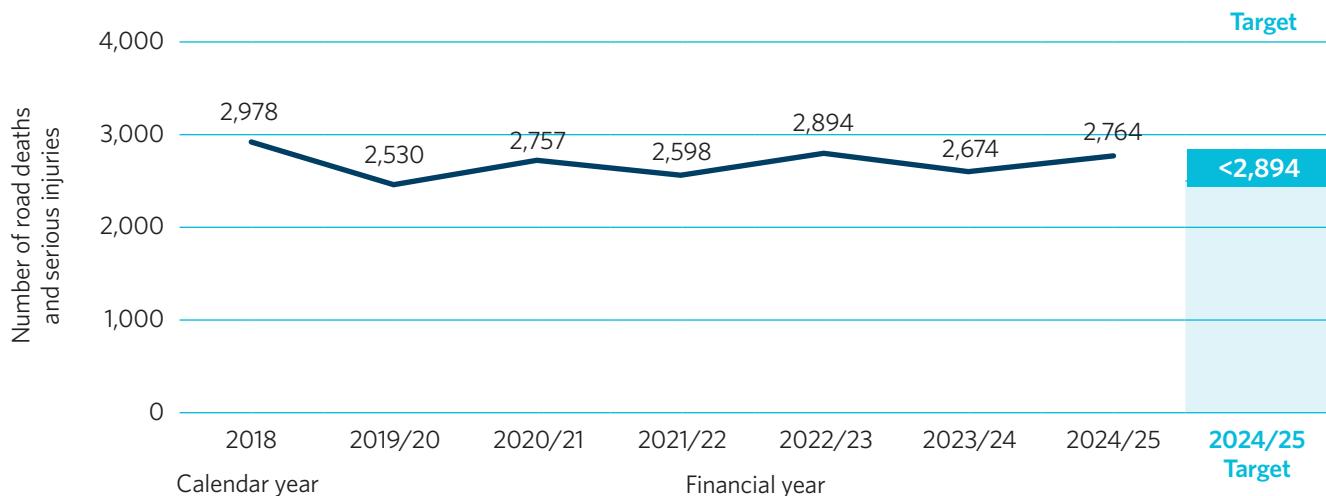
As a regulator, funder and road controlling authority for state highways, NZTA plays a critical role in improving road safety, delivering against Land Transport Management Act 2003 functions, GPS investment signals and actions under the road safety objectives. A key part of NZTA's role is to improve safety and reduce the risk of harm across the land transport system.

Keeping people safe on our roads

We work in partnership with NZ Police to reduce harm. The overall downward trend in long-term road safety performance (as measured by the number of deaths and serious injuries) continues, although the 2764 deaths and serious injuries in 2024/25 are an increase on the previous year's result (see figure 5). This downward trend is associated with targeted implementation of safety improvements across state highways and local roads and significant improvements in the level of road policing activity over the last 2 years.

Road policing activity is generally meeting or exceeding desired activity levels set out in the Road Policing Investment Programme 2024-27.

Figure 5 – Road deaths and serious injuries (12-month rolling total)



While overall deaths and serious injuries are trending down, the results are mixed across the key behaviours that contribute to road trauma. Deaths and serious injuries with inappropriate speed as a contributing factor or restraints not being worn are reducing. This can be largely attributed to road policing efforts targeting inappropriate speed and restraint use, supported by our various regional and national public information and marketing campaigns. However, deaths and serious injuries involving alcohol or other drugs is increasing. We will continue to work with NZ Police, the Ministry of Transport and local government to improve the safety of roads, drivers and vehicles.

Looking ahead, roadside oral fluid testing is on track for a phased roll out to begin in December 2025. This will give NZ Police the power to screen drivers for drugs at the roadside using oral fluid testing devices without the need to suspect drug use, which is similar to drink-driving enforcement.

New direction for road safety

In October 2024, the government released its new road safety objectives, which outline actions for NZTA and other government organisations involved in road safety to deliver over the next 3 years. Efficient delivery of road safety is also signalled as a key strategic priority under GPS 2024. Investment focuses on road policing and enforcement, alongside investment in other safety interventions such as building safer infrastructure, investing in safer drivers and requiring safer vehicles.

Key actions relate to:

- **Safer roads**

Building new Roads of National Significance and Roads of Regional Significance to high safety standards, increasing road maintenance (with a focus on repairing potholes) and making cost-effective safety improvements to roads in high-risk locations.

- **Safer drivers**

Undertaking our ongoing regulatory activity, including reviewing the graduated driver licensing system, automating enforcement and working with NZ Police on increased road policing and enforcement, alongside road safety promotion activity focused on high-risk behaviours of distraction, alcohol and other drug impairment, and speeding.

- **Safer vehicles**

Undertaking our own and contracted agents' regulatory work, building new commercial vehicle safety centres and raising awareness of the importance of vehicle safety ratings and features.

In 2024/25, in relation to the road safety objectives, we implemented the following:

- **Safety camera programme**

Operational responsibility transitioned from NZ Police to us, enabling a more targeted and data-driven enforcement approach.

- **Regulatory modernisation**

The new commercial vehicle safety centres are transforming how we monitor heavy vehicle compliance. More information on this can be found on page 34.

- **Collaborative education and enforcement**

The Better Together initiative is being delivered in partnership with NZ Police, the Accident Compensation Corporation and local councils. It combines education, marketing and enforcement activities to address high-risk behaviours such as driving while distracted and drink and drug-driving.

- **Road safety promotion**

We launched and continue to run road safety campaigns targeting high-risk and illegal behaviours, including Safe vehicles: Your last line of defence; Drink-driving: Would you rather; Distractions: Have a Hmmm; Drug-driving: Don't let the drugs drive; Speed: Through my eyes; and Distractions: Ghosting the right way.

- **Safety infrastructure investment**

With investment from the Accident Compensation Corporation, we delivered motorcycle safety-specific treatments on 17 of 50 routes.

Improving how we handle temporary traffic management on our roads

We achieved stronger assurance over temporary traffic management, by introducing a standardised assurance approach, implementing a new audit tool, completing trial audits and standing up a new audit and assurance process. We also embedded temporary traffic management requirements into maintenance and other contracts, deferring changes to Network Outcomes Contracts to 1 September 2025 to ensure capacity to process risk based applications. Workforce capability progressed and 6 new temporary traffic management credentials were released.

Strengthening regulatory infrastructure and performance

As the lead regulator for land transport, it's our role to improve safety and reduce the risk of harm across the land transport system. *Tū ake, Tū māia* – our regulatory strategy, sets out how we and our partners will regulate the system to keep it safe. In our statement of performance expectations for 2024–25, we committed to strengthening our regulatory performance to keep people safer on the transport network.

This year, 79 percent of our total regulatory measures met or exceeded target. Where targets were not met, the primary reason was the early year diversion of resources to reduce driver licence wait times. We reached our target on the quality of regulatory activity with 95 percent of our regulatory decisions meeting the quality standards we set. This means nearly all decisions followed the right processes, used the correct documentation and were made using consistent, evidence-based criteria. It also means that the public can trust our regulatory decisions are being made fairly, consistently and with proper oversight. It reflects strong internal systems and a commitment to high-quality decision making.

We completed the transfer of safety cameras from NZ Police. From 1 July 2025, we are responsible for their management (see the case study on page 37 for more information).

Our enforcement activity delivered tangible value. We collected 82 percent of unpaid road user charges identified through investigations, significantly above the 65 percent target.

Measuring our performance

System outcome measures

Reference	Measure	Status	Target	2024/25 actual	2023/24 actual
SAFE1	Deaths and serious injuries ^A	Achieved	Less than 2894	2764	2674
SAFE3	Number of deaths and serious injuries with inappropriate speed, including excessive speed, being a contributing factor ^B	Achieved	Less than 681	601	New measure for 2024/25
SAFE4	Number of deaths and serious injuries where restraints were not worn	Achieved	Less than 320	258	New measure for 2024/25
SAFE5	Number of deaths and serious injuries involving alcohol	Not achieved	Less than 300	387	New measure for 2024/25

The year-end figure also includes alcohol-related deaths and serious injuries where other factors were involved, such as refusing a test or using both alcohol and other drugs.

SAFE6	Number of deaths and serious injuries involving drugs ^C	Not achieved	Less than 155	404	New measure for 2024/25
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The rise in detected drug presence in serious injuries likely reflects more testing. Measuring the role of drugs in crashes is complex because results show only the presence of a drug, not the level of drug or whether the driver was impaired. It also includes where multiple vehicles were involved in the crash and all drivers are tested. Therefore, it cannot be presumed that the presence of drugs in a driver is the cause of the crash.

Roadside oral fluid testing will start in December 2025, giving NZ Police the power to screen drivers for drugs at the roadside without needing to suspect drug use, similar to drink-driving enforcement.

The year-end figure also includes alcohol-related deaths and serious injuries where other factors were involved, such as refusing a test or using both alcohol and other drugs.

^A Information received after publication may mean deaths and serious injuries figures need to be adjusted. For example, NZ Police may receive fatal crash notifications for a period after the data has been extracted for this table, and some deaths may occur after the reporting period. Additionally, the data for serious injuries sometimes changes as we reconcile hospitalisation data with Crash Analysis System records. While we have retrospectively updated data from previous years in our systems, we have not changed the prior year actuals presented in this report.

^B Inappropriate speed refers to instances when vehicles travel at a speed that is unsuitable for the road and traffic conditions, including travelling above the speed limit.

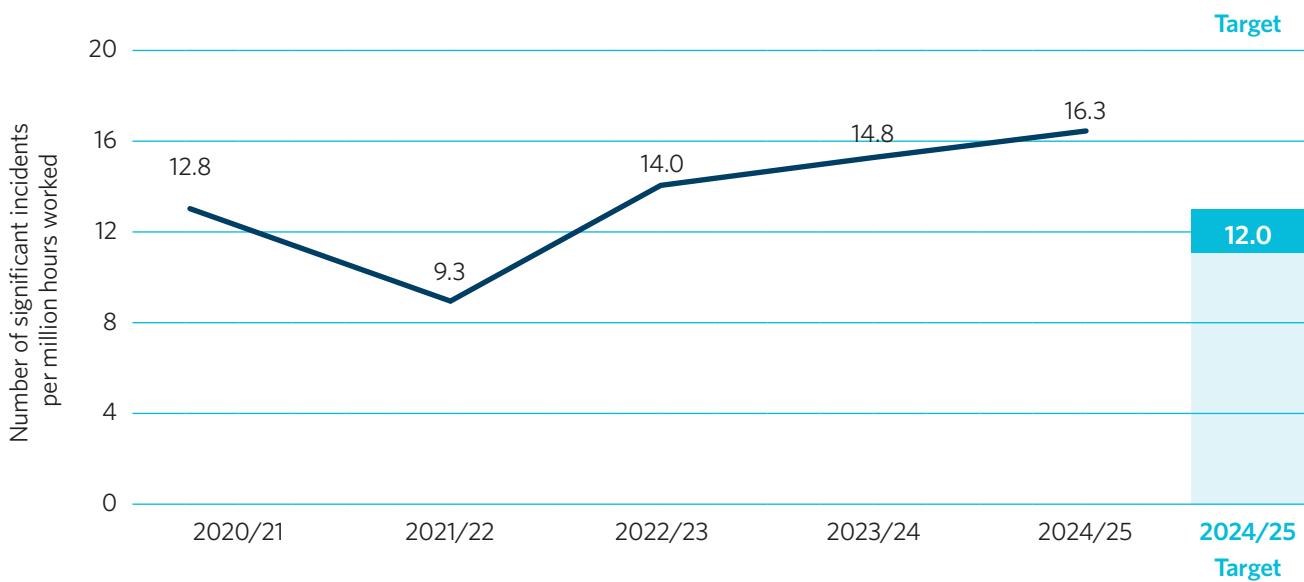
^C This information comes from the Crash Analysis System, which collects information about contributing factors to fatal and serious crashes when police attend the scene.

Results measures

Reference	Measure	Status	Target	2024/25 actual	2023/24 actual
Improved safety for NZTA staff and contractors working on the network					
SAFE2	Significant incident frequency rate ^A	Not achieved	12.00 per million hours worked or less	16.3 per million hours worked	14.8 per million hours worked

The significant incident frequency rate peaked in the third quarter of the year at 18.3 but reduced in the fourth quarter to 16.3. The year-on-year increase is driven by a 4.5 percent rise in significant incidents and an 11 percent decrease in hours worked by external contractors, who remain the primary contributors to the significant incident frequency rate. This trend is expected to continue as contractors promote the reporting of serious near misses, which helps manage risks proactively. The main hazards are driving, being in live traffic and using machinery. Leadership engagements with external contractors increased 350 percent and focused on these critical risks. For 2025/26, this measure will exclude subjective high-potential near misses and concentrate on actual injuries (such as medical treatment, lost time or death) reportable to a regulator. This will better demonstrate our efforts in reducing actual injury.

Figure 6 – Significant incident frequency rate



Improved regulatory performance

DEL4	Quality of regulatory activity (percentage of regulatory activity that conforms to key decision-making criteria)	Achieved	95% or greater	95%	97%
DEL4 is shown as a percentage to reflect how often regulatory activities meet quality standards. Each quality assurance assessment checks 8 decision-making criteria. We count how many criteria were marked 'conform' (conform means it met quality standards) across all assessments, then divide by the total number of criteria checked. This gives a fair total and overall result, even though individual scores may vary.					

^A Significant incidents are those that result in significant injury (such as medical treatment, lost time or death), are reportable to a regulator, or have a high potential for impact or injury. The significant injury frequency rate includes both employee and contractor incidents and hours worked.

The Commercial Vehicle Safety Programme

Modernising heavy vehicle safety and compliance

Heavy vehicles move New Zealand's economy. When they're safe and compliant, everyone benefits from fewer crashes and injuries, fairer payment for road use and less damage to our roads from overloading.

The Commercial Vehicle Safety Programme (CVSP) is an important regulatory initiative, which is improving road safety and protecting New Zealand's transport infrastructure. The CVSP supports the design of a safe and productive land transport system and creates a level playing field for the heavy vehicle industry.

As part of the programme, we're building 12 commercial vehicle safety centres (CVSCs). These purpose-built facilities enable us and NZ Police to carry out targeted safety and compliance checks on heavy vehicles, ensuring they meet legal and operational standards while keeping compliant operators moving.

The CVSCs are located on high-volume freight routes, forming a network that will cover approximately 46 percent of heavy vehicle kilometres travelled. Completed sites include Stanley Street (Auckland), Paengaroa (Bay of

Plenty), Ohakea (Manawatū), Glasnevin, and Rakaia (Canterbury). Construction has started on centres at Bombay, Mackays Crossing and Taupō, with Marsden, North Shore (Auckland), Tauranga and Napier in early planning stages.

Each CVSC is connected to technology that screens passing vehicles for non-compliance. This includes in-road weigh in motion scales, automatic number plate recognition cameras and variable message signage. These are located at different approaches about 2km out of each centre.

The technology screens for potential risk such as overloaded vehicles, driver fatigue and certificate of fitness, permit, and road user charge non-compliance. Potentially unsafe or non-compliant heavy vehicles are then directed into the CVSC. Once a vehicle is pulled into a centre, police will carry out a vehicle inspection. They check vehicle weight, logbooks and driver impairment.



Environmentally sustainable

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

NZTA is subject to environmental requirements under a variety of statutes and policy statements. The Land Transport Management Act 2003 requires that we exhibit a sense of environmental and social responsibility when undertaking our functions. This section incorporates reporting against *Toitū te Taiao* – our Sustainability Action Plan, which demonstrates our commitment to environmental and social responsibility.

Refocusing on our role in environmental sustainability

Over 2024/25, we refocused how we approach environmental sustainability so we can give full effect to GPS 2024 and the direction set by the government. GPS 2024 asks us to prioritise economic growth and productivity as well as increasing maintenance and resilience, safety and value for money; our sustainability work now sits within that framework.

GPS 2024 aims to ease congestion. Our investments and advice support smoother journeys and better public transport so more people can use it more often. New Zealand has set national emissions budgets and a target of net zero greenhouse gas emissions by 2050. In line with the Climate Change Response Act 2002 and emissions trading scheme settings, we continue to take practical steps to cut transport agency emissions while meeting our other statutory obligations such as the transition of our fleet to electric vehicles.

In response to these changes, we have tightened the reporting of performance measures, to focus on emissions that we have more direct control over. We continue to report our own corporate emissions and have added a measure for those in our supply chain (infrastructure carbon footprint), replacing the measure we had previously on emissions from the land transport system (including vehicles using the system).

How we manage investment

We decide what gets funded through the NLTP using our investment prioritisation method. This method ensures proposals are ranked for value for money and align to GPS 2024 priorities. In business cases, we look at benefits and whole-of-life impacts, including carbon and climate resilience. We factor in emissions trading scheme-related obligations where relevant (for example, forestry emissions trading scheme requirements on some projects), and we're improving our infrastructure emissions data so future choices keep getting cleaner.

We are reducing our corporate carbon footprint and are building better data and tools to understand emissions from the infrastructure we commission and deliver. This includes meeting Carbon Neutral Government Programme requirements and improving how we measure and report corporate and infrastructure emissions. For more details, see appendix 1 on page 148.

As we work with our partners, we co-invest with councils and delivery partners to make lower carbon travel easier by supporting public transport. We also work with our partners at KiwiRail to lift the rail network's performance and reliability (Rail Network Investment Programme 2024–27), which helps move more people and freight efficiently with lower emissions over time.

A changing climate is already affecting the country's roads and communities. In line with GPS 2024's focus on maintenance and resilience, we continued recovery and resilience programmes across regions affected by severe weather events. We focused on reopening important routes, stabilising vulnerable sites and designing works to better withstand storms. This work is about keeping people connected and making our network safer and more reliable when the weather turns.

Supporting emissions reduction planning

We collaborated with the Ministry of Transport and Ministry for the Environment to support the development of New Zealand's second emissions reduction plan. Following public consultation and refinement, the second plan was published in December 2024, along with an amendment to the first plan. Throughout the process, we provided advice to facilitate the plan's development.

Results measures

Reference Measure	Status	Target	2024/25 actual	2023/24 actual
Accelerating reduction of our emissions in line with the Carbon Neutral Government Programme ●				
IPOE2	NZTA corporate carbon footprint	Not achieved	2027 tonnes CO ₂ e ^A	2065 tonnes CO ₂ e
The result was just over the target. Air travel and taxi emissions rose 10 percent, while postage and courier emissions increased by 71 percent from 2023/24. Air travel accounts for 66 percent and postage and couriers for 5 percent of Carbon Neutral Government Programme mandatory emissions. Te Toitū audited the emissions values.				
ICF1	Infrastructure carbon footprint ^C	Achieved	Develop an infrastructure intensity measure for more accurate future greenhouse gas emissions reporting ^D	Improved methodology for infrastructure carbon reporting developed and implemented
New measure for 2024/25				

^A We continue to use the 2019/20 baseline for this measure as it was verified and adopted by Toitū Envirocare to project emissions for the outyears.

^B Our corporate emissions figures are verified independently each year by Toitū Envirocare. Our targets are projected emissions to reflect what NZTA endeavours to achieve each year. They align with the reduction target needed for a global emissions pathway that limits warming to no more than 1.5°C, required by the Ministry for the Environment's Carbon Neutral Government Programme: A guide to measuring and reporting greenhouse gas emissions (2025).

^C Our infrastructure carbon footprint includes greenhouse gas emissions from state highway infrastructure construction, maintenance and operations, and emergency works.

^D An intensity measure is a carbon emissions measure against a qualifying unit; for example, emissions per \$1 spent.

Safety cameras

Operating anywhere, anytime

Phase 1 of the Safety Camera Programme has laid the groundwork for a nationwide safety camera network. It included building a core system, transferring fixed speed and red-light cameras from NZ Police to us and launching mobile camera operations.

By 30 June 2025, all NZ Police-operated cameras were officially transferred to NZTA, marking the end of Police's involvement in safety camera operations. This change allows us and NZ Police to work together to effectively improve road safety.

All static safety cameras sites across the country are now signposted. Research shows the best results come from a mix of clearly marked static cameras at high-risk locations and mobile cameras that aren't signposted, creating an anytime, anywhere deterrent.

In December 2024, we signed a \$5 million establishment contract with Acusensus NZ Limited to run mobile safety camera operations. This partnership includes advanced technology such as unstaffed mobile safety cameras housed in SUVs and trailers, offering significant operational flexibility and better coverage.

The first mobile safety camera started operating in Auckland on 13 May 2025. These visible but unmarked SUVs are placed based on crash data and local insights. Research shows unsigned mobile cameras are twice as effective at reducing crashes as signposted ones. All mobile cameras detect speeding vehicles from both directions, day and night. Mobile trailers will be deployed from July 2025, enabling us to deliver 80,000 mobile hours annually.

Progress was also made on average speed cameras with 8 sites constructed. The first corridor, Matakana Road in Auckland, is expected to go live in late 2025. More sites will come online in 2026.

To support all this, we built a secure system to process offences and manage safety camera operations. This system went live in early 2025 and continues to be refined as more cameras and new technology are added.

Successfully completing Phase 1 has been a major achievement for us. This achievement has modernised how speed is enforced in New Zealand and is helping make roads safer.



Performance against our funded outputs

Overview

We are funded to deliver and invest in a variety of goods and services across categories known as output classes. These categories reflect the types of activities (activity classes) the government expects us to deliver and invest in to realise the objectives of GPS 2024 and effectively perform our regulatory function.

Table 3 summarises the contribution of each output class to our 4 Te Kāpehu system outcomes.

Table 3 – Contribution of each output class to our system outcomes

Output class	Meeting current and future needs	Effectively and efficiently moving people and freight	Safe	Environmentally sustainable
Delivered by NZTA				
State highway improvements		●	●	
State highway pothole prevention	●		●	
State highway operations	●	●		
Safety			●	
Investment management	●			●
Regulation of drivers		●	●	
Regulation of vehicles		●	●	
Regulation of commercial transport operators			●	
Regulation of the rail transport system			●	
Revenue collection and administration	●			
Low emission vehicles			●	●
Delivered in partnership with or by our partners				
Local road improvements		●	●	
Local road pothole prevention	●		●	
Local road operations	●	●		
Public transport services		●		●
Public transport infrastructure		●		●
Safety			●	
Rail network		●	●	●
Walking and cycling improvements		●		●

Output class results

Our output class measures tell us whether we are effective in undertaking the activities the government expects us to deliver and invest in. The relationships between these measures and the Te Kāpheu outcomes aren't linear – the results influence each other and will work together to help us achieve our system outcomes. The following key shows the outcomes each result contributes to:

- Meeting current and future needs
- Effectively and efficiently moving people and freight
- Safe
- Environmentally sustainable

For measure definitions and data sources, see the technical notes on our website:

nzta.govt.nz/resources/annual-report-nzta

For full details on output class funding and expenditure, see from page 230.

Delivered by NZTA

State highway improvements ● ●

Delivered by NZTA and funded from the National Land Transport Fund and the Crown

What we do and the difference it makes

We plan, invest in and deliver infrastructure (including roads, roadsides and all supporting infrastructure and technology, and renewing end-of-life bridges and structures) to improve the capacity and levels of service of the state highway network. We work collaboratively with councils and other partners to support economic growth and productivity and a safe and resilient transport system, as well as to unlock access to new growth areas and transport networks, while prioritising reliable travel times and ensuring value for money in investment decisions.

How we measure performance

Reference	Measure	Status	Target ^A	2024/25 actual	2023/24 actual
SHI1	Proportion of state highway improvement activities funded by the NLTF delivered to agreed standards and timeframes ^B	Achieved	80% or greater	90%	81%
SHI2	Proportion of state highway improvement activities funded by the Crown delivered to agreed standards and timeframes ^C	Achieved	80% or greater	85%	92%

^A The methodology for SHI1 and SHI2 has changed to include all projects, which has led to an update of the target from 90 percent to 80 percent to reflect the inclusion of larger and more complex projects. The measure previously reported on only projects scheduled for practical completion during the financial year.

^B This is also an appropriation measure in Vote Transport (see appendix 4 on page 166).

^C 'Agreed standards and timeframes' relates to schedule, budget and quality. Schedule is assessed by year-end achievements against milestones that are set at the beginning of the year. Budget is assessed by actual spend by year-end compared with financial baselines set at the beginning of the year. Quality is not an actual assessment but embedded in various gateways in managing the project.

	Actual 2024/25 \$M	Budget 2024/25 \$M	Variance 2024/25 \$M	Actual 2023/24 \$M
Revenue	2,016	1,973	43	1,637
Expenditure	2,144	1,973	171	1,826
Net surplus/(deficit)	(128)	0	(128)	(189)

Excludes repayment of borrowing.

Note: Expenditure includes all funding sources and is net of developers' contributions, so reflects increases in NZTA assets. Some non-cash capital and operating expenses presented in the financial statements are not included in these figures. They are expenditure for:

- depreciation and state highway write-offs of \$681 million (2023/24: \$663 million)
- public-private partnerships of \$3 million (2023/24: \$7 million).

State highway improvements expenditure was \$171 million (9 percent) above budget mainly due to revocation of a road to council that was not included in the budgets.

For full details on output class funding and expenditure, see from page 230.

State highway pothole prevention

Delivered by NZTA and funded from the National Land Transport Fund and the Crown

What we do and the difference it makes

We maintain the state highway network (including roads, roadsides, supporting infrastructure and technology) to the agreed level of service. We invest in resealing, rehabilitating and drainage maintenance on the network and address the significant rise in the number of potholes and deterioration of the network. State highway pothole prevention provides people with reliable access to social and economic opportunities while maintaining the safety and resilience of the state highway network and responsibly managing any impacts on human health and the environment.

How we measure performance

Reference	Measure ^A	Status	Target	2024/25 actual	2023/24 actual
SHP1	Percentage of network with resealed and resurfaced pavement	Achieved	7% or greater (1690 lane kms)	8% (1928 lane kms)	New measure
SHP2	Percentage of network with rehabilitated pavement	Achieved	0.9% or greater (217 lane kms)	1.4% (349 lane kms)	New measure
SHP3	Percentage of potholes repaired within 24 hours from being logged by contractors	Achieved	90% or greater	98%	New measure
SHP4	Cost per lane kilometre pavement resealing and resurfacing	Achieved	Baseline to be set	Baseline: \$129,159	New measure
SHP5	Cost per lane kilometre pavement rehabilitation	Achieved	Baseline to be set	Baseline: \$667,289	New measure

^A This is a new output class established in GPS 2024. As none of our previous measures were relevant to the activities funded through this output class, all measures are new.

	Actual 2024/25 \$M	Budget 2024/25 \$M	Variance 2024/25 \$M	Actual 2023/24 \$M
Revenue	747	589	158	0
Expenditure	747	589	158	0
Net surplus/(deficit)	0	2	0	0

Note: Depreciation of \$344 million is not included here but is included as a non-cash capital and operating expense in the financial statements.

State highway pothole prevention expenditure was \$158 million (27 percent) above budget mainly due to successful delivery of a planned accelerated renewals programme and favourable weather during the construction season. For full details on output class funding and expenditure, see from page 230.

State highway operations

Delivered by NZTA and funded from the National Land Transport Fund and the Crown

What we do and the difference it makes

We maintain and operate the state highway network (including roads, roadsides, supporting infrastructure, technology and emergency works) to the agreed levels of service. State highway operations provide people with reliable access to social and economic opportunities while managing demand and operating services to optimise utilisation across the network.

How we measure performance

Reference	Measure ^A	Status	Target	2024/25 actual	2023/24 actual
SHO1	Percentage budget variance in state highway operations spend (excluding emergency works)	Not achieved	Less than 5% variance	6.94% lower than budget	New measure

Overall, the allocation for state highway operations is being managed across the full 3-year NLTP programme. In year 1, we made strategic decisions to underspend in some national projects and networks to fund major activities in years 2 and 3. Additionally, the previous split between pothole prevention and operations has tightened network budgets (as activities such as surfacing and drainage renewals now sit in the pothole prevention activity class). Networks are now working within stricter allocations for the state highway operations activity class, leading to close monitoring and reprioritisation to remain within allocation.

^A This is a new output class established in GPS 2024. As none of our previous measures were relevant to the activities funded through this output class, all measures are new.

	Actual 2024/25 \$M	Budget 2024/25 \$M	Variance 2024/25 \$M	Actual 2023/24 \$M
Revenue	984	1,089	(105)	1,858
Expenditure	984	1,089	(105)	1,858
Net surplus/(deficit)	0	0	0	0

Excludes repayment of borrowing.

State highway operations expenditure was \$105 million (10 percent) below budget. This was mainly due to delays in the North Island weather events project delivery caused by issues with land access and fewer than expected emergency events, both of which have been carried forward to 2025/26.

For full details on output class funding and expenditure, see from page 230.

Investment management ●

Delivered by NZTA and funded from the National Land Transport Fund

What we do and the difference it makes

We develop and manage the NLTP and plan the transport system. Key activities include managing the NLTF, supporting development of the GPS and regional land transport plans, planning for the long-term land transport system, providing investment and funding advice to the government, and assessing and monitoring investment. We also engage with the sector and develop, deliver and promote research projects. Investment management allows us to shape the land transport system in accordance with government priorities. Minimising the cost of managing the investment funding allocation system helps us ensure our processes are efficient and effective.

How we measure performance

Reference	Measure	Status	Target	2024/25 actual	2023/24 actual
IM1	Proportion of total cost of managing the investment funding allocation system to National Land Transport Programme expenditure ^A	Achieved	1% or less ^B	0.76%	0.86%

This year's lower result is due to reduced overhead costs and an increased total spend.

^A This is also an appropriation measure in Vote Transport (see appendix 4).

^B This target has been reduced from 1.1% to 1%. We intend to reduce it to 0.9% from 2025/26 to reflect continuous improvement.

	Actual 2024/25 \$M	Budget 2024/25 \$M	Variance 2024/25 \$M	Actual 2023/24 \$M
Revenue	71	87	(16)	83
Expenditure	71	87	(16)	83
Net surplus/(deficit)	0	0	0	0

Investment management expenditure was \$16 million (18 percent) below budget mainly due to operational cost savings in the programme management of the NLTP and lower transport planning spend. For full details on output class funding and expenditure, see from page 230.

Regulation of drivers

Delivered by NZTA and funded from fees and charges and the Crown

What we do and the difference it makes

We provide approved driver licensing courses, develop land transport rules for driver licensing and testing, and manage the standards and delivery of driver licensing and testing to the public, including developing and maintaining driver licensing test routes. We assess licence holders for alcohol and other drug use, maintain the integrity of the driver licence register, and inform and advise the public on driver licensing and testing. In addition, we educate, audit and undertake other regulatory activities with third parties such as driver licensing and testing course providers, testing officers, alcohol interlock providers and our driver licensing agent network. We also develop and maintain resources such as road codes, theory and practical test requirements, and testing and provider manuals.

This investment improves the safety of the land transport system by ensuring drivers meet and maintain required safety standards. Our work ultimately contributes to safe, competent and legal drivers, builds public confidence in the licensing system, and enhances access to the social and economic opportunities associated with being able to drive.

How we measure performance

Reference	Measure	Status	Target	2024/25 actual	2023/24 actual
DLT1	Proportion of non-compliance actions for driver licence course providers and testing officers that are progressed within acceptable timeframes ^A	Not achieved	95% or greater	88%	96%
	Resources were purposely diverted away from this measure to address increasing driver licence wait times. However, since December 2024, monthly results have consistently reached 98-100 percent. This measure is now back on track with monthly results above target.				
DLT2	Proportion of practical tests taken within 30 working days of booking	Not achieved	Greater than 90% ^B	64%	65%
	We did not achieve the target because of the increased demand associated with the October 2023 change to an 'all-in-one' fee for each stage of the graduated driver licensing system. Analysis shows more than 10 percent of customers are likely to book more than 30 days in advance. This measure is now back on track with the monthly results in the fourth quarter all above the 90 percent target.				
DLT3	Number of compliance monitoring activities for driver licensing, testing course providers and driver testing officers	Achieved	400 or greater ^C	743	157
	This measure has rebounded strongly after staff redeployment to support testing wait times. With operational improvements and the return of staff to core functions, delivery has accelerated, exceeding the annual target. We are on track to complete a full audit cycle of all course providers within 18 months.				

^A 'Progressed within acceptable timeframes' means non-compliance actions are managed towards resolution in line with our regulatory case management guidelines and processes, which recommend timeframes and courses of action based on the risk priority of each case.

^B We've revised the target to reflect continuous improvement in line with government expectations.

^C The scope of this measure has been broadened to increase oversight of regulatory activity across the driver licensing sector by capturing our monitoring of driver testing officers as well as our monitoring of course providers. The measure description and target have been updated to reflect these changes. Due to the changes in methodology, previous results are not comparable.

	Actual 2024/25 \$M	Budget 2024/25 \$M	Variance 2024/25 \$M	Actual 2023/24 \$M
Revenue	94	81	13	83
Expenditure	76	87	(11)	86
Net surplus/(deficit)	18	(6)	24	(3)

Driver licensing and testing recorded a surplus of \$18 million. The introduction of the new fee policy in July 2024, requiring applicants to pay additional testing fees from their third failed attempt, has helped recover the deficit incurred in the previous year. Also, this output class received a one-off funding allocation from the Community Road Safety Fund to cover the costs of reducing driver testing wait times, which has significantly improved the memorandum account position. For full details on output class funding and expenditure, see from page 230.

Regulation of vehicles

Delivered by NZTA and funded from fees and charges and the Crown

What we do and the difference it makes

Our role is to ensure vehicles on the roads are safe and compliant through vehicle registration, licensing, standards and certification. We develop rules, standards and guidelines for vehicle inspection and certification, appoint inspectors and inspecting organisations, monitor their performance, investigate complaints, and take action against those who do not meet required standards. We revoke certification of unsafe or illegal vehicles and manage the delivery of motor vehicle registration and licensing services to the public. We maintain the integrity of the motor vehicle register and related systems, authorise and manage third-party access to registry information, and provide advice and information to the public on regulatory requirements.

By ensuring vehicles on the roads are safe and maintaining the integrity of vehicle registration and certification systems, we protect the public and promote trust in the transport system.

How we measure performance

Reference	Measure	Status	Target	2024/25 actual	2023/24 actual
VSC1	Proportion of non-compliance actions for vehicle inspecting organisations, vehicle certifiers and vehicle inspectors that are progressed within acceptable timeframes ^A	Achieved	95% or greater	98%	100%
VSC2	Number of compliance monitoring activities completed for inspecting organisations and vehicle inspectors	Achieved	3500 or greater	5096	5222

^A 'Progressed within acceptable timeframes' means non-compliance actions are managed towards resolution in line with our regulatory case management guidelines and processes, which recommend timeframes and courses of action based on the risk priority of each case.

	Actual 2024/25 \$M	Budget 2024/25 \$M	Variance 2024/25 \$M	Actual 2023/24 \$M
Revenue	121	113	8	106
Expenditure	101	109	(8)	102
Net surplus/(deficit)	20	4	16	4

Vehicle safety and certification recorded a surplus of \$20 million, which was more than budget. This was driven by border certification charges, with higher vehicle entries than expected and lower costs due to efficiencies, savings and improved personnel cost allocation. For full details on output class funding and expenditure, see from page 230.

Regulation of commercial transport operators

Delivered by NZTA and funded from fees and charges and the Crown

What we do and the difference it makes

We oversee the safety and compliance of commercial transport operators. Our main functions include developing and enforcing regulations and safety standards, licensing and maintaining a register of qualified operators, monitoring compliance through on-road electronic monitoring, investigating and prosecuting non-compliant operators, informing and educating operators and the public about their obligations, and administering permits for oversize and overweight vehicles. Effective regulation of commercial transport operators helps to ensure the safety and reliability of commercial transport services and protects the public.

How we measure performance

Reference	Measure	Status	Target	2024/25 actual	2023/24 actual
CTO1	Proportion of non-compliance actions for commercial operators that are progressed within acceptable timeframes ^A	Achieved	95% or greater	100%	100%
CTO3	Proportion of transport service licences and permitting applications completed within the specified timeframes ^B	Achieved	95% or greater	99%	97%
CTO4	Total number of random sample compliance monitoring activities, to provide a system-level view of compliance rates across the commercial transport operator sector	Achieved	381 or greater ^C	415	New measure

^A 'Progressed within acceptable timeframes' means non-compliance actions are managed towards resolution in line with our regulatory case management guidelines and processes, which recommend timeframes and courses of action based on the risk priority of each case.

^B 'Specified timeframes' are clearly defined periods within which these applications are expected to be processed. For more information, visit nzta.govt.nz/commercial-driving/transport-service-licences

^C This measure replaces the previous measure 'Number of compliance monitoring activities for commercial transport service licence holders and commercial drivers (classes 2-5)' to better monitor our compliance activities. The target reflects the number of compliance monitoring activities we need to complete to provide a confidence level of at least 95 percent.

	Actual 2024/25 \$M	Budget 2024/25 \$M	Variance 2024/25 \$M	Actual 2023/24 \$M
Revenue	25	25	0	21
Expenditure	20	17	3	18
Net surplus/(deficit)	5	8	(3)	3

Regulation of commercial transport operators recorded a surplus of \$5 million, which was lower than budget. This was due to greater precision in the allocation of direct personnel costs, which has resulted in a larger allocation of costs to this output compared to budget. For full details on output class funding and expenditure, see from page 230.

Regulation of the rail transport system

Delivered by NZTA and funded from fees and charges

What we do and the difference it makes

We are responsible for regulating the rail transport system to ensure the safety and security of passengers and other members of the public. Our main functions include managing entry to and exit from the rail system through licensing and restrictions, approving and varying safety cases, and setting safety standards for infrastructure, vehicles and practices. We also assess compliance with safety cases and standards, investigate safety accidents and prosecute breaches of the Railways Act 2005. We monitor risks and the overall level of safety in the rail system and provide advice and information to stakeholders and the public on rail system safety. If safety breaches occur, we direct improvements or impose restrictions to ensure risks are minimised.

Effective regulation of rail participants helps to maintain a high level of safety in the rail transport system, giving the public confidence in its reliability and security for both people now and future generations.

How we measure performance

Reference	Measure	Status	Target	2024/25 actual	2023/24 actual
RTS1	Proportion of non-compliance actions for rail participants that are progressed within acceptable timeframes ^A	Not achieved	95% or greater	79%	84%
	Delays early in the year, mainly involving lower-level non-compliance paperwork, resulted in an initial deficit that was unable to be recovered due to the low volumes in rail. However, all significant non-compliance actions were completed on time, and weekly monitoring of remedial actions has been introduced to improve responsiveness.				
RTS2	Number of compliance monitoring activities completed for rail licence holders	Achieved	50 or greater	53	66
RTS3	Proportion of ordinary safety assessments completed for rail licence holders within specified timeframes ^B	Achieved	95% or greater	97%	95%

^A 'Progressed within acceptable timeframes' means non-compliance actions are managed towards resolution in line with our regulatory case management guidelines and processes, which recommend timeframes and courses of action based on the risk priority of each case.

^B 'Specified timeframes' are clearly defined periods within which these applications are expected to be processed. For more information, visit nzta.govt.nz/commercial-driving/transport-service-licences

	Actual 2024/25 \$M	Budget 2024/25 \$M	Variance 2024/25 \$M	Actual 2023/24 \$M
Revenue	2	3	(1)	3
Expenditure	3	4	(1)	3
Net surplus/(deficit)	(1)	(1)	0	0

Regulation of the rail transport system recorded a deficit of \$1 million as budgeted. For full details on output class funding and expenditure, see from page 230.

Revenue collection and administration

Delivered by NZTA and funded from fees and charges and the National Land Transport Fund

What we do and the difference it makes

We're responsible for collecting and administering various revenue streams related to transportation and clean vehicle initiatives.

Our tasks include:

- collecting and refunding road user charges revenue, investigating evasion, enforcing payment, and informing and advising the public about road user charges
- collecting road tolling revenue, investigating evasion, enforcing payment, managing associated systems and interfaces, and informing and advising the public about road tolls
- collecting and paying regional fuel tax rebates to fund regional projects, audit compliance, and reporting fuel prices and volumes
- refunding and accounting for fuel excise duty claims related to off-road fuel use
- in administering clean vehicle schemes, collecting fees and paying rebates, verifying eligibility criteria, processing refunds, guarding against fraudulent activity, and responding to non-compliant behaviour.

This investment allows us to collect revenue fairly and in accordance with the law to invest in a safe, resilient and accessible transport system.

How we measure performance

Reference Measure	Status	Target	2024/25 actual	2023/24 actual
REV1 Proportion of unpaid road user charges identified through investigations and assessments that are collected ^A	Achieved	65% or greater	82%	79%
REV2 Proportion of refunds processed within 20 days	Achieved	85% or greater	100%	99%
REV3 Number of road user charges compliance monitoring activities completed for all road users.	Achieved	200 or greater ^B	309	174

Implemented improvements in data, responses, automation and documentation have led to a more efficient compliance monitoring process. While we exceeded our target in 2024/25, our level of delivery is resource dependent. We are planning to review the target at the next opportunity.

^A This is also an appropriation measure in Vote Transport (see appendix 4).

^B This target has been updated from 90 to 200 or greater to reflect increased productivity and our strengthened approach to regulating compliance with road user charges.

	Actual 2024/25 \$M	Budget 2024/25 \$M	Variance 2024/25 \$M	Actual 2023/24 \$M
Revenue	68	61	7	63
Expenditure	71	69	2	70
Net surplus/(deficit)	(3)	(8)	5	(7)

Revenue collection and administration recorded a deficit of \$3 million, which was slightly favourable to budget. For full details on output class funding and expenditure, see from page 230.

Low emission vehicles ● ●

Delivered by NZTA and funded from the Crown

What we do and the difference it makes

We administer and operate the Clean Car Standard that supports the decarbonisation of the light vehicle fleet by encouraging the uptake of low and zero emissions light vehicles. Decarbonising the light vehicle fleet is critical for reducing transport emissions in line with the government's emissions reduction plan.

How we measure performance

Reference	Measure	Status	Target	2024/25 actual	2023/24 actual
CCS1	Proportion of vehicle imports with CO ₂ and importer information, allowing robust measurement against national CO ₂ targets ^A	Achieved	100%	100%	100%

^A This measure is also an appropriation measure in Vote Transport (see appendix 4).

	Actual 2024/25 \$M	Budget 2024/25 \$M	Variance 2024/25 \$M	Actual 2023/24 \$M
Revenue	5	6	(1)	173
Expenditure	5	6	(1)	173
Net surplus/(deficit)	0	0	0	0

Low emission vehicles expenditure was materially on budget. For full details on output class funding and expenditure, see from page 230.

Delivered in partnership with or by our partners

Local road improvements ●●

Invested in by NZTA, delivered by approved organisations and funded from the National Land Transport Fund and the Crown

What we do and the difference it makes

We co-invest in infrastructure (including roads, roadsides and all supporting infrastructure and technology, and renewing end-of-life bridges and structures) to improve the capacity and levels of service of local roads. We plan collaboratively with councils to support economic growth and productivity and a safe and resilient transport system, while prioritising reliable travel times and ensuring value for money in investment decisions.

How we measure performance

Reference	Measure	Status	Target	2024/25 actual	2023/24 actual
LRI1	Proportion of local road improvement activities funded by the National Land Transport Fund delivered to agreed timeframes ^A	Not achieved	80% or greater	75%	30%

We have seen a significant improvement in performance from the previous 2 years (30 percent in 2023/24 and 60 percent in 2022/23). The target was not fully achieved because the Dublin Street rail crossing was deferred (due to the iReX project being placed on hold) and councils needing to delay improvement projects to prioritise emergency works. We are working closely with approved organisations to improve forecast accuracy.

^A This is also an appropriation measure in Vote Transport (see appendix 4). 'Standards' has been removed from the description to reflect better what is being measured. 'Agreed timeframes' applies to projects classified as in the pre-implementation or the implementation or construction phase that are due to be completed in the relevant financial year.

	Actual 2024/25 \$M	Budget 2024/25 \$M	Variance 2024/25 \$M	Actual 2023/24 \$M
Revenue	173	258	(85)	208
Expenditure	173	258	(85)	208
Net surplus/(deficit)	0	0	0	0

Excludes repayment of borrowing.

Local road improvements expenditure was \$85 million (33 percent) below budget mainly due to rescheduling of council roading projects pending council decisions on how funding will be used. For full details on output class funding and expenditure, see from page 230.

Local road pothole prevention

Invested in by NZTA, delivered by approved organisations and funded from the National Land Transport Fund

What we do and the difference it makes

We co-invest in the maintenance of the local road network (including roads, roadsides, and all supporting infrastructure and technology) to the appropriate levels of service.

Maintenance activities include resealing, rehabilitating and drainage maintenance on the local road network and addressing the significant rise in the number of potholes and deterioration in the local road network.

Local road pothole prevention maintains a safe and resilient network, so people can access social and economic opportunities.

How we measure performance

Reference	Measure ^A	Status	Target	2024/25 actual	2023/24 actual
LRP1	Percentage of sealed network with resealed and resurfaced pavement	Achieved	4% or greater (4275 lane kms)	5% (5538 lane kms)	New measure
LRP2	Percentage of sealed network with rehabilitated pavement	Achieved	0.2% or greater (215 lane kms)	0.3% (328 lane kms)	New measure
LRP3	Cost per lane kilometre pavement resealing and resurfacing	Achieved	Less than \$95,000	\$60,576	New measure
LRP4	Cost per lane kilometre pavement rehabilitation	Achieved	Less than \$1.1m ^B	\$523,584	New measure
LRP5	Proportion of travel on smooth roads	Not achieved	86% or greater	80%	New measure

Road condition data has been collected differently this year. In the past, all councils carried out their own condition surveys; now the survey is being done at the national level. The Consistent Condition Data Collection Programme provides standardised sealed pavement surfacing data collection for all road controlling authorities. The 2024/25 survey comprised all high-class roads (major collectors and above) and at least 50 percent of low-class roads.

During quality assurance checks, we discovered that road controlling authorities were using an inconsistent script to record the treatment of event codes, which led to inconsistent results among the authorities. However, these inconsistencies are not considered material. We have introduced a consistent script for road controlling authorities for 2025/26, which will resolve this issue.

^A This is a new output class established to GPS 2024. As none of our previous measures were relevant to the activities funded through this output class, all measures are new.

^B Including 2 percent inflation for the second and third NLTP years.

	Actual 2024/25 \$M	Budget 2024/25 \$M	Variance 2024/25 \$M	Actual 2023/24 \$M
Revenue	557	579	(22)	0
Expenditure	557	579	(22)	0
Net surplus/(deficit)	0	0	0	0

Excludes repayment of borrowing.

Local road pothole prevention expenditure was \$22 million (4 percent) slightly below budget mainly due to delays in sealed road pavement rehabilitation. For full details on output class funding and expenditure, see from page 230.

Local road operations ● ●

Invested in by NZTA, delivered by approved organisations and funded from the National Land Transport Fund and the Crown

What we do and the difference it makes

We co-invest in the maintenance and operation of the local road network (including roads, roadsides and all supporting infrastructure and technology) to the appropriate levels of service. Operational activities include managing demand and operating services to optimise utilisation across the network.

This output class provides New Zealanders with reliable access to social and economic opportunities while maintaining the safety and resilience of the local road network.

How we measure performance

Reference	Measure ^A	Status	Target	2024/25 actual	2023/24 actual
LRO1	All councils have a network asset management plan maintained to agreed standards	Achieved	Achieved	Achieved	New measure
LRO2	Proportion of local road operations spend (excluding emergency works) delivered within agreed budget	Achieved	95% or greater	95%	New measure

^A This is a new output class established in GPS 2024. As none of our previous measures were relevant to the activities funded through this output class, all measures are new.

	Actual 2024/25 \$M	Budget 2024/25 \$M	Variance 2024/25 \$M	Actual 2023/24 \$M
Revenue	585	707	(122)	1,241
Expenditure	585	707	(122)	1,241
Net surplus/(deficit)	0	0	0	0

Excludes repayment of borrowing.

Local road operations expenditure was \$122 million (17 percent) below budget mainly due to delays on more complex projects (bridge and other structure component replacement and maintenance) and less spend on emergency work than expected. Full details on output class funding and expenditure, see from page 230.

Public transport services ●●

Invested in by NZTA, delivered by approved organisations and funded from the National Land Transport Fund and the Crown

What we do and the difference it makes

We co-invest with approved organisations in bus, ferry and rail public transport services, trains, customer information, technology, facilities, operations and maintenance. We also subsidise door-to-door transport for people with mobility impairments and administer the Crown-funded SuperGold card concession scheme. Public transport improves travel choices, increases access to employment, education and social opportunities, eases congestion, and supports vibrant and liveable urban communities and effective land use. The Total Mobility scheme increases equity of access for people with mobility impairments, and the SuperGold scheme improves access to social and health opportunities for older people.

How we measure performance

Reference	Measure	Status	Target	2024/25 actual	2023/24 actual
PTS1	Number of boardings on public transport service ^A	Achieved	Greater than 129 million	159 million	154 million
PTS2	Reliability of public transport services ^B	Achieved	Greater than 83%	93%	89%

^A This is also a performance measure for the public transport infrastructure output class and an appropriation measure (see appendix 4).

^B This measure is the proportion of scheduled services that were completed in full. Only services that left the origin stop between 59 seconds early and 4 minutes 59 seconds late that also completed the trip to destination are included as a pass.

	Actual 2024/25 \$M	Budget 2024/25 \$M	Variance 2024/25 \$M	Actual 2023/24 \$M
Revenue	662	722	(60)	653
Expenditure	662	722	(60)	653
Net surplus/(deficit)	0	0	0	0

Excludes repayment of borrowing.

Public transport services expenditure was \$60 million (8 percent) below budget mainly due to lower-than-expected claims for public transport continuous programmes in Auckland and Wellington. For full details on output class funding and expenditure, see from page 230.

Public transport infrastructure ●●

Delivered by NZTA and approved organisations
and funded from the National Land Transport Fund

What we do and the difference it makes

We co-invest with approved organisations in bus, ferry and rail public transport infrastructure improvements to deliver safe and effective public transport services. We also co-invest in improvements to the metro rail network by KiwiRail under contract to approved organisations. Public transport improves travel choices, increases access to employment, education and social opportunities, eases congestion, and supports vibrant and liveable urban communities and effective land use.

Investing in infrastructure improvements for public transport improves the safety, reliability, resilience and effectiveness of services, and makes public transport more attractive to users.

How we measure performance

Reference	Measure	Status	Target	2024/25 actual	2023/24 actual
PTS1	Number of boardings on public transport service ^A	Achieved	Greater than 129 million	159 million	154 million
PTI1	Punctuality of metro rail services ^B	Not achieved	95% or greater	86%	82%

The result continues to improve on previous years but remains below target. Punctuality in both Auckland and Wellington continues to be affected by the significant amount of infrastructure works being carried out on both metro networks. The works result in temporary speed restrictions that significantly reduce the punctuality of services. This measure is replaced in the 2025/26 statement of performance expectations with 'Punctuality of public transport services', which better demonstrates all public transport services (buses, ferries and trains).

^A This is also a performance measure for the public transport services output class and an appropriation measure (see appendix 4).

^B This is also an appropriation measure in Vote Transport (see appendix 4).

	Actual 2024/25 \$M	Budget 2024/25 \$M	Variance 2024/25 \$M	Actual 2023/24 \$M
Revenue	804	887	(83)	703
Expenditure	804	887	(83)	703
Net surplus/(deficit)	0	0	0	0

Excludes repayment of borrowing.

Public transport infrastructure expenditure was \$83 million (9 percent) below budget primarily due to delays to projects such as Lower North Island Rail Integrated Mobility and National Ticketing Solution. For full details on output class funding and expenditure, see from page 230.

Safety

Delivered by NZTA and approved organisations and funded from the National Land Transport Fund

What we do and the difference it makes

We invest in road policing through the Road Policing Investment Programme, which takes a risk-based approach and targets activity at high-risk behaviours, alongside highly visible patrols to support and encourage safe driving behaviour. We also deliver nationally consistent and coordinated road safety promotion activities, including the vehicle safety programme as well as national, regional and local road safety education and advertising campaigns and initiatives. Other output classes also deliver and invest in activities with safety outcomes.

How we measure performance

Reference	Measure ^A	Status	Target	2024/25 actual	2023/24 actual
SFY1	Number of passive breath tests conducted	Unable to report	3.3 million or greater	Unable to report	3.6 million
		We are unable to report this result due to a data integrity issue raised by the NZ Police. The issue is subject to investigation and validation of the number of tests affected is uncertain at the time of this annual report.			
SFY2	Number of hours mobile cameras are deployed	Not achieved	67,000 or greater	43,431	63,054
		NZ Police reduced hours and infringements throughout the year as services transitioned to us. Reporting for 2024/25 is on New Zealand Police performance. Reporting on speed camera hours from 1 July 2025 will reflect our performance.			
SFY3	Proportion of road safety advertising campaigns that meet or exceed their agreed success criteria	Not achieved	86% or greater	81%	94%
		This measure captures campaigns about drink-driving, speeding, mobile phone distraction, seatbelts, motorcycling and vehicle safety. Our result in the fourth quarter (81 percent) increased from that in the third quarter (75 percent). Only 2 campaigns did not meet their targets, the drink-driving and seatbelt campaigns.			

^A This is a new output class established in GPS 2024.

	Actual 2024/25 \$M	Budget 2024/25 \$M	Variance 2024/25 \$M	Actual 2023/24 \$M
Revenue	548	519	29	653
Expenditure	556	519	37	653
Net surplus/(deficit)	(8)	0	0	0

Excludes repayment of borrowing.

Safety includes spend incurred by the NZ Police on the Road Policing Investment Programme. Safety expenditure was \$37 million (7 percent) above budget. Budgets were set well before the safety programme was finalised for the 2024-27 NLTP and do not reflect final funding decisions. For full details on output class funding and expenditure, see page 230.

Rail network ● ● ●

Invested in by NZTA, delivered by KiwiRail and funded from the National Land Transport Fund

What we do and the difference it makes

We support KiwiRail to deliver the first Rail Network Investment Programme, which sets out rail activities that will be funded from the NLTF over the 3 years 2024/25 to 2026/27. With KiwiRail, we monitor the programme's delivery and report to the Minister of Transport on progress.

Rail network activities enable the development of a resilient and reliable rail network, which improves safety and supports freight movement in a mode-neutral system by providing choice to companies and customers. Improving the rail network also contributes to reduced congestion and emissions.

How we measure performance

Reference	Measure	Status	Target	2024/25 actual	2023/24 actual
RN1 Delivered by KiwiRail	Amount of freight carried by rail (net tonne kilometres) ^A	Not achieved	4170 million net tonne kilometres or greater ^B	3373 million net tonne kilometres	3482 million net tonne kilometres
RN2 Delivered by KiwiRail	Freight travel time reliability ^A	Achieved	90% or greater	90%	89%

This year's result is a 3 percent reduction on the previous year and reflects another year of flat freight volumes driven by wider economic conditions. Volumes at ports are flat or declining and road freight net tonne kilometres have also been flat or declining, with operators reporting challenging conditions.

Due to the timing of publishing KiwiRail's statement of corporate intent and our statement of performance expectations, the published targets for this measure differed across both documents. The KiwiRail target for 2024/25 was 3598 million net tonne kilometres and our statement of performance expectations target was 4170 net tonne kilometres.

Future NZTA statements of performance expectations will now refer to the KiwiRail statement of corporate intent, which will resolve any target discrepancies in the future. This data is reported from KiwiRail and subject to audit and confirmation as part of the KiwiRail annual reporting process.

^A This is also an appropriation measure in Vote Transport (see appendix 4).

^B This target changed from 4460 to 4170 million net tonne kilometres to reflect the annual update that aligns with the 3-year NLTP period. Net tonne kilometres is the sum of the tonnes carried multiplied by the distance travelled.

	Actual 2024/25 \$M	Budget 2024/25 \$M	Variance 2024/25 \$M	Actual 2023/24 \$M
Revenue	500	353	147	560
Expenditure	500	353	147	560
Net surplus/(deficit)	0	0	0	0

The rail network activity class was \$147 million (42 percent) above budget. This reflects additional expenditure approved by the Crown for the reinstatement of the rail network after the North Island weather events. For full details on output class funding and expenditure, see from page 230.

Walking and cycling improvements

Delivered by NZTA and approved organisations and funded from the National Land Transport Fund and the Crown

What we do and the difference it makes

We co-invest in maintaining the existing walking and cycling network and developing new walking and cycling pathways where a clear benefit exists for increasing economic growth or improving safety and where demonstrated volumes of pedestrians and cyclists already exist.

This investment encourages people to walk and cycle, helps improve pedestrian and cyclist safety, and contributes to reduced congestion and emissions. As active travel modes, walking and cycling also promote health and wellbeing.

How we measure performance

Reference	Measure ^A	Status	Target	2024/25 actual	2023/24 actual
WCI1	Proportion of cycleways, pathways and shared paths delivered against what was funded ^B	Not achieved	80% or greater	69%	65%
	During 2024/25, six cycleway projects were scheduled for completion, with a target of about 24km. Just over 16km were delivered and opened to the public, resulting in a 69 percent completion rate. The primary reason for delays in completing cycleways were projects being paused while government priorities were confirmed, council budgets being reviewed, and changes in design being required following further engagement. Crown-funded projects (not captured by this measure) contributed to councils delivering an additional 66km of cycleways through the Transport Choices Programme, adding to broader network expansion nationally.				
WCI2	Average national change in cyclist counts	Achieved	Increasing from the previous year	0.8%	5.4% growth
WCI3	Average national change in pedestrian counts	Achieved	Increasing from the previous year	9.4%	18.5% growth

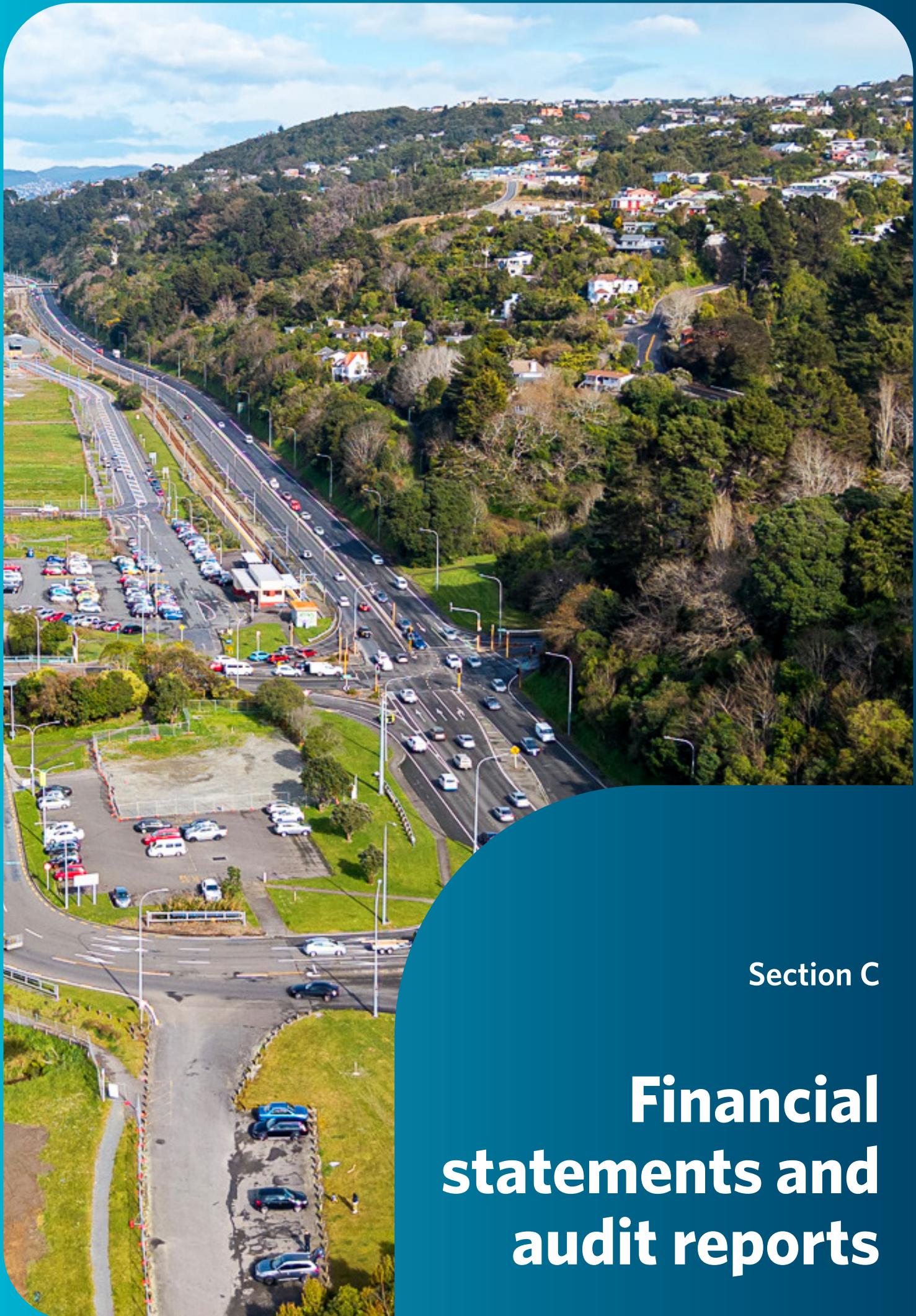
^A These measures could not be reported on in previous years due to data and methodology issues. We've solved the issues and updated the methodology and targets accordingly. The measure descriptions for WCI2 and WCI3 have also changed to reflect what will be reported from 2024/25. (The previous descriptions were 'cycling count in main urban areas' and 'walking count in main urban areas'.)

^B This is also an appropriation measure in Vote Transport (see appendix 4).

	Actual 2024/25 \$M	Budget 2024/25 \$M	Variance 2024/25 \$M	Actual 2023/24 \$M
Revenue	175	203	(28)	287
Expenditure	175	203	(28)	287
Net surplus/(deficit)	(0)	0	(0)	0

Excludes repayment of borrowing.

Walking and cycling expenditure was \$28 million (14 percent) below budget mainly due to council rescheduling of certain projects. For full details on output class funding and expenditure, see from page 230.



Section C

Financial statements and audit reports

Insurance and indemnities

NZ Transport Agency Waka Kotahi (NZTA) has directors and officers' liability and professional indemnity insurance cover in respect of the liability or costs of board members and employees. NZTA has insurance cover for income protection, life insurance and travel-related risk for employees where injury or loss occurs while they are on NZTA business.

NZTA indemnifies board members and certain executives for liabilities and costs they may incur for their acts or omissions as board members or employees (as the case may be) as permitted by the Crown Entities Act 2004. The indemnity applies only where the board member/employee has acted in good faith and in the performance, or intended performance, of NZTA's functions.

Statement of responsibility

The NZTA Board is responsible for the preparation of the NZTA financial statements and statement of performance and for the judgements made in them.

The Board is responsible for any end-of-year performance information provided by NZTA under section 19A of the Public Finance Act 1989.

The Board is responsible for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In the Board's opinion, these financial statements and statement of performance fairly reflect the financial position and operations of NZTA for the year ended 30 June 2025.

Signed on behalf of the Board:



Simon Bridges
NZTA Board Chair
31 October 2025

Countersigned by:



Brett Gliddon
Chief Executive
31 October 2025



Cassandra Crowley
Chair of the Risk and Assurance
Committee
31 October 2025



Howard Cattermole
Chief Financial Officer
31 October 2025

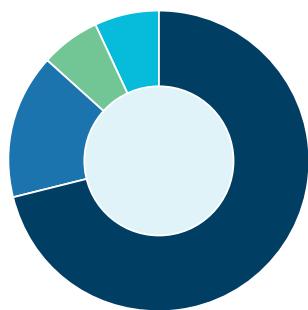
Highlights from our financial statements (unaudited)

\$7.9 billion total funding received

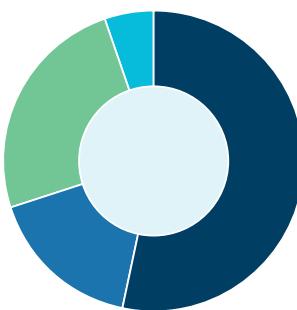
(2023/24: \$7.6 billion)

Most of NZTA's income is from the National Land Transport Fund. We also receive revenue from: the Crown to support the Major Crown Investment Projects (MCIP) and for specific projects; and regulatory fees and charges. Financing decreased in 2024/25 as the capital grant was used ahead of the loan facilities to fund capital expenditure.

2024/25



2023/24



Funding received by source

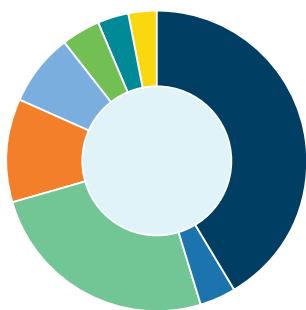
	2024/25	2023/24
National Land Transport Fund	71.2%	53.4%
Crown	15.5%	16.6%
Financing	6.4%	24.8%
Other revenue	6.9%	5.2%

\$8.0 billion total funding spent

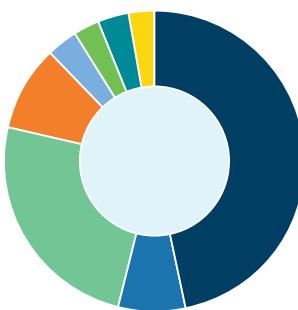
(2023/24: \$7.8 billion)

Our expenditure is guided by the Government Policy Statement on land transport and the priorities identified in our statement of intent 2021–2026. In 2024/25, 45 percent of our expenditure directly related to: NLTP operating expenses we provided to approved organisations, activities funded from the Crown and maintenance and operation of the state highway network. NLTP capital expenditure comprised 37 percent of our annual expenditure which includes state highway improvements, renewals and other capital activities where the assets are owned by NZTA such as certain public transport and walking and cycling assets. Personnel and operating expenses including interest and finance costs made up the remaining 18 percent.

2024/25



2023/24



Funding spent by type

	2024/25	2023/24
NLTP operating expenditure	41.4%	46.8%
Crown operating expenditure	4.0%	7.1%
NLTP capital expenditure	25.3%	24.8%
Crown capital expenditure	11.2%	9.3%
Repayment of financing	7.8%	3.2%
Interest and finance costs	3.9%	2.8%
Personnel costs	3.4%	3.3%
Operating expenses	3.0%	2.7%

\$89.4 billion net assets/equity

(2023/24: \$85.4 billion)

Our statement of financial position reflects the significant value held in the state highway network, with \$96 billion of assets and low levels of liabilities. The state highway network accounts for 93 percent of our asset base.

	Actual 2024/25 \$M	Budget 2024/25 \$M	Actual 2023/24 \$M
Total assets	95,605	95,325	91,960
Less total liabilities	6,183	6,646	6,549
Net assets/equity at end of year	89,422	88,679	85,411

Financial statements

Statement of comprehensive revenue and expense for the year ended 30 June 2025

	Note	Actual 2024/25 \$M	Budget (restated)* 2024/25 \$M	Actual (restated)* 2023/24 \$M
Revenue				
Operating funding from the National Land Transport Fund	2	4,621	5,055	5,068
Operating funding from the Crown	2	326	302	540
Revenue from other activities	2/3	546	311	398
Total revenue		5,493	5,668	6,006
Expense				
Land transport funding		3,521	3,777	3,936
Employee costs	7	268	262	289
Operating expenses	8	236	251	253
Low emission vehicles		0	0	154
Interest and finance costs	11	308	314	285
Depreciation, amortisation and state highway write-off	4	1,149	1,192	1,146
Assets vested to local authorities	4	101	0	106
Total expense	2	5,583	5,796	6,169
Surplus/(deficit)		(90)	(128)	(163)
Other comprehensive revenue and expense				
Gain/(loss) state highway network revaluations	4	2,386	1,470	1,212
Net movement in cash flow hedges	11	(53)	2	5
Total other comprehensive revenue and expense		2,333	1,472	1,217
Total comprehensive revenue and expense		2,243	1,344	1,054

*Figures have been restated to match current year allocations.

Statement of financial position as at 30 June 2025

	Note	Actual 2024/25 \$M	Budget 2024/25 \$M	Actual 2023/24 \$M
Assets				
Cash and cash equivalents		214	50	565
Debtor Crown		71	157	277
Receivables and other assets		216	145	217
Derivative financial asset	11	1	0	28
Debtor National Land Transport Fund		419	339	147
Debtor National Land Transport Fund – debt related*		5,223	5,921	5,301
Property assets held for sale	4	12	21	24
Property, plant, equipment and intangible assets		82	114	95
State highway network	4	89,367	88,578	85,306
Total assets		95,605	95,325	91,960
Liabilities				
Payables	8	768	552	1,020
Employee entitlements	7	41	37	39
Provisions	10	3	0	16
Derivative financial liability	11	95	50	69
Borrowing and other liabilities	11	3,381	4,115	3,491
Public-private partnership liabilities	5	1,895	1,892	1,914
Total liabilities		6,183	6,646	6,549
Net assets		89,422	88,679	85,411
Equity				
Contributed capital and Retained funds		17	(16)	(15)
Equity derived from the state highway network		89,433	88,677	85,401
Cash flow hedge reserve	11	(28)	18	25
Total equity		89,422	88,679	85,411

*Including \$151 million of current debtors related to public-private partnerships unitary charges and other long-term debt repayment funding due from the National Land Transport Fund.

Statement of changes in equity for the year ended 30 June 2025

	Retained funds* \$M	Memorandum accounts \$M	Equity derived from the state highway network \$M	Cashflow hedge reserve \$M	Total \$M	Budget \$M
Balance as at 1 July 2023	28	(47)	82,754	20	82,755	79,121
Surplus/(deficit)	(163)	0	0	0	(163)	36
Other comprehensive revenue and expense						
State highway network revaluations	0	0	1,212	0	1,212	4,800
Movement in cash flow hedges	0	0	0	5	5	8
Total other comprehensive revenue and expense	0	0	1,212	5	1,217	4,808
Total comprehensive revenue and expense	(163)	0	1,212	5	1,054	4,844
Changes in equity – capital contribution from the National Land Transport Fund	0	0	1,602	0	1,602	1,598
Changes in equity – other transfers	167	0	(167)	0	0	0
Total changes in equity	4	0	2,647	5	2,656	6,442
Balance as at 30 June 2024/1 July 2024	32	(47)	85,401	25	85,411	85,563
Surplus/(deficit)	(134)	44	0	0	(90)	(128)
Other comprehensive revenue and expense						
State highway network revaluations	0	0	2,386	0	2,386	1,470
Movement in cash flow hedges	0	0	0	(53)	(53)	0
Total other comprehensive revenue and expense	0	0	2,386	(53)	2,333	1,470
Total comprehensive revenue and expense	(134)	44	2,386	(53)	2,243	1,342
Changes in equity – capital contribution from the National Land Transport Fund	0	0	1,768	0	1,768	1,774
Changes in equity – other transfers	122	0	(122)	0	0	0
Total changes in equity	(12)	44	4,032	(53)	4,011	3,116
Balance as at 30 June 2025	20	(3)	89,433	(28)	89,422	88,679

*Retained funds is made up of general NZTA operations equity as well as ringfenced equity accounts to track the revenue and costs of administering specific schemes. This includes the community road safety fund and tolling administration.

Statement of cash flows for the year ended 30 June 2025

	Actual 2024/25 \$M	Budget 2024/25 \$M	Actual (restated)** 2023/24 \$M
Cash flows from operating activities			
Receipts from the National Land Transport Fund	3,672	4,151	3,680
Receipts from the Crown	423	441	745
Receipts from other revenue	501	270	377
Payments to employees	(266)	(215)	(252)
Payments to suppliers	(3,936)	(4,195)	(4,327)
Goods and services tax (net)	94	0	(107)
Net cash from operating activities	488	452	116
Cash flows from investing activities			
National Land Transport Fund receipts from sale of state highway-held properties	7	18	11
Purchase of property, plant, equipment and intangible assets	(5)	(38)	(12)
Investment in the state highway network	(3,012)	(2,881)	(2,595)
Net cash from investing activities	(3,010)	(2,901)	(2,596)
Cash flows from financing activities			
Capital contribution from the National Land Transport Fund	159	1,128	204
Capital contribution from the Crown	2,416	984	1,212
Receipts from borrowing	508	975	1,897
Repayment of borrowing	(636)	(367)	(294)
Interest paid on borrowing	(276)	(271)	(196)
Net cash from financing activities	2,171	2,449	2,823
Net (decrease)/increase in cash and cash equivalents	(351)	0	343
Cash and cash equivalents at the beginning of the year	565	50	222
Cash and cash equivalents at the end of the year*	214	50	565

*Cash and cash equivalents comprise bank accounts held at Westpac.

** Figures have been restated to match current year allocations.

Reconciliation of net surplus to net cash from operating activities

	Actual 2024/25 \$M	Budget 2024/25 \$M	Actual 2023/24 \$M
Surplus/(deficit)	(90)	(128)	(163)
Add/(deduct) non-cash/non-operating items:			
Depreciation, amortisation and state highway write-off	1,149	1,192	1,146
Losses on disposal of non-financial assets	1	0	2
(Gains)/losses on foreign exchange derivatives	(1)	0	2
Net impact of assets vested to/(from) local authorities	101	0	106
Movement in discounting on receivables	(8)	19	(1)
Interest on borrowings	291	267	264
Movement in discounting on borrowings	1	13	3
Total non-cash/non-operating items	1,534	1,491	1,522
Add/(deduct) movements in working capital:			
(Increase)/decrease in Debtor National Land Transport Fund and Debtor Crown	(791)	(770)	(1,172)
(Increase)/decrease in receivables and other assets	1	(5)	(93)
Increase/(decrease) in creditors and other payables	(168)	(137)	20
Increase/(decrease) in employee entitlements	2	1	2
Net movements in working capital items	(956)	(911)	(1,243)
Net cash from operating activities	488	452	116

Notes to the financial statements

1 | Entity information

NZ Transport Agency Waka Kotahi (NZTA) is a Crown entity as defined by the Crown Entities Act 2004 and is domiciled and operates in New Zealand. Legislation governing the operations of NZTA includes the Crown Entities Act 2004 and the Land Transport Management Act 2003.

The primary objective of NZTA is to provide services to the New Zealand public. Its purpose is to deliver effective, efficient, safe and resilient transport solutions that support a thriving New Zealand.

NZTA does not operate to make a financial profit.

The financial statements for NZTA are for the year ended 30 June 2025 and were approved by the NZTA Board on 31 October 2025.

Basis of preparation

The financial statements of NZTA have been prepared in accordance with the requirements of the Crown Entities Act 2004 and the Financial Reporting Act 2013. They comply with generally accepted accounting practice in New Zealand (NZ GAAP).

NZTA is designated as a public benefit entity (PBE) for financial reporting purposes. The financial statements have been prepared in accordance with Tier 1 PBE accounting standards.

The financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the period.

The accompanying notes form part of these financial statements. Where an accounting policy is specific to a note, the policy is described in the note to which it relates.

The financial statements are presented in New Zealand dollars and all values are in millions (\$M).

NZTA presents its financial statements on a liquidity basis as it considers its operations not seasonal or cyclical.

Budget figures

The budget figures are derived from the statement of performance expectations 2024/25 as approved by the Board on 26 June 2024. The budget figures were prepared in accordance with NZ GAAP, using accounting policies that are materially consistent with those adopted by the Board in preparing these financial statements. The budget figures are not audited and certain balances have been reclassified to reflect the presentation of actual spend during 2024/25.

Related party disclosures

NZTA is a wholly owned entity of the Crown. Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client relationship under normal terms and conditions for such transactions. Further, transactions with other government agencies (for example, government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

Taxes

All items in the financial statements are stated exclusive of goods and services tax (GST), except for receivables and payables, which are stated on a GST-inclusive basis. Where GST is not recoverable as input tax, it is recognised as part of the related asset or expense.

NZTA is a public authority, so is exempt from the payment of income tax.

Capital management

The capital of NZTA is its equity. Equity is represented by net assets. NZTA is subject to the financial management and accountability provisions of the Crown Entities Act 2004, which imposes restrictions in relation to borrowing, acquiring securities, issuing guarantees and indemnities, and using derivatives.

NZTA manages its equity by managing its forecast cash flows from the National Land Transport Fund (NLTF) and other sources compared with its outgoings. When NZTA borrows funds, it ensures it has sufficient forecast cashflows from future NLTF revenue to meet its repayment obligations. NZTA has a letter of support from the Minister of Finance and Minister of Transport to give the board confidence that the future cashflows will be sufficient to meet debt repayments. Where funds are borrowed for the Regulatory business that is in expectation that future fees and funding will enable that debt to be repaid.

Debtor National Land Transport Fund and Debtor Crown

Debtor National Land Transport Fund and Debtor Crown represents undrawn funds from the operating and capital appropriations relevant to expenditure incurred and not funded by borrowings. The receivables are expected to be received within 30 days of balance date.

Debtor National Land Transport Fund - debt related represents operating and capital expenditure for programmes that are funded by loans and public-private partnerships that will be reimbursed by the NLTF over future financial periods. The receivable balance has been discounted over its term at the effective interest rate at the transaction date.

There is no indication that Debtor National Land Transport Fund or Debtor Crown are impaired as at 30 June 2025. We have considered the credit risk to NZTA from the National Land Transport Fund in note 11.

Receivables

Receivables are recognised at face value less an allowance for doubtful debt calculated using the expected credit losses (ECLs) model. NZTA applies the simplified approach and recognises lifetime ECLs for receivables. Receivables are written off when they are deemed uncollectable.

ECLs and write offs of receivables are not disclosed separately as they are not considered material.

National Ticketing Solution

The National Ticketing Solution is a scheme where public transport ticketing is being centralised and administered by NZTA. The scheme involves an outsourced software provider, involves various financial intermediaries and utilises modern customer payment mechanisms. During 2024/25, a dedicated shared service organisation was established within NZTA to administer the National Ticketing Solution and a small pilot was established in Christchurch. During 2025/26, the scheme is expected to be rolled out to the Canterbury region (excluding Timaru).

Fares paid by the public for transport are treated as pass-through in nature, so NZTA will not show any amounts in the financial statements, including revenue, expense and related receivables, and payables. This is on the basis that NZTA is simply an administrator of the scheme. It collects and disperses fares and does not apply a fee. Fares are received by NZTA, from financial intermediaries or from public transport authorities. In cases where a customer puts a balance onto a transit card, an external financial company holds the funds until such time as the fare is travelled, after which it pays the fare to NZTA with no balance withheld. Once the fare is received by NZTA, it is dispersed to the public transport authorities on a daily basis. Aside from a small amount of liquidity risk, NZTA carries no other material risk as administrator of the scheme.

During 2024/25, the pilot scheme collected \$54,000 of fares that were then dispersed to the public transport authorities.

With the exception of fare transactions, NZTA will recognise the following types of transactions in the financial statements associated with the running of the scheme.

- costs to run the Shared Services Organisation, including staff costs, financial transaction fees, commissions and software fees
- revenue and costs associated with the sale and cost to produce the Motu Move transit card
- interest revenue on the customer funds held by the external party.

Accounting standards issued and not yet effective

NZTA has adopted all accounting standards, amendments and interpretations to existing standards that have been published and are mandatory from 1 July 2024. There are no issued but not yet effective standards as at 30 June 2025 that NZTA considers would have a material impact on the financial statements.

Critical accounting judgements, estimates and assumptions

In preparing the financial statements, NZTA has applied judgements, estimates and assumptions concerning the future that may differ from the subsequent actual results. These judgements, estimates and assumptions are continually evaluated and are based on historical experience, where possible, and other factors. Note 4 outlines the judgements, estimates and assumptions applied to the valuation of the state highway network.

2 | Operating and capital funding and expense

The tables below represent funding from the National Land Transport Fund and the Crown and relevant expenses for operating transport infrastructure and other services throughout New Zealand.

2024/25 year

	Operating funding revenue* Actual 2024/25 \$M	Capital funding contribution Actual 2024/25 \$M	Total funding Actual 2024/25 \$M	Operating expense Actual 2024/25 \$M	Capital expense Actual 2024/25 \$M	Total expense Actual 2024/25 \$M
National Land Transport Fund						
Public-private partnerships	0	3	3	0	3	3
State highway improvements***	452	461	913	704	469	1,173
Local road operations	585	0	585	585	0	585
Local road pothole prevention	557	0	557	557	0	557
State highway operations**	819	98	917	886	98	984
State highway pothole prevention	545	202	747	545	202	747
Public transport services	569	0	569	570	0	570
Public transport infrastructure**	437	23	460	444	23	467
Local road improvements	112	0	112	112	0	112
Walking and cycling	69	60	129	69	60	129
Investment management	69	0	69	69	0	69
Safety	100	23	123	100	23	123
Coastal shipping	0	0	0	0	0	0
Local road improvements (Housing Infrastructure Fund)	35	0	35	35	0	35
Road user charges collection, investigation and enforcement	10	0	10	9	0	9
Refund of fuel excise duty	2	0	2	2	0	2
Debt	260	617	877	291	617	908
Total National Land Transport Fund funding and expense	4,621	1,487	6,108	4,978	1,495	6,473
Total Budget***	5,055	962	6,017	5,175	929	6,104
Classified as follows:						
Funding paid to approved organisations (excl. NZTA)				2,349		2,349
NZTA expenditure				2,338	878	3,216
Debt repayment				291	617	908
Total National Land Transport Fund expense				4,978	1,495	6,473
Crown						
Major Crown Investment Projects	17	739	756	17	739	756
COVID-19 related funding – public-private partnerships	63	76	139	63	76	139
Local road improvements (Provincial Growth Fund)	2	0	2	2	0	2

	Operating funding revenue [*] Actual 2024/25	Capital funding contribution Actual 2024/25	Total funding Actual 2024/25	Operating expense Actual 2024/25	Capital expense Actual 2024/25	Total expense Actual 2024/25
	\$M	\$M	\$M	\$M	\$M	\$M
Climate Emergency Response Fund						
Bus decarbonisation	4	0	4	4	0	4
Community connect programme	31	0	31	31	0	31
Mode shift – walking and cycling improvements	22	0	22	22	0	22
Mode shift – public transport services	1	0	1	1	0	1
Mode shift – public transport infrastructure	11	0	11	11	0	11
Retaining and recruiting bus drivers	15	0	15	15	0	15
Ngauranga to Petone walking and cycling path	0	24	24	0	24	24
SuperGold card administration and public transport concessions	41	0	41	41	0	41
Crown (Supporting Regions Programme)	0	11	11	0	11	11
Regional resilience	10	28	38	10	28	38
Eastern busway project	84	0	84	84	0	84
National infrastructure funding and financing	0	13	13	0	13	13
Clean Car Standard	5	0	5	5	0	5
Other Crown funding and expense	20	0	20	14	0	14
Total Crown funding and expense	326	891	1,217	320	891	1,211
Total Budget**	302	981	1,283	306	981	1,287
Classified as follows:						
Funding paid to approved organisations (excl. NZTA)				221		221
NZTA expenditure				99	891	990
Total Crown expense				320	891	1,211
Total funding and expense from fees, charges and other revenue***	546	0	546	285	0	285
Total Budget**	311	0	311	315	0	315
Total revenue and expense	5,493	2,378	7,871	5,583	2,386	7,969
Total Budget**	5,668	1,793	7,461	5,796	1,910	7,706

^{*} Funding from borrowing facilities is included within the funding revenue and capital funding columns. A non-current debtor from the National Land Transport Fund (NLTF) is recognised when borrowing facilities are drawn down to reflect the future obligation of the NLTF to fund NZTA for the borrowing repayment. The borrowing facilities included in funding in 2024/25 have been notionally allocated as follows: \$29 million local road improvements; \$92 million public transport services; \$65 million public transport infrastructure; \$8 million walking and cycling improvements; \$82 million state highway operations; \$33 million state highway pothole prevention; \$62 million local road operations and \$89 million local road pothole prevention.

^{**} Budgets by output class are included in the output class income and expenditure statements on pages 116–130.

^{***} The difference in funding and expenditure for State highway improvements relates to the revocation of a state highway to a local council and state highway write-offs. The difference in funding and expenditure for State highway operations and Public transport infrastructure relates to revenue received from third parties. Third-party revenues are shown in the Total funding and expense from fees, charges and other revenue line.

2023/24 year

	Operating funding revenue Actual 2023/24 \$M	Capital funding contribution Actual 2023/24 \$M	Total funding Actual 2023/24 \$M	Operating expense Actual 2023/24 \$M	Capital expense Actual 2023/24 \$M	Total expense Actual 2023/24 \$M
National Land Transport Fund						
Public-private partnerships	0	6	6	0	6	6
State highway improvements	755	91	846	925	118	1,043
Local road maintenance	1,241	0	1,241	1,241	0	1,241
State highway maintenance	1,228	572	1,800	1,286	571	1,857
Public transport services	511	0	511	514	0	514
Public transport infrastructure	519	22	541	519	22	541
Local road improvements	183	0	183	197	0	197
Walking and cycling	110	93	203	111	93	204
Investment management	63	0	63	76	0	76
Road to Zero	426	107	533	427	112	539
Coastal shipping	3	0	3	3	0	3
Local road improvements (Housing Infrastructure Fund)	14	0	14	14	0	14
Road user charges collection, investigation and enforcement	11	0	11	11	0	11
Refund of fuel excise duty	4	0	4	4	0	4
Total National Land Transport Fund funding and expense	5,068	891	5,959	5,328	922	6,250
Total Budget	4,772	748	5,520	4,800	749	5,549
Classified as follows:						
Funding paid to approved organisations (excl. NZTA)				2,701		2,701
NZTA expenditure				2,627	922	3,549
Total National Land Transport Fund expense				5,328	922	6,250

	Operating funding revenue Actual 2023/24 \$M	Capital funding contribution Actual 2023/24 \$M	Total funding Actual 2023/24 \$M	Operating expense Actual 2023/24 \$M	Capital expense Actual 2023/24 \$M	Total expense Actual 2023/24 \$M
Crown						
NZ Upgrade Programme	(2)	606	604	36	606	642
COVID-19 related funding - public-private partnerships	19	0	19	19	0	19
Local road improvements (Provincial Growth Fund)	(3)	0	(3)	(3)	0	(3)
Climate Emergency Response Fund						
Bus decarbonisation	4	0	4	3	0	3
Community connect programme	68	0	68	68	0	68
Mode shift - walking and cycling	55	0	55	55	0	55
Mode shift - public transport services	16	0	16	16	0	16
Mode shift - public transport infrastructure	33	0	33	33	0	33
Mode shift - investment management	5	0	5	5	0	5
Retaining and recruiting bus drivers	16	0	16	15	0	15
Ngauranga to Petone walking and cycling path	0	28	28	0	28	28
SuperGold card administration and public transport concessions	38	0	38	37	0	37
Crown (Supporting Regions Programme)	0	38	38	0	38	38
Regional resilience	0	16	16	0	16	16
Eastern busway project	77	0	77	77	0	77
Kaikōura earthquake response	1	0	1	1	0	1
National infrastructure funding and financing	0	34	34	0	33	33
Clean car discount	159	0	159	159	0	159
Clean car standard	13	2	15	13	2	15
Other Crown funding and expense	41	0	41	41	0	41
Total Crown funding and expense	540	724	1,264	575	723	1,298
Total Budget	845	1,135	1,980	812	1,134	1,946
Classified as follows:						
Funding paid to approved organisations (excl. NZTA)				301		301
NZTA expenditure				274	723	997
Total Crown expense				575	723	1,298
Total funding and expense from fees, charges and other revenue	398	0	398	268	0	268
Total Budget	288	0	288	257	0	257
Total revenue and expense	6,006	1,615	7,621	6,171	1,645	7,816
Total Budget	5,905	1,883	7,788	5,869	1,883	7,752

Funding from the National Land Transport Fund and the Crown

The majority of the funding is received from the National Land Transport Fund and the Crown.

Funding from the National Land Transport Fund and the Crown has been accounted for in accordance with PBE IPSAS 23 *Revenue from non-exchange transactions* and classified and treated as non-exchange revenue. The funding is used for the specific purpose set out in legislation and the scope of the relevant government appropriations. The payment of funding does not entitle the payer to an equivalent value of services or benefits, because no direct exchange relationship exists between paying the funding and receiving services or benefits from NZTA. Apart from these general restrictions there are no unfulfilled conditions or contingencies attached to this funding and the funding is recognised as revenue when received and reported in the financial period to which it relates.

Funding is recognised as a capital contribution when expenditure for capital projects is incurred.

Funding from fees, charges and other revenue

Revenue from other activities has been classified and treated as exchange revenue and accounted for in accordance with PBE IPSAS 9 *Revenue from exchange transactions*.

Land transport funding

NZTA receives land transport funding and then provides it to approved organisations for the delivery of services and uses it to maintain and operate the state highway network.

Explanation of major variances against budget

There are no major variances against budget. Operating expense related to the NLTF was \$197 million (4 percent) below budget. This is mainly due to slower-than-anticipated progress on local road North Island weather events projects as well as state highway emergency works.

Capital expense related to the Crown was \$90 million (9 percent) below budget. This was the result of lower spend in the Major Crown Investment Projects. This is a timing of spend issue across multiple projects. Expenditure is expected to increase in later years.

3 | Revenue from other activities

	Actual 2024/25 \$M	Actual (restated)** 2023/24 \$M
Fees and Charges		
Motor vehicle licensing fees	89	78
Driver licensing and testing fees	89	77
Road user charges collections	34	27
Certification review fees	24	19
Transport licensing fees	26	21
Rail licensing fees	2	3
Border inspection fees	8	8
Total fees and charges	272	233
Recoveries from National Land Transport Programme and other activities*	195	99
Interest and finance income	42	36
Tolling fees and contributions	21	20
Levy on personalised plates for community road safety initiatives	10	9
Miscellaneous revenue	6	1
Total revenue from other activities	546	398

* Includes developer contributions.

** Prior year figures have been restated to match current year allocations.

4 | State highway network

	Actual 2024/25 \$M	Actual 2023/24 \$M
Opening balance	85,306	82,637
Additions (including work in progress)*	2,916	2,689
Depreciation**	(1,101)	(1,020)
Write-offs***	(30)	(107)
Assets vested to local authorities****	(101)	(106)
Disposals	(21)	(13)
Revaluation of state highway network	2,334	778
Impairment through the revaluation reserve*****	52	434
Net movement assets transferred from/ (to) held for sale	12	14
Closing balance	89,367	85,306

* Notable additions in 2024/25 include the continued progress on Te Ahu a Turanga Manawatū Tararua Highway, which opened in the later part of 2024/25, SH3 Mt Messenger Bypass, Ngauranga to Petone shared path, RoNS projects such as Ōtaki to North Levin, Takitimu North Link Stage 1, Warkworth to Te Hana and SH1 Cambridge to Piarere as well as RoRS projects such as O Mahurangi Penlink and SH1 Papakura to Bombay.

** Depreciation, amortisation and state highway write-off balance in the statement of comprehensive revenue and expense included \$18 million (2023/24: \$19 million) of depreciation and amortisation relating to property, plant, equipment and intangible assets and is not included in the state highway network disclosure above.

*** Includes the write-off of the disused Awakino Tunnel (\$6.4 million).

**** The assets vested to local authorities for 2024/25 reflect the revocation to Auckland Transport of the road bypassed corridor due to the new Puhoi to Warkworth highway.

***** 2024/25 has an impairment reversal related to Mangamuka Gorge due to it reopening in December 2024 and the impairment reversal of a section of SH3 to Wooklands road in the Manawatū with it to continue as highway with the opening of Te Ahu a Turanga Manawatū Tararua Highway.

The cost of constructing the state highway network is recognised as an asset. Subsequent cost is included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future service potential will be realised and the cost can be measured reliably. Repairs and maintenance costs are expensed during the financial period in which they are incurred.

Valuation

The state highway network (excluding land and formation) is valued using an optimised depreciated replacement cost methodology based on the estimated current cost of constructing the existing assets by the most appropriate method of construction, reduced by factors for the age, condition and performance of the assets. The estimated current cost is expected to change over time. The corridor land is valued using the 'across the fence' methodology, which is based on the premise that the corridor land should be of similar value to the land through which it passes. Formation is valued using unit rates for formation types applied to the carriageway. Land, held properties, formation and the sub-base component of pavement are non-depreciable asset classes. Qualified independent valuers carry out the valuation along with support from NZTA as shown in the table on the following page.

State highway network component	Valuer
Existing network assets: roads (formation and pavement), bridges, culverts and subways, drainage, traffic facilities and other structures	WSP (a consultant valuation company), based on unit rates provided by BondCM* (a cost estimation company), and outputs provided by NZTA of the AVM (previously known as RAMM) and HSIMS registers.
New major network assets**	Based on unit rates provided by BondCM* and input from internal project review assessments; reviewed by WSP.
Tunnels	Valued by NZTA based on indexed unit cost rates derived by WSP. Valuation is reviewed by WSP.
Land (held property)	Darroch (a property management and valuation company).
Land (corridor)	Internally valued by NZTA, based on an 'across the fence' methodology applied in GIS system, that uses inputs from QV and LINZ along with indexation from Core Logic all reviewed by WSP.
Miscellaneous assets	Derived as a proportion of depreciable assets and reviewed by WSP.

* Unit rates are provided by BondCM on a 3-yearly basis and reviewed and indexed annually in intervening years based on indices provided by Stats NZ and reviewed by WSP and BondCM. 2025 was an index year with unit rates remaining flat and no index adjustment applied.

** State highway projects with expenditure over \$20 million.

State highway network components	Optimised depreciated replacement cost		Depreciation expense	
	Actual 2024/25 \$M	Actual 2023/24 \$M	Actual 2024/25 \$M	Actual 2023/24 \$M
Land*	25,082	22,969	0	0
Formation	22,154	20,593	0	0
Pavement base course**	12,204	11,570	74	73
Pavement surface	2,302	2,296	348	321
Drainage	3,011	3,196	97	99
Traffic facilities	2,048	2,199	196	159
Bridges	15,421	15,440	238	232
Culverts and subways	1,084	1,014	29	25
Tunnels and other structures	5,507	5,515	74	71
Miscellaneous***	554	514	45	39
Total	89,367	85,306	1,101	1,019

*Land includes corridor land and held properties excluding properties held for sale.

**Pavement basecourse includes basecourse that is depreciable and pavement subbase that is nondepreciable.

***Miscellaneous asset class represents Intelligent Traffic Systems, traffic management units, tolling infrastructure, Bailey bridges, sea and river protection structures, and other minor structures.

State highway assets increased in value by \$4.1 billion mainly due to a movement in the internal cost component of the unit rates on-costs overhead, land corridor value movement particularly in Auckland, and the annual capital expenditure on state highway projects, less depreciation.

Depreciation

Depreciation is calculated on a straight-line basis on state highway network assets (other than land, held properties, formation and the subbase component of pavement) at rates that will reduce the value of the assets to their estimated residual value over their useful life. The depreciation expense for 2024/25 is calculated on the asset base at the 30 June 2024 valuation.

Impairment

State highway network assets are reviewed for impairment whenever events or changes in circumstances indicate that there may be a reduction in asset future service potential. An impairment loss is recognised when the asset's carrying amount exceeds the recoverable service amount. The recoverable service amount is the higher of the asset's fair value less cost to sell or value in use. Impairment of state highway network assets is deducted from the asset revaluation reserve to the extent of an existing credit balance. Any excess is recognised in surplus or deficit.

Significant rain over August 2022 caused several slips under State Highway 1 through the Mangamuka Gorge in Northland that resulted in the closure of the road and further damage occurred in the North Island weather events in early 2023. The road has now been repaired and was opened to traffic in December 2024 and the impairment of \$32 million has been reversed.

Devils Elbow (Hawke's Bay) remains impaired due to ongoing reinstatement works and is operating under temporary traffic management restrictions. At Waikare Gorge (Hawke's Bay), service levels are reduced as traffic is limited by a single lane Bailey bridge, which also restricts access for heavy vehicles. A new impairment is captured for the Tauranga Eastern Link road due to pavement cracking issues affecting the quality of the pavement and potential shortened expected life and has been impaired to the estimated reinstatement cost of \$3 million.

Revocation

In September 2025, the section of highway bypassed by the Pūhoi to Warkworth expressway was revoked as a state highway and is now under the management and control of Auckland Transport. In total, \$157 million has been derecognised in total from the NZTA state highway which is made up of \$56 million revaluation reserve offset and \$101 million write-off.

Estimates, assumptions and judgements

Due to the unique nature of the state highway network, the value of the assets cannot be measured with precision. There are uncertainties about the values assigned to different components of the state highway network. These uncertainties include whether NZTA databases have accurate quantities and whether some cost components and in-service data are captured completely. NZTA is continually reviewing controls to improve the timeliness and accuracy of the main asset database – the Road Assessment and Maintenance Management (RAMM) database and the Highway Structures Information Management System (HSIMS) database. In addition, significant estimates and assumptions have been applied to the valuation, which include assumptions on quantities used in the construction of state highway network components, the life of the assets and the unit cost to apply. The useful lives of the assets is based on the most current available information and is next programmed for review for financial year 2026/27. Other changes to the underlying estimates and assumptions can cause a material movement in the state highway valuation and are reviewed periodically.

NZTA is continuously improving the accuracy of the asset databases and the identification of all costs that should be capitalised through its state highway valuation improvement programme. The state highway valuation improvement programme for 2024/25 continued the focus on simplifying the valuation process and improving the quality of the valuation input and outputs as well as the systems used for the valuation. A GIS based held property valuation was run in parallel and is being enhanced with the lessons learnt to apply in 2025/26 alongside the land corridor valuation. NZTA has changed RAMM to the Asset and Network Manager (AWM) and moved it onto a new technology platform. The Asset Management Data Standard has been applied to state highway assets and will further improve the 2026 valuation.

The table below provides the useful life of the main asset classes of the valuation.

State highway network component	Useful life (years)
Pavement subbase and base course	75-150 for basecourse N/A for subbase which is non-depreciable
Pavement surface	10-14
Drainage	10-100
Traffic facilities	10-25
Bridges	90 or 100
Culverts and subways	50 or 75
Other structures including tunnels*	10-150

*Tunnels includes the excavation component that is not depreciated and lining and services components that are depreciated.

The useful lives in the table above are based on design life. Some assets have exceeded their design life and a minimum remaining life has been assumed for others. A 5-year remaining minimum life has been applied to bridges, culverts and subways, and a 2-year remaining minimum life has been applied to other asset classes.

Unit prices

A significant component of the valuation is based on unit prices provided by independent expert BondCM. Unit cost rates are based on current national market construction costs and market indices from Stats NZ. These rates are adjusted for regional variations when significant.

BondCM undertakes a full review of rates every three years. Movements in rates are indexed in the intervening years. The indexation applied to the rates is from available construction and structures indices provided by Stats NZ up to March 2025 with Holt Winter smoothing applied to the forecast to June 2025. WSP reviews the indices. The unit rates BondCM provides generally relate only to the cost of physical construction. The unit rates for 2024/25 year have remained flat and no indexation has been applied.

Overhead costs

Overhead costs are estimated by BondCM based on actual information for recently completed projects. Replacement costs are multiplied by overhead costs to determine the replacement cost of an asset. The rate of overheads incurred on a project can vary significantly depending on whether the construction is taking place in a greenfield or brownfield environment. A change was applied to the NZTA internal cost component following a periodic review resulting in a movement from 3% to 4%. Overheads include the sum of preliminary and general on cost (36 percent) multiplied by professional fees (12 percent) multiplied by NZTA costs (4 percent), along with brownfield costs at 15 percent for urban and motorway carriageways or 5 percent for rural carriageways. The resulting overhead rate is applied consistently across all the network assets with the exception of land.

Quantities

The calculation of the state highway network valuation consists of estimated quantities that include the actual area and length of the network at the close of the prior year extracted from the asset management systems, RAMM and HSIMS. Completed construction projects within the current financial year are included in the calculation at cost.

Work in progress

Recent capital expenditure is not yet reflected in the asset database. This is because the projects are large and it can take several years to finalise the project and complete the necessary records in the asset management information systems. In some cases, large projects are entered into the information systems some years after they are first operational given the complexity of the asset components. The total work in progress included in the valuation is \$9 billion, which is initially recognised at cost, with prior years' work in progress being indexed.

Valuation inputs subject to estimation uncertainty

The valuation inputs and/or assumptions subject to the most estimation uncertainty are as follows.

- **Preliminary and general (P&G) on-costs, related to multiple asset components:** P&G on-costs are associated with site establishment and disestablishment, site management and compliance on-costs, and contractor mark-up.
- **Professional fees related to multiple asset components:** Professional fees are the cost for professional services from external consultants and internal cost for investigations, design and management surveillance quality. Professional fees of 15 percent are derived from project averages provided by BondCM.
- **Formation:** This is the constructed land form profile and platform on which the pavement structure is built. Formation within different terrain types can be highly variable, the valuation of formation is on an average basis with the unit rates used in the valuation provided by BondCM.
- **Brownfield costs:** A major component of brownfield costs are one-off costs necessary to make the land freely available to build the state highway. They include capital works relating to the relocation and refurbishment of assets owned by other parties, work to protect the privacy and environment of adjoining properties, and compensation to landowners. Other components of the brownfield cost result from the increased constraints or requirements imposed when constructing in an already-developed location; for example, increased traffic management and security; limitations on available contractor areas for storage, parking, buildings and general operations; noise and dust limitations; and restricted hours of work. BondCM provided a brownfield overhead rate for rural and urban areas that has been applied to the depreciable assets unit cost rates. The urban rate has also been applied to motorways.

Sensitivity analysis

The following sensitivity analysis represents possible impacts on the state highway network valuation based on changes to estimates of +10 percent.

	Change in optimised depreciated replacement cost 2024/25 \$M	Change in optimised depreciated replacement cost 2023/24 \$M
Movement in P&G on-cost by 10% (from 36.0% to 39.6%)	1,702	1,650
Movement in external professional fees by 10%	689	650
Movement in formation unit cost by 10%	2,215	2,059
Movement in bridge unit cost by 10%	1,542	1,544
Movement in unit prices* by 10%	3,101	3,032
Movement in land corridor prices by 10%	2,508	2,297
Movement in brownfield cost by 10%	402	402
Movement in price index** by 10%	6,428	6,234

*Relates to bridges, culverts and pavements (surface and other).

**Excludes land.

WSP performed simulation analysis on the valuation to quantify the range of valuation outcomes that could occur as a result of changes in the different valuation inputs. WSP concluded that the overall valuation is likely to be between -7.5 percent and +10 percent of the current value. The sensitivity analysis above is only an indication of the range of possible impacts and should not be interpreted as the likely actual impact.

Property assets held for sale

NZTA owns 48 properties valued at \$12 million (2023/24: 55 properties valued at \$24 million) that have been classified as held for sale. It is expected that these properties will be sold by 30 June 2026. Held properties are classified as property assets held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. Property assets held for sale are measured at the lower of their carrying amount and fair value less cost to sell.

Explanation of major variances against budget

State highway assets were \$89,367 million, \$1,015 million (1 percent) above the budget of \$88,358 million mainly due to the greater than expected increased revaluation movement related to the land corridor. The increase primarily relates to an enhancement to the over-the-fence valuation.

5 | Public-private partnership liabilities

	Actual 2024/25 \$M	Actual 2023/24 \$M
Liabilities		
Transmission Gully	1,018	1,027
Pūhoi to Warkworth	877	887
Total public-private partnership liabilities	1,895	1,914

Public-private partnership agreements

NZTA has entered into public-private partnership agreements with the:

- Wellington Gateway Partnership for the Transmission Gully project
- Northern Express Group for the Pūhoi to Warkworth project.

Public-private partnerships for the construction of state highways are treated as service concession arrangements and accounted for in accordance with *PBE IPSAS 32 Service Concession Arrangements: Grantor*.

During construction, the cumulative cost, including financing, is recognised as an asset. A matching liability represents the obligations of NZTA under the arrangement should conditions exist such that the arrangement will not continue through to the service commencement date. At contract inception there are no scheduled payments before the service commencement date.

Once operational, the public-private partnership assets are accounted for as part of the state highway.

Under the agreements, the contractors will finance, design, build, operate and maintain the sections of state highway. NZTA provided land it owns to the contractors on which to build the state highway.

The operational agreements run for 25 years from the service commencement date, after which the responsibility for ongoing operation and maintenance of both roads will revert to NZTA.

As agreed at contract inception, now that the public-private partnership assets have become operational, NZTA pays the contractor a quarterly unitary charge in arrears subject to satisfactory performance against agreed service levels. The unitary charge has 3 components:

- A reduction in the service concession liability.
- Finance costs: Under the terms of the agreements, the operators have a provision to re-price the finance costs at intervals during the 25-year period. NZTA has put in place interest rate swaps to hedge the re-pricing of the finance costs. See note 11 for details of the interest rate swaps.
- Service costs: These cover the operational costs of running, maintaining and ensuring the availability of the highway to the service level agreed with NZTA. Some of these costs are indexed to the Consumer Price Index or to other relevant indices and can be varied from time to time.

The reduction in the service concession liability, finance and service costs are recognised in the period incurred.

Under the settlement agreements agreed between NZTA and the public-private partnership counterparts in 2021/22, the debt component of the quarterly payments started before the service commencement date. This occurred for both Transmission Gully and Pūhoi to Warkworth. For Transmission Gully, as a result of the settlement and project restructure agreement signed in 2024/25, the responsibility for the road now resides with NZTA. Only the financing component of the original public-private partnership agreement remains.

Deed of Indemnity

The Crown has issued indemnities to each consortium for all indemnified amounts (as defined in the respective Deeds of Indemnity). In general terms, the indemnified amounts consist of sums payable by NZTA in the operational phase of the project and defined compensation sums payable in the event of default on payment by NZTA. If the Crown is required to make a payment under its indemnity, NZTA must reimburse it under the Reimbursement and Management Agreement.

Commitments

The total estimated capital and operating expenditure (including financing costs) to be paid throughout the 25-year period is \$1.5 billion for Transmission Gully and \$1.3 billion for Pūhoi to Warkworth.

Explanation of major variances against budget

Public-private partnership liabilities were \$1,895 million, \$3 million (0 percent) above the budget of \$1,892 million. There are no major variances against budget.

6 | Capital commitments

The future aggregate construction contract commitments for the state highway network are as follows. These are based on our committed forward work programmes some of which are not yet fully contracted, but are in substance committed.

	Actual as at 30 June 2025 \$M	Actual as at 30 June 2024 \$M
Not later than one year	1,226	1,157
Later than one year and not later than five years	1,750	1,349
Later than five years	0	5
Total capital commitments	2,976	2,511

7 | NZ Transport Agency Waka Kotahi employee costs and employee entitlements

Reconciliation of total employee costs to NZ Transport Agency Waka Kotahi employee costs

	Actual 2024/25 \$M	Actual (restated)** 2023/24 \$M
Total employee costs	401	387
Deduct:		
Transport Agency capitalised employee costs allocated to NLTP activities	(66)	(49)
Transport Agency operating employee costs allocated to NLTP activities	(67)	(49)
Total NZ Transport Agency Waka Kotahi employee costs*	268	289

* Total NZTA employee costs exclude contractor costs, which are included under note 8.

** Prior year figures have been restated to match current year allocations between NLTP costs and those that remain as Agency employee costs.

Employee costs (included in the statement of comprehensive revenue and expense)

	Actual 2024/25 \$M	Actual (restated)** 2023/24 \$M
Salaries and wages	254	275
Defined contribution plan employer contributions	9	8
Other employee costs	5	6
Total NZ Transport Agency Waka Kotahi employee costs*	268	289

* Total NZTA employee costs exclude contractor costs, which are included under note 8.

** Prior year figures have been restated to match current year allocations between NLTP costs and those that remain as Agency employee costs.

Employee entitlements (included in the statement of financial position)

	Actual 2024/25 \$M	Actual 2023/24 \$M
Employee entitlements – current	36	35
Employee entitlements – non-current	5	4
Total NZ Transport Agency Waka Kotahi employee entitlements	41	39

Key management personnel

Key management personnel compensation and board member remuneration have been presented to the nearest thousand dollars (\$000) to provide more meaningful information to the users of the financial statements.

Key management personnel compensation

	Note	Actual 2024/25 \$000	Actual 2023/24 \$000
Board members			
Remuneration		403	367
Number of board members in the financial year	a	12	10
Leadership team			
Remuneration	c	5,430	4,813
Number of personnel		13	13
Total key management personnel compensation		5,833	5,180
Total personnel during the year	d	25	23

- a. Reflects the number of members on the board during the financial year.
- b. The leadership team includes the chief executive and key management personnel who report to the chief executive and have the authority and responsibility for planning, directing, and controlling the activities of NZTA. Commentary on movement year on year is included in appendix 5.
- c. Includes remuneration of the leadership team while they were members of the leadership team.
- d. The total number of key management personnel at balance date is 19 (2023/24: 17).

Board member remuneration

The total value of remuneration paid or payable to each board member during the year was as follows.

	Appointed	Resigned	Actual 2024/25 \$000	Actual 2023/24 \$000
Hon Simon Bridges (Chair)	March 2024		79	24
Cassandra Crowley* (Deputy Chair)	September 2019		49	56
David Smol	February 2019		41	41
Catherine Taylor	September 2019		43	42
Warwick Isaacs	August 2024		35	
Rob Gilmore	August 2024		35	
Pat Dougherty	August 2024		35	
Mary-Anne Macleod	November 2024		28	
Victoria Carter	September 2019	August 2024	26	42
John Bridgman	July 2020	October 2024	5	42
Ngarimu Blair	November 2021	October 2024	14	39
Patrick Reynolds	September 2019	December 2023	13	16
Tracey Martin	November 2021	April 2024		32
Dr Paul Reynolds (former Chair)	February 2023	December 2023		33
Total board member remuneration			403	367

* Cassandra Crowley was acting chair for the period December 2023 to March 2024.

No payments were made to committee members appointed by the Board who were not board members during the financial year.

NZTA has Directors and Officers Liability and Professional Indemnity Insurance cover in respect of the liability or costs of board members and employees. The Board also has insurance cover against personal accident and other travel-related risk for board members and employees where injury or loss occurs while they are on NZTA business.

No board members received compensation or other benefits in relation to cessation (2023/24: nil).

Employee remuneration

Total remuneration paid or payable	No. of staff 2024/25	No. of staff 2023/24
100,000-109,999	237	225
110,000-119,999	165	180
120,000-129,999	227	209
130,000-139,999	189	179
140,000-149,999	202	204
150,000-159,999	186	182
160,000-169,999	174	151
170,000-179,999	142	129
180,000-189,999	91	72
190,000-199,999	59	59

Total remuneration paid or payable	No. of staff 2024/25	No. of staff 2023/24
200,000-209,999	56	38
210,000-219,999	42	18
220,000-229,999	19	29
230,000-239,999	18	22
240,000-249,999	18	25
250,000-259,999	24	16
260,000-269,999	21	15
270,000-279,999	19	7
280,000-289,999	6	10
290,000-299,999	3	3
300,000-309,999	4	7
310,000-319,999	1	4
320,000-329,999	5	1
330,000-339,999	3	2
340,000-349,999	1	2
350,000-359,999	2	2
360,000-369,999	1	1
370,000-379,999	3	2
390,000-399,999	1	1
400,000-409,999	1	1
410,000-419,999	3	
430,000-439,999	1	
440,000-449,999		2
450,000-459,999		2
460,000-469,999	1	1
470,000-479,999	2	
480,000-489,999	1	1
490,000-499,999	1	
600,000-609,999		1
640,000-649,999	1	
730,000-739,999	1	1
Total employees	1,931	1,804

The table above contains remuneration information solely on permanent or fixed-term employees of NZTA who have been paid more than \$100,000 in respect of the financial year in accordance with the requirements of the Crown Entities Act 2004. Contract personnel are not included.

For 2024/25, NZTA provided permanent employees with life, critical illness and income protection insurance. The remuneration above includes the cost of this insurance benefit for these permanent employees.

During the year ended 30 June 2025, 87 (2023/24: 40) NZTA employees received compensation and other benefits in relation to cessation of \$4.3 million (2023/24: \$2.2 million). These costs are excluded from the remuneration table above.

8 | NZ Transport Agency Waka Kotahi operating expenses and payables

Operating expenses (included in the statement of comprehensive revenue and expense)

	Note	Actual 2024/25 \$M	Actual (restated)* 2023/24 \$M
Commissions and transaction costs	a	102	104
Contractor and professional services		17	24
Information technology		54	56
Business initiatives		31	35
Operating lease expense		14	15
Office and building management		11	12
Employee travel		4	4
Fees to principal auditors for:			
- audit of financial statements	b	0.7	0.7
- other assurance services	c	0.0	0.1
Other operating expenses		2	2
NZ Transport Agency Waka Kotahi operating expenses		236	253

a. This category includes payments to agents for driver licensing services, motor vehicle registration and motor vehicle licensing services, personalised plates, card merchant fees and bulk postage transaction costs.

b. This includes fees paid to Audit NZ for financial year 2024/25 and KPMG for financial year 2023/24.

c. Other assurance services by KPMG amounting to \$90,000 in 2023/24. This includes a review of the application of the Scrutiny Principle amounting to \$30,000 and secondment of KPMG staff into temporary, non-financial roles to provide specialised capability support to NZTA amounting to \$60,000.

* Prior year figures have been restated to match current year allocations between NLTP costs and those that remain as operating costs.

Explanation of major variances against budget

Operating expenses were \$236 million, \$15 million (6 percent) below budget of \$251 million mainly due to reclassification. The budget was set using a different set of allocation between NLTP costs and those that remain as operating costs.

Payables (included in the statement of financial position)

	Actual 2024/25 \$M	Actual 2023/24 \$M
Creditors	745	999
Income in advance	13	21
Goods and services tax payable	10	0
Total NZ Transport Agency Waka Kotahi payables	768	1,020

Short-term creditors and other payables are recorded at face value. Creditors and other payables are non-interest bearing and are normally settled on 30-day terms. The carrying value of creditors and other payables approximates their fair value. All creditors are classified as current.

9 | Operating leases

Operating leases as lessee

The future aggregate minimum lease payments to be paid under non-cancellable operating leases are as follows.

	Actual 2024/25 \$M	Actual 2023/24 \$M
Not later than one year	37	28
Later than one year and not later than five years	80	87
Later than five years	38	43
Total non-cancellable operating leases	155	158

Significant operating leases are limited to buildings for office accommodation. An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

10 | Provisions

Movements for each class of provision (included in the statement of financial position) are as follows.

	State highway - current \$M	Redundancy provision \$M	Clean car discount admin \$M	Total \$M
Balance as at 1 July 2023	26	0	0	26
Additional provisions made	4	7	6	17
Amounts used	(21)	0	(3)	(24)
Unused amounts reversed	0	0	(3)	(3)
Balance as at 30 June 2024 / 1 July 2024	9	7	0	16
Additional provisions made	0	2	0	2
Amounts used	(5)	(4)	0	(9)
Unused amounts reversed	(4)	(2)	0	(6)
Balance as at 30 June 2025	0	3	0	3

The state highway provision relates to estimates for expected contractual claims, where it is probable that NZTA will be required to settle these claims. Actual costs may vary from the provision estimates.

Refer to note 13 on page 103 for details on contingent liabilities.

Explanation of major variances against budget

There were no major variances against budget.

11 | Borrowings, financial instruments and financial risk management

NZTA had the following borrowings outstanding as at 30 June 2025.

Name	Total facility \$M	Nominal amount borrowed \$M	Actual 30 June 2025 \$M	Actual 30 June 2024 \$M	Interest rate	Final repayment date
Auckland Transport Package	375	237	227	336	The interest-free loan was discounted using government bond rates of 2.36% to 3.29%.	June 2027
Housing Infrastructure Fund	389	144	113	81	The interest-free loan was discounted using government bond rates of 0.50% to 4.67%.	June 2035
Total interest free borrowing			340	417		
Tauranga Eastern Link	107	107	107	107	\$87.0 million at fixed rates ranging from 4.99% to 5.14%. \$20.0 million at floating rates.	June 2050
Regulatory facility	95	60	64	64	Fixed rates ranging from 1.32% to 4.34%.	December 2032
COVID-19 NLTF borrowing facility	425	325	332	332	Fixed rates ranging from 1.10% to 1.18%.	June 2027
Short term facility	500	0	0	501	Floating rates.	Not applicable
2021-24 NLTP facility	2,000	2,000	2,066	2,065	Fixed rate ranging from 3.63% to 5.10%.	June 2034
2024-27 NLTP facility	3,080	460	467	0	Fixed rate ranging from 4.74% to 4.87%.	December 2034
Total borrowing			3,376	3,486		
Tolling funds held in trust			5	5		
Total borrowing and other liabilities			3,381	3,491		
Classified as follows:						
Current			123	372		
Non-current			3,258	3,119		
Total			3,381	3,491		

Borrowing is initially recognised at fair value plus transaction costs. After initial recognition, all borrowing is measured at amortised cost using the effective interest method.

Interest-free loan movements are as follows.

	Actual 2024/25 \$M	Actual 2023/24 \$M
Opening balance	417	392
Face value of loans issued	39	22
Fair value adjustment	(12)	(8)
Repayments	(117)	0
Amortised interest (at government bond rates)	13	11
Closing balance	340	417

Interest and finance costs are recognised as an expense in the financial year in which they are incurred.

Interest and finance costs are as follows.

	Actual 2024/25 \$M	Actual 2023/24 \$M
Interest on borrowings	129	87
Interest on public-private partnerships	151	189
Interest rate swap net payment	11	(12)
Discount on Debtor National Land Transport Fund - debt related	4	10
Amortisation of discount on borrowings	13	11
Total interest and finance costs	308	285

Financial instruments

The carrying amounts of financial assets and liabilities are categorised as follows.

	Category	Actual 2024/25 \$M	Actual 2023/24 \$M
Financial assets			
Cash and cash equivalents	A	209	559
Restricted cash	A	5	6
Debtor National Land Transport Fund and Debtor Crown	A	5,713	5,725
Other receivables and other assets	A	86	69
Derivative financial asset	C	1	27
Foreign exchange forward contracts asset	B	0	1
Total financial assets		6,014	6,387
Financial liabilities			
Payables	A	768	1,020
Borrowing and other liabilities	A	3,381	3,491
Public-private partnership liabilities	A	1,895	1,914
Derivative financial liability	C	95	69
Foreign exchange forward contracts liability	B	1	0
Total financial liabilities		6,140	6,494

A: Measured at amortised cost. All balances are short-term in nature.

B: At fair value through profit or loss. The notional principal amounts of outstanding foreign exchange contracts were \$66.6 million (2023/24: \$17.5 million).

C: Fair value through other comprehensive revenue and expense. All balances are non-current as the remaining maturity of the hedged item is more than 12 months.

The cash and non-cash movements for financial liabilities are shown below.

	Actual 1 July 2024 \$M	Cash inflows \$M	Cash outflows \$M	Non-cash \$M	Changes in fair value \$M	Actual 30 June 2025 \$M
Financial liabilities measured at amortised cost						
Borrowings	3,491	504	(617)	1	2	3,381
Public-private partnership liabilities	1,914	0	(33)	14	0	1,895
Financial liability at fair value through other comprehensive revenue and expense						
Derivative liabilities	69	0	(11)	0	37	95
Total	5,474	504	(661)	15	39	5,371
	Actual 1 July 2023 \$M	Cash inflows \$M	Cash outflows \$M	Non-cash \$M	Changes in fair value \$M	Actual 30 June 2024 \$M
Financial liabilities measured at amortised cost						
Borrowings	1,787	1,897	(250)	54	3	3,491
Public-private partnership liabilities	1,949	0	(241)	206	0	1,914
Financial liability at fair value through other comprehensive revenue and expense						
Derivative liabilities	75	0	1	0	(7)	69
Total	3,811	1,897	(490)	260	(4)	5,474

Financial risks

NZTA activities expose the organisation to a variety of risks, including market risk, credit risk and liquidity risk. NZTA has policies to manage the risks associated with financial instruments and seeks to minimise exposure from these risks.

Market risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The exposure of NZTA to the risk of changes in market rates relates primarily to interest rates on long-term debt obligations. This is managed by having loans that are at fixed interest rates. As at 30 June 2025, approximately 99 percent (2023/24: 85 percent) of loans are either interest free or on a fixed interest rate.

In addition, there are risks associated with interest costs of future loans that will be required to support delivery of the NLTP with borrowing of up to \$3.1 billion. This risk is mitigated by borrowing from the Crown and having an agreed methodology for the interest rate that applies under NZTA's facility agreements.

NZTA has entered into public-private partnership agreements for Transmission Gully and Pūhoi to Warkworth roads. The arrangements require that a quarterly unitary charge be paid to the contractors from the time the section of state highway becomes operational (or earlier as per note 5). The unitary charge includes payment for finance costs that the operators have provision to re-price periodically during the 25-year term. NZTA has entered into interest rate swap contracts to hedge the re-pricing of interest costs. The total amount of forecast payments exposed to interest rate risk is fully hedged.

Details of the interest rate swaps held with the New Zealand Debt Management Office are as follows.

Swap relates to	Notional value of interest rate swap \$M	Commencement date	Maturity date	Interest rate pay leg (fixed)	Interest rate receive leg	Fair value of liability/ (asset) \$M
Transmission Gully	787	February 2021	October 2043	5.58%	Floating, with periodic reset	95
Pūhoi to Warkworth	726	August 2023	August 2045	4.16%	Floating, with periodic reset	(1)
Total	1,513					94

Timing of nominal principal amounts	Less than 1 year \$M	1-2 years \$M	3-5 years \$M	Over 5 years \$M	Total \$M	Average fixed rate
Transmission Gully	22	23	68	674	787	5.58%
Pūhoi to Warkworth	22	24	66	614	726	4.16%
Total	44					1,513

The interest rate swaps are accounted for as derivative financial instruments.

Derivative financial instruments are initially recognised at fair value on the date at which a derivative contract is entered into and are subsequently re-measured to fair value at balance date. The fair value of interest rate swaps is determined using a valuation technique based on cash flows discounted to present value using current market interest rates.

The derivatives are considered level 2 on the fair value hierarchy. The fair value of the derivatives is estimated using inputs that are observable for the asset or liability either directly (as prices) or indirectly (derived from prices). Inputs for the valuation were derived from Bloomberg and are independently valued by Bancorp Treasury Services Limited on a 6-monthly basis.

Derivatives are carried as assets when their fair value is positive and as liabilities when their fair value is negative. Generally, when market interest rates are below the fixed interest rates of the interest rate swap, then the interest rate swap will be in a liability position.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to surplus or deficit, except for the effective portion of derivatives designated in cash flow hedges, which is recognised in other comprehensive revenue and expense.

The hedge relationship is designated as a cash flow hedge, and NZTA formally designates and documents the hedge relationship as well as the risk management objective and strategy for undertaking the hedge. Such hedges are expected to be highly effective in achieving offsetting changes in cash flows and are assessed on an ongoing basis to determine whether they have been highly effective throughout the financial reporting periods for which they were designated.

The terms of the derivative entered into match or are closely aligned with the terms of the hedged item. As such, the economic relationship and hedge effectiveness are based on a qualitative assessment.

The table below shows the movement of the cash flow hedge reserve.

	Actual 2024/25 \$M	Actual 2023/24 \$M
Balance as at 1 July	25	20
Effective cash flow hedge	(53)	5
Cash flow hedge reserve	(28)	25

During the year, the total ineffective portion of the cash flow hedge reserve charged to surplus or deficit is nil (2023/24: nil).

The table below illustrates the sensitivity analysis, which is the potential effect on the surplus or deficit and other comprehensive revenue and expense for reasonably possible market movements, with all other variables held constant, based on financial instrument exposure at balance date.

	2024/25		2023/24	
	+1% \$M	-1% \$M	+1% \$M	-1% \$M
Effect on surplus or deficit				
Cash and cash equivalents	2.1	(2.1)	5.7	(5.7)
Effect on other comprehensive revenue and expense				
Derivative financial asset/(liability)	115.2	(152.8)	63.6	(148.7)
Effect on surplus or deficit				
Borrowing	(0.2)	0.2	(5.2)	5.2

Foreign currency denominated transactions are not material. Therefore, the impact of exposure to **currency risk** is minimal.

Credit risk

Credit risk is the risk that a third party will default on its obligation to NZTA, causing NZTA to incur a loss.

In the normal course of business, NZTA is exposed to credit risk from cash and term deposits with banks, debtors and other receivables. For each of these, the maximum credit exposure is best represented by the carrying amount in the statement of financial position.

NZTA holds all cash and term deposits with Westpac New Zealand Limited. As at 30 June 2025, Westpac had a Standard and Poor's credit rating of AA-. The largest debtor is the Crown, which has a Standard and Poor's credit rating of AA+.

NZTA depends upon funding from the National Land Transport Fund.

Liquidity risk

Liquidity risk is the risk that NZTA will encounter difficulty raising funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash reserves or access to funding.

NZTA manages liquidity risk by continuously monitoring forecast and actual cash flow requirements and maintaining funding facilities of \$250 million to manage seasonal variations in cash flow and \$250 million to manage unexpected and unfavourable variations in cash flow. NZTA has access to the facilities to support the NLTF and the regulatory function.

The following table analyses financial liabilities by relevant maturity groupings based on the remaining period at balance date to the contractual maturity date. The amounts below are contractual cash flows that will sometimes differ from the carrying amounts of the relevant liability in the statement of financial position.

	Less than 1 year \$M	1-2 years \$M	2-5 years \$M	Over 5 years \$M
2024/25				
Payables	768	0	0	0
Borrowing	252	376	616	3,279
Derivative financial liability	26	25	46	4
Public-private partnership liabilities	92	200	548	1,918
Total	1,138	601	1,210	5,201
2023/24				
Payables	1,020	0	0	0
Borrowing	506	242	1,020	2,840
Derivative financial liability	(8)	5	35	12
Public-private partnership liabilities	132	291	764	2,851
Total	1,650	538	1,819	5,703

Explanation of major variances against budget

Cash and cash equivalents were \$214 million, \$164 million (328 percent) above the budget of \$50 million. Additional cash was held to meet expected year end claims from suppliers and approved organisations.

Borrowing was \$3,381 million, \$734 million (18 percent) below the budget of \$4,115 million due to not requiring the draw down of the short-term facilities, as well as lower draw down of the 2024-27 NLTP facility due to lower NLTP spend.

Derivative financial liability was net of \$94 million, \$44 million (88 percent) above the budget of \$50 million due to movements in the fair value of the interest rate swap contracts entered into for the Transmission Gully and Pūhoi to Warkworth public-private partnership agreements. The fair value movements reflect market interest rates that have decreased in the financial year.

12 | Regulatory equity accounts

Regulatory equity accounts

Regulatory equity accounts are notional accounts (sometimes known as memorandum accounts) that record the accumulated balance of surpluses and deficits incurred for third-party-funded regulatory outputs. These are for services that are intended to be fully recovered from third parties through fees, levies or charges. The balance of each memorandum account is intended to trend to zero over time. NZTA has grouped various fees, charges and appropriations into its memorandum regulatory equity accounts to group revenue and costs by summary product level.

Included is revenue provided under section 9(1)(A) of the Land Transport Management Act 2003 and the transfer of surplus funds to be used to repay regulatory loans that provided interim funding for the operating deficit until the full implementation of the fees and funding review.

As part of the fees and funding change approved in 2022/23, the combined deficit from the previous regulatory equity accounts was ringfenced from the new regulatory equity accounts and separately recorded as debt. Additional revenue collected from fee payers will then be used to repay the debt over time.

Total regulatory equity accounts movements

	Actual 2024/25 \$M	Actual 2023/24 \$M
Opening balance	(10.3)	0.0
Operating revenue	263.7	222.6
Revenue collected for debt repayment	10.4	10.4
Operating expenditure	230.3	232.9
Debt repayment	10.4	10.4
Net surplus/(deficit)	33.4	(10.3)
Closing balance	23.1	(10.3)
Transfer of balance to debt	0.0	0.0
Closing balance after transfer to debt	23.1	(10.3)

Ringfenced regulatory equity account debt

	Actual 2024/25 \$M	Actual 2023/24 \$M
Opening balance - ringfenced debt	(36.8)	(47.2)
Revenue collected for debt repayment	10.4	10.4
Transfer from regulatory equity accounts to debt	0.0	0.0
Closing balance - ringfenced debt	(26.4)	(36.8)

The regulatory equity accounts show a negative balance of \$3 million being the memo accounts including debt.

Breakdown of third-party account groupings

The below reflects the surplus/(deficit) of the memorandum accounts including the revenue collected for debt repayment.

	Note	Actual 2024/25 \$M	Actual 2023/24 \$M
Driver licensing and testing		7.6	(6.8)
Rail regulation		(1.2)	(0.2)
Road user charges collections		1.3	(2.3)
Transport licensing	a	0.9	(0.6)
Vehicle safety and certification	b	14.5	(0.4)
Total covered by fees and funding*		23.1	(10.3)

* A nil balance reflects transferring the accumulated deficits to a ring-fenced debt account.

a. Transport licensing activities include licensing of transport operators, dangerous goods and over-dimension permits.

b. Vehicle safety and certification activities include certification reviews (warrants of fitness and certificates of fitness), border inspections and motor vehicle licensing.

Other regulatory items covered by fees and funding

		Actual 2024/25 \$M	Actual 2023/24 \$M
Tolling		0.1	8.2
Fuel excise duty refunds		0.0	0.0
Road user charges refunds		0.0	(0.5)
Road user charges investigations and enforcement		0.0	0.6
Community road safety programme		17.6	26.1
Total third-party equity groups		17.7	34.4

13 | Contingencies

Contingent liabilities as at 30 June 2025

Roading and other contract disputes

Claims of \$59 million (2023/24: \$220 million) relate to a variety of roading and other contract disputes, including contractual claims arising from property acquisitions and disposals. The claims figure is gross of any amounts paid on account that could potentially be returned.

Previous disputes in relation to Transmission Gully and Pūhoi to Warkworth public-private partnership have been settled in the period.

As at 30 June 2025, NZTA has provided for certain contractual matters. Refer to note 10 provisions on page 93.

14 | Events after balance date

There were no significant events after balance date.

15 | Appropriation Statement

The following statements report information about the expenses and capital expenditure incurred against each appropriation for the year ended 30 June 2025.

	Actual 2024/25 \$M	Budget* 2024/25 \$M	Approved Appropriation** 2024/25 \$M	Actual 2023/24 \$M
Appropriations that directly fund the National Land Transport Fund				
National Land Transport Programme (NLTP) PLA	3,890	3,364	3,871	3,211
NLTP Capital PLA	29	247	0	67
Government Policy Statement on Land Transport (GPS) - Capital Grant (2024-28) MYA	1,186	0	1,407	0
North Island weather events - state highway recovery MYA	239	296	409	0
North Island weather events - road response and reinstatement (NIWE) MCA - local road response costs	23	0	23	203
NIWE MCA - local road recovery costs	168	280	240	92
NIWE MCA - state highway recovery costs - operating	0	42	0	0
NIWE MCA - equity injection to NZTA	0	0	0	79
NIWE MCA - minor resilience works	4	0	10	36
NIWE MCA - state highway recovery costs - capital	0	135	0	538
Cyclone Gabrielle - NLTF Opex Pressure funding	0	0	0	17
NLTP Additional Crown Funding (2021-24) MYA	0	0	0	61
GPS Loan (2024-28) MYA	460	0	620	0
NLTP Loan 2021-24 MYA	0	0	0	1,500
Housing Infrastructure Fund loans 2023-28 MYA	39	50	131	22
NLTF borrowing facility for short-term advances	0	750	750	250
Section 9(2) LTMA road user charges investigation and enforcement	7	4	7	8
Section 9(2) LTMA road user charges refund	2	3	3	3
Section 9(2) LTMA refund of fuel excise duty	2	4	4	4
Total NLTF Appropriations	6,049	5,175	7,475	6,091

	Actual 2024/25 \$M	Budget* 2024/25 \$M	Approved Appropriation** 2024/25 \$M	Actual 2023/24 \$M
Crown Appropriations that directly fund NZTA				
Public transport bus decarbonisation MYA	3	15	4	4
Retaining and recruiting bus drivers MYA	15	21	24	16
Ngauranga to Petone shared pathway project	24	23	25	28
Eastern busway project	84	84	84	77
Land transport regulatory services	6	9	7	7
Clean Vehicle Discount rebates PLA	0	0	0	98
Clean Vehicle Discount administration costs PLA	0	0	0	5
Clean Vehicle Discount scheme – rebates MYA	0	0	0	56
Clean Car Standard – operation	0	0	0	13
Clean Car Standard – capital	0	0	0	2
Capital Investment Package – funding for Crown assets MYA	739	866	836	606
Regional state highways MYA	1	3	1	13
Tuawhenua Provincial Growth Fund - transport projects (PGF) MCA – supporting regional and infrastructure projects	0	0	0	0
PGF MCA – enabling infrastructure projects	2	2	2	(3)
PGF MCA – infrastructure projects	10	8	9	25
COVID-19 MCA – NLTF operating cost pressure and revenue shortfall funding	62	1	138	19
COVID-19 MCA – NLTF capital cost pressure funding	76	0	0	0
SuperGold MCA – administration of the public transport concessions scheme	0	0	0	0
SuperGold MCA – public transport concessions for cardholders	41	39	41	37
Capital Investment Package MCA – operating costs	0	0	0	(2)
Capital Investment Package MCA – third-party projects	17	0	33	0
Community Connect Programme MCA – administration	1	0	0	2
Community Connect Programme MCA – public transport concessions	10	24	12	53
Community Connect Programme MCA – Total Mobility Scheme funding shortfall	0	0	0	1

	Actual 2024/25 \$M	Budget* 2024/25 \$M	Approved Appropriation** 2024/25 \$M	Actual 2023/24 \$M
Community Connect Programme MCA - Total Mobility Services concessions	20	12	24	12
Mode shift - planning, infrastructure, services, and activities MCA - operating costs	0	2	2	7
Mode shift - planning, infrastructure, services, and activities MCA - third-party projects and activities	34	53	37	102
Improving resilience of the roading network MCA - operating costs	1	1	1	0
Improving resilience of the roading network MCA - local roads	10	39	26	0
Improving resilience of the roading network MCA - state highways	28	54	61	16
Reinstatement of the South Island transport corridors MCA - restoration of SH1 Picton to Christchurch	0	0	0	1
Total Crown Appropriations to NZTA	1,185	1,256	1,367	1,195
Other Appropriations				
Section 9(1a) LTMA funding to support the regulatory function	40	42	42	31
Clean Vehicle Standard - issue of credits	63	150	115	93
Bad debt provision - land transport revenue collected by NZTA	21	18	36	19
Total Other appropriations	124	210	193	143
Total NLTF and Crown Appropriations	7,358	6,641	9,035	7,429

*This is the original Estimates Budget as set out in the Vote Transport - The Supplementary Estimates of Appropriations 2024/25.

**This is the Total Budget as set out in the Vote Transport - The Supplementary Estimates of Appropriations 2024/25.

Refer to note 2 for the funding and expenditure breakdown by output activity. There are some differences between the appropriation statement and note 2.

These are due to:

- note 2 including additional funding sources
- the note 2 Budget reflecting updated SPE forecasts in certain cases.

Supplementary information (unaudited)

This supplementary information contains additional disclosures to the financial statements and provides further information on the business.

In this section you will find:

- a summary of total NZTA expenditure
- reconciliation between NZTA funding inflows and NLTF outflows
- information about performance by segment of the business
- details of land transport management (road tolling scheme)
- details of regional fuel tax
- borrowing apportionment.

This information is consistent with and should be read in conjunction with the financial highlights on pages 62-63 and the audited financial statements on pages 64-106.

This supplementary information does not form part of the NZTA audited financial statements.

NZTA agency expenditure

	Actual 2024/25 \$M	Budget (restated)* 2024/25 \$M	Actual (restated)* 2023/24 \$M
Employee costs	268	262	289
Operating expenses	236	251	253
Depreciation and amortisation expense	18	18	21
NZTA operating expenditure	522	531	563

*Figures have been restated to match current year allocations.

The above costs are allocated to the relevant output classes

Reconciliation between NZTA funding inflows and National Land Transport Fund outflows

	Actual 2024/25 \$M	Actual 2023/24 \$M
NZTA		
National Land Transport Fund operating funding	4,621	5,068
National Land Transport Fund capital funding	1,487	890
Total funding from the NLTF	6,108	5,958
Deduct:		
Borrowing (shock/seasonal facilities)	0	(125)
Borrowing NLTP loan 2021-24	0	(1,497)
Borrowing NLTP loan 2024-27	(460)	0
(Borrowing)/repayment - public-private partnerships and related interest rate swap	(31)	45
State highway improvements - public-private partnerships non-appropriated movement	0	(6)
State highway improvements - other non-appropriated movement	7	(3)
Local road improvements - Housing Infrastructure Fund non-appropriated movement	(35)	(15)
Other National Land Transport Fund revenue	0	(2)
Total National Land Transport Fund (NLTP) outflows	5,589	4,355

Performance by segment of the business

The following tables provide detailed financial performance information for each of segment of NZTA. The segments are:

- NZTA operations – contracted services and non-third-party fees and charges activities funded by Crown
- tolling administration – tolling operations funded by tolling third party fees
- Clean vehicle discount – clean vehicle discount scheme funded by Crown
- Clean car standard – clean car standard scheme funded by Crown
- memorandum accounts – regulatory activities funded from fees and charges
- land transport funding – activities funded from the NLTF
- specific projects funded by the Crown.

	Actual 2024/25 \$M	Budget 2024/25 \$M	Actual 2023/24 \$M
Revenue			
NZTA operations	302	172	223
Tolling – administration	21	20	20
Clean vehicle discount	0	0	159
Clean Car Standard	5	6	13
Memorandum account – other fees and charges	277	245	233
Land transport funding	4,383	4,931	4,996
Specific projects funded by the Crown	505	294	362
Total revenue	5,493	5,668	6,006
Expenditure			
NZTA operations	310	180	220
Tolling – administration	29	21	26
Clean vehicle discount	0	0	159
Clean car standard	5	6	13
Memorandum account – other fees and charges	233	240	233
Land transport funding	4,501	5,055	5,122
Specific projects funded by the Crown	505	294	396
Total expenditure	5,583	5,796	6,169
Surplus/(deficit)			
NZTA operations	(8)	(8)	3
Tolling – administration	(8)	(1)	(6)
Clean vehicle discount	0	0	0
Clean car standard	0	0	0
Memorandum account – other fees and charges	44	5	0
Land transport funding	(118)	(124)	(126)
Specific projects funded by the Crown	0	0	(34)
Total surplus/(deficit)	(90)	(128)	(163)

Land transport management (road tolling scheme)

This supplementary information has been provided to fulfil the disclosure requirements for the Northern Gateway, Tauranga Eastern Link and Takitimu Drive toll roads.

Tolling disclosures are presented in millions to one decimal point to provide more meaningful information to the users of the financial statements.

Toll road traffic volumes and revenue for the year ended 30 June 2025

	Toll revenue (portion designated for repayment of Crown debt)			Traffic volumes (number of vehicles)		
	Actual 2024/25 \$M	Budget 2024/25 \$M	Actual 2023/24 \$M	Actual* 2024/25 M	Budget* 2024/25 M	Actual* 2023/24 M
Northern Gateway toll road - light vehicles	12.2	12.0	11.7	8.4	8.2	8.1
Northern Gateway toll road - heavy vehicles	2.3	2.5	2.3	0.6	0.7	0.6
Tauranga Eastern Link toll road - light vehicles	4.2	4.5	4.3	3.6	3.8	3.7
Tauranga Eastern Link toll road - heavy vehicles	1.9	2.2	2.1	0.5	0.5	0.5
Tikitimu Drive toll road - light vehicles	4.2	4.5	4.4	4.2	4.4	4.3
Tikitimu Drive toll road - heavy vehicles**	3.2	3.2	2.2	0.8	0.8	0.8

* Light vehicle traffic volumes include a small amount of unidentifiable number plates and exempt vehicles.

** In 2023/24, the heavy vehicle volume includes 230,771 trips that were treated as unable to be tolled because the free alternative road was closed from 8 January 2024 to 15 April 2024.

Tolling revenues for the year ended 30 June 2025

The table below shows the breakdown between tolling revenues used to repay debt and to operating the tolling business.

	Tolling revenue used to repay debt		Tolling revenue used to operate the business		Total Tolling revenue	
	Actual 2024/25 \$M	Actual 2023/24 \$M	Actual 2024/25 \$M	Actual 2023/24 \$M	Actual 2024/25 \$M	Actual 2023/24 \$M
Northern Gateway toll road	14.6	14.1	7.2	6.9	21.8	21.1
Tauranga Eastern Link toll road	6.1	6.5	3.2	3.3	9.3	9.8
Tikitimu Drive toll road	7.4	6.6	4	3.9	11.4	10.5
Total	28.1	27.2	14.4	14.1	42.5	41.4

	Actual 2024/25 \$M	Budget 2024/25 \$M	Actual 2023/24 \$M
Debt and other financial obligations			
Tauranga Eastern Link toll road borrowing	107.0	107.0	107.0
Total	107.0	107.0	107.0
Toll revenue inflow to the National Land Transport Fund for repayment of debt			
Tauranga Eastern Link toll road	6.0	6.7	6.3
Takitimu Drive toll road	7.3	7.7	6.5
Total	13.3	14.4	12.8

NZTA does not hold any debt in relation to Takitimu Drive. NZTA paid \$65 million for the road to Tauranga City Council, which it is recovering with notional interest from toll revenues.

NZTA does not include Northern Gateway tolling revenue in its financial statements. The tolling revenue is collected and passed to the Crown to repay the debt to the Crown.

Currently, payments to the Crown road are on hold until approximately June 2027 while NZTA uses the money to help finance the tolling back office system.

Feasible untolled alternative routes for the toll roads remain available to road users as follows:

- Northern gateway on State Highway 17 via Ōrewa
- Tauranga Eastern Link on the Te Puke highway via Te Puke
- Takitimu Drive via Cameron Road or Cambridge-Moffat Roads.

The table below shows the equity account movement for Tauranga Eastern Link debt repayment. If the equity account is in a surplus position (cumulative tolling revenue exceeds the cumulative interest on the \$107 million loan), then the surplus funds will be used to repay the Crown debt.

	Actual 2024/25 \$M	Actual 2023/24 \$M
Opening balance	1.9	1.2
Tolling revenue used to repay debt	6.1	6.4
Interest expenditure on \$107 million loan	5.5	5.7
Net surplus/(deficit)	0.6	0.7
Closing balance	2.5	1.9

Financial statements for NZTA road tolling operations

Statement of comprehensive revenue and expense for the year ended 30 June 2025

	Note	Actual 2024/25 \$M	Budget 2024/25 \$M	Actual 2023/24 \$M
Revenue				
Toll fees	a	20.9	20.6	20.4
Total revenue		20.9	20.6	20.4
Expenditure	b	29.3	26	25.6
Net surplus/(deficit)		(8.4)	(5.4)	-5.2

a. Toll fees includes \$14.4 million of tolling revenue used to operate the business (2023/24: \$14.1 million) and \$6.5 million of customer toll payment notice revenue (2023/24: \$6.2 million). Toll fees excludes tolling revenue used to repay debt. The tolling revenue used to repay debt is included in the Northern Gateway, Tauranga East Link and Takitimu Drive information on the previous pages.

b. The expenditure includes financing of the tolling back office system.

Statement of financial position as at 30 June 2025

		Actual 2024/25 \$M	Budget 2024/25 \$M	Actual 2023/24 \$M
Assets				
Current assets		8.9	7.9	17.0
Non-current assets		7.6	7.6	7.1
Total assets		16.5	15.5	24.1
Liabilities		16.7	14.0	15.9
Net assets/equity		(0.2)	1.5	8.2

Statement of cash flows for the year ended 30 June 2025

		Actual 2024/25 \$M	Budget 2024/25 \$M	Actual 2023/24 \$M
Net cash from operating activities		28.4	28.7	26.9
Net cash from financing activities		(27.4)	(28.6)	(25.9)
Net increase in cash and cash equivalents		1.0	0.1	1.0
Cash and cash equivalents at the beginning of the year		13.8	13.8	12.8
Cash and cash equivalents at the end of the year		14.8	13.9	13.8

NZTA tolling equity account

The table below shows the movement of the tolling administration equity account within retained funds in equity.

	Actual 2024/25 \$M	Actual 2023/24 \$M
Opening balance	8.2	13.4
Revenue	20.9	20.4
Expenditure	29.3	25.6
Net surplus/(deficit)	(8.4)	(5.2)
Closing balance	(0.2)	8.2

Tolling provision for doubtful debts

	Actual 2024/25 \$M	Actual 2023/24 \$M
Opening balance as at 1 July	3.3	2.4
Movement in doubtful debts provision	(0.1)	0.9
Closing balance as at 30 June	3.2	3.3

The tolling provision for doubtful debts is netted against the NZTA receivables balance in the statement of financial position.

Regional fuel tax

NZTA is mandated to administer and manage the collection of the regional fuel tax. Currently, the only regional fuel tax is for Auckland. Proceeds are remitted to Auckland City Council, and NZTA is paid a fee for the services provided.

The Regional Fuel Tax scheme ended on 30 June 2024 with final rebate payments to be made in 2024/25.

This supplementary information has been provided to fulfil the disclosure requirements under section 65Y of the Land Transport Management Act 2003.

Statement of comprehensive revenue and expense for the year ended 30 June 2025

	Actual 2024/25 \$M	Actual 2023/24 \$M
Revenue		
Regional fuel tax	12	157
Rebates	(2)	(7)
Total revenue	10	150
Distributed to:		
Auckland City Council	16	145
Transport Agency administration fee	0	1
Rebate reserve top-up	(6)	4
Total distributions	10	150
Net surplus/(deficit)	0	0

Statement of financial position as at 30 June 2025

	Actual 2024/25 \$M	Actual 2023/24 \$M
Assets		
Cash and cash equivalents	0	17
Total assets	0	17
Liabilities		
Payables	0	11
Regional fuel tax rebate reserve	0	5
Regional Fuel Tax advance funding operational costs	0	1
Total liabilities	0	17
Net assets/equity	0	0

Statement of cash flows for the year ended 30 June 2025

	Actual 2024/25 \$M	Actual 2023/24 \$M
Net cash from operating activities	(17)	0
Net (decrease)/increase in cash and cash equivalents	(17)	0
Cash and cash equivalents at the beginning of the year	17	17
Cash and cash equivalents at the end of the year	0	17

Borrowing apportionment

\$460 million of the \$3.08 billion NLTP 2024–27 loan facility has been drawn down and funding has been notionally apportioned across output classes as follows:

Output class	2024-27 NLTP facility \$M
State highway improvements	29
Local road improvements	92
Public transport services	65
Public transport infrastructure	8
Walking and cycling improvements	82
State highway operations	33
Local road operations	62
Safety	89
Total apportionment	460

Drawdowns from the \$3.08 billion NLTP 2024–27 loan facility are notionally apportioned.

Further detail on the impact of the borrowing on the NLTF is contained in the NLTF financial statements.

This supplementary information does not form part of the NZTA audited financial statements.

Output class income and expenditure

Investment management

	Actual 2024/25 \$M	Budget 2024/25 \$M	Actual 2023/24 \$M
Operating revenue			
Crown (Crash Analysis System)	2	1	1
Crown (Mode shift)	0	0	5
NLTF	69	86	63
Other	0	0	14
Total operating revenue	71	87	83
Operating expenses			
Transport Agency (Crash Analysis System)	1	0	1
Transport Agency (Mode shift)	0	0	5
Funding to approved organisations	5	0	8
Transport planning	30	47	23
Sector training and research	0	0	5
Investment in the funding allocation system	35	40	41
Total operating expenses	71	87	83
Surplus/(deficit)	0	0	0

Revenue collection and administration

	Actual 2024/25 \$M	Budget 2024/25 \$M	Actual 2023/24 \$M
Operating revenue			
Section 9(2) LTMA refund of fuel excise duty	2	4	4
Section 9(2) LTMA road user charges investigation	8	4	8
Section 9(2) LTMA road user charges refund	2	3	3
Fees and charges (tolling)	21	20	20
Fees and charges (road user charges)	32	29	24
Regional fuel tax administration	0	1	1
Section 9(1a) LTMA funding to support the regulatory function collections	3	0	2
Other (refund of fuel excise duty and road user charges)	0	0	1
Total operating revenue	68	61	63
Operating expenses			
Refund of fuel excise duty	2	4	4
Regional fuel tax administration	0	1	1
Tolling	29	21	26
Road user charges investigation and enforcement	8	12	8
Road user charges refund	2	2	3
Road user charges collections	30	29	28
Total operating expenses	71	69	70
Surplus/(deficit)	(3)	(8)	(7)

State highway improvements

	Actual 2024/25 \$M	Budget 2024/25 \$M	Actual 2023/24 \$M
Operating revenue			
NLTF	445	344	743
Crown (COVID-19 public-private partnerships funding)	63	1	19
National infrastructure funding and financing	12	0	31
Crown (Major Crown Investment Projects)	17	0	(2)
NLTF (tolling)	0	15	13
Developer contributions	8	0	27
Interest and finance income	10	11	7
Other income	123	0	6
Total operating revenue	678	371	844
Operating expenses			
Depreciation and state highway write-offs	681	485	663
Other interest and finance costs	0	0	216
Interest on Tauranga Eastern Link borrowings	6	9	5
Crown (COVID-19 public-private partnerships funding)	63	1	19
Crown (COVID-19 Response and Recovery Fund)	0	0	7
National infrastructure funding and financing	12	0	31
Crown (Major Crown Investment Projects)	17	0	36
Palmerston North lease	0	0	1
Other expenses	21	0	34
Total operating expenses	800	495	1,012
Surplus/(deficit)	(122)	(124)	(167)

	Actual 2024/25 \$M	Budget 2024/25 \$M	Actual 2023/24 \$M
Capital funding			
Crown (Major Crown Investment Projects)	739	811	606
Crown (Accelerated Regional Roading Programme)	28	50	29
Crown (Supporting Regions Programme)	11	15	25
National infrastructure funding and financing funding utilised for investment	12	29	31
Crown COVID-19 release	76	0	0
NLTF capital contribution	437	679	44
NLTF (public-private partnerships)	0	0	11
NLTF (public-private partnerships - interest rate swap movement)	3	0	-5
North Island weather events minor resilience works	4	0	36
Depreciation funding utilised for investment in the state highway network	574	361	511
NLTF (state highway disposals)	20	18	11
Total capital funding	1,904	1,963	1,299
Capital expenditure			
Crown investment (Major Crown Investment Projects)	739	811	606
Crown (Accelerated Regional Roading Programme)	28	50	29
Crown (Supporting Regions Programme)	11	15	25
National infrastructure funding and financing	12	29	31
Crown COVID-19 release	76	0	0
Public-private partnerships	0	0	11
Public-private partnerships - interest rate swap movement*	3	0	(5)
North Island weather events minor resilience works	4	0	36
Capital investment	951	963	504
Transport Agency capitalised expenditure	88	95	89
Total capital expenditure	1,912	1,963	1,326
Net capital movement	(8)	0	(27)
Total movement	(130)	(124)	(194)
Total operating and capital expenditure	2,019	1,973	1,643

* The movement in the public-private partnership interest rate swaps was due to yearly changes to market interest rates.

State highway operations

	Actual 2024/25 \$M	Budget 2024/25 \$M	Actual 2023/24 \$M
Operating revenue			
NLTF	709	433	893
NLTF (Emergency works)	0	0	30
NLTF (North Island Weather Events)	0	473	0
NLTF (2021-24 NLTP facility)	82	158	278
NLTF (rental and interest income)	28	25	27
Other revenue	67	0	58
Total operating revenue	886	1,089	1,286
Operating expenses			
Maintenance of the state highway network (Kaikōura earthquake response)	0	0	1
Depreciation on state highway renewals	208	250	306
Maintenance of the state highway network	595	759	806
Maintenance and operation of Transmission Gully and Pūhoi to Warkworth	10	14	17
Works funded by third-party contributions	56	0	56
Transport Agency operating activities	17	66	87
Interest and finance costs	0	0	14
Total operating expenses	886	1,089	1,287
Surplus/(deficit)	0	0	(1)
Capital funding			
NLTF	98	0	572
Depreciation funding utilised for investment in state highway renewals	208	250	306
Total capital funding	306	250	878
Capital expenditure			
Capital investment	300	250	877
Transport Agency capitalised expenditure	6	0	0
Total capital expenditure	306	250	877
Net capital movement	0	0	1
Total movement	0	0	0
Total operating and capital expenditure	984	1,089	1,858

State highway pothole prevention

	Actual 2024/25 \$M	Budget 2024/25 \$M	Actual 2023/24 \$M
Operating revenue			
NLTF	545	589	0
Total operating revenue	545	589	0
Operating expenses			
Maintenance of the state highway network	111	116	0
Depreciation on state highway pothole prevention	344	439	0
Transport Agency operating activities	90	34	0
Total operating expenses	545	589	0
Surplus/(deficit)	0	0	0
Capital funding			
NLTF capital contribution	202	0	0
Depreciation funding utilised for investment in the state highway network	344	439	0
Total capital funding	546	439	0
Capital expenditure			
Investment in the state highway network	546	439	0
Total capital expenditure	546	439	0
Net capital movement	0	0	0
Total movement	0	0	0
Total operating and capital expenditure	747	589	0

Walking and cycling improvements

	Actual 2024/25 \$M	Budget 2024/25 \$M	Actual 2023/24 \$M
Operating revenue			
Crown (Mode shift)	22	45	56
NLTF	61	11	0
NLTF (2024-27 NLTP facility)	8	34	110
Total operating revenue	91	90	166
Operating expenses			
Funding to approved organisations (Mode shift)	22	45	56
Funding to approved organisations	61	38	90
Transport Agency operating activities	8	7	9
Interest and finance costs	0	0	11
Total operating expenses	91	90	166
Surplus/(deficit)	0	0	0
Capital funding			
Crown (Ngauranga to Petone)	24	23	28
NLTF capital contribution	1	90	2
NLTF (2024-27 NLTP facility)	59	0	91
Total capital funding	84	113	121
Capital expenditure			
Crown (Ngauranga to Petone)	24	23	28
Capital investment	60	90	93
Total capital expenditure	84	113	121
Net capital movement	0	0	0
Total movement	0	0	0
Total operating and capital expenditure	175	203	287

Public transport services

	Actual 2024/25 \$M	Budget 2024/25 \$M	Actual 2023/24 \$M
Operating revenue			
Crown (SuperGold card)	41	39	38
Crown (Community Connect Programme)	21	37	15
Crown (Bus decarbonisation)	4	15	4
Crown (Mode shift)	1	2	16
Crown (Retaining and recruiting bus drivers)	15	21	16
Crown (Public transport subsidy)	10	0	54
NLTF	478	563	496
NLTF (2024-27 NLTP facility)	92	45	14
Total operating revenue	662	722	653
Operating expenses			
Crown (half-price fares)	41	39	37
Crown (SuperGold card and administration)	31	37	68
Crown (Community Connect Programme)	4	15	3
Crown (Bus decarbonisation)	1	2	16
Crown (Mode shift)	15	21	15
Crown (Public transport subsidy)	568	608	514
Funding to approved organisations	2	0	0
Total operating expenses	662	722	653
Surplus/(deficit)	0	0	0

Public transport infrastructure

	Actual 2024/25 \$M	Budget 2024/25 \$M	Actual 2023/24 \$M
Operating revenue			
Crown (Eastern busway project)	84	84	77
Crown (Mode shift)	11	8	33
National infrastructure funding and financing (Northwestern bus improvement)	0	0	3
NLTF	372	191	169
NLTF (2021-24 NLTP facility)	65	268	349
Other revenue	7	0	0
Total operating revenue	539	551	631
Operating expenses			
Funding to approved organisations	422	449	477
Funding to approved organisations (Eastern busway project)	84	84	77
Funding to approved organisations (Mode shift)	11	8	33
National infrastructure funding and financing (Northwestern bus improvements)	0	0	3
Other operating expenses	14	0	20
Transport Agency operating activities	8	9	4
Interest and finance costs	0	1	17
Total operating expenses	539	551	631
Surplus/(deficit)	0	0	0
Capital funding			
National infrastructure funding and financing funding utilised for investment	0	53	3
NLTF capital contribution	23	13	21
Total capital funding	23	66	24
Capital expenditure			
National infrastructure funding and financing	0	53	3
Capital investment	23	13	21
Total capital expenditure	23	66	24
Net capital movement	0	0	0
Total operating and capital expenditure	562	617	655

Local road improvements

	Actual 2024/25 \$M	Budget 2024/25 \$M	Actual 2023/24 \$M
Operating revenue			
NLTF	83	48	0
NLTF (Housing Infrastructure Fund)	35	50	14
NLTF (2021-24 NLTP facility)	29	98	185
Crown (Supporting Regions Programme)	2	2	(3)
Crown (Regional Resilience)	10	40	0
Interest and finance income	14	20	12
Total operating revenue	173	258	208
Operating expenses			
Funding to approved organisations	112	186	171
Funding to approved organisations (Housing Infrastructure Fund)	35	50	14
Funding to approved organisations (Supporting Regions Programme)	2	0	(3)
Funding to approved organisations (Regional Resilience)	0	20	0
Crown (Regional Resilience)	10	0	0
Interest and finance costs	14	22	26
Total operating expenses	173	278	208
Surplus/(deficit)	0	-20	0

Local road operations

	Actual 2024/25 \$M	Budget 2024/25 \$M	Actual 2023/24 \$M
Operating revenue			
NLTF	331	104	406
NLTF (North Island weather events)	192	280	312
NLTF (Emergency works)	0	0	30
NLTF (2024-27 NLTP facility)	62	323	493
Total operating revenue	585	707	1,241
Operating expenses			
Funding to approved organisations	585	706	1,235
Transport Agency operating activities	0	1	0
Interest and finance costs	0	0	6
Total operating expenses	585	707	1,241
Surplus/(deficit)	0	0	0

Local road pothole prevention

	Actual 2024/25 \$M	Budget 2024/25 \$M	Actual 2023/24 \$M
Operating revenue			
NLTF	557	579	0
Total operating revenue	557	579	0
Operating expenses			
Funding to approved organisations	557	579	0
Total operating expenses	557	579	0
Surplus/(deficit)	0	0	0

Debt repayment

	Actual 2024/25 \$M	Budget 2024/25 \$M	Actual 2023/24 \$M
Operating revenue			
NLTF	260	269	0
Other	32	0	0
Total operating revenue	292	269	0
Operating expenses			
Interest expense	291	269	0
Total operating expenses	291	269	0
Surplus/(deficit)	1	0	0
Borrowing funding and repayment - principal			
NLTF capital contribution	15	150	0
Crown funding	603	0	0
NLTF (public-private partnership quarterly unitary payment)	19	0	46
Total capital funding	637	150	46
Principal repayment			
Repayment of Auckland Transport Package	118	117	0
Repayment of shock/seasonal facility	500	0	0
Repayment public-private partnership quarterly unitary payment	19	33	46
Total capital expenditure	637	150	46
Net capital movement	0	0	0
Total movement	1	0	0

Coastal shipping

	Actual 2024/25 \$M	Budget 2024/25 \$M	Actual 2023/24 \$M
Operating revenue			
NLTF	0	0	3
Total operating revenue	0	0	3
Operating expenses			
Funding to approved organisations	0	0	3
Total operating expenses	0	0	3
Surplus/(deficit)	0	0	0

Regulation of the rail transport system

	Actual 2024/25 \$M	Budget 2024/25 \$M	Actual 2023/24 \$M
Operating revenue			
Fees and charges	2	3	3
Total operating revenue	2	3	3
Operating expenses			
Fees and charges funded activities	3	4	3
Total operating expenses	3	4	3
Surplus/(deficit)	(1)	(1)	0

Safety

	Actual 2024/25 \$M	Budget 2024/25 \$M	Actual 2023/24 \$M
Operating revenue			
NLTF	100	59	425
Community Road Safety Programme	-2	10	11
Developers contributions	1	0	7
Total operating revenue	99	69	443
Operating expenses			
Community Road Safety Programme	7	10	8
Funding to approved organisations	4	0	158
Speed camera operations	0	44	0
Depreciation	0	0	228
Transport Agency operating activities	96	15	36
Interest and finance costs	0	0	5
Total operating expenses	107	69	435
Surplus/(deficit)	(8)	0	8
Capital funding			
NLTF capital contribution	23	12	0
NLTF (2024-27 NLTP facility)	0	0	107
Depreciation	0	0	228
Total capital funding	23	12	335
Capital expenditure			
Capital investment	23	12	340
Total capital expenditure	23	12	340
Net capital movement	0	0	(5)
Total movement	(8)	0	3
Total operating and capital expenditure	130	81	547

Regulation of drivers

	Actual 2024/25 \$M	Budget 2024/25 \$M	Actual 2023/24 \$M
Operating revenue			
Crown (Equitable access to driver licences)	0	7	4
Crown (ministerial advice and official correspondence)	0	0	1
Crown (Land transport regulatory services)	5	1	1
Fees and charges	72	73	60
Section 9(1a) LTMA funding to support the regulatory function	17	0	17
Total operating revenue	94	81	83
Operating expenses			
Equitable access to driver licences	0	7	4
Fees and charges funded activities	78	80	82
Other	(2)	0	0
Total operating expenses	76	87	86
Surplus/(deficit)	18	(6)	(3)

Regulation of vehicles

	Actual 2024/25 \$M	Budget 2024/25 \$M	Actual 2023/24 \$M
Operating revenue			
Fees and charges	110	113	96
Section 9(1a) LTMA funding to support the regulatory function	11	0	10
Total operating revenue	121	113	106
Operating expenses			
Fees and charges funded activities	100	109	102
Other	1	0	0
Total operating expenses	101	109	102
Surplus/(deficit)	20	4	4

Regulation of commercial transport operators

	Actual 2024/25 \$M	Budget 2024/25 \$M	Actual 2023/24 \$M
Operating revenue			
Fees and charges	22	25	19
Section 9(1a) LTMA funding to support the regulatory function	3	0	2
Total operating revenue	25	25	21
Operating expenses			
Fees and charges funded activities	20	17	18
Total operating expenses	20	17	18
Surplus/(deficit)	5	8	3

Low emission vehicles

	Actual 2024/25 \$M	Budget 2024/25 \$M	Actual 2023/24 \$M
Operating revenue			
Crown (grant clean vehicle rebates)	0	0	56
Crown (clean vehicle discount fees)	0	0	103
Crown (clean car standard administration)	5	0	13
NLTF	0	4	0
Other revenue	0	2	0
Total operating revenue	5	6	172
Operating expenses			
Clean vehicle discount rebates	0	0	159
Clean Car Standard	5	0	13
Transport Agency operating activities	0	6	0
Total operating expenses	5	6	172
Surplus/(deficit)	0	0	0
Capital funding and expenditure			
NLTF	0	0	2
Capital investment	0	0	2
Net capital movement	0	0	0
Total movement	0	0	0
Total operating and capital expenditure	5	6	172

Costs of the Clean car standards scheme are not included above. They are included within the NLTF financial statements.

Independent auditor's report

To the readers of NZ Transport Agency Waka Kotahi Financial statements and performance information for the year ended 30 June 2025

The Auditor-General is the auditor of the NZ Transport Agency Waka Kotahi ("NZTA"). The Auditor-General has appointed me, Clint Ramoo, using the staff and resources of Audit New Zealand, to carry out, on his behalf, the audit of:

- the annual financial statements that comprise the statement of financial position as at 30 June 2025, the statement of comprehensive revenue and expense, statement of changes in equity, and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information on pages 64 to 106;
- the performance information that consists of:
 - the statement of performance for the year ended 30 June 2025 on pages 17 to 58; and
 - the end-of-year performance information for appropriations for the year ended 30 June 2025 on pages 166 to 172.

Opinion

In our opinion:

- The annual financial statements of NZTA:
 - fairly present, in all material respects:
 - its financial position as at 30 June 2025; and
 - its financial performance and cash flows for the year then ended; and
 - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards.
- The statement of performance fairly presents, in all material respects, NZTA's service performance for the year ended 30 June 2025. In particular, the statement of performance:
 - provides an appropriate and meaningful basis to enable readers to assess the actual performance of NZTA for each class of reportable outputs; determined in accordance with generally accepted accounting practice in New Zealand; and
 - fairly presents, in all material respects, for each class of reportable outputs:
 - the actual performance of NZTA;
 - the actual revenue earned; and
 - the output expenses incurred as compared with the forecast standards of performance, the expected revenues, and the proposed output expenses included in NZTA's statement of performance expectations for the financial year; and
- complies with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards.
- The end-of-year performance information for appropriations:
 - fairly presents, in all material respects:
 - what has been achieved with the appropriation; and

- the actual expenses or capital expenditure incurred in relation to the appropriation as compared with the expenses or capital expenditure that were appropriated or forecast to be incurred; and
- complies with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards.

Our audit was completed on 31 October 2025. This is the date at which our opinion is expressed.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards, the International Standards on Auditing (New Zealand), and New Zealand Auditing Standard 1 (Revised): The Audit of Service Performance Information issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of matter – State Highway Valuation

Without modifying our opinion, we draw your attention to Note 4 in the financial statements which describes the accounting policy, the valuation of inputs and estimates made in determining the fair value of the State Highway network. The State Highway network is a significant asset of NZTA and changes in valuation inputs and estimates can have a material impact on the financial statements. Note 4 also provides a sensitivity analysis to highlight such impacts. We consider the disclosures about the valuation of the State Highway network to be adequate.

Responsibilities of the Board for the annual financial statements and the performance information

The preparation of the financial statements and performance information of NZTA is the responsibility of the Board.

The Board is responsible on behalf of NZTA for preparing financial statements and performance information that are fairly presented and comply with generally accepted accounting practice in New Zealand. This includes preparing performance information that provides an appropriate and meaningful basis to enable readers to assess what has been achieved for the year.

The Board is responsible for such internal control as it determines is necessary to enable it to prepare annual financial statements, a statement of performance, and the end-of-year performance information for appropriations that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the statement of performance, and the end-of-year performance information for appropriations, the Board is responsible on behalf of NZTA for assessing NZTA's ability to continue as a going concern.

The Board's responsibilities arise from the Crown Entities Act 2004 and the Public Finance Act 1989.

Responsibilities of the auditor for the audit of the annual financial statements and the performance information

Our objectives are to obtain reasonable assurance about whether the annual financial statements, the statement of performance, and the end-of-year performance information for appropriations, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of the annual financial statements, the statement of performance, and the end-of-year performance information for appropriations.

For the budget information reported in the annual financial statements, the statement of performance, and the end-of-year performance information for appropriations, our procedures were limited to checking that the information agreed to NZTA's statement of performance expectations or to the Estimates of Appropriations for the Government of New Zealand for the year ending 30 June 2026.

We did not evaluate the security and controls over the electronic publication of the annual financial statements, the statement of performance, and the end-of-year performance information for appropriations.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the annual financial statements, the statement of performance, and the end-of-year performance information for appropriations, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of NZTA's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- We evaluate whether the statement of performance and the end-of-year performance information for appropriations:
 - provide an appropriate and meaningful basis to enable readers to assess the actual performance of NZTA in relation to the forecast performance of NZTA (for the statement of performance) and what has been achieved with the appropriation by NZTA (for the end-of-year performance information for appropriations). We make our evaluation by reference to generally accepted accounting practice in New Zealand; and
 - fairly present the actual performance of NZTA and what has been achieved with the appropriation by NZTA for the financial year.

- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board.
- We evaluate the overall presentation, structure and content of the annual financial statements, the statement of performance, and the end-of-year performance information for appropriations, including the disclosures, and whether the annual financial statements, the statement of performance, and the end-of-year performance information for appropriations represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information comprises all of the information included in the annual reports of NZTA and the National Land Transport Fund (NLTF), but does not include NZTA's annual financial statements, statement of performance, and the end-of-year performance information for appropriations, and our auditor's report thereon.

Our opinion on the annual financial statements, the statement of performance, and the end-of-year performance information for appropriations does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the annual financial statements, the statement of performance, and the end-of-year performance information for appropriations, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the annual financial statements, the statement of performance, and the end-of-year performance information for appropriations or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of NZTA in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board.

In addition to the audit, we have carried out a Limited Assurance engagement over the application of the Scrutiny Principle and an audit engagement in respect to the NLTF's 2025 annual report, which are compatible with those independence requirements. Other than the audit and these engagements, we have no relationship with or interest in NZTA.



Clint Ramoo

Audit New Zealand

On behalf of the Auditor-General

Wellington, New Zealand

Independent limited assurance report

Independent Limited Assurance Report to the Readers of the NZ Transport Agency Waka Kotahi Report '*Putting the Scrutiny Principle into Practice*' for the period ended 30 June 2025

Conclusion

Our limited assurance conclusion has been formed on the basis of the matters outlined in this report.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that, in all material respects, NZ Transport Agency Waka Kotahi ('NZTA') '*Putting the Scrutiny Principle into Practice*' report (the 'report') is not fairly presented, in that:

- the controls described in the report on pages 138 to 140 were not suitably designed to achieve the control objective specified in section 96(1)(d)(ii) of the Land Transport Management Act 2003 (the 'Act') being, NZTA giving, when making decisions in respect of land transport planning and funding under subpart 1 of Part 2 of the Act, the same level of scrutiny to its own proposed activities and combinations of activities as it would give to those proposed by approved organisations throughout the period 1 July 2024 to 30 June 2025;
- the description does not fairly present the systems and procedures as designed, throughout the period 1 July 2024 to 30 June 2025; and
- the controls, necessary to achieve the control objective, did not operate effectively as designed, throughout the period from 1 July 2024 to 30 June 2025.

Information subject to assurance

We have undertaken a limited assurance engagement on:

- the design of controls within the systems and procedures of NZTA, throughout the period 1 July 2024 to 30 June 2025, relevant to the control objective specified in section 96(1)(d)(ii) of the Act, that NZTA give, when making decisions in respect of land transport planning and funding under subpart 1 of Part 2 of the Act, the same level of scrutiny to its own proposed activities and combinations of activities as it would give to those proposed by approved organisations;
- the NZTA description of its systems and procedures at pages 138 to 140 (the 'description'); and
- the operating effectiveness of those controls.

Note that as part of our work we did not test any Roads of National Significance (RoNS) projects applying the new decision-led approach referred to in NZTA's report on page 138.

The Auditor-General is the auditor of NZTA. The Auditor-General has appointed me, Clint Ramoo, using the staff and resources of Audit New Zealand, to carry out this work on his behalf.

Criteria

An assurance engagement to report on the design, description and operating effectiveness of controls involves performing procedures to obtain evidence about the suitability of the design of controls to achieve the control objectives, the completeness, accuracy and method of presentation of the description of the systems and procedures and the operating effectiveness of controls throughout the period. The criteria are specifically designed to obtain this evidence and as a result, may not be suitable for another purpose.

Standards we followed

We conducted our work in accordance with International Standard on Assurance Engagements (New Zealand) 3000 (Revised) *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* and Standard on Assurance Engagements 3150 *Assurance Engagements on Controls*. In accordance with those standards we have:

- used our professional judgement to plan and perform the engagement to obtain limited assurance that the Statement is free from material misstatement, whether due to fraud or error; and
- ensured that the engagement team possess the appropriate knowledge, skills and professional competencies.

Summary of procedures performed

Our procedures includes, but were not limited to:

- making enquiries of management and other staff within NZTA;
- performing walkthroughs of key processes;
- performing tests of controls for a sample of decisions;
- inspecting relevant documentation;
- evaluating the evidence obtained.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we do not express a reasonable assurance conclusion on the controls.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

How to interpret limited assurance and material misstatement

A limited assurance engagement is restricted primarily to enquiries and other relevant procedures as described above.

Misstatements, including omissions, within the report are considered material if, individually or in the aggregate, they could reasonably be expected to influence the relevant decisions of the intended users taken on the basis of the report.

Limitations of controls

Because of the inherent limitations of any internal control structure it is possible that, even if the controls are suitably designed and operating effectively, the control objective may not be achieved and so fraud, error, or non-compliance with laws and regulations may occur and not be detected. Further, the internal control structure, within which the controls that we have assured operate, has not been assured and no opinion is expressed as to its design or operating effectiveness.

An assurance engagement on operating effectiveness of controls is not designed to detect all instances of controls operating ineffectively as it is not performed continuously throughout the period and the tests performed are on a sample basis. Any projection of the outcome of the evaluation of controls to future periods is subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

Directors' responsibility

The Directors of NZTA are responsible for:

- the implementation of systems and procedures that enable NZTA to give, when making decisions in respect of land transport planning and funding under subpart 1 of Part 2 of the Act, the same level of scrutiny to its own proposed activities and combinations of activities, as it would give to those proposed by other approved organisations;
- identifying the control objective;
- identifying the risks that threaten achievement of the control objective;
- designing controls to mitigate those risks, so that those risks will not prevent achievement of the identified control objective;
- preparing the description and report at pages 138 to 140, including the completeness, accuracy and method of presentation of the description and report; and
- operating those controls effectively as designed throughout the period.

Our responsibility

Our responsibility is to express a limited assurance conclusion on the NZTA report regarding the suitability of the design of controls to achieve the control objective, the presentation of the description of the systems and procedures and the operating effectiveness of the controls within the NZTA systems and procedures, based on our procedures.

Our independence and quality control

When carrying out the limited assurance engagement we complied with the Auditor-General's:

- independence and other ethical requirements, which incorporate the independence and ethical requirements of Professional and Ethical Standard 1 International Code of Ethics for Assurance Practitioners (Including International Independence Standards) (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board (NZAuASB) which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour; and
- quality control requirements, which incorporate the quality control requirements of Professional and Ethical Standard 3 (Amended) issued by the External Reporting Board.

Audit New Zealand has also provided statutory audit services to NZTA. Subject to certain restrictions, directors and employees of Audit New Zealand may also deal with NZTA on normal terms within the ordinary course of trading activities of the business of NZTA.

These matters have not impaired our independence as assurance providers of NZTA for this engagement. Audit New Zealand has no other relationship with, or interest in, NZTA.



Clint Ramoo

Audit New Zealand, Wellington
On behalf of the Auditor-General
31 October 2025

Putting the scrutiny principle into practice

Report on the implementation of systems and procedures to give effect to the scrutiny principle

Legislative requirement and control objective

The Land Transport Management Act 2003 (section 96(1)(d)(ii)) states that NZTA must ensure it gives, when making decisions in respect of land transport planning and funding, ... the same level of scrutiny to its own proposed activities and combinations of activities as it would give to those proposed by approved organisations'.

We refer to this requirement as the 'scrutiny principle'. Among other things, we must develop systems and procedures to give effect to this principle and report on the implementation of those systems and procedures in our annual report. This is our report on that implementation.

Application in 2024/25

We continue to apply the scrutiny principle as a core element of our investment decision-making and assurance frameworks. This principle ensures all investment decisions are made with transparency, impartiality and consistency, particularly when we assess our own proposals alongside those submitted by approved organisations.

In 2024/25, all investment applications, including those we initiated, were assessed using the same criteria and processes applied to applications from approved organisations in line with the systems and procedures we implemented to give effect to the scrutiny principle, including the Scrutiny and Transparency Policy.³ During the year, we applied a 'decision-led approach'⁴ to investment decision-making in relation to the Roads of National Significance investment cases. This is a trial before we consider rolling out the approach to other activities and organisations. The decision-led approach utilises similar systems and procedures to other investment applications. NZTA maintained a strong internal assurance framework to support the scrutiny principle, including independent review mechanisms for high-value and high-risk investments.

³ For more details on these procedures and controls, visit nzta.govt.nz/planning-and-investment/planning-and-investment-knowledge-base/202427-nltp-investment-requirements/202427-nltp-principles-and-policies/assessment-2/scrutiny-and-transparency-policy (last updated September 2023).

⁴ A decision-led approach is one of the ways we are supporting faster, cost-effective outcomes and driving the clear management of scope, budget and risk from the beginning of a project. For more details, visit nzta.govt.nz/roads-and-rail/highways-information-portal/standards-and-guidelines/decision-led-approach

This framework consists of a series of procedures and controls:

- Operational: designed to guide individuals in applying the appropriate level of scrutiny when making decisions;
- Managerial: focused on overseeing and reinforcing the consistent application of the scrutiny principle;
- Monitoring and reporting: to verify that operational procedures are being followed and that scrutiny principle is being properly applied. These include:
 - Following the same procedure for similar types of activities
 - Applying equivalent evaluation criteria
 - Requiring an equivalent level of information
 - Applying the same level of rigour to analysis
 - Applying the same level of tolerance to cost estimate rigour and potential cost overruns
 - Having staff with equivalent seniority and experience involved with equivalent decisions

NZTA also requires external reviews of higher-risk and/or higher-cost activities, including peer review of business cases, peer review of costs or full parallel cost estimates, and safety audits. In 2024/25 audits were undertaken of selected AOs. NZTA does not ordinarily conduct formal audits of its own activities, as its system of internal controls, monitoring and reporting achieve the same end.

Procedures and controls help our staff, management and board members apply the scrutiny principle to individual decisions by using consistent procedures for similar types of activities, applying uniform evaluation criteria, requiring comparable levels of supporting information, ensuring analytical rigour is consistent across decisions, and maintaining a risk-based approach to cost estimates.

NZTA recognises the importance of robust systems to underpin its investment decision making. Transport Investment Online (TIO), a web-based platform capturing details of all proposed activities for funding, provides transparency by documenting the evidence supporting investment decisions, recording NZTA's decisions and any funding conditions, and allowing approved organisations to view their proposals, NZTA's recommendations, and final decisions. TIO also stores all relevant documentation, including cost estimates, senior staff approvals, and minutes from committees and board meetings, ensuring a clear audit trail.

The Planning and Investment Knowledge Base (PIKB), an online portal that outlines the policies, principles, and processes governing investment from the NLFT, sits alongside TIO and sets the rules for assessing and evaluating all funding applications, reinforcing consistency and transparency across the investment lifecycle.

Evidence base for decision-making

A key development in governance was the shift to a more efficient funding request review process through the Value, Outcomes, Scope Committee (VOS). Previously, all funding requests were reviewed by VOS, regardless of scale or risk. Under the new approach, lower-risk or smaller proposals are reviewed by the Local Government Partnership Manager for AO activities or by the Team Lead - Portfolio Advice and Assurance for NZTA activities. The VOS chair reviews all applications and selects those for consideration at, or to inform, VOS, consciously considering the scrutiny principle in such deliberations. This targeted scrutiny ensures that appropriate consideration is applied on a consistent basis, freeing up committee time for consideration of larger and/or riskier proposals, while final approval remains with the chief financial officer, to preserve accountability for funding decisions.

Building on insights obtained from the previous review and other activities, NZTA took care to communicate to staff involved in investment assessments the need for impartiality, transparency and auditability to maintain the consistent application of the scrutiny principle. The new VOS SharePoint resource acts as a single source of truth to both State Highways and Local Government teams.

Additional information

We publish on our webpage minutes of all funding decisions the Board has made (on nzta.govt.nz/planning-and-investment/funding-and-investing/investment-decisions/board-decisions) and all decisions delegated to staff (nzta.govt.nz/planning-and-investment/funding-and-investing/investment-decisions/delegated-decisions) since 1 August 2008. Both pages are updated regularly as the board decisions are confirmed.

Post-approval review

As in previous years, our Investment Assurance team undertook a post-approval review of a random sample of 19 approved organisation and NZTA activities that were brought forward for funding consideration over 2024/25. The purpose of the review was to ensure funding decisions are applied consistently, regardless of whether the activity originates from an approved organisation or us.

We are satisfied that any inconsistencies in the documentation and recording of information supporting investment decisions identified by that review have not had a material impact on the application of the scrutiny principle. No major issues were found that would raise concerns about our diligence in applying this principle.



Section D

About us

Our board



Hon Simon Bridges

Chair

Appointed

Board chair

11 March 2024

Hon. Simon Bridges was the National member of Parliament for Tauranga and is a former New Zealand Leader of the Opposition and senior Cabinet Minister.

As a member of Cabinet in the last National-led government, he held several ministerial portfolios including Transport, Energy, Communications, Economic Development and Leader of the House.

During his tenure as a minister, Simon helped roll out nation-building infrastructure like Ultra-Fast Broadband and opened major new roads like the Waterview Tunnel as Transport Minister. He also implemented policies during this period to grow the electric vehicle market, as well as investments in KiwiRail to improve public transport options in New Zealand.

Prior to standing for Parliament, Simon was a litigation lawyer including at law firm Kensington Swan and as senior Crown Prosecutor in Tauranga.

Simon is currently also chief executive officer of the Auckland Business Chamber, a non-executive chair and director on several company boards and works in a range of sectors.

Simon is a member of our Risk and Assurance Committee.



Cassandra Crowley

Deputy Chair

Board member since

23 September 2019

Cassandra is a chartered accountant (Fellow), barrister and solicitor of the High Court of New Zealand and a member of the Institute of Directors.

In addition to her commercial advisory work, she holds non-executive directorships across several sectors of the New Zealand economy, including on listed companies and one of the country's largest exporters.

Cassandra chairs several audit, finance and risk committees and committees overseeing digital transformation. She is a past president of Chartered Accountants Australia and New Zealand and has been recognised through several awards for her leadership and governance contributions.

Cassandra chairs our Risk and Assurance Committee.



David Smol

Board member since

1 February 2019

David chairs the Earth Sciences New Zealand Board. He is also a director of Contact Energy, Tait Communications and the Cooperative Bank and a member of the Council of Victoria University.

In 2008, David was appointed the chief executive of the Ministry of Economic Development. From 2012 to 2017, he was the inaugural chief executive of the Ministry of Business, Innovation and Employment, where he was responsible for the stewardship of multiple regulatory systems.

David has over 40 years' experience in New Zealand and the United Kingdom in the public and private sectors. He was made a Companion of the Queen's Service Order in 2018.

David is a member of our Regulatory Committee.



Catherine Taylor

Board member since
23 September 2019

Catherine is a chartered accountant and has held senior management positions in the public and private sectors, including 5 years as the director and chief executive of Maritime New Zealand.

Catherine has more than 25 years' experience working with transport safety regulation with a focus on how to use regulatory tools to improve safety outcomes.

Catherine holds governance positions in the public, private and not-for-profit sectors across a diverse range of organisations and activities. She also acts as independent chair on several local committees in the area where she resides.

Catherine chairs our Regulatory Committee and is a member of our People, Culture and Safety Committee.



**Mary-Anne
Macleod**

Board member since
1 November 2024

Mary-Anne is an experienced professional director and strategic advisor with a strong background in local and central government.

Mary-Anne has held senior leadership roles in the Ministry for the Environment and Bay of Plenty Regional Council, where she was chief executive for 7 years until 2018. She has also worked internationally in multinational environmental and engineering companies where she specialised in environmental and systems management.

Mary-Anne is the deputy chair of Earth Sciences New Zealand, and a director of the Environmental Protection Authority, Dairy NZ Ltd, Bay Venues Limited and Fire and Emergency New Zealand. She is a member of the University of Waikato Council.

Mary-Anne holds a master of science (hons) in earth sciences and geography.



Mike Rudge

Board member since
1 November 2024

Mike is a civil engineer with more than 40 years' experience in the planning, development, delivery and management of public and transportation infrastructure in New Zealand, Asia and the Pacific.

Mike has held leadership positions in private sector and industry organisations. At MWH (now Stantec) for more than 25 years, he held ANZ and global leadership positions in transport, knowledge and asset management as well as being managing director for Asia operations.

Mike has chaired the New Zealand chapter of Road Engineering Association of Asia and Australasia and Intelligent Transport Systems New Zealand.

As an early adopter and innovator in infrastructure asset management, Mike brings a strategic and systems approach to how we need to plan, design and manage the required systems to meet our needs.

Mike is a member of our Regulatory Committee.

**Pat Dougherty**

Board member since
9 August 2024

Pat is an experienced former local government chief executive, as well as a civil engineer with experience across rail, water, roading and other local government services.

Pat was the chief executive of the Nelson City Council for 5 years and the Kāpiti Coast District Council for 10 years. During his time at the district council, he also chaired the Wellington Region Civil Defence Emergency Management Executive Group and served on the board of the McKays to Pekapeka Expressway Alliance.

Pat is the Chief Executive of Wellington Water and was a member of the Expert Advisory Panel reviewing the Public Works Act 1981. He is a member of the Institute of Directors and a chartered member of Engineering New Zealand.

Pat is a member of our Regulatory Committee.

**Rob Gilmore**

Board member since
9 August 2024

Rob is a civil engineer with more than 40 years' experience in road transport.

Rob has held executive roles at GHD Ltd and Downer for over 20 years. At GHD, Rob was global business leader roads and highways and led teams and delivered projects in New Zealand, Australia, the Pacific, the Middle East, the United States, the United Kingdom and Ireland. At Downer, Rob was executive general manager for clients and strategy, growing the organisation's capability across New Zealand. Since leaving Downer, Rob has continued to provide strategic and technical advice to clients in the transport sector in New Zealand and Australia.

Rob is a member of our People and Culture Committee.

**Warwick Isaacs**

Board member since
9 August 2024

Warwick is an experienced infrastructure chief executive with a strong local government and public delivery background.

Formerly, chief executive of a national group home building franchise, he has also been deputy chief executive – implementation and director of the Christchurch Central Development Unit at the Canterbury Earthquake Recovery Authority, chief executive of Timaru District Council and chief executive of Buller District Council.

Warwick originally trained as a chartered accountant.

Warwick is a member of our Risk and Assurance Committee.

Our leadership team

Brett Gliddon

Chief Executive

Brent Alderton

Group General Manager Regulatory – Te Rōpū Waeture and Director of Land Transport

Caz Jackson

Group General Manager People, Culture and Safety – Pūmanawa Tāngata

Karen Jones

Group General Manager Engagement and Partnerships – Te Waka Kōtuia

Liz Maguire

Chief Digital Officer, Digital – Te Aukaha

Richard Forgan

Group General Manager System Leadership – Te Tūāpae

Sara Lindsay

Group General Manager Commercial and Corporate – Te Ama

Sarina Pratley

Chief Customer and Services Officer, Customer and Services – Te Mahau

Kevin Doherty

Group General Manager Transport Services – Te Toki

Profiles of the leadership team are available at nzta.govt.nz/about-us/about-nz-transport-agency-waka-kotahi/our-executive-leadership-team

Our workforce

Our people are our greatest asset. They play a vital role in delivering on our priorities and progressing our organisational purpose. We remain committed to fostering a workplace culture that is inclusive, respectful of individual differences and underpinned by our values. Equal employment opportunity remains central to our workforce strategy and connects to our desire to create positive outcomes for both our people and the communities we serve.



As at 30 June 2025, our organisation employed 2803 permanent staff, equating to 2755.8 full-time equivalents, an increase of 35.3 full-time equivalents from 2023/24. This increase reflects the additional capability required to support our broadened programme of delivery, resulting from increased government investment.

Women continue to make up the majority of our permanent workforce at 53.5 percent. Fourteen employees identify as gender diverse or choose not to disclose their gender identity. Within our senior leadership (tiers 1-3), women make up 64 percent, a 1 percentage point increase from 2023/24.

Our efforts to close the gender pay gap are yielding results, with the gap reducing to 16.6 percent, down 1.6 percentage points from 2023/24.

About 7 percent of our permanent employees identify as Māori, which is consistent with 2023/24. Our Māori staff network, Rangitāmiro, serves as a dedicated space for connection, cultural sharing and mutual support. Other employee-led networks include New Wave – new professionals network, Lālanga Moana – Pasifika network, Asian network at NZTA, Neurodiversity network, Pride network, Wāhine network and the Accessibility network.

For further details on our workforce profile and progress against good employer commitments, see appendix 5.

Our partners and stakeholders

We work with the Ministry of Transport, NZ Police and over 70 council partners to invest in the land transport system on behalf of ratepayers. We also work with other agencies across the public and private sectors. Our collective chances of success are maximised by working together to deliver the best results for New Zealanders.

We have 5 directors of regional relationships. They, with their teams, each build, maintain and enhance NZ Transport Agency Waka Kotahi (NZTA) strategic alignment and reputation within a specific geographical area:

- Northland-Auckland
- Waikato-Bay of Plenty
- Gisborne-Hawke's Bay-Taranaki-Manawatū-Whanganui
- Wellington-Tasman-Nelson-Marlborough
- West Coast-Canterbury-Otago-Southland.

This work includes engaging with and taking the lead in building relationships with senior local government stakeholders, iwi, and other significant community, private and public stakeholders.



NZTA recognises its role in relation to the Treaty of Waitangi. In 2019, we launched our Māori strategy – Te Ara Kotahi, which provides our strategic direction for working with and responding to Māori. For more information, visit nzta.govt.nz/about-us/about-nz-transport-agency-waka-kotahi/maori-and-waka-kotahi-nz-transport-agency



Section E

Appendices

Appendix 1: Climate reporting (unaudited)

Carbon Neutral Government Programme reporting

Introduction

NZ Transport Agency Waka Kotahi (NZTA) is part of the all-of-government Carbon Neutral Government Programme (CNGP), which was established to accelerate the reduction of greenhouse gas emissions from the public sector. For more information on the programme, see the Ministry for the Environment's webpage About the Carbon Neutral Government Programme (last updated 5 August 2025) at environment.govt.nz/what-government-is-doing/areas-of-work/climate-change/carbon-neutral-government-programme/about-carbon-neutral-government-programme

The CNGP divides greenhouse gas emissions into three scopes for reporting and consistency with international reporting guidance:

- **Scope 1:** Direct greenhouse gas (GHG) emissions from sources the organisation owns or controls (that is, within the organisational boundary).
- **Scope 2:** Indirect GHG emissions from the generation of purchased energy (in the form of electricity, heat or steam) that the organisation uses
- **Scope 3:** Other indirect GHG emissions occurring because of the organisation's activities but generated from sources it does not own or control.

For this report, we group these emissions into corporate emissions (all scope 1 and 2 and some scope 3 emissions) and non-corporate emissions (other material scope 3 emissions)⁵ as set out in figure 7.

In line with the CNGP reporting guidance provided by the Ministry for the Environment, the following sections set out:

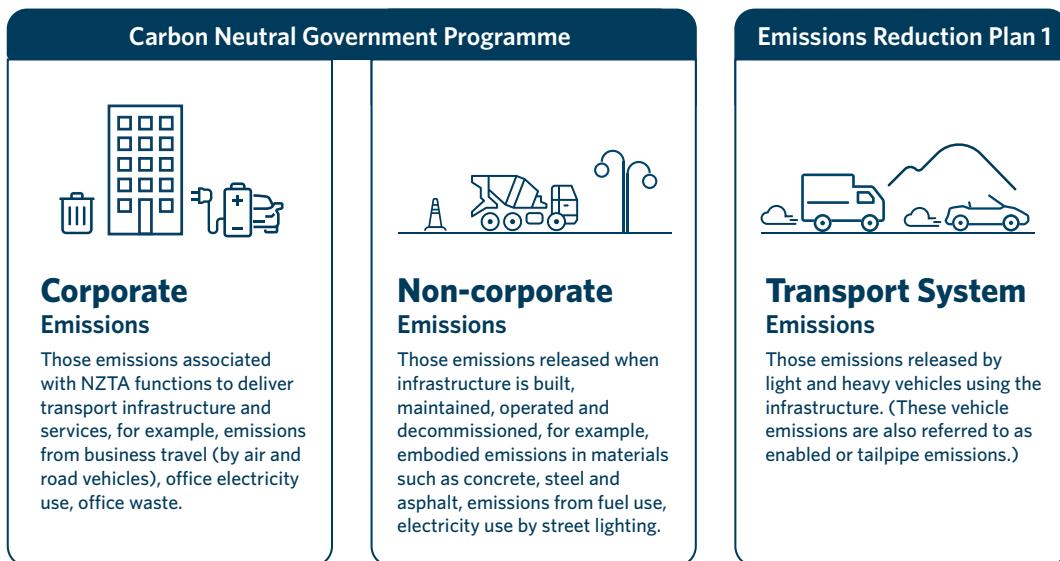
- our corporate and non-corporate emissions profiles for 2024/25
- a summary of progress toward our 2025 and 2030 gross emissions targets.

The CNGP reporting guidance also requires us to report on our number of full-time equivalents and total expenditure for the reporting period.⁶ See pages 173 and 64, respectively, for this information.

⁵ For the purposes of CNGP reporting, we have established an 'operational control' emissions boundary that considers emissions from capital improvements and maintenance and operation activities directly commissioned, funded and delivered by us.

⁶ The Ministry for the Environment provides detailed guidance on how agencies should report on these emissions in its annual reports (see Carbon Neutral Government Programme: A guide to managing your greenhouse gas emissions – measuring, reporting, target-setting and reduction planning (March 2025) environment.govt.nz/publications/cngp-measuring-and-reporting-ghg-emissions

Figure 7 – NZTA CNGP and ERP1 emissions framework



Total greenhouse gas emissions

Our total greenhouse gas emissions are:

- corporate emissions (mandatory and non-mandatory sources): 4013 tonnes of carbon dioxide equivalent (tCO₂e)
- non-corporate emissions: 362,000 tCO₂e.

The following sections provide further information on our emissions.

Corporate emissions

We started reporting on corporate emissions in our 2018/19 annual report. Initially, these emissions included only emissions from staff travel and our vehicle fleet. In 2021, a new measure and reduction target were developed (IPOE2: NZTA corporate carbon footprint) to capture a broader range of emissions sources in line with CNGP reporting guidance. The measure and target cover all corporate scope 1, scope 2 and mandatory scope 3 emissions.⁷ For more detail on how the results are calculated, see the technical notes on our website.⁸

In the 2019/20 reporting year we measured 3619.17 tCO₂e of mandatory emissions. This is used as our baseline. Our target for the 2024/25 reporting year was to reduce this by 44%, to 2027 tCO₂e. We were just short of this target, achieving a 43% reduction from baseline, with measured emissions of 2065 tCO₂e for the 2024/25 year. This reflects our ongoing work to optimise our vehicle fleet by transitioning to electric vehicles and changes in policy to support a reduction in domestic air travel, along with the use of more sustainable energy options at some of our corporate offices.

Table 4 breaks down our mandatory corporate emissions by source. Additional or non-mandatory scope 3 emissions (not included in IPOE2) are shown in table 5.

⁷ Mandatory scope 3 emissions are defined in the CNGP reporting guidance: Ministry for the Environment (2023) Carbon Neutral Government Programme: A guide to managing your greenhouse gas emissions – measuring, reporting, target-setting and reduction planning environment.govt.nz/publications/cngp-measuring-and-reporting-ghg-emissions

⁸ NZTA (2024) NZ Transport Agency Waka Kotahi annual report and National Land Transport Fund annual report – main index. nzta.govt.nz/resources/annual-report-nzta

Table 4 – Mandatory corporate emissions

Scope	Source	2024/25 actual	2023/24 actual	2022/23 actual
Scope 1: Direct greenhouse gas emissions from sources the organisation owns or controls (ie, within the organisational boundary) – for example, emissions from the combustion of fuel in vehicles that the organisation owns or controls.	Mobile combustion – petrol and diesel for NZTA corporate fleet vehicles	239	249	306
Scope 2: Indirect greenhouse gas emissions from the generation of purchased energy (in the form of electricity, heat or steam) that the organisation uses.	Electricity in offices, including electric vehicle chargers	285	255	463
Scope 3: Other indirect greenhouse gas emissions occurring because of the activities of the organisation but generated from sources it does not own or control (eg, air travel). These are broken down into 15 further categories within the Greenhouse Gas Protocol's Corporate Value Chain (Scope 3) Standard (see pages 31-32 of the CNGP reporting guidance).	Business travel – transport (air travel, taxi)	1353	1226	1294
	Freight transport (postage and courier)	99	28	18
	Electricity transmission and distribution losses	21	18	43
	Office waste to landfill	14	14	12
	Rental vehicles and use of private vehicles	14	14	12
Total mandatory emissions		2065	1877	2240

Table 5 – Additional/non-mandatory scope 3 corporate emissions

Scope	Source	2024/25 actual	2023/24 actual	2022/23 actual
Scope 3 non-mandatory emissions: Emissions NZTA has measured in addition to the mandatory emissions sources.	Staff working from home	127	83	96
	Office water supply	7	5	4
	Office wastewater services	58	55	52
	Business travel – accommodation	103	109	110
	Staff commuting	1654	1737	1347
	Paper recycling	1	1	2
	Electricity – electric vehicle chargers for NZTA fleet vehicles (public chargers)	0 ^A	5	6
Total mandatory emissions		1948	1995	1617

^A This result has been moved and is now included in the mandatory scope 2 emissions for 2024/25, following the Toitū auditor's request.

Where a measure has been calculated based on a per capita or full-time equivalent basis, total NZTA permanent headcount has been used, excluding contingent (contractor and temporary) staff.

Some changes in values reflect an update in emissions factors used, for example working from home emissions – the actual unit value increased 16 percent from the previous year. However, a change in emissions factors means the measure shows an increase of 53 percent.

Non-corporate emissions

The CNGP reporting guidance requires each organisation to identify and report, to the extent possible, other material scope 3 emissions in its inventory. This is the third time we (and other organisations) have reported these emissions.

We collectively refer to these indirect emissions sources as non-corporate emissions. The non-corporate emissions for NZTA are those emissions associated with state highway infrastructure delivery and maintenance activities and operation of the state highway network, including emergency works.

These emissions are considered indirect as we contract these services through infrastructure delivery contracts and, for maintenance and operations, network outcome contracts with the delivery undertaken by our suppliers, agents and partners.

The emissions associated with these activities are as follows.



Capital improvement activities: Emissions from these activities are embodied in construction materials (for example, concrete, steel and bitumen) and from the construction activities (for example, transport of materials, use of machinery for earthworks and waste disposal) involved in delivering improvements to state highway infrastructure. These are often referred to as the embodied emissions in a piece of infrastructure such as a road or bridge.



Maintenance and operational activities: Emissions from these activities are associated with the materials and activities required to maintain and operate the infrastructure over its service life. These include embodied emissions in materials (particularly pavement materials) and emissions from fuel used in maintenance activities (similar to the emissions associated with construction described above), as well as operational emissions (for example, from the use of electricity for lighting).



Emergency works: Emissions from these activities are associated with the materials and activities undertaken to re-establish lifelines and access to communities after significant weather events or the impact of a natural hazard on the network. Such works include the removal of debris deposited onto the network from slips or flooding events, repair of underslips and construction of retaining walls.

The non-corporate emissions for CNGP reporting purposes exclude emissions from light and heavy vehicles that use the state highway network. We refer to these vehicle emissions as enabled emissions and they are managed and addressed using wider system policy settings such as the Emissions Trading Scheme, which is outlined in the emissions reduction plan.

Estimated non-corporate emissions in 2024/25

The scale and nature of NZTA non-corporate emissions is complex, with several years of work required before a full and accurate picture of these emissions can be developed. For 2024/25, we refined our top-down estimation approach, applying phase-specific emissions intensity factors and integrating project-level carbon footprint data where available for capital improvement projects. Emergency works emissions were estimated using a simplified cost-based method. Emissions from maintenance and operations were assessed using a hybrid approach, combining asset registry data, average material use estimates, and supplier-reported fuel and electricity consumption. The results of the estimation are in table 6.

We are establishing processes to collect bottom-up data based on actual materials used and emissions associated with these activities. This is a resource-intensive exercise that requires ongoing investment.

Over time, we propose to develop an appropriate overall measure of non-corporate emissions to enable comparisons across reporting years and to better capture changes in practice aimed at reducing embodied and operational emissions.

Table 6 – Non-corporate emissions for 2024/25 (indicative)

Activity	Estimation basis		Indicative total emissions tCO ₂ e 2024/25 actual	Uncertainty discussion
Capital improvements	Based on a hybrid approach using phase-specific emissions intensity factors and integrating project-level carbon footprint data where available, and inflation adjusted published emissions intensity factors for New Zealand heavy and civil engineering construction (tCO ₂ e/\$ output), applied to spend based emissions (eg, pre- and post-implementation phases).	\$1622m 2024/25 expenditure	191,000	This estimate is considered to have high uncertainty; it is a top-down estimate that is likely to overestimate (particularly emergency works) as it assumes all expenditure on heavy construction.
Emergency works	Based on inflation-adjusted published emissions intensity factors for New Zealand heavy and civil engineering construction (tCO ₂ e/\$ output), applied to spend	\$299m 2024/25 expenditure	47,000	
Maintenance and operations (M&O)	Estimation of material quantities from the NZTA Road Assessment and Maintenance Management (RAMM) (plus supplier provided estimates for fuel/energy used)		60,000	This estimate is considered to have medium uncertainty as it is based on the RAMM asset data but makes assumptions about individual material quantities.
Estimated total			298,000	

Progress toward 2025 and 2030 targets compared with base year

Our base year for non-corporate emissions was 2022/23. Further data is needed to better understand the emissions reduction potential associated with our non-corporate activities and for us to set reduction targets for these types of emissions. This requires a significant effort given the scale of our emissions, the limited proven alternative lower carbon materials available to us and annual variations in the amount infrastructure construction, maintenance and operation and emergency works activity we undertake.

We are committed to environmentally sustainable outcomes and reducing greenhouse gas emissions. This commitment is outlined in our statement of intent for 2024–28. We are implementing internal operational policies to drive continual improvement in efficiency of resources, waste and carbon in our projects, including whole-of-life carbon assessments. These policies include our Sustainability Rating Scheme Policy,⁹ Resource Efficiency Policy for Infrastructure Delivery and Maintenance¹⁰ and a key performance indicator for resource efficiency and waste minimisation for existing maintenance contracts (and integrated delivery model from next year, when they replace the existing network outcome contract model).

Climate-related disclosure

We recognise the importance of adapting to climate change, while continuing to reduce the emissions that fuel climate change. We consider climate change a strategic and operational risk that will continue to create significant pressure and uncertainty and will test the resilience of the transport network. Climate-related risks relating to planning, asset management, investment decisions and funding requirements remain an important focus.

This year, we continued our work to reduce emissions and better understand and manage our climate-related risk. This appendix provides a high-level voluntary disclosure that was informed by the External Reporting Board's Aotearoa New Zealand climate standards themes, which are based on the international Task Force on Climate-related Financial Disclosures framework.

Our response to reducing emissions and adapting to the impacts of climate change is guided by the Government Policy Statement on land transport (GPS), which we give effect to through the National Land Transport Programme as required under the Land Transport Management Act 2003. What we must or can do depends on the context and the function we are undertaking. Different functions are subject to additional statutory requirements, including the Climate Change Response Act 2002, Crown Entities Act 2004, Resource Management Act 1991, Government Roading Powers Act 1989 and Civil Defence Emergency Management Act 2002.

The Land Transport Management Act 2003 requires NZTA to undertake its functions in a way that contributes to an effective, efficient and safe land transport system in the public interest.

As a Crown entity, NZTA has received ministerial direction to meet the requirements of the CNGP (see the Ministry for the Environment's webpage About the Carbon Neutral Government Programme at environment.govt.nz/what-government-is-doing/areas-of-work/climate-change/carbon-neutral-government-programme/about-carbon-neutral-government-programme). NZTA is also a reporting organisation for the purposes of the Climate Change Response Act 2002. This means our responsible Minister (the Minister of Climate Change) or the Climate Change Commission may at any time request information in relation to the risks and opportunities arising from climate change.

⁹ Waka Kotahi NZ Transport Agency (2020) Sustainability Rating Scheme Policy (version 2), nzta.govt.nz/assets/resources/state-highway-control-manual/docs/sustainability-rating-policy-202505.pdf

¹⁰ Waka Kotahi NZ Transport Agency (2022) Resource Efficiency Policy for Infrastructure Delivery and Maintenance (version 1.1), nzta.govt.nz/resources/resource-efficiency-policy-for-infrastructure-delivery-and-maintenance

Governance

We ensure climate-related considerations are regularly presented to the Board. In December 2024, the top climate change risk was reframed as 'System resilience – natural hazard & climate' to focus on climate and resilience matters that we have more control over and to align with the increased maintenance and resilience strategic priority in GPS 2024. This risk remains critical and recognises the impact of wider natural hazards as well as climate change on the transport system.

We include an update on top climate risks in our quarterly risk report to the Risk and Assurance Committee and Board. The Board and executive also have oversight and responsibility for funded projects that improve transport system resilience to climate impacts and for critical portfolio, project and programme risks, which may include climate risks. Climate risks identified in projects must be appropriately mitigated and actively managed. Our risk management process is based on ISO 2018: 31000 – Risk Management Guidelines, which we tailored to our context and requirements.

During 2024/25, our focus changed to align with the revised government priorities outlined in GPS 2024, and a new strategy director – environment was appointed within the new Strategy unit. Governance of foundational initiatives to deliver on CNGP requirements were overseen by a steering group with additional oversight by the Enterprise Executive Subcommittee.

Strategy

Our strategic direction, as expressed in our statement of intent for 2024–28, includes a system outcome focused on environmental sustainability. This outcome includes a focus on climate change adaptation and reducing GHG emissions, including meeting the requirements of the CNGP. For measures and targets relevant to climate change associated with this system outcome area, see from page 35.

The government has indicated, through GPS 2024, its Climate Strategy (published in July 2024) and the second Emissions Reduction Plan (published in December 2024), it is taking a different approach to reducing emissions, including from transport. Our role in reducing transport system emissions is guided by these policy settings and requirements. Looking ahead, further work is required to align our existing climate change-related sub-strategies and plans (including Toitū te Taiao, our Sustainability Action Plan, and Tiro Rangi, our Climate Adaptation Plan) to ensure they reflect current government expectations and how we are positioning the organisation to transition to a low-emissions, climate-resilient future.

This year, we established new systems and processes to meet the requirements of the CNGP and transitioned these into standard organisational practice (for example, a new digital tool enables the efficient capture of detailed non-corporate (infrastructure) emission data). Insights from this data and reporting will be key to informing our strategic approach to emissions reduction.

Work to progress elements of an enterprise climate risk assessment, focused on physical climate risks to state highway assets and local roads assets that we invest in, was also undertaken this year. This work is shaping our future strategic approach to climate risk and resilience.

Risk management

The resilience of the land transport system is being regularly tested through increasingly frequent and severe weather events related to our changing climate. We face climate risks to critical infrastructure and strategic assets (including the state highway network, the Auckland Harbour Bridge and tunnels) from, for example, rising sea levels, flooding, high winds and rising temperatures, all of which need to be considered in our planning, investment and management of the network.

The land transport system's medium-term and long-term investment needs are growing due to climate risk and resilience challenges. Weather events have disrupted the delivery of projects, supply chains and communities. The need to respond and recover from these disruptions puts pressure on already constrained funding.

We manage aspects of our climate-related risk under our enterprise risk framework and as part of our programme and project risk management practice. Consideration of system resilience to natural hazards and climate is being increasingly incorporated into our core activities, including planning, investment, procurement, asset management and delivery of infrastructure and services. Our enterprise risk management framework also allows for the development and use of climate scenario-based risk assessments.

Over the longer term, we are committed to enhancing the way we identify and manage climate risk as part of our risk management approach, reflecting best practice guidance for New Zealand Climate Standard and international standard ISO 14091.¹¹

In October 2024, the Board approved 13 risk appetite statements to guide the amount of risk NZTA is willing to accept in pursuit of its objectives. The statements include climate (adaptation and emission reduction) and environmental (protection). These statements are integrated into the enterprise risk framework and are being rolled out across business groups to inform risk-based decision making.

The top climate change risk 'system resilience – natural hazard and climate' is also a key driver for two other related enterprise top risks:

- resilience of critical infrastructure – our critical infrastructure and strategic assets¹² are not resilient to physical threats (for example, natural hazards and malicious human-made activity), limiting their ability to fulfil their intended purpose (rated critical)
- funding sustainability – our inability to efficiently plan longer-term investment and meet stakeholder expectations due to funding uncertainties (rated high).

Table 7 outlines our mitigation actions and controls for managing the system resilience – natural hazard and climate risk.

¹¹ ISO (2020) ISO 14091:2021 Adaptation to climate change: Guidelines on vulnerability, impacts and risk assessment, International Organization for Standardization.

¹² Including the state highway network, Auckland Harbour Bridge and tunnels.

Table 7 – Key mitigations for the top climate risk

Risk definition	Key controls/actions	Residual risk rating
System resilience – natural hazard and climate (last reviewed December 2024) NZTA does not adequately plan or proactively invest in activities that can reduce the impact of natural hazards and a changing climate in order to retain minimum levels of service and to manage future financial liabilities	<ul style="list-style-type: none">Establish strategic governance of relevant system resilience mattersDeliver on NZTA obligations in the national adaptation plan and emission reduction planDeliver resilience improvements and the cyclone recovery programmeImplement Tiro Rangi actionsIntegrate consideration of future implications of a changing climate and natural hazards in decision makingRevise the investment decision-making framework and investment prioritisation method for the NLTP to incorporate climate mitigation and adaptationEstablish an enduring enterprise climate and natural hazards risk assessment process including the strategic application of the national resilience assessment tool	Likelihood: Almost certain Consequence: Extreme Rating: Critical

Metrics and targets

For reporting on measures and targets relevant to climate change, see from page 38. These measures are guided by our strategic direction in our statement of intent for 2024–28 and our efforts to reduce emissions in line with the requirements of the CNGP.

Previously, we reported our contribution to emission reduction using transport system-wide emission metrics. This year, we have put effort into developing and using new monitoring systems and metrics that are more reflective of emission reduction activity within our direct control.

As noted above, we previously established targets to reduce our corporate emissions, and we achieved our 2024/25 target. However, we need more data to better understand the emissions reduction potential associated with our non-corporate (state highway infrastructure) activities before we can set reduction targets for these types of emissions.

Consideration of more meaningful transport-related climate resilience metrics is an emerging area of focus for us and many other similar government transport entities overseas. This year, we began working with Austroads to research international best practice to identify metrics that would improve how to track our performance in addressing climate resilience.

Appendix 2: Asset performance (unaudited)

All government agencies must report on the performance of their assets in their annual reports. Agencies must capture and use in internal management and decision-making processes relevant indicators of past and projected asset performance such as asset utilisation, asset condition and fitness for purpose.

This appendix discusses the performance of our state highway assets and information and communication technology (ICT) assets.

Performance of state highway assets

Future approach

The New Zealand Government is revising its requirements of asset intensive agencies. Enhanced and standard reporting requirements are being drafted and will be adopted after consultation at the end of 2025.

The NZTA has drafted its criticality framework. The current work programme includes completion of asset registers, improvements to condition data, and implementation of the Asset Management Excellence improvement project. These will close the current gaps on the ability to report on all significant asset classes and for critical assets.

NZTA expects to develop its asset reporting practice to meet the emerging government requirements and augment basic measures where transport specific measures provide a richer insight for our sector. Until the new requirements are available NZTA will continue its current reporting approach.¹³

Current approach

To monitor the status of our state highway assets we use 4 indicators (discussed below): the asset sustainability ratio, proportion of the state highway network that meets minimum asset condition requirements, number of bridges with restrictions rated as high priority, and proportion of unplanned road closures resolved within standard timeframes. For measure definitions and data sources, see the explanatory notes on our website.

¹³ NZ Transport Agency Waka Kotahi annual report and National Land Transport Fund annual report – main index. nzta.govt.nz/resources/annual-report-nzta

Asset sustainability ratio

The asset sustainability ratio assesses the relationship between expenditure on asset renewals relative to depreciation, where depreciation accounts for a decrease in asset condition and monetary value of an asset due to use, wear and tear, or end of life.¹⁴ It captures the extent to which assets are being renewed or replaced as they reach the end of their useful life and eventually wear out. For example, the 2024/25 ratio for pavement surfacing assets broadly implies that, given the rate at which the asset is wearing out (or depreciating), investment is at 71 percent of the level needed to sustain the asset base condition (see figure 8 and table 8). The ratio is an indicator of the level of investment, but a low asset sustainability ratio for a fixed period is not necessarily evidence of underinvestment.

Figure 8 – Asset sustainability ratio

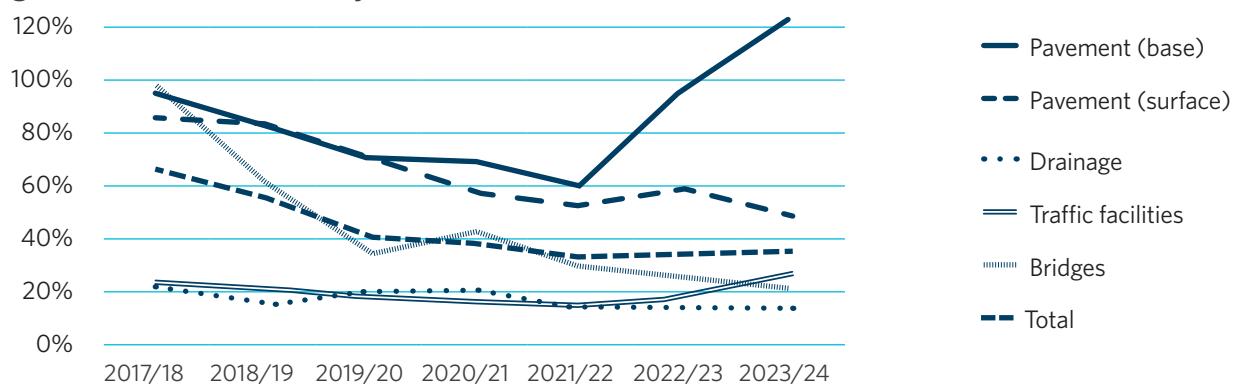


Table 8 – Asset sustainability ratio (%)

Scope	Target	2024/25 (provisional)	2023/24	2022/23	2021/22	2020/21	2019/20	2018/19
Pavement (base)	35-100	316	122	95	60	69	70	81
Pavement (surface)	70-110	71	48	58	52	57	69	82
Drainage	25-100	19	13	13	14	20	19	15
Traffic Facilities	20-75	16	25	17	15	16	17	21
Bridges	20-65	17	20	26	30	42	35	61

We made a strategic push to deliver more in pavements (base and surfacing) during the 2024-27 National Land Transport Programme (NLTP) period, which is reflected in the results in table 8. Drainage renewals also improved during 2024/25. While pavements are our area of focus, a small improvement remains to be made in the delivery of our other assets to prevent unnecessary strain on drainage, traffic services and bridges. Investment in these other assets should be maintained for an asset sustainability ratio of 20-25%.

A state highway strategy has been developed to support the National Tactical Plan and Lifecycle Asset Management Plan to improve how we manage and maintain our assets. This includes consistent asset condition data and record keeping to improve asset valuation, and development of 1-year, 3-year, 5-year and 10-year programmes. These programmes will outline minimum asset maintenance and renewal activity, which should improve the asset sustainability ratio.

A review of the target ratio for asset renewals will be undertaken next year, following the integrated delivery contract tenders. Using the new rates, the Asset Management Planning team will be able to more effectively and accurately determine the level of need and the capability and capacity required to deliver.

¹⁴ This excludes expenditure on activities creating new or additional assets and undertaking maintenance that are used by NZTA in the wider management of state highway infrastructure.

Proportion of the state highway network that meets minimum asset condition requirements

See the results and commentary for MEET2: Proportion of the state highway network that meets minimum asset condition requirements on page 20.

Number of bridges with restrictions rated as high priority

This measure captures the total number of bridges along state highways that have restrictions for heavy motor vehicles and were assessed during the year as high priority (that is, the restriction needs to be addressed) (see table 9). Short-term or long-term restrictions are put in place on state highway bridges due to deteriorating condition, due to damage caused by illegal overloading, or where they were originally designed for lower load limits than current general access limits. A notification of weight and/or speed limits on state highway bridges is posted on our website annually in October, although additional postings may be made during the year. Restrictions include mass (weight) limits, speed limits, or both mass and speed limits for all heavy motor vehicles. Any restrictions that can affect network availability are generally considered high priority and are dealt with promptly.

Table 9 – Number of bridges with restrictions rated as high priority

Target: Maintaining or decreasing

2018	2019	2020	2021	2022	2023	2024
2	2	2	3	2	3	4 ^A

Source: Notification of weight and/or speed limits on state highway bridges 2024/25. Details can be found at nzta.govt.nz/roads-and-rail/bridges-and-structures/bridge-restrictions

^A Includes two restrictions being mitigated through the implementation of temporary Bailey bridges, which enable continued network availability with no weight restrictions.

We made steady progress on removing bridge restrictions over the year, although a new 30km/h speed restriction for heavy vehicles has been implemented on State Highway 4 Manganui-a-te ao River Bridge, which is used as the Desert Road bypass.

The design of mitigation measures to address the weight restriction on the State Highway 50 Ngaruroro River Bridge (Fernhill, Hawke's Bay) has been completed. Funding for the physical works is yet to be confirmed.

Two Bailey bridges are in place to mitigate the loss of network connectivity following Cyclone Gabrielle: at the State Highway 2 Waikare River Bridge and State Highway 35 Hikuwai #1 River Bridge. No weight restrictions are placed on either bridge, although a 10km/h speed restriction is in place. Both Bailey bridges are temporary solutions to enable continued network availability while replacement bridges are progressed. Construction is underway to replace the Hikuwai Bailey bridge, and funding has been confirmed for the Waikare Gorge realignment that will ultimately replace the Waikare Bailey bridge.

Proportion of unplanned road closures resolved within standard timeframes

See the results and commentary for RES1 on page 26.

Performance of information and communication technology assets

This section provides information on the performance of our information asset management systems, including our critical ICT systems.

ICT asset performance measures

We use 5 ICT asset performance measures¹⁵ to assess how well our systems are working. These measures are cover availability, condition and fitness for purpose, and align with expectations set out in Cabinet Office Circular CO (23) 9.¹⁶

We use these measures to monitor the performance of our critical systems – those systems that could seriously affect operations and service delivery if they failed. The 10 systems defined as critical are:

- ITS Network – telecommunications network infrastructure for our transport operations
- DYNAC – our traffic management system used by Transport Operations Centres
- Sydney Coordinated Adaptive Traffic System (SCATS) (traffic light control systems)
- Driver Licensing Register (DLR)
- Motor Vehicle Register (MVR)
- FLIR – manages the closed-circuit television cameras used on state highways
- Enterprise Resource Planning (ERP) System (SAP)
- National Incident and Event Management System (NIEMS)
- Traffic Road Event Information System (TREIS)
- Common Payments System (CPS).

As part of ongoing Digital Systems asset management, we updated the list of critical systems in 2024/25. The SAP and CPS were added, while the Automated Invoice Processing system was removed.

Table 10 shows how we're tracking against our ICT asset performance measures for critical systems. The number of Priority One (P1) and Priority Two (P2) incidents stayed about the same as last year. We're starting to see fewer incidents overall, reflecting the impact of major upgrades across several critical systems. The total number of outage minutes was higher in the first half of the year due to several extended outages, but this settled in the second half of the year as system stability and resilience improved.

Table 10 – ICT asset performance for critical systems

System name	Availability		Condition		Priority 1 incidents		Priority 2 incidents	
	Percentage up-time (%) ^A		Priority 1 outage time ^B		2024/25	2023/24	2024/25	2023/24
	2024/25	2023/24	2024/25	2023/24				
ITS Network	100.00	99.95	0:00	4:40	0	1	2	3
DYNAC	99.96	100.00	3:24	0:00	1	0	4	4
SCATS	100.00	100.00	0:00	0:00	0	0	3	8
DLR and MVR	99.60	99.79	9:30	4:32	2	5	4	10
FLIR	100.00	100.00	1:45	0:00	1	0	10	5
AIP 2023/24 only	-	99.79	-	9:06	-	5	-	0
SAP New	99.96	-	0:50	-	1	-	0	-
NIEMS	100.00	100.00	0:00	0:00	0	0	3	0
TREIS	99.90	99.97	9:03	2:27	7	2	7	6
CPS New	100.00	-	0:00	-	0	-	0	-
Total			24h 32m	20h 45m	12	13	33	36

^A The percentage of time the system is available for use.

^B Average time for resolving priority 1 incidents.

Technology remediation programme

Over the year, we continued to address technology risks through our Technology Remediation Programme. This multi-year programme helps us improve the health of our systems by fixing outdated technology and making sure critical systems are well designed, up to date, secure, and reliable.

Table 11 shows how fit for purpose our critical systems are and outlines the work underway for each system.

Table 11 – Extent to which critical systems are fit for purpose and remediation work underway

System name	Is the system fit for purpose?
ITS Network	A project continues to migrate roadside devices to our new modern network.
DYNAC	Fit for purpose.
SCATS	Fit for purpose. An upgrade is scheduled to ensure platform currency.
DLR and MVR	The registers are fit for purpose, being operationally fit and technically robust but retain legacy mainframe limitations. Funding has been approved for 2025/26 to accelerate strategic roadmap creation and start reducing technical debt and address system limitations.
FLIR Latitude	Fit for purpose. An upgrade has been delivered to Lyttleton Tunnel and the Wellington Transport Operations Centre. The Auckland Transport Operations Centre upgrade is underway.
SAP	Our SAP ERP platform remains resilient and operationally fit while undergoing planned remediation for technology refresh.
NIEMS	Meets core requirements for Wellington Transport Operations Centre and Christchurch City Council but is not an integrated national solution. Upgrades will progress from the Future State Transport Operations Centre project currently in its business case phase.
TREIS	This is a legacy bespoke system for transport incidents. Upgrades will progress from the Future State Transport Operations Centre project currently in its business case phase.
CPS	Fit for purpose. This system was recently migrated to a cloud environment. This represents an important milestone in improving the scalability, resilience, and supportability of CPS and positions the platform well for future growth and digital service delivery.

¹⁵ For further information on our ICT asset performance measures, including a description of each measure, the matrix we use to determine incident priority and a glossary describing these critical ICT systems, see the explanatory notes for our performance measures at nzta.govt.nz/resources/annual-report-nzta/2024-25

¹⁶ Cabinet Office (2023) Investment management and asset performance in departments and other entities (Cabinet Circular CO (23) 9), dpmc.govt.nz/sites/default/files/2023-09/co-23-09-investment-management-asset-performance.pdf

Appendix 3: Significant capital projects performance against milestones (unaudited)

The performance assessments are based on achievements against annual milestones under the 2024/25 statement of performance expectations. For more details, visit nzta.govt.nz/resources/nz-transport-agency-statement-of-performance-expectations-main-index/spe-2024-2025

A four-rating scale was used for the assessment:

Achieved	All milestones fully achieved
Good progress made, but not achieved	At least 67% of milestones achieved
Progress made, but not achieved	At least 33% of milestones achieved
Not achieved	No SPE milestones were achieved

Table 12 – Roads of National Significance

Project	2024/25 SPE milestone	2024/25 result	Commentary
Northland Corridor ^A	Investment case approved by the Board. Expression of Interest for procurement for Northland Corridor issued.	Good progress made but not achieved	The Implementation investment case for Section 1 Warkworth to Te Hana was approved by the Board in February 2025. A Public Private Partnership (PPP) procurement commenced, with expression of interest issued in March 2025. The corridor route protection investment case (for the remaining sections) was completed and will be considered by the Board in August 2025.
SH16 North-West Alternative State Highway	Strategic property acquisition commenced.	Achieved	Strategic property acquisition and route protection are underway through the supporting growth alliance programme.
East-West Link	Pathway forward agreed post approval of the macro scope by the Board.	Achieved	Pathway forward was agreed post approval of the macro scope by the Board. An updated emerging preferred option was noted by the Board in May 2025. Work on the investment case is underway and will be considered by the Board in August 2025.
Mill Road	Stage 1 property acquisitions commenced. Stage 1 Investment Case approved by the Board.	Achieved	Property acquisitions for Stage 1 have commenced. The Stage 1 investment case was endorsed by the Board in April 2025.
Hamilton Southern Links	Investment case approved by the Board.	Good progress made but not achieved	Work on the emerging preferred option is underway. This will inform the investment case, which will be considered by the Board in September 2025.

Project	2024/25 SPE milestone	2024/25 result	Commentary
SH1 Cambridge to Piarere	Property acquisition commenced. Notice of requirement via interim fast-track consenting pathway lodged. Detailed design for work packages 1 and 2 commenced.	Achieved	Property acquisition is well underway. Notice of requirement was lodged in December 2024 but suspended in May 2025 to allow NZTA to address matters raised in the submissions and prepare for responses for the consenting panel. Suspension was subsequently lifted in June 2025. Detailed design work packages 1 and 2 are now more than 50 percent complete.
Takitimu North Link Stage 1	Minden gully main alignment bridge completed. Takitimu Northbound flyover bridge completed.	Progress made but not achieved	Completion of the Minden Gully Main Alignment Bridge has been delayed to February 2026 due to quality issues that required rework and a change in methodology. Completion of the Takitimu Northbound flyover bridge has been delayed to September 2025 due to unforeseen ground conditions. These delays do not affect project completion date.
Takitimu North Link Stage 2	Notice of requirement for designation and resource consent applications lodged. Procurement strategy confirmed. Property acquisition commenced.	Good progress made but not achieved	A ministerial decision to confirm if the project is eligible under the Fast-track Approvals Act 2024 (due to the Māori freehold land impacted by the project) was received in June 2025. Consent application is expected to be lodged in July 2025. The procurement strategy has been confirmed. Property acquisition is underway.
SH29 Tauriko West - Omanawa Bridge	Property acquisition for Omanawa Bridge replacement commenced.	Achieved	Final property acquisition was secured in April 2025.
SH29 Tauriko West - Wider scope	Investment case approved by the Board.	Achieved	The investment case was approved by the Board in April 2025.
SH2 Hawke's Bay Expressway	Stage 1 investment case approved by the Board. Stage 1 design and development phase commenced.	Achieved	The Stage 1 investment case was approved by the Board in December 2024. Stage 1 design and development phase commenced in January 2025 and is progressing well.
Petone to Grenada Link Road and the Cross Valley Link	Investment case approved by the Board.	Good progress made but not achieved	The emerging preferred options for Petone to Grenada including State Highway 1 interchange and for State Highway 2 interchange and Cross Valley Link were approved by the Board in April and May 2025, respectively. Work on the investment case is underway and will be considered by the Board in August 2025.
Ōtaki to North of Levin	Detailed design commenced. Management plans and outline plans of works for construction lodged. Enabling works commenced.	Achieved	Detailed design is well underway. Outline plans of works for construction have been lodged. Enabling works commenced in early 2025 and are in progress.
SH1 Wellington Improvements ^B	Investment case approved by the Board.	Good progress made but not achieved	The emerging preferred option has been confirmed. This will inform the investment case, which will be considered by the Board in August 2025.

Project	2024/25 SPE milestone	2024/25 result	Commentary
SH1 Belfast to Pegasus Motorway and Woodend Bypass	Investment case approved by the Board. Detailed design contract awarded and detailed design commenced. Property acquisition commenced.	Achieved	The investment case was approved by the Board in November 2024. The professional services contract for detailed design was awarded in February 2024. Detailed design is underway and approaching 30 percent completion. Property acquisition is progressing well.
SH6 Hope Bypass	Investment case approved by the Board.	Good progress made but not achieved	The emerging preferred option was approved by the Board in May 2025. Work on the investment case is underway and will be considered by the Board in August 2025.

^A Northland Corridor comprises 3 sections: SH1 Warkworth to Te Hana, Te Hana to Port Marsden and Port Marsden to Whangarei.

^B Previously SH1 Second Mt Victoria Tunnel and Basin Reserve Upgrade.

Table 13 – Roads of Regional Significance

Project	2024/25 SPE milestone	2024/25 result	Commentary
O Mahurangi - Penlink	Duck Creek Road Bridge completed. Season 2 earthworks completed.	Progress made but not achieved	Duck Creek Road Bridge was completed in June 2025. Season 2 earthworks have not been completed due to a significant slip that occurred at the largest fill site (Fill Site 9) in December 2024. As a result, there are significant delays to earthworks as other work sites are dependent on it for their fill disposal.
SH1 Papakura to Drury	Stage 1A completed. Chorus exchange centre completed. Construction for Stage 1B1 commenced. Stage 1B2 detailed design completed.	Achieved	Stage 1A was completed in December 2024. The Chorus exchange centre was completed early last year. Stages 1B1 and 1B2 were combined to form Stage 1B. The detailed design for the combined stage was completed, and construction commenced in January 2025.
SH2 Melling Transport Improvements	Project alliance agreement signed. Detailed design commenced. Construction commenced.	Good progress made but not achieved	The project alliance agreement (PAA) was signed in April 2025. Detailed design is well underway. The construction programme was re-baselined to align with the PAA. Construction (main works) will commence in September 2025.
Queenstown Package	On-site project compound established. Off highway stormwater and potable water reticulation and utility relocation works commenced.	Achieved	The on-site and the main project compound have been established. Utility relocation works commenced and are progressing to schedule.

Table 14 – Other major projects delivered under the National Land Transport Programme

Project	2024/25 SPE milestone	2024/25 result	Commentary
Waitematā Harbour Connections	Procurement for the next phase (for detailed investigation and route protection) completed. Design for the preferred option commenced. Site investigations commenced.	Achieved	The milestones are no longer applicable because a different approach was agreed in September 2024 following direction from the Minister to undertake further investigations on both the bridge and tunnel options. Site investigations commenced in December 2024 with marine geotechnical drilling commencing in March 2025. Design work for both bridge and tunnel options has also commenced. This will inform the investment case, which will be presented to the Board in 2026.
Te Ara Hauāuru – Northwest Busway ^A	Westgate station construction commenced. Scheme design completed. Investment decision taken to the Board for approval. Procurement strategy for pre-implementation approved.	Achieved	The investment case was endorsed by the Board in April 2025. Westgate station enabling works commenced in December 2024 and is near completion. Westgate station main works will commence in August 2025. A scheme design for effects assessment was completed and will be part of the notice of requirement documentation. The procurement strategy for pre-implementation – statutory approvals was approved in December 2024.
Te Ara o Te Ata SH3 Mt Messenger	Final property acquired. Tunnel excavation completed. Bridge 1 temporary staging completed. Pest management transition implemented.	Good progress made but not achieved	The final property has not been acquired. NZTA is doing all it can to progress acquisition through the courts. However, court timing is beyond NZTA's control. Tunnel excavation commenced in January 2025 (later than scheduled) and is due to be completed in March 2026. Bridge 1 temporary staging was completed. A pest management transition plan was also completed, setting out a two-year transition period to mid-2027.
Te Ahu a Turanga: Manawatū Tararua Highway	Parahaki Bridge and Eco-Viaduct Bridge completed. Pavement basecourse and surfacing works completed. Practical completion achieved and highway open to traffic.	Achieved	The Parahaki, Eco-Viaduct bridges, pavement basecourse and surfacing works were all completed. Practical completion was achieved, and the highway was open to traffic on 11 June 2025.
Te Ara Tupua: Ngā Uranga ki Pito-One (Ngauranga to Petone)	KiwiRail Traction Station building completed. Shared path bridge piling completed. Utilities and pavement works completed.	Good progress made but not achieved	The KiwiRail Traction Station building and shared path bridge piling were completed in February 2025, ahead of schedule. Common services utilities construction is progressing and will be completed in 2025/26 quarter 4.

^A Previously Northwest Rapid Transit Network.

Appendix 4: Vote Transport appropriation measures

NZ Transport Agency Waka Kotahi (NZTA) must provide year-end performance information on appropriations it is funded for. This section delivers against our reporting requirements under Vote Transport Estimates of Appropriations 2024/25 – Economic Development and Infrastructure Sector and Vote Transport Supplementary Estimates of Appropriations 2024/25. Note that the budget standard targets for some measures have been updated in the 2024/25 Supplementary Estimates. Changes are noted in footnotes for the applicable performance measures.

Table 15 - Vote Transport appropriation measures

Ref	Appropriation and measure name	Result status	2024/25 Budget standard	2024/25 Actual	2023/24 Actual
Non-departmental output expenses					
Land transport regulatory services					
CAS1	Average number of days taken to enter fatal crash reports into the Crash Analysis System	Achieved	10 working days or less	0.8 working days	2.6 working days
LIC1	Number of drug or alcohol assessments funded	Achieved	700 or less ^A	372	368
LIC2	Number of older driver licences subsidised	Achieved	116,889 or less ^A	113,685	107,750
MIN1	Proportion of requests completed within specified timeframes – Ministerial correspondence	Achieved	95% or greater	100%	99.9%
MIN2	Proportion of requests completed within specified timeframes – written Parliamentary questions	Achieved	100%	100%	99.1%
MIN3	Proportion of requests completed within specified timeframes – Official Information Act requests	Not achieved	100%	99.5%	99.5%
CPO1	Number of community provider organisations who have accessed a Community Driver Testing Officer or Driver Testing Officer for dedicated Class 1 practical tests for students	Achieved	26 or greater	39	33
CPO2	Number of testing days that community provider organisations have booked for Class 1 practical dedicated student bookings	Achieved	600 or greater	1950	1411
REA1	Number of advisors supporting community driver training, education and testing	Not achieved	11 or greater	9	11

Ref	Appropriation and measure name	Result status	2024/25 Budget standard	2024/25 Actual	2023/24 Actual
Public transport bus decarbonisation					
ZEV1	Increase in the number of zero-emission vehicles deployed into the public transport fleet, measured annually	Achieved	Increasing from prior year	2 buses	11 buses ^B
EUB1	Reduction in the number of Euro III and below buses deployed in the public transport fleet	Achieved	Decreasing from prior year	203 buses	214 buses
Retaining and recruiting bus drivers					
RBD1	Proportion of scheduled bus service trips not operated	Achieved	4% or less ^C	2.3%	3.9%
Road user charges investigation and enforcement					
REV1	Proportion of unpaid road user charges identified through investigations and assessments that are collected ^A	Achieved	65% or greater	82%	79%
Road user charges refunds					
RUC1	Average number of days to process road user charges refund applications	Achieved	20 working days or less	3 working days	5 working days
Waka Kotahi regulatory functions PLA					
WRF1	Number of regulatory guidelines and standards (non-legislative) reviewed and/or updated	Achieved	20 or greater	63	30
WRF2	The regulatory policy work programme is delivered as agreed with the Ministry of Transport	Achieved	Achieved	Achieved	Achieved
Non-departmental other expenses					
Bad debt provision – Land transport revenue collected by NZTA					
BDP1	Proportion of debt written off for road user charges against forecast revenue	Not achieved	1.2% or less	1.14%	0.74%
BDP2	Proportion of bad debt provision movement (before bad debt write off) for road user charges against forecasted net revenue	Not achieved	1.8% or less	1.03%	New for 2024/25
Clean Vehicle Standard - issue of credits					
CVS1	Credits issued in accordance with Clean Vehicle Standard regulations	Achieved	100%	100%	100%
Eastern Busway project					
EBP1	Funding is drawn down and used for the purposes and on the terms agreed to by Cabinet	Achieved	100%	100%	Achieved

Ref	Appropriation and measure name	Result status	2024/25 Budget standard	2024/25 Actual	2023/24 Actual
Non-departmental capital expenditure					
Capital Investment Package - Funding for Crown assets					
NZUP1	Proportion of NZTA projects under the Capital Investment Package delivered to agreed budget and timeframes ^D	Achieved	80% or greater	87%	93%
Government Policy Statement on Land Transport - Capital Grant (2024-2028)					
GPSG1	Funds are drawn down for capital purposes	Achieved	100%	100%	New for 2024/25
Government Policy Statement on Land Transport Loan (2024-2028)					
GPSL1	The loan will be drawn down for the purposes and on the terms agreed between NZTA and the Minister of Transport	Achieved	100%	100%	New for 2024/25
Housing Infrastructure Fund loans 2023-2028					
HIF1	The loan will be drawn down for the purposes and on the terms agreed between NZTA and the Minister of Transport	Achieved	100%	100%	100%
National Land Transport Programme Capital PLA					
SHI1	Proportion of state highway improvement activities funded by the National Land Transport Fund delivered to agreed standards and timeframes ^{E, F}	Achieved	80% or greater	90%	81%
Ngauranga to Petone shared pathway project					
NPP1	Funding is drawn down and used for the purposes and on the terms agreed to by Cabinet	Achieved	100%	100%	Achieved
NLTF borrowing facility for short-term advances					
NLTFA1	The loan will be drawn down for the purposes and on the terms agreed between NZTA and the Minister of Transport	Achieved	100%	100%	100%
North Island weather events - state highway recovery					
SHR1	Reporting on an annual basis	Achieved	Achieved	Achieved	New for 2024/25
Regional state highways					
RSH1	Proportion of NZTA Regional Investment Opportunities (RIO) activities delivered to agreed budget and timeframes	Achieved	80% or greater	74%	92%
Multi-category expenses and capital expenditure					
Capital investment package - operating					
Overarching measure					
CIPOO	Reporting on an annual basis	Achieved	Achieved	Achieved	Achieved

Ref	Appropriation and measure name	Result status	2024/25 Budget standard	2024/25 Actual	2023/24 Actual
Non-departmental output expenses – operating costs					
CIPO1	Funding is drawn down and used for the purposes and on the terms agreed to by Cabinet	Achieved	100%	100%	100%
Non-departmental other expenses – third party projects					
CIPO2	Funding is drawn down and used for the purposes and on the terms agreed to by Cabinet	Achieved	100%	100%	Not applicable
Community Connect Programme					
Overarching measure					
CCPO	Reporting on an annual basis	Achieved	Achieved	Achieved	Achieved
Non-departmental output expenses – administration of the Community Connect programme					
CCP1	Community Connect is implemented in at least one major urban area in the short term	Achieved	Achieved	Achieved	Achieved
Non-departmental other expenses – Community Connect programme – public transport concessions					
CCP2	Number of public transport boardings using Community Connect concessions ^G	Achieved	9 million or greater	8.7 million	51.3 million
Non-departmental other expenses – Total Mobility scheme local share funding shortfall					
CCP3	Funding is drawn down and used for the purposes and on the terms agreed to by Cabinet	Achieved	100%	100%	100%
Non-departmental other expenses – Total Mobility services concessions					
CCP4	Number of trips using Total Mobility concessions	Achieved	1.6 million or greater	3 million	2.6 million
COVID-19 – NLTF funding for cost pressures and revenue shocks					
Overarching measure					
CPRSO	Funding is drawn down and used for the purposes and on the terms agreed to by Cabinet	Achieved	100%	100%	100%
Non-departmental output expenses – COVID-19 – NLTF operating cost pressure and revenue shortfall funding					
CPRS1	Funding is drawn down and used for the purposes and on the terms agreed to by Cabinet	Achieved	100%	100%	100%
Non-departmental capital expenditure – COVID-19 – NLTF capital cost pressure funding					
CPF1	Funding is drawn down and used for the purposes and on the terms agreed to by Cabinet	Achieved	100%	100%	100%
Improving resilience of the roading network					
Overarching measure					
IRO	Reporting on an annual basis	Achieved	Achieved	Achieved	Achieved
Non-departmental output expenses – improving resilience of the roading network - operating costs					
IR1	Funding is drawn down and used for the purposes and on the terms agreed to by Cabinet	Achieved	100%	100%	100%

Ref	Appropriation and measure name	Result status	2024/25 Budget standard	2024/25 Actual	2023/24 Actual
Non-departmental other expenses – improving resilience of the roading network – local roads					
IR2	Percentage of the 3 year programme completed for local roads	Achieved	20%	20%	New for 2024/25
Non-departmental capital expenditure – improving resilience of the roading network – state highways					
IR3	Percentage of programme completed for state highways (measured annually)	Achieved	90%	92%	80%
Modeshift – planning, infrastructure, services, and activities					
Overarching measure					
MSOCO	Reporting on an annual basis	Achieved	Achieved	Achieved	Achieved
Non-departmental output expenses – mode shift – operating costs					
MSOC1	Funding is drawn down and used for the purposes and on the terms agreed to by Cabinet	Achieved	100%	100%	100%
Non-departmental other expenses – mode shift – third-party projects and activities					
MSTP1	Funding is drawn down and utilised for the purposes and on the terms agreed to by Cabinet	Achieved	100%	100%	100%
MSTP3	Kilometres of cycle ways delivered	Achieved	50 kilometres	66 kilometres	19 kilometres
MSTP4	Number of new or upgraded bus stops	Achieved	500	608	76
MSTP5	Kilometres of bus priority lanes	Achieved	5 kilometres	6.7 kilometres	1.5 kilometres
MSTP6	Number of suburbs that received walking and improvement projects	Achieved	30 suburbs	58 suburbs	20 suburbs
MSTP7	Number of improvements for access to schools ^H	Achieved	50 schools	88 schools	34 schools
North Island weather events - road response and reinstatement					
Overarching measure					
NIWE0	Reporting on an annual basis	Achieved	Achieved	Achieved	Achieved
Non-departmental output expenses – local road recovery costs					
NIWE1	Percentage of Local Road recovery programme delivery completion across North Island weather events impacted councils will be no less than	Achieved	35%	35.8%	New for 2024/25
Non-departmental output expenses – local road response costs					
NIWE2	Percentage of Local Road response programme delivery completion across North Island weather events impacted councils will be no less than	Achieved	100%	100%	New for 2024/25
Non-departmental output expenses – state highway recovery costs – operating					
NIWE3	Percentage of State Highway programme delivery completion across Northland, Coromandel and East Coast will be no less than	Achieved	65%	100%	New for 2024/25

Ref	Appropriation and measure name	Result status	2024/25 Budget standard	2024/25 Actual	2023/24 Actual
Non-departmental capital expenditure - equity injection to NZTA					
NIWE4	Funding is drawn down and used for the purposes and on the terms agreed to by Cabinet	Achieved	100%	100%	100%
Non-departmental capital expenditure - minor resilience works					
NIWE5	Percentage of minor resilience works completed (measured annually)	Achieved	100%	100%	60%
Non-departmental capital expenditure - state highway recovery costs - capital					
NIWE6	Percentage of programme completed for state highways (measured annually)	Achieved	100%	100%	100%
SuperGold Card enhanced public transport concessions scheme					
Overarching measure					
SGO	Reporting on an annual basis	Achieved	Achieved	Achieved	Achieved
Non-departmental output expenses - administration of the public transport concessions scheme					
SG1	Proportion of payments made by NZTA, from the date the claims were submitted by approved organisations within 20 working days	Achieved	100%	100%	100%
Non-departmental other expenses - public transport concessions for cardholders					
SG2	Number of boardings using SuperGold concessions	Achieved	12 million or greater	13.5 million	12.9 million
Tuawhenua Provincial Growth Fund - transport projects					
Non-departmental output expenses - supporting regional and infrastructure projects					
PGF1	Average number of days to release Provincial Growth Fund (PGF) funding to support regional and infrastructure projects once approved	Not applicable	20 working days or less	No claims made	No claims made
Non-departmental other expenses - enabling infrastructure projects					
PGF2	Average number of days to release PGF infrastructure funding once approved	Achieved	20 working days or less	1.8 working days	9 working days
Non-departmental capital expenditure - infrastructure projects					
PGF7	Proportion of NZTA projects funded by the PGF delivered to budget and timeframes	Achieved	80% or greater	93%	86%
Non-departmental output expenses					
National Land Transport Programme PLA					
Investment management					
IM1	Proportion of total cost of managing the investment funding allocation system to total National Land Transport Programme expenditure ^l	Achieved	1% or less ^k	0.76%	0.86%
Local Road Improvements					
LRI1	Proportion of local road improvement activities funded by the NLTF delivered to agreed standards and timeframes ^l	Not achieved	80% or greater	75%	30%

Ref	Appropriation and measure name	Result status	2024/25 Budget standard	2024/25 Actual	2023/24 Actual
State Highway Improvements					
SHI1	Proportion of state highway improvement activities funded by the NLTF delivered to agreed standards and timeframes ^{I,J}	Achieved	80% or greater	90%	81%
Public Transport Services and Public Transport Infrastructure					
PTS1	Number of boardings on urban public transport services ^I	Achieved	Greater than 129 million	159 million	154 million
PTI1	Punctuality of metro rail services ^I	Not achieved	95% or greater	85.6%	85%
Walking and Cycling Improvements					
WCI1	Proportion of cycleways, pathways and shared paths delivered against what was funded ^I	Not achieved	80% or greater	69%	65%
Rail Network					
RN2	Freight travel time reliability ^I	Achieved	90%	90%	89%
RN1	Amount of freight carried by rail (million net tonne kilometres) ^I	Not achieved	4170 or greater	3373 million net tonne kilometres	3482 million net tonne kilometres
Non-departmental capital expenditure					
National Land Transport Programme Capital PLA					
SHI1	Proportion of state highway improvement activities funded by the NLTF delivered to agreed standards and timeframes ^{I,K}	Achieved	80% or greater	90%	81%

^A Results are dependent on the number of applications received.

^B This figure was incorrectly reported as 13 in the 2023/24 annual report.

^C The target change from 13 percent to 4 percent did not get published in time in the 2024/25 Vote Transport Estimates of Appropriations and was updated in the 2024/25 Supplementary Estimates.

^D This refers to Major Crown Investment Projects delivered by NZTA.

^E This is a performance measure for the National Land Transport Programme PLA and the National Land Transport Programme Capital PLA appropriations.

^F 'Agreed standards and timeframes' relate to schedule, budget and quality. Schedule is assessed by year-end achievements against milestones that are set at the beginning of the year for projects that are due for practical completion in the year. Budget is assessed by actual spend by year-end compared with financial baselines set at the beginning of the year. Quality is not an actual assessment but embedded in various gateways in managing the project.

^G Government policy changed, resulting in the measure now covering only Community Services Card holders. The Community Services Card boardings for 2023/24 were 6.4 million.

^H The measure is the 'sum of all schools that benefit from the interventions completed by councils and approved organisations, expressed as a numerical value'.

^I This is also an output class measure.

^J This is also a performance measure for the National Land Transport Programme Capital PLA appropriation.

^K This is also a performance measure for the National Land Transport Programme PLA appropriation (State Highway Improvements).

^L The 2024/25 standard has been changed to 1 percent or less to show our intention for continuous improvement and the change was made in the 2024/25 Supplementary Estimates.

Appendix 5: Our people (unaudited)

This appendix summarises our workforce at the end of 2024/25 and describes the actions we took in 2024/25 to continue to meet our commitment to being a good employer.

Our workforce

As at 30 June 2025, we had 2803 permanent employees (1.2 percent more than the previous year), totalling 2755.8 full-time equivalents (FTEs). The increase reflects the additional capacity and capability needed to meet our expanded delivery programme.

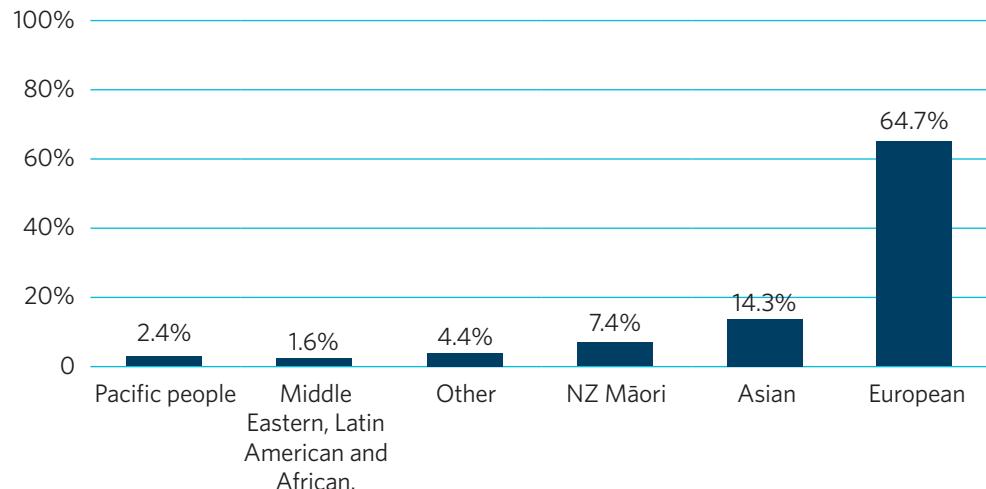
Annual voluntary turnover of permanent employees decreased 1.9 percentage points (from 10.0 percent last year to 8.1 percent this year).

This year, we employed 87 people on fixed-term agreements (3 percent of our employees).

Ethnicity profile

Almost two-thirds of our permanent employees identified as European and 7.0 percent as Māori (see figure 9).

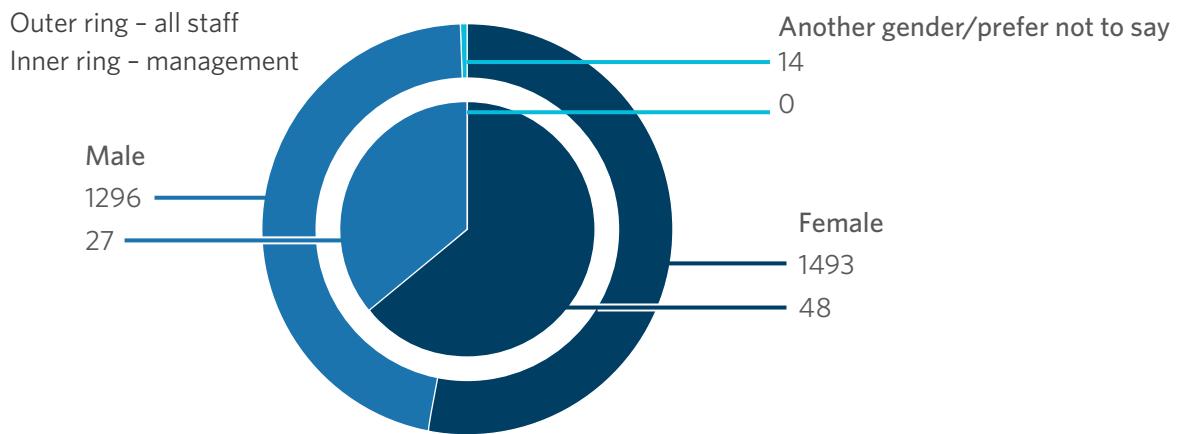
Figure 9 – Ethnic groups with which permanent staff identify (self-identified, staff can self-identify with more than one group), as at 30 June 2025



Gender profile

We have more female (1493; 53.5 percent) than male (1296; 46.5 percent) permanent employees, and 14 people identified as another gender or preferred not to say. Of our permanent senior managers (tiers 1 to 3), 64 percent were female (48) and 36 percent were male (27). Part-time employees (people employed less than 40 hours per week) made up 6.6 percent of our permanent workforce. More females (9.3 percent) in our permanent workforce work part time than males (3.5 percent). Part-time arrangements are one of the flexible working options available under our flexible working policy.

Figure 10 – Gender profile of permanent staff, as at 30 June 2025



Closing the gender pay gap

We are committed to ensuring gender is not a factor in determining what people get paid. Our overall gender pay gap continues to decrease, from 18.2 percent at 30 June 2024 to 16.6 percent as at 30 June 2025, a reduction of 1.6 percentage points.

The primary driver of the remaining gender pay gap relates to representation in different job bands, with female employees over-represented in lower paid job bands and under-represented in higher paid job bands. For example, 59 percent of people identifying as female are in band 16 or higher, compared with 83 percent of people identifying as male.

There are minimal differences in gender pay within jobs of similar size. The gender pay gap by band is shown in table 16. A negative value means the average pay for female employees is higher than the average pay for male employees.

Table 16 – Gender pay gap by band, as at 30 June 2025

Band	Average gender pay gap (%)
11	-1.3
12	-1.0
13	-5.5
14	-3.4
15	-1.3
16	-0.3
17	1.1
18	0.2
19	0.0
20 and over	-4.3

Promoting diversity and inclusion

We continue to progress the 6 key elements Te Kawa Mataaho | the Public Service Commission identified to promote diversity, equity and inclusion: cultural competence, addressing bias, inclusive leadership, fostering diverse leadership, employee-led networks, and Kia Toipoto – addressing gender, Māori, Pacific and ethnic pay gaps.

Our work has included:

- improving our cultural competence through a variety of opportunities such as te ao Māori and te reo Māori learning, welcoming new starters with mihi whakatau (welcome ceremony), and ensuring our meeting rooms have karakia clearly displayed
- identifying key Māori kaimahi to participate in Te Ara ki Mātangireia, an emerging leadership programme grounded in te ao Māori to support early-in-career Māori with the skills and confidence to step into leadership and governance roles in the future
- continuing to address bias in our employee experience through education and guidance
- publishing our second Diversity, Equity and Inclusion Roadmap, which includes our commitment to Kia Toipoto Pay Gap Action Plan (nzta.govt.nz/resources/kia-toipoto-pay-gaps-action-plan)
- supporting employee led networks – Wāhine (Women), Rangitāmoko (Tangata Whenua), Lālanga Moana (Pasifika), Neurodiversity and Pride and launching 2 new employee led networks, Asian and New Wave (new professionals) in early 2025
- celebrating our diversity and providing a variety of learning experiences
- supporting initiatives to grow a more diverse talent pipeline, including through our emerging professionals programme, Māori and Pasifika internships (TupuToa), and Wāhine and Māori leadership development programmes
- continuing to build our capability to deliver accessible communication
- promoting the use of pronouns, including in te reo Māori, in email signatures to help build respectful and inclusive relationships for everyone and normalise the use of pronouns.

8.0

Our diversity and inclusion score reflects how our people view our efforts to create a diverse and inclusive workplace. It increased over the last year from 7.9 to 8.0 out of 10. This reflects people's increased satisfaction with our efforts to support diversity and inclusion. However, there is still more we need to do to ensure all our people feel valued, heard and empowered.

Our commitments to being a good employer

We are shaping a strategy-led, future-ready organisation where our people are at the heart of everything we do. We are focused on enabling our people to perform at their best and building a workplace culture that energises our people and is underpinned by fairness and transparency. Our values and behaviours define what's important to us and help us deliver our best work, every day. They influence how we work both within our organisation and how we engage externally with iwi, partners, stakeholders and other communities.

We recognise, respect and value diversity in our workforce. Our continued focus on providing equal employment opportunities contributes to better outcomes, not only for NZTA but for New Zealand as a whole. We work actively to remove barriers to inclusion and ensure our people have a voice and engage with our people and unions when developing people policies or initiating change.

The policies, programmes, and initiatives outlined in the following section reflect our commitment to being a good employer, in alignment with the standards set by Te Kāhui Tika Tangata Human Rights Commission.

Leadership, accountability and culture

Our main people policies and practices

Culture and leadership are one of our strategic priorities. We know leadership capability is a significant lever and has an impact on the day-to-day experience of our people.

As part of our ongoing commitment to this priority, we have clear leadership expectations, have strengthened accountability through shared people leader and team member goals, goal-setting performance cycles and development planning alongside coaching and feedback. We are also supporting our leaders to grow through resources and opportunities such as:

- Pā Harakeke, which articulates the capability areas our leaders must have and build on
- the Accelerate Leadership Programme which explores 6 facets of leadership: courageous, strategic, people, team, adaptive and inclusive leadership
- a leadership suite with essential knowledge, processes, mind sets and conversations and facilitated peer-learning
- a 360-degree feedback tool so senior leaders can better understand their impact and identify strengths and development opportunities
- opportunities to connect with senior leaders.

Our employee engagement and satisfaction survey tells us we are going in the right direction. Our people feel supported by their leaders. The 4 key elements contributing to this driver are:

- my manager provides me with the support I need to complete my work
- my manager supports me in my performance with regular development conversations
- my manager cares about me as a person
- my manager communicates openly and honestly with me.

Recruitment, selection and induction

Our main people policies and practices

Our recruitment processes are designed to ensure we select suitably qualified people in an objective and impartial way, enabling us to provide equal employment opportunities, mitigate bias, address barriers and support our people's growth. We grow our people through active succession planning, identifying and progressing key talent and addressing barriers to participation and progression.

We use creative solutions to search for and source talent, ensuring our recruitment collateral uses inclusive language and features employees from diverse backgrounds. We are also an accredited employer with Immigration New Zealand.

We ensure our people feel engaged, included and supported from day one through our induction programme Whiria te Ngākau (weave the heart). This programme speaks to the importance of binding our work to our hearts and infusing our actions with purpose, meaning and passion.

Programmes such as our Emerging Professionals graduate programme and our work with TupuToa help us identify and engage with emerging talent, increase the diversity of our graduate pipelines and build a more inclusive workforce with the right skills.

Employee development, promotion and exit

Our main people policies and practices

We promote a culture of learning and continued development at all levels. Our work includes:

- being an accredited Institute of Professional Engineers New Zealand professional development partner
- providing opportunities such as project work, acting in other roles, secondments, mentoring and coaching, and online and face-to-face learning
- continuing to develop insights to support capability mapping, talent management, succession planning and progression and, developing frameworks to support this work
- encouraging regular employee-people leader development conversations throughout the year and offering user-choice exit interview options.

Flexibility and work design

Our main people policies and practices

Our flexible working guidelines highlight the scope of options available to support our people to participate and perform. Examples include part-time work, variable start and finish times, remote and hybrid working, job-sharing, condensed working weeks and purchased leave options. These options help create a more diverse, equitable and inclusive workplace and enable our people and leaders to discuss and agree on the best working arrangement for the person, team and organisation. Tapatahi; our employee engagement survey's engagement result aligned to flexible working is 8.6. We remain in the top 25 percent of the government sector.

Strengthening our ways of working (behaviours and practices) is ongoing to ensure flexible working supports individual, team and organisation performance and wellbeing. We encourage our people to maintain their wellbeing by taking annual leave in the year it is accrued and managing their hours.

Remuneration, recognition and conditions

Our main people policies and practices

We use a formal job evaluation process to ensure our remuneration practices are equitable and gender neutral. Remuneration ranges are benchmarked against the public sector market and compared with other organisations where relevant.

Annual remuneration increases reflect individual performance against agreed goals.

We encourage recognition and use a variety of ways to celebrate success and recognise people publicly and privately.

Remuneration paid to the NZTA leadership team increased \$616,000 compared with 2023/24. The increased remuneration reflects the cost of transitioning to the new chief executive, as well payment of leave entitlements for some departing team members.

Harassment and bullying prevention

Our main people policies and practices

We are committed to maintaining a safe working environment for all our people by fostering a culture of mutual respect, trust, dignity and security. Ensuring the psychological safety of our people is paramount to this. We offer free counselling support in partnership with EAP Services and encourage staff to speak up using confidential reporting channels such as Kōrero Mai (our health, safety and security incident reporting tool).

Our Sensitive Reporting tool makes it easy for people to report concerns early and confidentially, enabling earlier invention and a case management approach to ensure appropriate and consistent approaches to staff wellbeing.

We work with our people's unions to better understand workplace issues and provide tools and support for our people dealing with or affected by unacceptable behaviour.

We have bullying and harassment and sexual harassment policies and an online learning module to support employee understanding of these policies.

Every year we celebrate Pink Shirt Day, an antibullying campaign that celebrates diversity and promotes the need for the workplace to be an environment where everyone feels safe, valued and respected.

Safe and healthy environment

Our main people policies and practices

We continue to focus on our aspiration that our people and partners go home safe and well every day. Our Health, Safety and Wellbeing Strategy for 2022-2025 focused on three key strategic threads of safety leadership, critical risks, and an approach that is systemic and sustainable. We have implemented processes to provide insights and information about our health, safety and wellbeing performance and that of our key partners. We continue to strengthen our collaboration with our external partners to achieve our combined desired outcome of safer and healthy workplaces. Our critical risks continue to remain a focus, with continuous assessment on their risk ratings and controls.

As part of continual improvement and management system and maturity reviews, we have engaged external providers to undertake various assessments. We continue to hold ourselves accountable to continuously enhance our practices, process and implementation of our Health, Safety and Wellbeing management system.

Our assurance and monitoring programme has deepened its focus in our Health, Safety and Wellbeing audit programme of our partners to assess how they are delivering Health and Safety on our projects.

We continue to focus on our wellbeing programme, identifying areas of trends and concerns and, providing enhanced EAP services where required.

In 2024/25, we supported the roll out of the New Zealand guide to temporary traffic management. We developed training to help our suppliers better understand site-level risk management and we continue to support our suppliers with assurance.

In 2025, we will have a refreshed Health, Safety and Wellbeing strategy for 2025-2028, with a stronger integration of wellbeing into health and safety. We will also review and update our critical risks to ensure we remain focused on the most important areas for controls, and we will have a deeper approach to our health, safety and wellbeing assurance programme.

We are refreshing the strategy to mature and simplify our approach and systems to achieve our aspiration that our people and partners go home safe every day. Our work is guided by insights from an independent SafePlus assessment carried out as planned in June and July 2024, and the Accident Compensation Corporation Accredited Employers Programme Pre-Audit was completed in April 2025. We received a 'performing' rating from the SafePlus assessment, with positive engagement and feedback from businesses.

Specific work included addressing our 5 critical Health, Safety and Wellbeing risks (harmful interactions, roadside work, construction work, driving, and mental health or psychological harm) and working closely with our construction industry partners to improve health and safety practices and outcomes for contractors and traffic management providers.

Appendix 6: Governance report (unaudited)

Functions and operations

The Board is NZTA's governing body with authority to exercise its powers and perform its functions. All decisions relating to NZTA operations must be made by or under the Board's authority.

The Board is appointed by and accountable to the Minister of Transport and responsible for NZTA:

- acting consistently with its objectives and functions
- carrying out its functions efficiently and effectively
- operating in a financially responsible manner.

The Board operates according to its charter, which sets out its governance arrangements and responsibilities.

Membership

The Minister of Transport may appoint up to 9 members to the Board. Board members are appointed for a period of up to 3 years, which may be extended. The Board appoints members to its 3 standing committees (listed below).

Disclosure of interests

Before being appointed to the Board, potential members must disclose all interests to the Minister of Transport. Following their appointment, Board members must disclose all interests to NZTA as soon as practicable. A register of interests is kept and provided to the Board at each scheduled Board meeting.

Delegations

The Board operates through delegation to the chief executive. The chief executive and the Executive Leadership team are charged with the day-to-day leadership and management of NZTA. Our chief executive sub-delegates authority to the Executive Leadership team and others within specified financial and non-financial limits. Formal policies and procedures govern the parameters and operation of these delegations.

Board performance

The Board reviews its overall performance and the performance of its committees and individual Board members.

Risk management

We are committed to managing our risks and ensuring effective risk management in everything we do. This is to enable better coordinated and better informed planning and decisions, enabling performance, improvement and resilience.

In accordance with the International Organization for Standardization's standard 31000:2018 effective risk management is achieved through a structured and consistent approach and activities outlined in the risk management framework and applied across the organisation to assess, treat, monitor, review, record and report risk.

Everyone has a role in managing risk, so critical risks are appropriately managed and enable the organisation's continuous improvement.

We are committed to a culture of transparency, openness and inclusivity that encourages everyone to identify risks and treat them appropriately.

Thirteen key strategic financial and non-financial risks are owned by executive and senior leadership and fall into 3 categories (delivery, enabler and external risks) – see table 17.

Table 17 – Strategic financial and non-financial risks by category

Risk category	Strategic financial and non-financial risks
Delivery	<ul style="list-style-type: none">▪ Resilience of critical infrastructure▪ Infrastructure programme▪ Road safety outcomes▪ Non-infrastructure programmes▪ Regulatory
Enabler	<ul style="list-style-type: none">▪ People safety▪ People▪ Funding sustainability▪ Fraud and integrity▪ Technology systems
External	<ul style="list-style-type: none">▪ Cyber and information security▪ System resilience – natural hazard and climate▪ Trust and confidence

Board committees

The Board has 3 standing committees: Risk and Assurance, Regulatory, and People and Culture Committees. The Investment and Delivery Committee was dissolved in May 2025. Matters previously considered by that committee are now considered by the full Board.

Committee membership is shown in table 18.

Table 18 – Membership of the Board's standing committees

Committee	Members (as at 30 June 2025)
Risk and Assurance Committee	<ul style="list-style-type: none">▪ Cassandra Crowley (Chair)▪ Simon Bridges▪ Warwick Isaacs
Regulatory Committee	<ul style="list-style-type: none">▪ Catherine Taylor (Chair)▪ David Smol▪ Mike Rudge▪ Pat Dougherty
People, Culture and Safety Committee	<ul style="list-style-type: none">▪ Mary-Anne Macleod (Chair)▪ Catherine Taylor▪ Rob Gilmore

The committees are governed by Board-approved terms of reference and assist the Board by focusing on specific matters in greater detail than is possible for the Board as a whole.

The Board may establish other standing or ad hoc committees to assist it in carrying out its powers and functions. During the year, the following ad hoc committees met: the Public-Private Partnership Subcommittee, Northland Roads of National Significance Subcommittee and Financial Review Subcommittee.

Attendance at Board and Committee meetings

Table 19 shows attendances at scheduled and special board meetings and standing board committee meetings. The table shows attendance by committee members. Board members who are not committee members also attend committee meetings (those attendances are not shown in the table).

During the year, 5 new members were appointed to the Board, and 3 Board members left. The table shows attendance relative to the number of meetings held while the person was a Board member.

Table 19 – Board and committee attendance for the year to 30 June 2025

	Board meetings	Special Board meetings	Investment and Delivery Committee	Regulatory Committee	Risk and Assurance Committee	People and Culture Committee
Total meetings held	9	4	6	6	4	4
Simon Bridges	9/9	2/4	4/4		4/4	
Cassandra Crowley	9/9	4/4	6/6		4/4	
Catherine Taylor	9/9	4/4	4/4	6/6		4/4
David Smol	8/9	3/4	3/4	5/6		
Mary-Anne Macleod ^A	6/6	2/3	4/4			2/2
Mike Rudge ^A	6/6	3/3	4/4	4/4		
Pat Dougherty ^B	9/9	3/3	4/4	4/4		
Rob Gilmore ^B	9/9	2/3	4/4			1/1
Warwick Isaacs ^B	8/9	2/3	4/4		2/2	
John Bridgman ^C	3/3	1/1	2/2			
Ngarimu Blair ^C	2/3	1/1		0/2		0/1
Victoria Carter ^D		1/1				

^A Appointed to the Board 1 November 2024.

^B Appointed to the Board 9 August 2024.

^C Left the Board 31 October 2024.

^D Left the Board 9 August 2024.



National Land Transport Fund annual report

Provided to the Minister of Transport and presented to the House of Representatives pursuant to section 11 of the Land Transport Management Act 2003 and section 150 of the Crown Entities Act 2004

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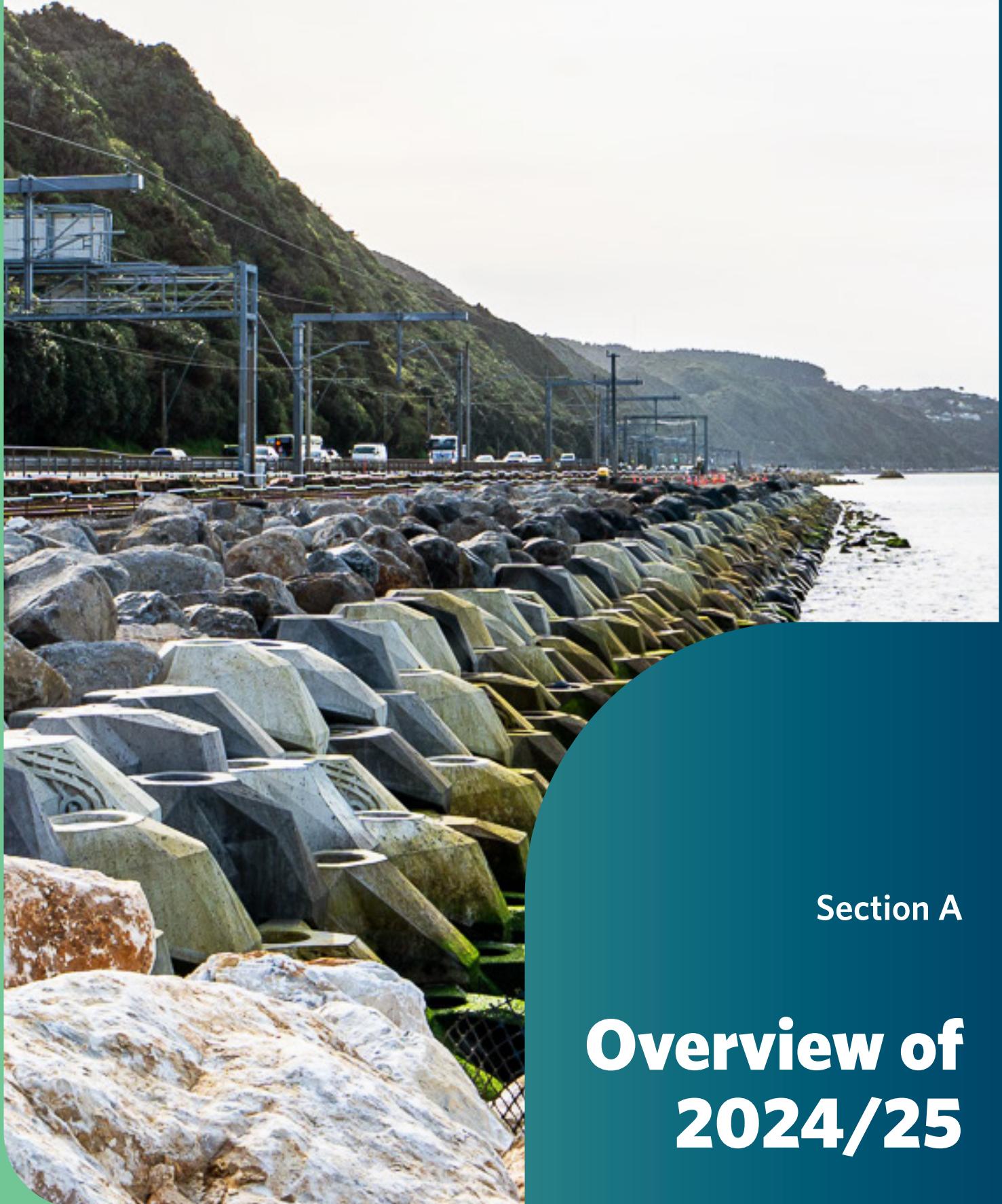
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Section A

Overview of 2024/25

Chair and chief executive overview

He tirohanga whānui nā te heamana me te pou whakahaere

In 2024/25, NZ Transport Agency Waka Kotahi (NZTA) continued to work closely with its partners and stakeholders to give effect to the Government Policy Statement on land transport 2024 (GPS) by investing the National Land Transport Fund (NLTF) in the 2024–27 National Land Transport Programme (NLTP).

NLTF investments help to support an efficient land transport system that is productive and resilient.

This year was the first year of the 2024–27 NLTP. A total of \$5.72 billion was invested through the NLTF:¹

- \$2.38 billion towards economic growth and productivity
- \$1.34 billion towards safety
- \$1.32 billion towards increased maintenance and resilience
- \$0.68 billion towards value for money.

The overarching strategic priority for land transport investment is economic growth and productivity.

NZTA's significant capital projects foster economic growth, create social and economic opportunities, and strengthen connections for both people and freight.

Despite challenges such as cost pressures, external operating conditions, supply chain disruptions, and the ongoing impacts of the COVID-19 pandemic and inflation, NZTA's capital projects remain on track. With 92 percent of NZTA's significant capital projects achieving at least 67 percent of their 2024/25 statement of performance expectation milestones and 90 percent of state highway improvement activities funded by the NLTF delivered to agreed standards and timeframes.

The Roads of National Significance (RoNS) and Roads of Regional Significance (RoRS) programmes are progressing well. Roads of National Significance investment cases met their mid-2025 completion targets and have been presented to the NZTA Board for consideration. Work will then be prioritised.

¹ Investment figures are from the NLTF and exclude investment from the Crown, from the Provincial Growth Fund, North Island weather event (NIWE), local share, the New Zealand Upgrade Programme, SuperGold Card funding and investment in the Investment management activity class and from other non-NLTF funding sources.

Notable achievements in 2024/25 were the opening of Te Ahu a Turanga, replacing the old Manawatū Gorge Road, which closed in 2017 following landslides. The reopening of State Highway 1 Mangamuka Gorge was another notable accomplishment, after multiple weather-related slips closed the highway in August 2022. NZTA also made significant progress on the Takitimu North Link, providing an efficient, more reliable and safer route between Tauranga and Te Puna.

NZTA maintenance, safety and resilience work is progressing well and includes repairing potholes, increasing maintenance, and investing in new safety measures, public education, and funding for road policing and enforcement.

Close to 25 percent of the state highway network had proactive road maintenance and renewals over 2024/25. NZTA repeatedly exceeded its target to repair 90 percent of potholes within 24 hours and achieved its year-to-date targets for road renewals as early as April.

NZTA and its partners made great progress towards renewing the roading network, exceeding all targets in this area. NZTA delivered almost 2000 lane kilometres of resealed and resurfaced pavement this year, and over 5500 lane kilometres delivered. The same amount of effort has been put into rehabilitation pavement across the network with 300 lane kilometres of both state highways and local roads delivered.

NZTA has focused on performance and efficiency and will continue to do so as it moves into the second year of the GPS. The government expects NZTA to hold itself and its partner organisations accountable to high standards — fast and effective delivery and achieving better value for money through NLTF investments.

NZTA is committed to working in meaningful partnerships to invest in and deliver a land transport network that benefits all communities across New Zealand.



Simon Bridges
NZTA Board Chair

A handwritten signature in black ink, appearing to read "Simon Bridges".



Brett Gliddon
NZTA Chief Executive

A handwritten signature in black ink, appearing to read "Brett Gliddon".

About this report

Overview

NZTA is responsible under the Land Transport Management Act 2003 (section 11) for allocating and investing the NLTF and preparing the NLTP. It must prepare an annual report on the NLTF, which must include how the activities funded under the NLTP contribute to the GPS.

The outcomes and achievements presented in this report are the result of a collective investment in land transport. NLTP activities are planned, invested in and delivered in partnership by NZTA, local and regional authorities, New Zealand Police and other transport sector partners, including KiwiRail. Where NZTA is funded to deliver activities in the NLTP, performance on the delivery of these activities is also included in this report.

This is the first NLTF annual report under the 2024-27 NLTP and GPS 2024 (which covers 2024/25 to 2033/34).

Statement of performance for activity classes funded by the National Land Transport Fund

The following information forms the statement of performance for the activity classes funded by the NLTF.

Activity class	Page
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Local road pothole prevention	205
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The land transport investment system



National Land Transport Fund

The NLTF is a dedicated fund for maintaining and developing local and national transport services. The NLTF is made up of funding from:

- **fuel excise duty** – excise collected at source and recharged in petrol, liquid petroleum gas and compressed natural gas prices
- **road user charges** – charges paid by users of vehicles over 3.5 tonnes (manufacturer's gross laden weight) and by users of vehicles using diesel or another fuel not taxed at source
- **motor vehicle registry fees** – registration and licence fees paid by public road users to access the road network
- **state highway property rental and sale** – rentals and other charges on state highway property and from the sale of land surplus to transport requirements
- **track user charges** – charges collected from KiwiRail
- **surplus and short-term debt movement** – use of surplus from a previous NLTF and movement in short-term debt
- **Crown** – funds provided to support the Rail Network Investment Programme and additional funds for an emergency relief package and emergency works following the North Island weather events
- **tolling** – charges collected from tolled road for the repayment of tolling debt
- **Clean car standard programme** – charges collected from cars imported with a carbon dioxide (CO₂) level above the standard.

The NLTP is a partnership between NZTA, which uses the NLTF to invest on the Crown's behalf, and approved organisations.² NZTA assesses and prioritises which activities proposed by approved organisations will be invested in on behalf of the Crown.

² An approved organisation is a regional council, a territorial authority or an approved public organisation (such as the Department of Conservation) with authority to invest local funding on behalf of ratepayers.

Government Policy Statement on land transport

The GPS sets out the government's strategic direction for the land transport system for the next 10 years. It guides how the NLTF is invested and how activities are assessed and prioritised for regional land transport plans. The GPS also sets out the government's plan for investing in the land transport system to realise the government's long-term transport outcomes.³

The Minister of Transport must issue a GPS every 6 financial years and review the Crown's land transport investment strategy within it every 3 years. GPS 2024 was in effect through 2024/25.

The 4 strategic objectives of GPS 2024 are economic growth and productivity, increased maintenance and resilience, improved safety and value for money.

National Land Transport Programme

The priorities of the GPS are progressed through the NLTP, a 3-year programme that sets out how NZTA, working with its partners, plans to invest national land transport funding. The NLTP sets out activities that are expected to be funded from the NLTF under the Land Transport Management Act 2003. Regional land transport plans, developed by local government, must also align with the GPS.

The NLTP is a snapshot of:

- committed funding from previous NLTPs for transport improvements that are generally large scale
- continuous programmes NZTA delivers every day, such as public transport and road maintenance
- upcoming activities NZTA will consider funding, which are developed collaboratively using the GPS and regional land transport plans.

³ For more information, visit transport.govt.nz/area-of-interest/strategy-and-direction/transport-outcomes-framework

NZTA investment approach

NZTA allocates funding across transport activities to give effect to the GPS and contribute to an effective, efficient and safe land transport system in the public interest. To do this, NZTA works closely with co-investment partners and stakeholders (including local communities and national policy makers) to determine the transport solutions that will work best for New Zealand.

Investment principles

When considering the best mix of activities to receive investment funding, NZTA applies the following investment principles:⁴

- invest in the transport system to achieve multiple outcomes
- take a robust approach to delivering best value for money
- ensure solutions are future-focused and adaptable
- collaborate and engage with the local government sector to understand and reflect local, regional and national perspectives
- make decisions following a transparent, risk-based process informed by a strong evidence base
- take a Treaty of Waitangi centric view to provide positive outcomes for Māori.

Investment decision-making approach

In developing the NLTP, NZTA uses the investment decision-making framework and process outlined in figure 1. This framework includes an investment prioritisation method, legal requirements, investment policies, rules and guidance for prioritising NLTP activities and investment decisions. The basis for prioritisation, assessment and investment decisions are set out on the NZTA website. Policies, rules and guidance relating to planning and investment are set out on the NZTA website: nzta.govt.nz/planning-and-investment.

For each activity proposed for inclusion in the NLTP, a business case is developed that includes an assessment of options. A preferred solution is put forward for an investment decision.

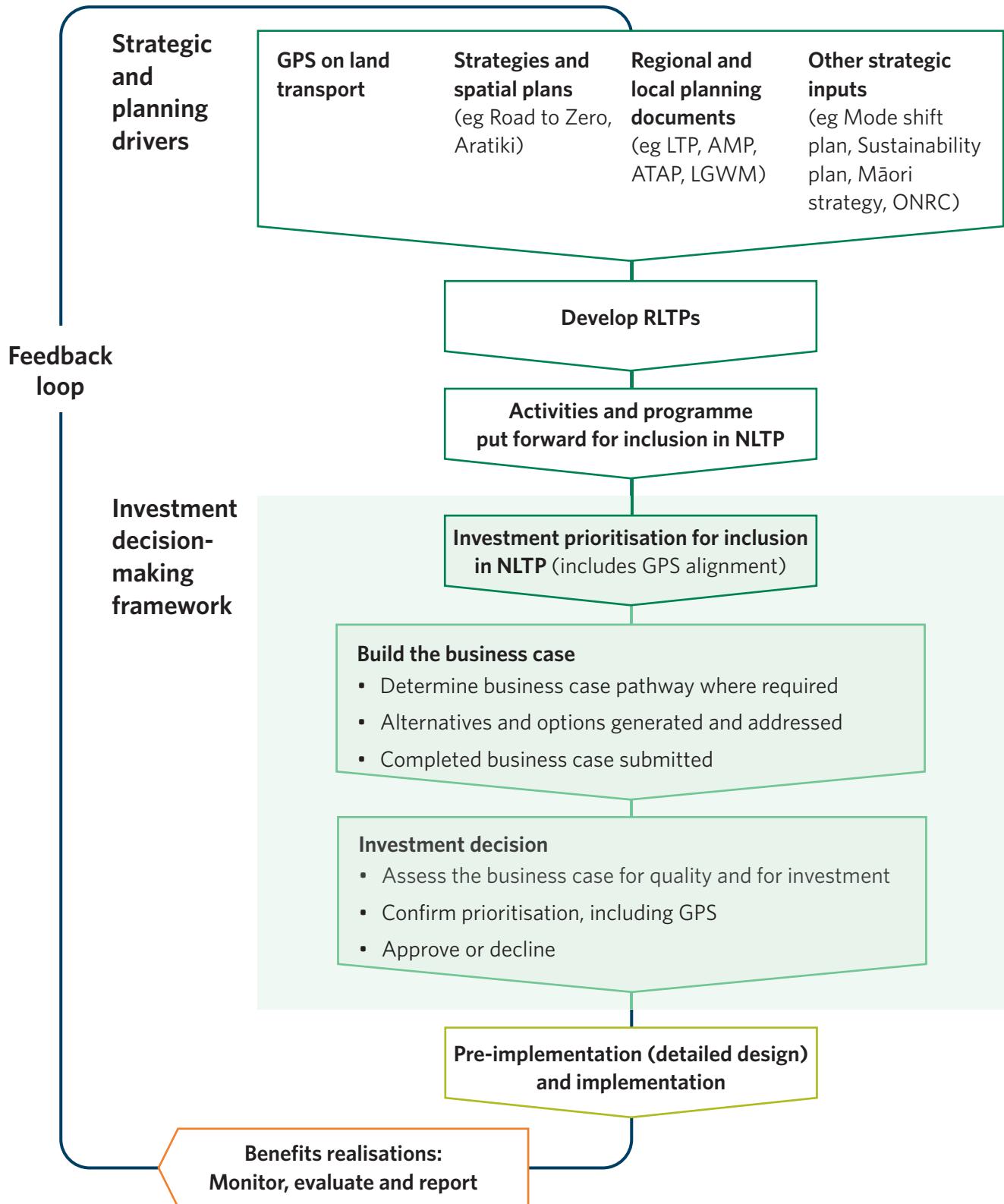
The NZTA Board makes significant investment decisions and, under the delegation rules, NZTA managers make other investment decisions.

If the investment is approved, the activity is implemented and NLTF funding is claimed as costs are incurred. The desired or expected benefits from that investment are identified so they can be measured and reported.

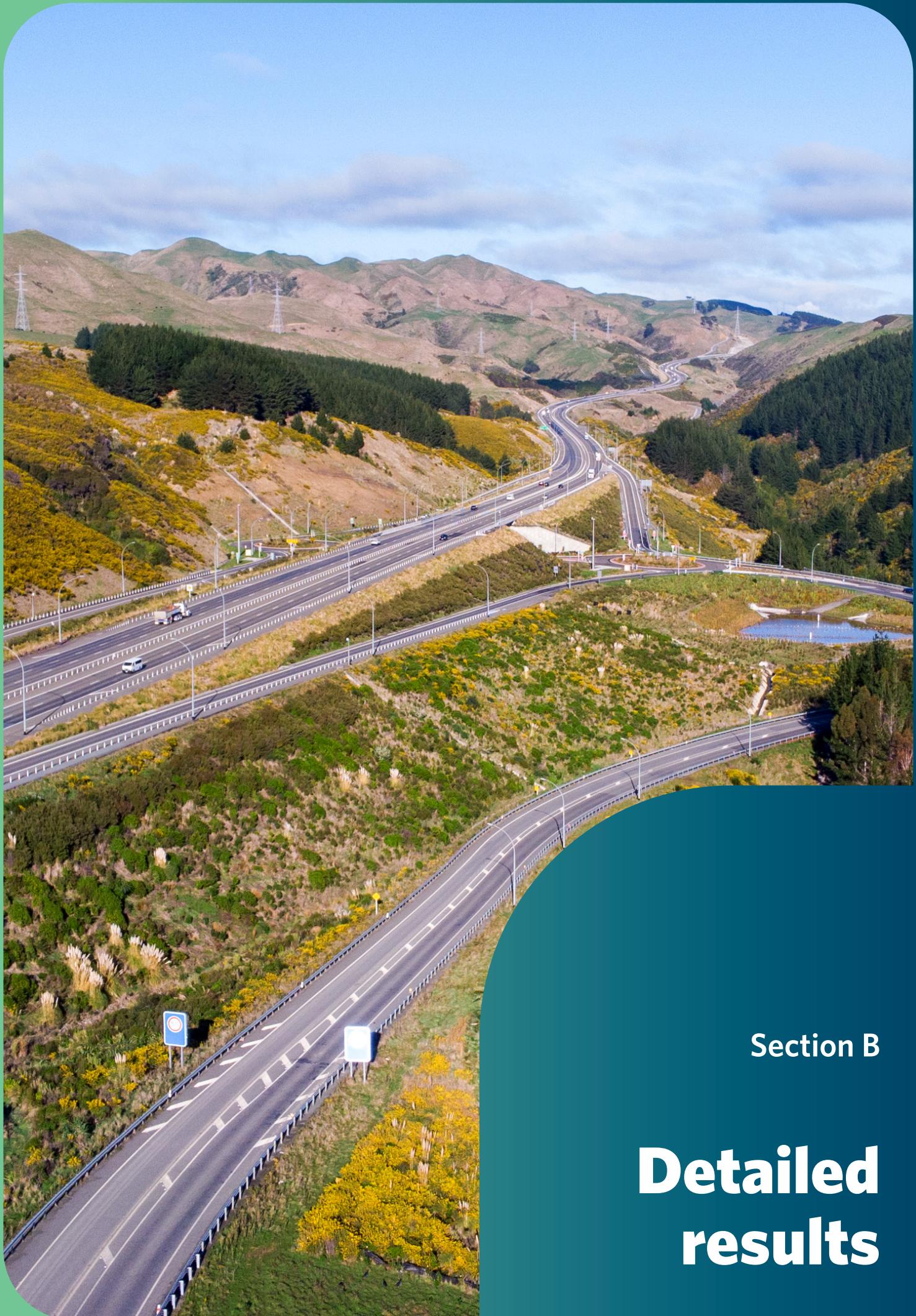
For the 2024-27 NLTP, NZTA captured baseline and forecast benefits information for all activities submitted for inclusion against an updated benefits framework. However, assessing whether those benefits have been realised takes time as data is gathered for reporting.

⁴ These investment principles sit alongside the operating principles in the Land Transport Management Act 2003 and provide an overarching direction for decisions. Further information on these investment principles is available at nzta.govt.nz/planning-and-investment/planning-and-investment-knowledge-base/202124-nltp/202124-nltp-principles-and-policies/investment-principles

Figure 1 – NZTA investment decision-making framework



Note: AMP – asset management plan; ATAP – Auckland Transport Alignment Project; GPS – Government Policy Statement; LGWM – Let's Get Wellington Moving; LTP – long-term plan; NLTP – National Land Transport Plan; ONRC – One Network Road Classification; RLTP – Regional Land Transport Plan.



Section B

Detailed results

Delivering on the Government Policy Statement on land transport 2024



The 2024–27 National Land Transport Programme (NLTP) plans to invest \$35 billion across the strategic priorities of the Government Policy Statement on land transport (GPS) 2024, including \$18.8 billion from the National Land Transport Fund (NLTF).

By 30 June 2025, the end of the first year of the 2024–27 NLTP, \$10.34 billion had been invested in the NLTP, including \$5.7 billion from the NLTF.

Investment figures shown are from the NLTF and exclude investment from the Crown, from the Provincial Growth Fund, North Island Weather Event (NIWE), local share, the New Zealand Upgrade Programme, SuperGold Card funding and investment in the Investment management activity class and from other non-NLTF funding sources. For more detail on how the NLTF was used across activity classes, see page 199.

The following sections describe what the NLTF invested in and delivered to achieve the results and objectives of GPS 2024, including a subset of NZTA output class measure results.

Economic growth and productivity

What was invested

A total of \$4.5 billion was invested in activities with economic growth and productivity-related benefits in 2024/25. This amount included \$2.36 billion from the NLTF, including \$597 million invested in state highway improvements, \$301 million in state highway pothole prevention and \$294 million in state highway operations.⁵

What was delivered

NZTA worked with its partners to progress significant capital projects that help connect people and freight quickly and safely and support economic growth.

- Over the year, NZTA made substantial progress on several strategic initiatives. Remarkably, all but one investment case for the Roads of National Significance (RoNS) programme have been completed. The final case, for Hamilton Southern Links, is scheduled to be presented to the Board in September 2025. This is a significant achievement given the complexity and size of these projects, particularly the Northland Corridor, Petone to Grenada and State Highway 1 Wellington RoNS. The Northland Corridor, Warkworth to Te Hana, public-private partnership procurement started with the expression of interest issued in March 2025.
- Key infrastructure achievements include the opening of the State Highway 1 – State Highway 29 Intersection Improvements and Te Ahu a Turanga: Manawatū Tararua Highway. Construction began on stage 1B of the Papakura to Drury upgrade, and work on the Queenstown package transitioned ahead of schedule into stage 2.
- Noteworthy engineering milestones involved starting tunnelling works for Te Ara o Te Ata – State Highway 3 Mt Messenger and initiating marine geotechnical drilling for Waitematā Harbour Connections. In addition, NZTA restarted work on the Waikare Gorge and State Highway 58 Safety Improvements Stage 2.
- Progress continued on transformative projects such as the Northland Corridor, Ōtaki to North of Levin, and Takitimu North Link Stage 1, improving connectivity for freight and commuters.
- In terms of state highway improvements, \$597 million was invested in state highway upgrades, complemented by \$301 million for pothole prevention and \$294 million for operations, ensuring safer, more resilient routes.
- RoNS and RoRS projects, together with major public transport projects, support greater residential intensification to improve housing supply, choice and affordability.
- Efficient investment in a land transport system connects people and freight quickly and safely, supporting economic growth and creating social and economic opportunities, including access to land for housing growth.

These efforts are unlocking land for housing, reducing travel times, and supporting regional economies. By targeting high-impact projects and maintaining critical infrastructure, NZTA is building a transport system that underpins productivity and supports sustainable growth.

NZTA invested in the delivery of public transport services

- Public transport is a key contributor to economic growth and productivity, with 154 million boardings recorded in 2024/25. Public transport services improve access to markets, employment and education, reduce congestion, and boost network efficiency.
- NZTA also progressed the rollout of the National Ticketing Solution (branded as Motu Move). This initiative will unify public transport payment systems across the country, offering more flexible payment options and encouraging greater uptake of public transport.

⁵ These financial figures include funding from all sources, including debt.

Increased maintenance and resilience

What was invested

A total of \$2.4 billion was invested in activities with increased maintenance and resilience benefits during the first year of the NLTP. In 2024/25, this included \$1.3 billion from the NLTF, including \$288 million invested in state highway improvements, \$226 million in state pothole prevention and \$226 million in state highway operations.⁶

What was delivered

NZTA invested in improving the maintenance of roads across the network

- New Zealand needs a transport system that is resilient to the impacts of weather events and other natural disasters. Increasing maintenance and resilience enables NZTA to effectively manage and reduce current and future risks and adapt to these challenges.
- At the end of 2024/25, 93 percent of the state highway network met minimum asset condition requirements. Over-programming to 120 percent and strong delivery across every region meant NZTA met the pavement rehabilitation and resealed and resurfaced target by the end of quarter 3, with 8 percent of the entire network having resealed or resurfaced pavement.
- Of the pavement network, 1.4 percent underwent rehabilitation, surpassing the year's target of 0.9 percent for this year. This equates to 349 lane kilometres that have been rehabilitated.
- NZTA had 98 percent of the reported potholes repaired within 24 hours. This reflects the increased focus on pothole prevention and pavement maintenance. Further improvements are expected in years 2 and 3 of the 2024–27 NLTP.
- The cost per lane kilometre for resealing and resurfacing was \$129,159 and for rehabilitation was \$667,289. This establishes new baselines for future benchmarking.

These outcomes reflect a strong delivery effort across all regions and signal further improvements expected in years 2 and 3 of the NLTP.

NZTA invested in the resilience of the state highway and local road network

- During 2024/25, unplanned road closures were resolved within standard timeframes for 57 percent of weather events and 93 percent of other events (such as crashes). To improve this performance, NZTA signed an updated memorandum of understanding on incident management with NZ Police, Fire and Emergency New Zealand, Hato Hone – St John Ambulance and Wellington Free Ambulance. The memorandum sets clear expectations on how incidents will be managed to ensure New Zealand's roading networks are not closed or restricted for longer than necessary for each party to carry out its functions.
- Local road resealing and resurfacing reached 5 percent of the sealed network, exceeding the 4 percent target. This achievement directly enhances the durability of road surfaces, improving safety and travel experience for communities throughout New Zealand.
- Local road rehabilitation covered 0.3 percent of the sealed network, above the 0.2 percent target. Rehabilitation involves extensive restoration of road structure, addressing underlying issues so roads remain reliable and secure against the impacts of increasingly severe and frequent weather events and daily wear.
- Financial efficiency was also evident, with the cost per lane kilometre for local road resealing calculated at \$60,576.28, well below the target of \$95,000. This cost-effectiveness enables NZTA to stretch resources further, allowing for a broader reach of improvements and a stronger foundation for future work.

These efforts support NZTA's commitment to maintaining a safe, reliable, and responsive transport system under the strategic direction of GPS 2024.

⁶ These financial figures include funding from all sources, including debt.

Safety

What was invested

A total of \$2.5 billion was invested in activities with safety-related benefits during the first year of the NLTP. In 2024/25, this included \$1.3 billion from the NLTF, including \$314 million invested in state highway improvements, \$174 million in public transport services and \$155 million in safety.⁷

What was delivered

NZTA invested in NZ Police delivery of the Road Safety Partnership Programme

- As part of the commitment to provide effective road policing services, NZTA funds NZ Police activities aimed at improving road safety such as, reducing alcohol and other drug impairment.
- NZ Police operated mobile safe speed cameras for 43,431 hours in 2024/25, which was below the target of 80,000 hours set by the Road Safety Partnership Programme 2024-27. The transition of these cameras from NZ Police to NZTA affected the delivery of hours as NZ Police had to reduce hours and infringement delivery while these services were transitioned. This is the last year of reporting on NZ Police performance.
- From 1 July 2025, reporting on safety cameras will reflect NZTA performance. NZTA is focused on building in more automation and efficiencies, adding to its fleet of mobile safety cameras and rolling out new average-speed safety cameras along high-risk corridors and roads.
- In 2024/25, 2764 deaths and serious injuries occurred on the land transport network. While this represents an increase on last year, it remains below the level 2 years ago. Ongoing investment in safety improvements such as median barriers, speed management and high-risk corridor improvements through the NLTF aims to reduce harm.

NZTA invested in and delivered infrastructure improvements to make the network safer

- In 2024/25, NZTA continued to invest in and work with partners to improve safety across the land transport network through targeted infrastructure upgrades and delivery of significant capital projects.
 - Te Ahu a Turanga: Manawatū Tararua Highway: The highway was open to traffic on 11 June 2025, providing a safer, more resilient route restoring a vital connection for communities and freight across the lower North Island.
 - State Highway 1 Belfast to Pegasus Motorway and Woodend Bypass: The investment case was approved and the professional services contract for detailed design was awarded in February 2024. This bypass is designed to reduce traffic volumes on Main North Road, lowering crash risks at local intersections.
 - State Highway 58 safety improvements: work has restarted on the State highway 58 safety improvements (stage 2). This work will include 2 new roundabouts, shared paths around the roundabouts and the installation of median barriers, improving safety for all road users.

These initiatives reflect NZTA's ongoing commitment to reducing harm and improving safety outcomes across the transport system, supported by \$1.3 billion in safety-related investments from the NLTF in 2024/25.

NZTA updated the setting of speed limits rule

- The government finalised a new approach to setting speed limits. It came into force on 30 October 2024. This has resulted in more than 80 speed changes across the state highway network.

⁷ These financial figures include funding from all sources, including debt.

Value for money

What was invested

A total of \$1.2 billion was invested in activities with value-for-money related benefits during the first year of the NLTP. In 2024/25, this included \$679 million from the NLTF, including \$137 million invested in state highway improvements, \$134 million in safety and \$75 million in state highway pothole prevention.⁸

What was delivered

NZTA focused on delivering better value for money to New Zealanders

- This year, NZTA placed a greater focus on cost-effective treatments that achieve efficiency, while also considering the views of affected road users and local communities (eg, greater use of rumble strips across the state highway, local and rural road networks).
- In response to the GPS 2024, NZTA also focused on maintaining roads, improving safety and making the network more resilient. NZTA refocused its programmes to align with ministerial expectations and GPS 2024 direction, including stopping or changing some activities, prioritising core functions such as road maintenance, and progressing contractually committed projects.
- To do this, NZTA adjusted its spending and continued to carefully manage its finances. Revenue from the NLTF was slightly ahead of plan, and NZTA used Crown contributions and loan repayments to reduce short-term debt. This ensured money was available for essential work.
- The NLTF remains NZTA's main funding source, supported by fuel excise duty, road user charges and vehicle fees. Public transport is funded through a co-investment model: NLTF investment is matched by local government rates, fare revenue and targeted Crown contributions are used for specific programmes. Local government is expected to increase public transport fare box recovery and generate more third-party revenue. This programme of work also aims to lift the private share of funding to over 35 percent across the 2024–27 NLTP period (from 11 percent in 2022/23).

Looking ahead, the approach is simple: keep funding stable, manage debt wisely and get the best value for every dollar by building a stronger, more sustainable transport funding model.

NZTA invested in reducing unnecessary temporary traffic management

- This year, NZTA sharpened its approach to temporary traffic management to deliver the GPS 2024 value-for-money priority while maintaining safety. NZTA strengthened assurance on temporary traffic management across state highways and local roads. For state highways, about 1400 inspections were completed in 2024/25, identifying 155 redundant sites. On local roads, around 15,500 inspections were carried out, uncovering about 3600 redundant temporary traffic management sites.
- To lift efficiency and consistency, NZTA also embedded the risk-based New Zealand Guide to Temporary Traffic Management into maintenance, renewals and network outcome contracts, stood up a new audit and assurance process, and strengthened workforce capability by creating 6 new temporary traffic management credentials and retiring several legacy credentials.

Collectively, these actions align with the GPS 2024 value-for-money priority and are expected to continue lowering the proportion of project costs attributable to temporary traffic management.

⁸ These financial figures include funding from all sources, including debt.

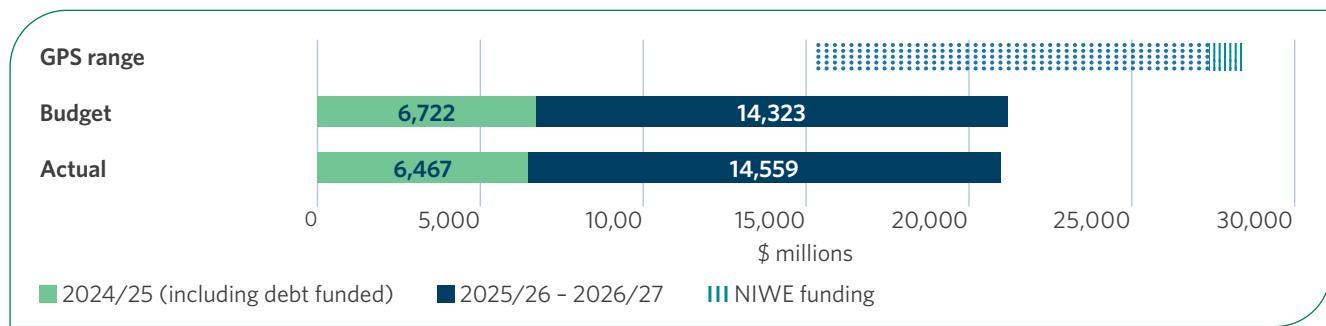
Use of the National Land Transport Fund

The actual investments from the NLTF compared with the planned level of funds allocated in the 2024-27 NLTP are illustrated below and shown in the tables in the next sections. These tables do not account for NLTP funds contributed by local authorities or from other sources. The tables also exclude the impact of non-NLTF Crown funding received for specific projects such as Major Crown Investment Projects.

The budget represents the three-year investment target set by the NZTA Board at the start of the 2024-27 NLTP (adjusted for late one-off funding adjustments) while the actual/forecast represents the current expected spend for the 2024-27 NLTP.



Overall use of the National Land Transport Fund



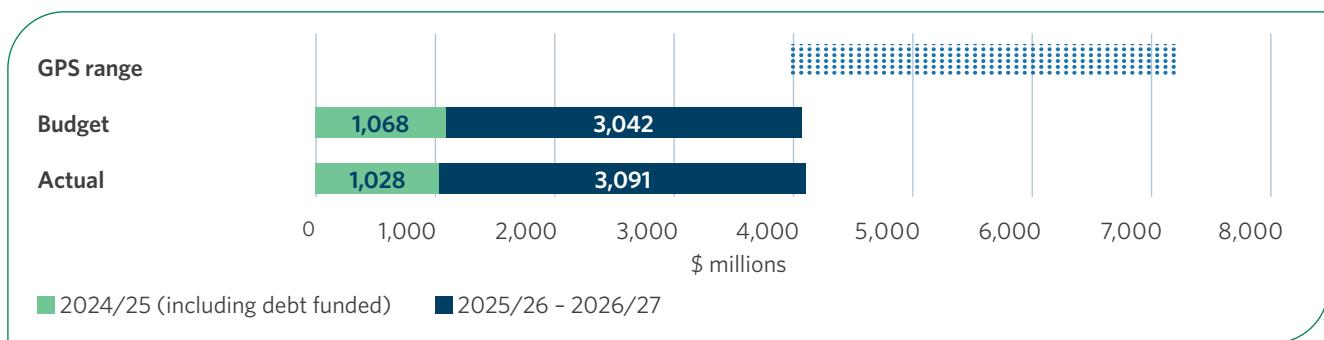
At the end of the first year of the 2024–27 NLTP, overall NLTF spend across all activity classes was below budget by \$255 million (4 percent). This was mainly due to delays in the delivery of some NIWE projects.

The figures include the use of a \$3.1 billion debt facility and \$500 million short-term debt facilities (if required) and the use of \$3.8 billion in capital grants. The debt funding is available for use for any NLTF spend, whereas the grant is available only for capital spend. At the end of the first year of the 2024–27 NLTP, expenditure of \$460 million and \$584 million was funded by the \$3.1 billion debt facility and \$3.8 billion capital grant respectively.

Interest and debt repayments are excluded from these figures. These repayments were \$877 million at the end of the first year of the 2024–27 NLTP, of which \$602 million was funded by the \$3.8 billion capital grant facility.

State highway improvements

Expenditure



State highway improvements expenditure was \$40 million (4 percent) below budget at the end of the first year of the 2024-27 NLTP. This reflects timing differences across programmes and slower than budgeted RoNS property acquisitions. A significant portion of the remaining spend in the 2024-27 NLTP relates to the RoNS, including large property acquisition and pre-implementation work.

Performance measures

Reference	Measure	Status	Target ^A	2024/25 actual	2023/24 actual
SHI1	Proportion of state highway improvement activities funded by the National Land Transport Fund delivered to agreed standards and timeframes ^B	Achieved	80% or greater	90%	81%
SHI2	Proportion of state highway improvement activities funded by the Crown delivered to agreed standards and timeframes ^C	Achieved	80% or greater	85%	92%

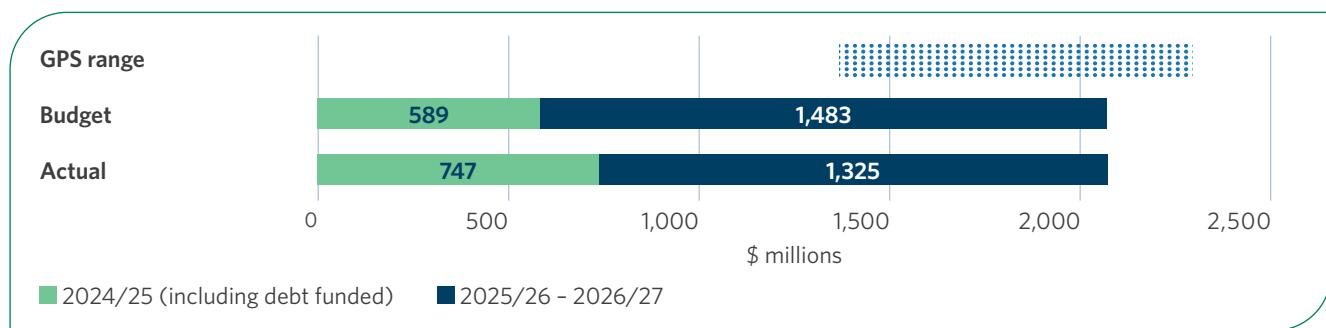
^A The methodology for SHI1 and SHI2 has changed to include all projects, which has led to the target being updated from 90 percent to 80 percent to reflect the inclusion of larger and more complex projects. The measure previously reported on only projects scheduled for practical completion during the financial year.

^B This is also an appropriation measure in Vote Transport (see appendix 4 of the NZTA annual report).

^C 'Agreed standards and timeframes' relates to schedule, budget and quality. Schedule is assessed by year-end achievements against milestones that are set at the beginning of the year. Budget is assessed by actual spend by year-end compared with financial baselines set at the beginning of the year. Quality is not an actual assessment but embedded in various gateways in managing the project.

State highway pothole prevention

Expenditure



The state highway maintenance output class was disestablished in response to changes to the activity classes in GPS 2024 and replaced with two new output classes: state highway operations and state highway pothole prevention.

State highway pothole prevention expenditure was \$158 million (27 percent) above budget at the end of the first year of the 2024–27 NLTP. Expenditure in 2024/25 reflects the successful delivery of an accelerated renewal programme. The favourable construction season weather also resulted in delivering a significantly increased programme of work.

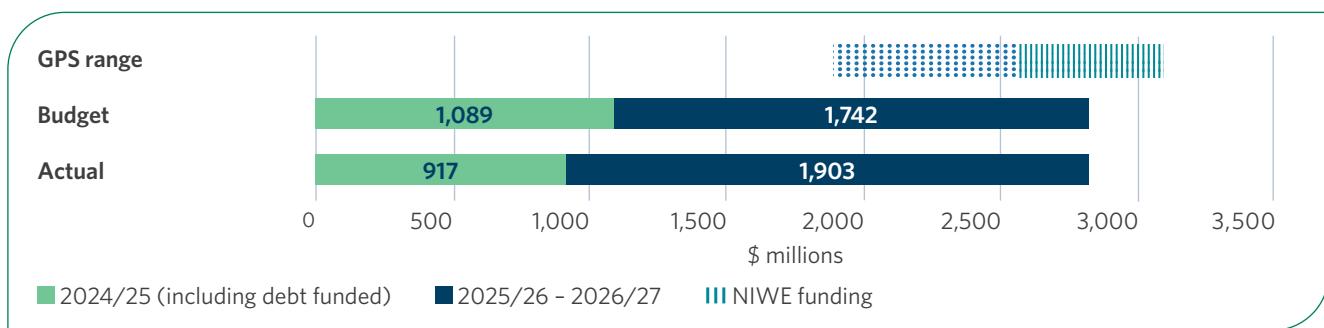
Performance measures

Reference	Measure	Status	Target	2024/25 actual	2023/24 actual ^A
SHP1	Percentage of network with resealed and resurfaced pavement	Achieved	7% or greater (1690 lane kms)	8% (1928 lane kms)	New measure
SHP2	Percentage of network with rehabilitated pavement	Achieved	0.9% or greater (217 lane kms)	1.4% (349 lane kms)	New measure
SHP3	Percentage of potholes repaired within 24 hours from being logged by contractors	Achieved	90% or greater	98%	New measure
SHP4	Cost per lane kilometre pavement resealing and resurfacing	Achieved	Baseline to be set	Achieved Baseline set at: \$129,159	New measure
SHP5	Cost per lane kilometre pavement rehabilitation	Achieved	Baseline to be set	Achieved Baseline set at: \$667,289	New measure

^A This is a new output class established in response to changes in the activity classes in GPS 2024. As none of the previous measures were relevant to the activities funded through this activity class, all measures are new.

State highway operations

Expenditure



The state highway maintenance output class was disestablished in response to changes to the activity classes in GPS 2024 and replaced with two new output classes: state highway operations and state highway pothole prevention.

State highway operations expenditure was \$172 million (16 percent) below budget at the end of the first year of the 2024–27 NLTP. The underspend is largely due to delays in the delivery of NIWE projects and unspent emergency works funding, both of which have been carried forward to 2025/26.

Performance measures

Reference Measure		Status	Target	2024/25 actual	2023/24 actual ^A
SHO1	Percentage budget variance in state highway operations spend (excluding emergency works)	Not Achieved	Less than 5% variance	6.94% lower than budget	New measure

Overall, the allocation for state highway operations is being managed across the full 3-year NLTP programme. In year 1, NZTA made strategic decisions to underspend in some national projects and networks to fund major activities in years 2 and 3.

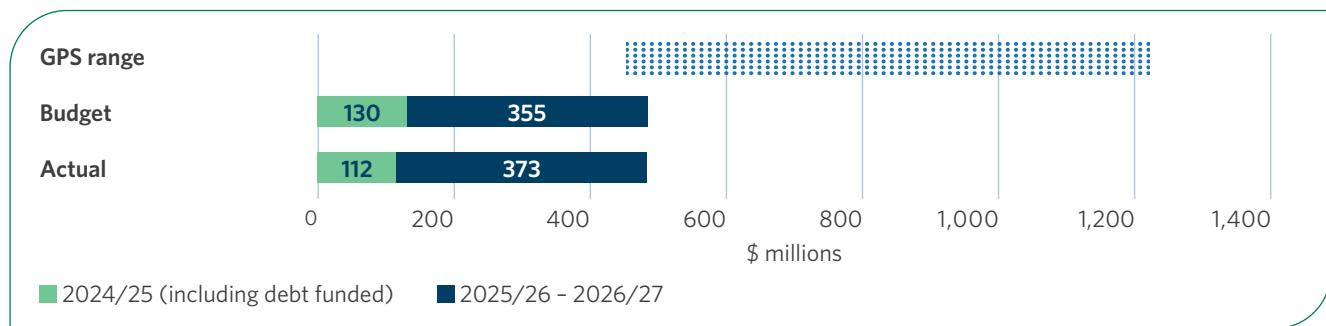
Additionally, the previous split between pothole prevention and operations has tightened network budgets, as activities such as surfacing and drainage renewals now sit in the pothole prevention activity class. Networks are now working within stricter allocations for the state highway operations activity class, leading to close monitoring and reprioritisation to remain within allocation.

^A This is a new output class established in response to changes in the activity classes in GPS 2024. As none of the previous measures were relevant to the activities funded through this activity class, all measures are new.

Local road improvements

(excluding Housing Infrastructure Fund)

Expenditure



Local road improvements expenditure was \$18 million (14 percent) below budget at the end of the first year of the 2024–27 NLTP. This was mainly due to delays in the start-up of projects, as councils reconfirmed priorities in line with GPS 2024, and in the confirmation of the allocation of low-cost low-risk (projects less than \$2 million) funding.

Performance measures

Reference	Measure	Status	Target	2024/25 actual	2023/24 actual
LRI1	Proportion of local road improvement activities funded by the National Land Transport Fund delivered to agreed and timeframes ^A	Not Achieved	80 or greater	75%	30%

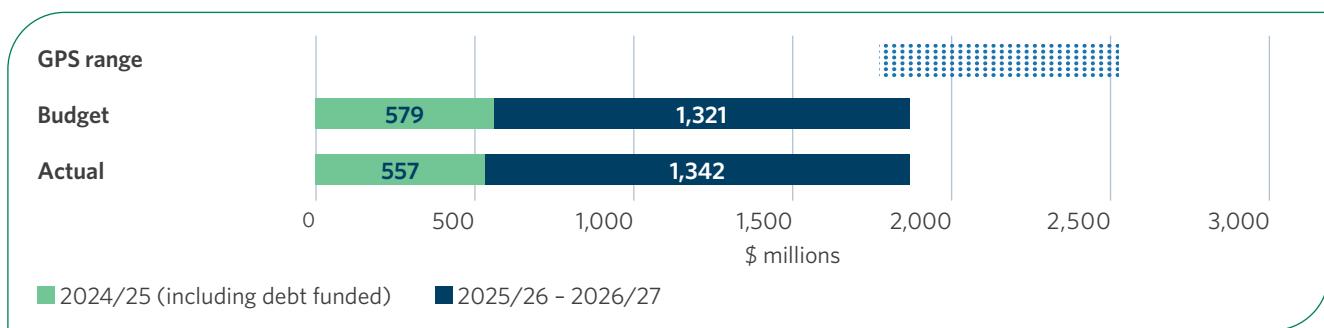
This result reflects a significant improvement in local road performance from the past 2 years (30 percent in 2023/24 and 60 percent in 2022/23). The target was not fully achieved because the Dublin Street rail crossing was deferred (due to the iReX project being placed on hold) and councils needed to delay improvement projects to prioritise emergency works. NZTA is working closely with approved organisations to improve forecast accuracy.

^A This is also an appropriation measure in Vote Transport, see appendix 4 of the NZTA annual report.

'Standards' has been removed from the description to reflect better what is being measured. 'Agreed timeframes' applies to projects classified as in the pre-implementation or the implementation or construction phase that are due to be completed in the relevant financial year.

Local road pothole prevention

Expenditure



The local road maintenance output class was disestablished in response to changes to the activity classes in GPS 2024 and replaced with 2 new output classes: local road operations and local road pothole prevention.

Local road pothole prevention expenditure was \$22 million (4 percent) under budget at the end of the first year of the 2024–27 NLTP. This is primarily due to delays in renewal activities carried forward into 2025/26. Renewal expenditure is expected to increase in the remainder of the NLTP and bring expenditure back in line with budget across the 3-year period.

Performance measures

Reference	Measure	Status	Target	2024/25 actual	2023/24 actual ^A
LRP1	Percentage of sealed network with resealed and resurfaced pavement	Achieved	4% or greater (4275 lane km)	5% (5538 lane km)	New measure
LRP2	Percentage of sealed network with rehabilitated pavement	Achieved	0.2% or greater (215 lane km)	0.3% (328 lane km)	New measure
LRP3	Cost per lane kilometre pavement resealing and resurfacing	Achieved	Less than \$95,000	\$60,576	New measure
LRP4	Cost per lane kilometre pavement rehabilitation	Achieved	Less than \$1,100,000 ^B	\$523,584	New measure
LRP5	Proportion of travel on smooth roads	Not Achieved	86% or greater	80%	New measure

Road condition data has been collected differently this year. In the past, all councils carried out their own condition surveys; now the survey is being done at the national level. The Consistent Condition Data Collection Programme provides standardised sealed pavement surfacing data collection for all road controlling authorities. The 2024/25 survey comprised all high-class roads (major collectors and above) and at least 50 percent of low-class roads.

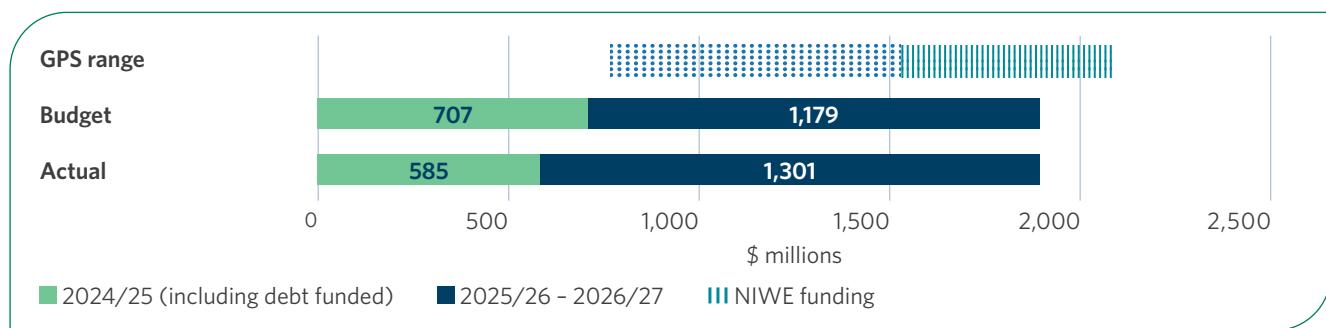
During quality assurance checks, NZTA discovered that road controlling authorities were using an inconsistent script to record the treatment of event codes, which led to inconsistent results across the authorities. However, these inconsistencies are not considered material. NZTA have introduced a consistent script for road controlling authorities from 2025/26 and this is expected to resolve the issue.

^A This is a new output class established in response to changes in the activity classes in GPS 2024. As none of the previous measures were relevant to the activities funded through this activity class, all measures are new.

^B Including 2 percent inflation for the second and third NLTP year.

Local road operations

Expenditure



The local road maintenance output class was disestablished in response to changes to the activity classes in GPS 2024 and replaced with two new output classes: local road operations and local road pothole prevention.

Local road operations expenditure was \$122 million (17 percent) below budget at the end of the first year of the 2024–27 NLTP. This variance is mainly due to slower than anticipated progress on NIWE projects, which account for one-third of the total budget. Additionally, a portion of complex works associated with non-NIWE emergency events has been deferred to 2025/26.

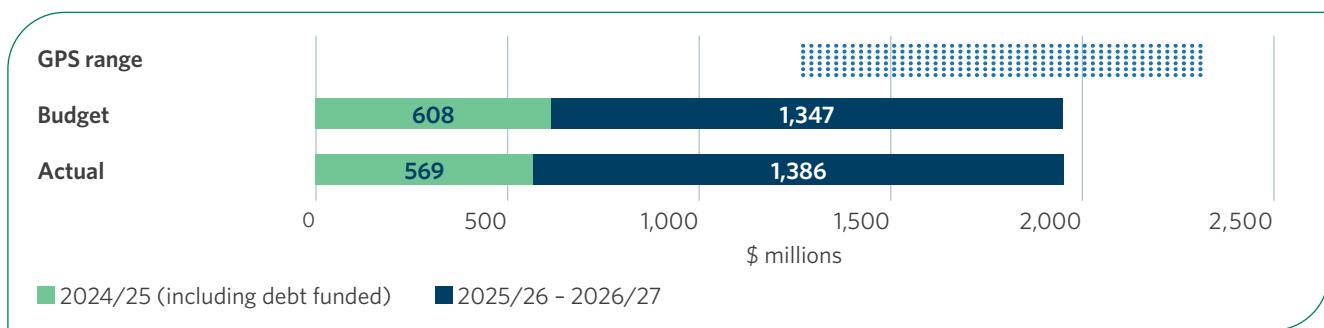
Performance measures

Reference	Measure	Status	Target	2024/25 actual	2023/24 actual ^A
LRO1	All councils have a network asset management plan maintained to agreed standards	Achieved	Achieved	Achieved	New measure
LRO2	Proportion of local road operations spend (excluding emergency works) delivered within agreed budget	Achieved	95% or greater	95%	New measure

^A This is a new output class established in response to changes in the activity classes in GPS 2024. As none of the previous measures were relevant to the activities funded through this activity class, all measures are new.

Public transport services

Expenditure



Public transport services expenditure was \$39 million (6 percent) below budget at the end of the first year of the 2024–27 NLTP. The underspend is mainly due to lower than expected claims for public transport continuous programmes in Auckland and Wellington.

Performance measures

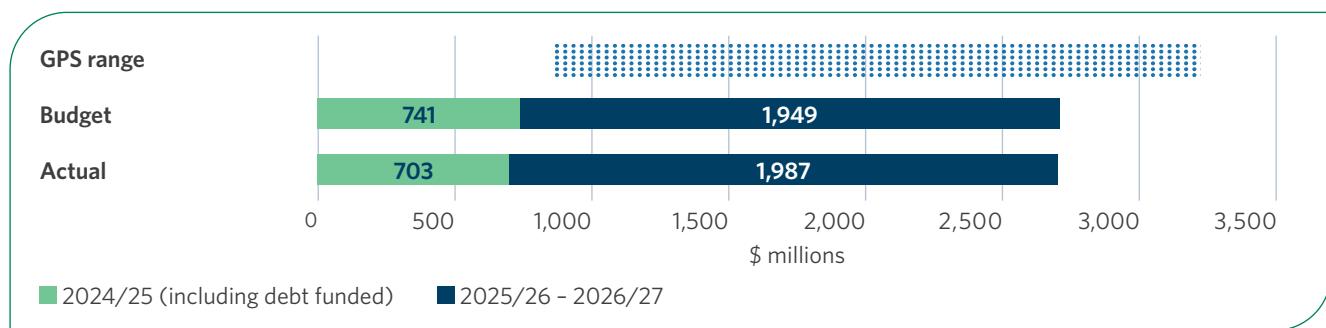
Reference	Measure	Status	Target	2024/25 actual	2023/24 actual
PTS1	Number of boardings on public transport services ^A	Achieved	Greater than 129 million	159 million	154 million
PTS2	Reliability of public transport services ^B	Achieved	Greater than 83%	93%	89%

^A This is also a performance measure for the public transport infrastructure output class and an appropriation measure (see appendix 4 of the NZTA annual report).

^B This measure is the proportion of scheduled services that were completed in full. Only services that left the origin stop between 59 seconds early and 4 minutes 59 seconds late that also completed the trip to destination are included as a pass.

Public transport infrastructure

Expenditure



Public transport infrastructure expenditure was \$38 million (5 percent) below budget at the end of the first year of the 2024–27 NLTP. The underspend relates to delays in projects such as the Lower North Island Rail Integrated Mobility and National Ticketing Solution.

Performance measures

Reference	Measure	Status	Target	2024/25 actual	2023/24 actual
PTS1	Number of boardings on public transport services ^A	Achieved	Greater than 129 million	158.9 million	154 million
PTI1	Punctuality of metro rail services ^B	Not Achieved	95% or greater	86%	82%

This result continues to improve on previous years but remains below target.

Punctuality in Auckland and Wellington continues to be affected by the significant amount of infrastructure works being carried out on both metro networks. The works result in temporary speed restrictions that significantly reduce the punctuality of services.

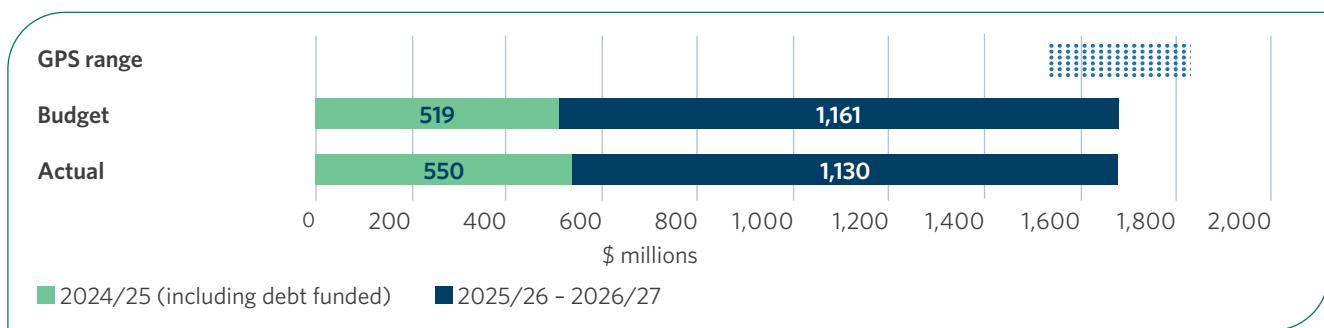
This measure is replaced in the 2025–26 statement of performance with 'Punctuality of public transport services', which better demonstrates all public transport services (buses, ferries and trains).

^A This is also a performance measure for the public transport services output class and an appropriation measure (see appendix 4 of the NZTA annual report).

^B This is also an appropriation measure in Vote Transport (see appendix 4 of the NZTA annual report).

Safety

Expenditure



Safety expenditure was \$31 million (6 percent) above budget at the end of the first year of the 2024–27 NLTP. This was mainly due to higher spend in the Safety Camera programme and Road Safety Partnership Programme. Safety spend includes road policing, road safety promotion and safety infrastructure works for both approved organisations and state highways. This activity class also includes costs related to the safety camera system.

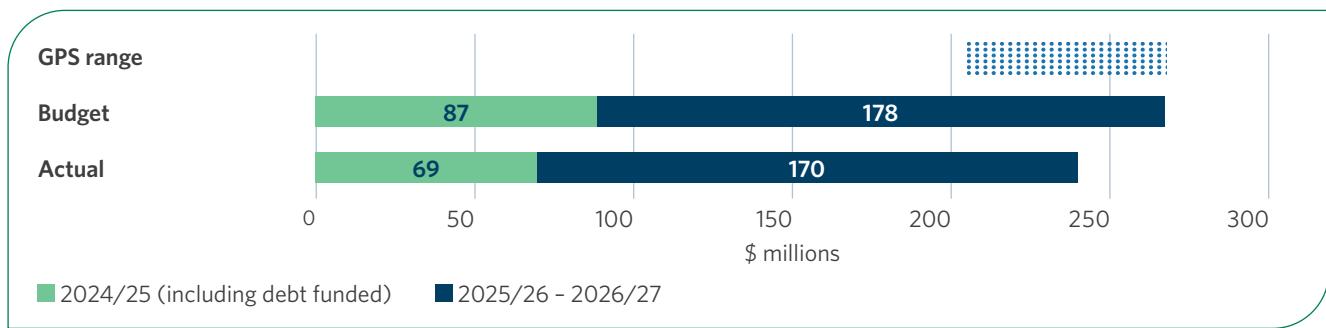
Performance measures

Reference	Measure	Status	Target	2024/25 actual	2023/24 actual ^A
SFY1	Number of passive breath tests conducted	Unable to report	3.3 million or greater	Unable to report	3.6 million
		We are unable to report this result due to a data integrity issue raised by the NZ Police. The issue is subject to investigation and validation of the number of tests affected is uncertain at the time of this annual report.			
SFY2	Number of hours mobile cameras are deployed	Not Achieved	67,000 or greater	43,431	63,054
		NZ Police reduced hours and infringements throughout the year as services transitioned to NZTA. Reporting for 2024/25 is on NZ Police performance. Reporting on safety camera hours from 1 July 2025 will reflect NZTA performance.			
SFY3	Proportion of road safety advertising campaigns that meet or exceed their agreed success criteria	Not Achieved	86% or greater	81%	94%
		This measure captures campaigns about drink-driving, speeding, mobile phone distraction, seatbelts, motorcycling and vehicle safety. The quarter 4 result (81 percent) increased compared to quarter 3 result (75 percent). Only two campaigns did not meet their targets: the drink-driving and seatbelt campaigns.			

^A This is a new activity class established in GPS 2024.

Investment management

Expenditure



Investment management expenditure (funded by the NLTF) was \$18 million (21 percent) below budget at the end of the first year of the 2024–27 NLTP. This was mainly due to lower spend on programme business case development and low council spend on activity management and regional land transport planning activities.

Performance measures

Reference	Measure	Status	Target	2024/25 actual	2023/24 actual
IM1	Proportion of total cost of managing the investment funding allocation system to NLTP expenditure ^A	Achieved	1% or less ^B	0.76%	0.86%

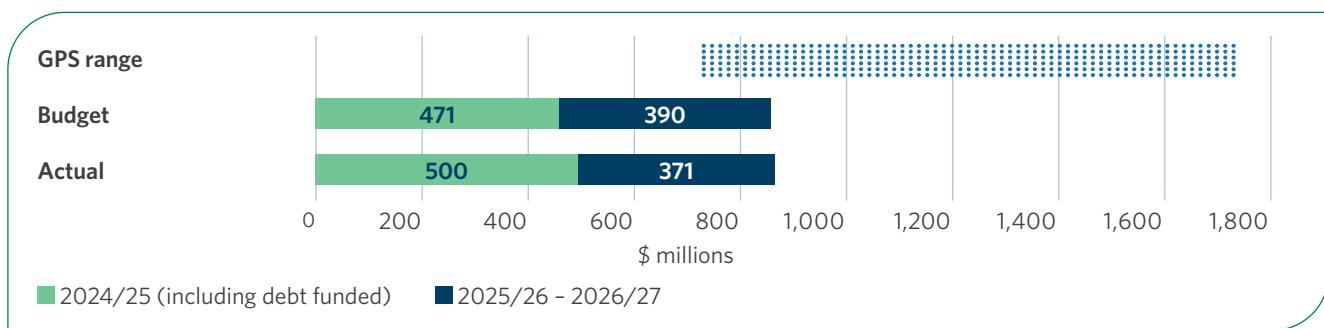
This year's lower result is due to reduced overhead costs and an increased total spend.

^A This is also an appropriation measure in Vote Transport (see appendix 4 of the NZTA annual report).

^B This target has been reduced from 1.1 percent to 1 percent. NZTA intend to reduce it to 0.9 percent from 2025/26 to reflect continuous improvement.

Rail network

Expenditure



Rail network expenditure (funded by the NLTF) was \$29 million (6 percent) above budget at the end of the first year of the 2024–27 NLTP. This expenditure relates to maintenance and renewals costs managed by KiwiRail.

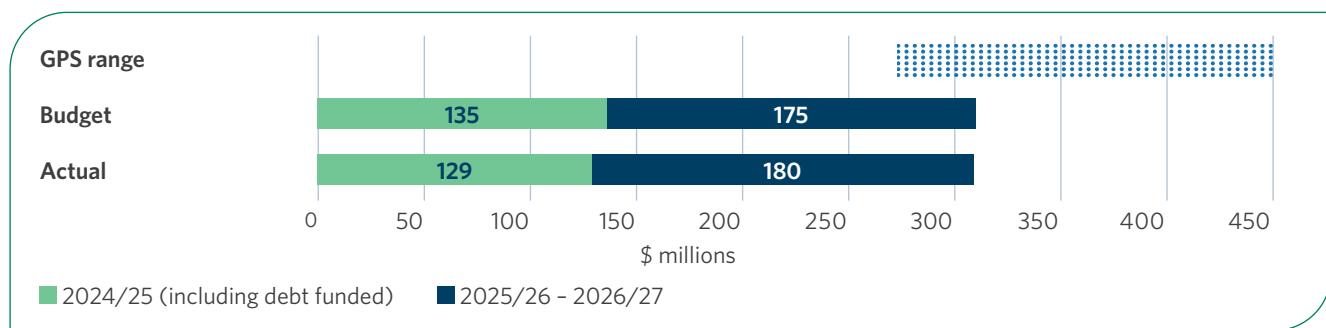
Performance measures

Reference	Measure	Status	Target	2024/25 actual	2023/24 actual
RN1 Delivered by KiwiRail	Amount of freight carried by rail (million net tonne kilometres) ^A	Not Achieved	4170 or greater million net tonne kilometres	3373 million net tonne kilometres	3482 million net tonne kilometres
<p>This year's result is a 3 percent reduction on the previous year and reflects another year of flat freight volumes driven by wider economic conditions. Volumes at ports are flat or declining and road freight net tonne kilometres have also been flat or declining, with operators reporting challenging conditions. Due to the timing of publishing KiwiRail's statement of corporate intent and NZTA's statement of performance expectations, the published targets for this measure differed across both documents. The KiwiRail target for 2024/25 was 3598 million net tonne kilometres and the NZTA statement of performance expectations target was 4170 net tonne kilometres.</p> <p>Future NZTA statements of performance expectations will now refer to the KiwiRail statement of corporate intent, which will resolve any target discrepancies in the future. This data is reported from KiwiRail and subject to audit and confirmation as part of the KiwiRail annual reporting process.</p>					
RN2 Delivered by KiwiRail	Freight travel time reliability ^A	Achieved	90% or greater	90%	89%

^A This is also an appropriation measure in Vote Transport (see appendix 4 of the NZTA annual report).

Walking and cycling

Expenditure



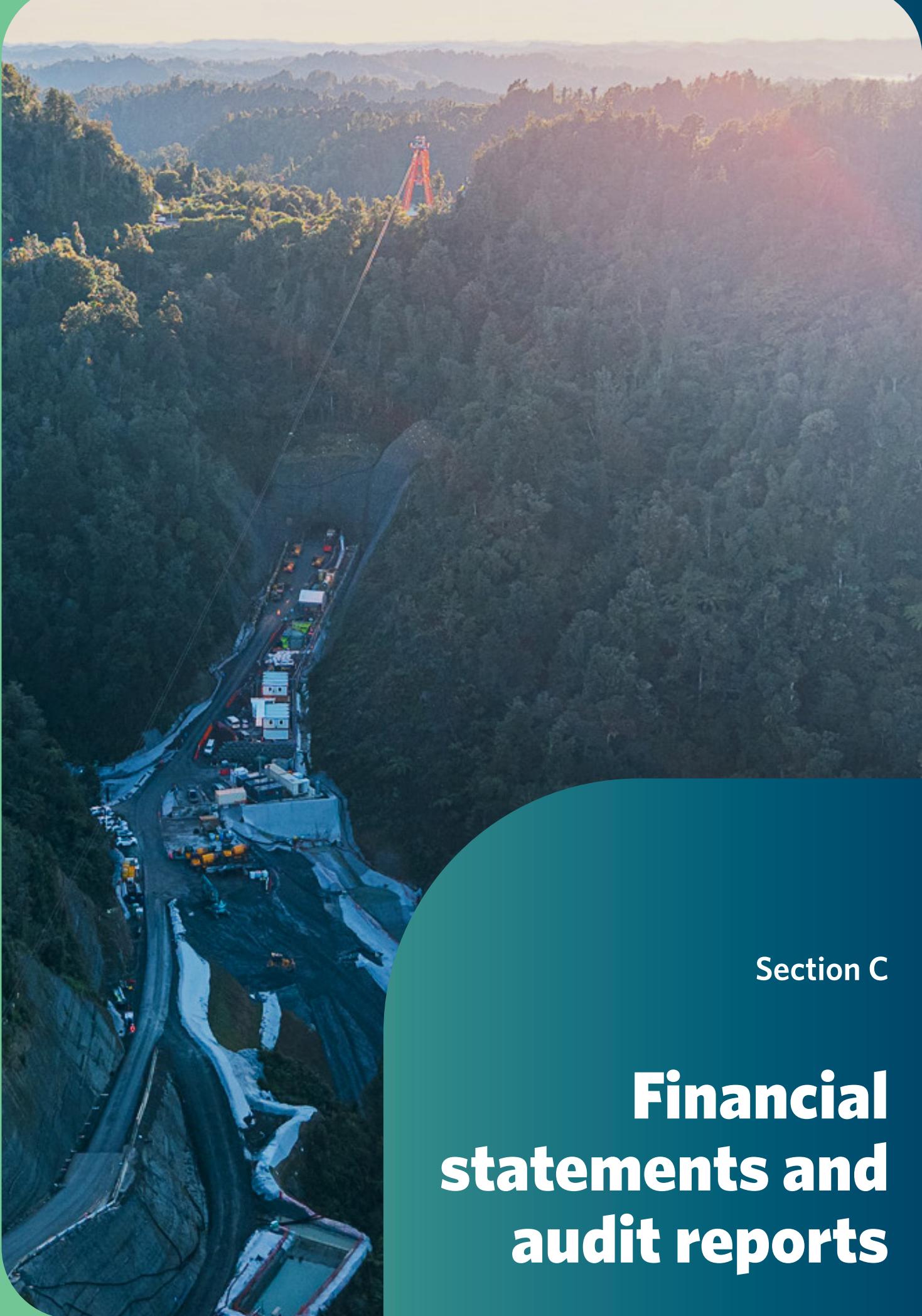
Walking and cycling expenditure was \$6 million (4 percent) below budget at the end of the first year of the 2024–27 NLTP. This mainly relates to minor cashflow adjustments and rescheduling of projects. The activity class is predominantly made up of the Ngauranga to Petone project, which comprises \$55 million of the \$129 million actual spend in 2024/25.

Performance measures

Reference	Measure	Status	Target	2024/25 actual	2023/24 actual
WCI1	Proportion of cycleways, pathways and shared paths delivered against what was funded ^A	Not Achieved	80% or greater	69%	65%
	In 2024/25, 6 cycleway projects were scheduled for completion, with a target of about 24km. Just over 16km were delivered and opened to the public, resulting in a 69 percent completion rate. The primary reason for delays in completing cycleways were projects being paused while government priorities were confirmed, council budgets were reviewed or changes in design were required following further engagement. It should be noted, crown funded projects (not captured by this measure) contributed to councils delivering an additional 66km of cycleways through the Transport Choices programme, adding to broader network expansion nationally.				
WCI2	Average national change in cyclist counts ^B	Achieved	Increasing from the previous year	0.8%	5.4% growth
WCI3	Average national change in pedestrian counts ^B	Achieved	Increasing from the previous year	9.4%	18.5% growth

^A This is also an appropriation measure in Vote Transport (see appendix 4 of the NZTA annual report).

^B These measures could not be reported in previous years due to data and methodology issues. NZTA has solved the issues and updated the methodology and targets accordingly. The measure description of WCI2 and WCI3 have also changed to reflect what will be reported from 2024/25 (previous description was 'cycling count in main urban areas' and 'walking count in main urban areas').



Section C

Financial statements and audit reports

Statement of responsibility

Under the Land Transport Management Act 2003, the NZ Transport Agency Waka Kotahi Board (NZTA) Board is responsible for the preparation of the National Land Transport Fund (NLTF) financial statements and statement of performance, and for the judgements made in them.

The Board is responsible for any end-of-year performance information provided by the NLTF under section 19A of the Public Finance Act 1989.

The Board is responsible for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In the Board's opinion, these financial statements and statement of performance fairly reflect the financial position and operations of the NLTF for the year ended 30 June 2025.

Signed on behalf of the Board:



Simon Bridges
NZTA Board Chair
31 October 2025



Cassandra Crowley
Chair of the Risk and Assurance Committee
31 October 2025

Countersigned by:



Brett Gliddon
Chief Executive
31 October 2025



Howard Cattermole
Chief Financial Officer
31 October 2025

Financial statements

Statement of comprehensive revenue and expense for the year ended 30 June 2025

	Note	Actual 2024/25 \$M	Budget 2024/25 \$M	Actual (restated)** 2023/24 \$M
Revenue inflows*				
Land transport revenue	3	4,228	3,903	3,985
Funding from the Crown – capital grant		1,186	800	0
Funding from the Crown – North Island weather events		434	753	1,105
Funding from the Crown – Rail Network Investment Programme – public transport infrastructure		171	0	0
Funding from the Crown – Rail Network Investment Programme – rail		483	333	417
Clean car standard revenue		73	113	51
Management of Crown land		48	43	38
Tolling revenue		14	15	13
Interest revenue		7	3	7
Total revenue inflows	2	6,644	5,963	5,616
Outflows				
National Land Transport Programme (NLTP)		5,589	5,030	4,355
Rail Network Investment Programme – public transport infrastructure		242	20	50
Rail Network Investment Programme – rail		500	353	560
Road Policing Programme		426	438	433
Clean Car Standard expense		63	107	93
Fuel excise duty/road user charges administration		10	15	11
Forecasting and strategy		3	3	3
Total outflows	2	6,833	5,966	5,505
Surplus/(deficit) from current NLTF balance		(189)	(3)	111
Fair value gain on long-term payables		4	32	10
NLTP expenditure to be funded long-term		98	(570)	(1,601)
Finance charges		(12)	(13)	(11)
Surplus/(deficit) to be funded from future NLTF revenue	2	90	(551)	(1,602)
Surplus/(deficit)		(99)	(554)	(1,491)

* This heading has been used to be consistent with the terminology in the Land Transport Management Act 2003.

** The restated figures relate to a revised accounting policy in relation to the clean car standard.

Statement of financial position as at 30 June 2025

	Note	Actual 2024/25 \$M	Budget 2024/25 \$M	Actual (restated)** 2023/24 \$M
Assets				
Cash and cash equivalents	7	158	0	50
Receivables	3/7	463	398	652
Total assets		621	398	702
Liabilities				
Payables	4/7	5,725	6,262	5,712
Provisions	5	63	20	58
Total liabilities		5,788	6,282	5,770
Net assets		(5,167)	(5,884)	(5,068)
General funds		(5,167)	(5,884)	(5,068)
General funds closing balance *		(5,167)	(5,884)	(5,068)

* This heading has been used to be consistent with the terminology in the Land Transport Management Act 2003.

** The restated figures relate to a revised accounting policy in relation to the clean car standard.

Statement of changes in general funds balance for the year ended 30 June 2025

	Note	Actual 2024/25 \$M	Budget 2024/25 \$M	Actual (restated)** 2023/24 \$M
General funds opening balance				
General funds - current		284	9	131
General funds - clean car standard		(40)	0	2
General funds - long-term		(5,312)	(5,339)	(3,710)
Total general funds opening balance		(5,068)	(5,330)	(3,577)
Changes in general funds balance				
Surplus/(deficit) from the current NLTF balance		(199)	(3)	153
Surplus/(deficit) from current clean car standard balance		10	0	(42)
Surplus/(deficit) to be funded from future NLTF revenue		90	(551)	(1,602)
Total changes in general funds balance		(99)	(554)	(1,491)
General funds closing balance				
General funds - current	8	85	6	284
General funds - clean car standard	8	(30)	0	(40)
General funds - long-term	8	(5,222)	(5,890)	(5,312)
Total general funds closing balance*		(5,167)	(5,884)	(5,068)

* This heading has been used to be consistent with the terminology in the Land Transport Management Act 2003.

** The restated figures relate to a revised accounting policy in relation to the clean car standard.

Statement of cashflows for the year ended 30 June 2025

	Note	Actual 2024/25 \$M	Budget 2024/25 \$M	Actual 2023/24 \$M
Cash flows from operating activities				
Receipts from land transport revenue		6,775	5,963	5,488
Payments to suppliers		(6,667)	(5,963)	(5,487)
Net cash from operating activities		108	0	1
Net increase/(decrease) in amounts held by the Crown		108	0	1
Amounts held by the Crown at the beginning of the year		50	0	49
Amounts held by the Crown at the end of the year*		158	0	50

* The National Land Transport Fund is a notional account only. There are no actual cash and cash equivalents as funds are held by the Crown. However, this statement has been provided to meet the requirements of section 11 of the Land Transport Management Act 2003.

Reconciliation of net surplus/(deficit) to net cash for the year ended 30 June 2025

	Actual 2024/25 \$M	Budget 2024/25 \$M	Actual (restated)* 2023/24 \$M
Net surplus/(deficit) after tax	(99)	(554)	(1,491)
Add/(less) movements in working capital items			
(Increase)/decrease in receivables and prepayments	189	4	(39)
Increase/(decrease) in payables	18	550	1,531
Net movements in working capital items	207	554	1,492
Net cash from operating activities	108	0	1

* The restated figures relate to a revised accounting policy in relation to the clean car standard.

Notes to the financial statements



1 | Entity information

Reporting entity

The Land Transport Management Act 2003 includes a requirement for NZTA to prepare at the end of the financial year an annual report on the National Land Transport Fund (NLTF).

All revenue from fuel excise duty, road user charges, motor vehicle registration and licensing fees, revenues from Crown appropriations, management of Crown land interest, and tolling are accounted for in the NLTF.

The NLTF is used to manage the funding of the:

- National Land Transport Programme (NLTP) for:
 - activities delivered by approved organisations such as councils
 - state highway, public transport, and walking and cycling activities
 - other NZTA activities, such as transport planning and sector research.
- NZ Police Road Policing Programme
- Rail Network Investment Programme
- Ministry of Transport (MOT) for forecasting and strategy
- collection of road user charges and refunds on fuel excise duty and road user charges
- Clean Car Standard.

NLTF cash funds are held as part of total Crown funds. The MOT is responsible for authorising payments from NLTF and administering appropriations.

The NLTF, being a notional entity, does not hold any physical assets.

The NLTF does not have any employees.

The financial statements for the NLTF are for the year ended 30 June 2025 and were approved by the Board on 31 October 2025.

Basis of preparation

The financial statements of the NLTF have been prepared in accordance with the requirements of the Crown Entities Act 2004 and Financial Reporting Act 2013 which includes the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

The NLTF is designated as a public benefit entity (PBE) for financial reporting purposes. The financial statements have been prepared in accordance with Tier 1 PBE accounting standards.

The financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the period. Further details on the use of the going concern assumption are in note 7 on page 226.

The accompanying notes form part of these financial statements. Where an accounting policy is specific to a note, the policy is described in the note to which it relates.

The financial statements are presented in New Zealand dollars and all values are in millions (\$M).

Budget figures

The budget figures are derived from the NZTA Statement of performance expectations 2024/25 as approved by the Board on 26 June 2024. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are materially consistent with those adopted by the Board in preparing these financial statements. The budget figures are not audited.

Explanations of major variances against budget are provided in the notes.



Taxes

All items in the financial statements are stated exclusive of goods and services tax (GST).

The NLTF is a notional entity, so is exempt from the payment of income tax.

Accounting for Clean Car Standard

The Clean Car Standard (CCS) is a Crown Scheme which became effective on 1 January 2023. Cars that are imported with a CO₂ level above the CCS standard pay a charge, while cars that are imported with a CO₂ level below the CCS standard receive a credit. The credit can be used by importers to offset a current charge, kept (for a period of time) to offset future charges, or sold to another importer. The net charges are returned to the Crown and then can be drawn down into the NLTF.

There are two categories of importers:

- category 1 importers are those who carry on a business of importing new or used light vehicles and whom the Director approves as a category 1 light vehicle importer under the regulations (hereinafter referred to as Fleet average importers). Fleet average importers average their charges over 1 year (to 31 December) and have until 31 March to settle their account.
- category 2 importers are those who carry on a business of importing new or used light vehicles and are not a category 1 importer (hereinafter referred to as Pay-as-you-go importers). Pay-as-you-go importers must settle their account on each import.

The revenues and expenses from the charges and credits arising from Fleet average importers are recorded based on each importer's net position at 31 December (end of the obligation year) and takes into account any trading of credits between 31 December and 31 March. The importers net position will either be a cash receipt by the Crown or a full credit settlement with nil balance or a balance or credits carried forward. If cash settled, then revenue is recorded. If credits are carried forward then there may be a provision for credits established. There is judgement required to whether there is sufficient certainty as to record a provision or whether the amount is recorded as a contingent liability.

For Pay-as-you-go importers, the charges are recorded as revenue and debtors where they haven't been collected and the credits are recorded as expenses and provision for credits where they haven't been used. Unlike Fleet average importers, the trading year is to 30 June and the activity recorded is done at the total level, rather than at each importers net position.

For both schemes, the basis for recording credits as a provision and not a creditor is that they can be used to offset future charges, however, there is not certainty of if and when they may be used. If there are more credits than charges, there is a judgement required to whether there is sufficient certainty as to record a provision or whether the amount is recorded as a contingent liability.

The CCS accounting policy for transactions arising from Fleet average importers has changed during the year and prior year figures have been restated accordingly. This change in accounting policy was done to differentiate the different taxable event between Fleet average importers (31 December) and Pay-as-you-go importers (each import) transactions. The net impact of the restatement has been a reduction of \$55 million in the CCS revenue/debtors (importers) and a reduction of \$7 million in the provision for CCS expenses/credits. The net impact was a \$48 million reduction of prior year surplus.

Accounting standards issued and not yet effective

The NLTF financial statements have adopted all accounting standards, amendments and interpretations to existing standards that have been published and are mandatory from 1 July 2024. There are no issued, but not yet effective standards as at 30 June 2025 that NZTA considers would have a material impact on the financial statements.

2 | Statement of inflows, outflows and capital expenditure including the previous two financial years

	Actual 2024/25 \$M	Actual (restated)** 2023/24 \$M	Actual 2022/23 \$M
Revenue inflows			
Land transport revenue	4,228	3,985	4,338
Funding from the Crown – capital grant	1,186	0	0
Funding from the Crown – North Island weather events*	434	1,105	250
Funding from the Crown – Rail Network Investment Programme – public transport infrastructure	171	0	0
Funding from the Crown – Rail Network Investment Programme – rail	483	417	312
Clean Car Standard	73	51	56
Management of Crown land	48	38	39
Crown public transport operating shortfall	0	0	140
Tolling revenue	14	13	13
Interest revenue	7	7	5
Total revenue inflows	6,644	5,616	5,153
Outflows			
NLTP	5,589	4,355	4,260
Rail Network Investment Programme – public transport infrastructure	242	560	0
Rail Network Investment Programme – rail	500	50	455
Road Policing Programme	426	433	415
Clean Car Standard	63	93	54
Fuel excise duty/road user charges administration	10	11	14
Forecasting and strategy	3	3	5
Total outflows	6,833	5,505	5,203
Surplus/(deficit) from current NLTF balance	(189)	111	(50)
Fair value gain on long-term payables	4	10	13
NLTP expenditure to be funded long-term	98	(1,601)	(680)
Finance charges	(12)	(11)	(10)
Deficit to be funded from future NLTF revenue	90	(1,602)	(677)
Surplus/(deficit)	(99)	(1,491)	(727)

* Crown emergency works revenue includes North Island weather events and emergency works cost pressure.

** The restated figures relate to a different accounting policy in relation to the clean car standard.

The statement of inflows, outflows, and capital expenditure including the previous 2 financial years is provided under the requirements of the Land Transport Management Act 2003.

Separate disclosure of the management of Crown land and interest is required under the Land Transport Management Act 2003.

Revenue inflows

Revenue is recognised when specific criteria have been met for each of the NLTF activities and the revenue can be reliably measured.

Land transport revenue and tolling revenue have been classified and treated as non-exchange revenue and accounted for in accordance with PBE IPSAS 23. The nature of these revenue streams is that of taxes and duties. The payment of taxes and duties does not entitle the payer to an equivalent value of services or benefits, because no direct exchange relationship exists between paying taxes and duties and receiving services or benefits from the NLTF.

The interest earned on the nominal cash balance and the management of Crown land has been classified and treated as exchange revenue and accounted for in accordance with PBE IPSAS 9.

Outflows

The NLTF accounts for the flow of funds to:

- NZTA – for the funding of the NLTP, and administration of fuel excise duty and road user charges and administering the Clean Car Standard
- NZ Police – which provides the Road Policing Programme
- MOT – for forecasting and strategy
- KiwiRail – for the Rail Network Improvement Programme.

Under section 9(1) of the Land Transport Management Act 2003, the land transport revenue also funds search and rescue activities, and recreational boating safety and safety awareness.

See section B on page 193 for details of activities funded by the NLTF.

Explanations of major variances against budget

Revenue inflows

Land transport revenue was \$4,228 million, \$325 million (8 percent) above the budget of \$3,903 million. This is mainly due to higher revenue received through fuel excise duty.

Outflows

NLTP was \$5,589 million, \$559 million (11 percent) above the budget of \$5,030 million. There was more NLTF revenue available than assumed in the budget and as a result, NLTF was used to fund more spend.

NLTP expenditure to be funded long term was \$98 million, \$668 million (117 percent) below the budget of (\$570) million. This was mainly due to not requiring the draw down of the short-term facilities, as well as lower draw down of the 2024-27 NLTP facility. The shock short-term facility was also repaid earlier than assumed in the budget.

3 | Land transport revenue and receivables

	Actual 2024/25 \$M	Actual 2023/24 \$M
Revenue		
Road user charges	2,082	1,888
Fuel excise duty	1,999	2,005
Motor vehicle registration and annual licensing fees	288	233
Track user charges	17	18
Total revenue	4,386	4,144
Less refunds		
Road user charges	63	67
Fuel excise duty	73	72
Motor vehicle registration and annual licensing fees	1	1
Total refunds	137	140
Less bad debt write-off	23	14
Movement in provision for doubtful debts	(2)	5
Total bad and doubtful debts	21	19
Total net land transport revenue	4,228	3,985

As per the Land Transport Management Act 2003, a payment is made for maritime search and rescue activities from fuel excise duty before the duty becomes land transport revenue.

This payment was \$27.8 million (2023/24: \$37.6 million). A payment is also made for regulatory services. This payment was \$40.2 million (2023/24: \$31.4 million).

The total net land transport revenue is as follows:

	Actual 2024/25 \$M	Actual 2023/24 \$M
Road user charges	1,998	1,802
Fuel excise duty	1,926	1,933
Motor vehicle registration and annual licensing fees	287	232
Track user charges	17	18
Total net land transport revenue	4,228	3,985

The total net land transport revenue presents the net position of the Crown revenue after refunds and the deductions above.

Receivables (included in the statement of financial position)

	Actual 2024/25 \$M	Actual (restated)* 2023/24 \$M
Debtors - fuel excise duty	316	363
Debtors - motor vehicle register/road user charges	76	68
Debtors - Rail Network Investment Programme	18	15
Debtors - track user charges	4	4
Debtors - Clean Car Standard (importers)	10	10
Debtors - Clean Car Standard (Crown)	20	6
Debtors - North Island weather events	55	224
Provision for doubtful debt	(36)	(38)
Total receivables	463	652

* The restated figures relate to a change in accounting policy in relation to the clean car standard.

Receivables are recognised at face value less an allowance for doubtful debt calculated using the expected credit losses (ECLs) model.

Provision for doubtful debt

The provision for doubtful debt relates primarily to road user charges, the ECLs are \$36 million (2023/24: \$38 million). The NLTF applies the simplified approach and recognises lifetime ECLs for these debtors. Lifetime ECLs recognise all possible default events over the expected life of the receivable. ECLs are calculated in two groups, motor vehicle register debtors and road user charges debtors, to reflect the differences in collection and default rate history.

Estimation techniques and assumptions used in calculating the lifetime ECLs did not change during 2024/25.

The movement in ECLs for the year are shown below.

Lifetime ECL - debtors - road user charges

	Actual 2024/25 \$M	Actual 2023/24 \$M
Opening balance as at 1 July	38	33
Less bad debts write-off	(23)	(14)
Increase in doubtful debts	21	19
Closing balance as at 30 June	36	38

Receivables are written-off when they are deemed uncollectable. The total receivables written-off during the year amounted to \$23 million (2023/24: \$14 million). Of the receivables written-off none were still subject to enforcement activities.

Receivables

Debtor balances relating to fuel excise duty, the Rail Network Investment Programme and track user charges are short term and due from other government agencies (such as government departments and Crown entities). There is no indication that these debtors are impaired as at 30 June 2025 (30 June 2024: nil).

4 | Payables

	Actual 2024/25 \$M	Actual 2023/24 \$M
Current payable to NZTA – current balance	423	147
Current payable to KiwiRail	24	27
Current payable to NZTA – to be funded from future revenue	151	400
Current payable to NZTA – Crown funded (emergency works)	55	225
Non-current payable to NZTA – to be funded from future revenue	5,072	4,913
Total payables	5,725	5,712

Current payable to NZTA – current balance – is funded from current revenue, non-interest bearing and normally settled by the end of the month following the date of supply. Therefore, the carrying value approximates fair value.

Current payable to KiwiRail – is non-interest bearing and normally settled by the end of the month following the date of supply. Therefore, the carrying value approximates fair value.

Current payable to NZTA – to be funded from future revenue – is a mixture of interest and non-interest-bearing advances that will be settled within one year. Therefore, the carrying value approximates fair value.

Current payable to NZTA – Crown funded – is to be funded from the Crown and normally settled by the end of the following month. Therefore, the carrying value approximates fair value.

Non-current payable to NZTA – to be funded from future revenue – is a mixture of interest and non-interest-bearing advances that will be settled between one year and 30 years. Noninterest bearing non-current payables are discounted to present value as at 30 June 2025.

5 | Provisions

	Actual 2024/25 \$M	Actual (restated)* 2023/24 \$M
Provision for Clean Car Standard credits	63	58
Total provisions	63	58

* The restated figures relate to a change in accounting policy in relation to the clean car standard.

Refer to note 1 on page 218 for the background and accounting policy on the Clean Car Standard (CCS).

The provision for CCS credits relates to credits held by car importers which may be used to offset future charges. At June 2025, there were \$224 million of credits held by importers of which \$63 million of these credits have been recorded as a provision as they are forecasted to be used to fully offset charges during the next year. This means that there are \$161 million of additional credits which are not expected to be able to be used to offset charges and therefore not recorded as a provision. A contingent liability for those additional credits has been disclosed in recognition of the possibility that future changes in import behaviour or scheme settings could see those credits be utilised before they expire. The credits held by importers only result in a reduction of future revenues and are not paid out in cash by the NLT.

Refer to note 10 on page 229 Contingencies for further information.

6 | Planned outflows

The planned aggregate funding outflows, including both committed and probable outflows, for the NLTF are as follows:

	Actual 2024/25 \$M	Actual (restated)* 2023/24 \$M
Not later than one year	6,982	2,776
Later than one year and not later than five years	9,071	5,344
Later than five years	9,448	11,227
Total planned outflows	25,501	19,347

* Prior year figures were restated to include debt and public-private partnerships repayments.

7 | Financial instruments and financial risk management

Financial instruments

The carrying amounts of financial assets and liabilities in each of the categories are as follows:

	Actual 2024/25 \$M	Actual (restated)* 2023/24 \$M
Financial assets measured at amortised cost		
Cash and cash equivalents	158	50
Receivables	463	652
Total financial assets measured at amortised cost	621	702
Financial liabilities measured at amortised cost		
Payables	5,725	5,712
Total financial liabilities measured at amortised cost	5,725	5,712

* The restated figures relate to a different accounting policy in relation to the clean car standard.

Financial risks

The NLTF's activities expose it to a variety of financial instrument risks, including market risk, credit risk and liquidity risk. The NLTF has policies for managing the risks associated with financial instruments and seeks to minimise exposure from financial instruments.

Market risk

The NLTF's exposure to the risk of changes in market rates relates primarily to interest rates on long-term debt held by NZTA. The NLTF is obligated to fund NZTA's long-term debt repayments, so is exposed to the underlying interest rate risk. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Interest rate swaps are held by NZTA to mitigate risks associated with interest rate fluctuations for the underlying debt instruments relating to the public-private partnerships, details of which are in the NZTA financial statements.

Credit risk

Credit risk is the risk that a third party will default on its obligation to the NLTF, causing the NLTF to incur a loss. In the normal course of business, the NLTF is exposed to credit risk from debtors and other receivables. For each of these, the maximum credit exposure is best represented by the carrying amount in the statement of financial position.

Credit quality of financial assets

The NLTF is a notional account only. The cash and cash equivalents reported in these statements are held by the Crown in the consolidated fund. The largest debtor is the Crown, which has a Standard and Poor's credit rating of AA+.

Liquidity risk

Management of liquidity risk

Liquidity risk is the risk that the NLTF will encounter difficulty raising liquid funds to meet commitments as they fall due.

Prudent liquidity risk management implies maintaining sufficient cash. The NLTF manages liquidity risk by continuously monitoring forecast and actual cash flow requirements.

Refer to note 6 on page 226 for future outflows of NLTF. The Board considers the NLTF revenue forecast when planning the NLTP to maintain the liquidity of the NLTF.

Refer to note 8 on page 228 for general funds and capital management of the NLTF.

Contractual maturity analysis of financial liabilities

The table below analyses financial liabilities into relevant maturity groupings based on the remaining period at balance date to the contractual maturity date. The amounts below are contractual cash flows which, in some instances will differ from the carrying amount of the relevant liability in the statement of financial position.

	Less than 1 year \$M	1-2 years \$M	2-5 years \$M	Over 5 years \$M
2024/25 Contractual cash flows	872	601	1,210	5,201
2023/24 Contractual cash flows	1,028	538	1,818	5,703

The Government Policy Statement (GPS) proposes additional revenue sources including new loan facilities as well as changes to repayment dates for some of the loan facilities.

8 | General funds and capital management

	Actual 2024/25 \$M	Actual (restated)** 2023/24 \$M
General funds - current	85	284
General funds - Clean Car Standard	(30)	(40)
Total general funds - current	55	244
NLTP to be funded long-term		
Auckland Transport Package	(237)	(354)
Housing Infrastructure Fund	(147)	(111)
Public-private partnerships*	(1,987)	(1,957)
NLTF borrowing facility for short-term advances	0	(500)
COVID-19 NLTF borrowing facility	(325)	(325)
Tauranga Eastern Link	(107)	(107)
NLTP 2021-24 loan	(2,000)	(2,001)
NLTP 2024-27 loan	(460)	0
Fair value changes in financial instruments	41	43
Total general funds - long term	(5,222)	(5,312)
Total general funds closing balance	(5,167)	(5,068)

* Included related interest rate swaps.

** The restated figures relate to a different accounting policy in relation to the clean car standard.

The NLTF has a negative general funds balance due to programmes that were accelerated with debt funding sourced from the Crown or through public-private partnerships. The funding received has been recognised as long-term payables that are due up to 20 years from balance date.

Although the NLTF has a negative general funds balance, the Board considers for the purposes of financial reporting the going concern assumption is valid for the following reasons:

- The NLTF's liquidity is actively managed.
- The NLTF has a positive cash balance of \$158 million as at 30 June 2025 (30 June 2024: \$50 million).
- The NLTF's forecasts demonstrate its ability to repay its obligations when they fall due for a period of at least one year from the date of these financial statements.
- The NLTF's main revenue source is land transport revenue, which is forecast with inputs from other government departments. Land transport revenue and Crown sources for the funding and financing of the NLTP is forecast to be sufficient to meet all committed future outgoings.
- The NLTF has the option to slow expenditure on the NLTP.
- The NLTF has 2 short-term borrowing facilities of \$250 million each to cover revenue or expenditure shocks and to meet seasonal cash-flow cycles respectively.
- The Crown has previously taken action to help deliver on the NLTP including additional funding, financing and proposed increases to fuel taxes and motor vehicle registration. NZTA has a letter of support from Minister of Finance and Minister of Transport to give the Board confidence that future cashflows will be sufficient to meet debt repayments.

- A \$3.08 billion borrowing facility was established by the Crown, with a further \$3.8 billion capital grant in 2024/25 to support the delivery of the 2024–27 NLTP.
- A debt management framework is used to determine a sustainable and efficient level of future liabilities. The framework is based on the expected level of fund inflows and forward commitments and comprises measures and target operating ranges to guide decision making.

The cost of financing will be met from future flows into the NLTF. The Board actively manages the forward work programme of NZTA, while giving effect to the Government Policy Statement on land transport, to manage the liquidity of the NLTF. It remains the Board's view that under present economic settings, including the GPS, the NLTF continues to be able to fund repayment of financing and to meet the NZTA forward work programme for at least a year from the signing of these financial statements.

Capital management

The NLTF's capital is its general funds. General funds are represented by net assets.

The NLTF is subject to the financial management and accountability provisions of the Public Finance Act 1989, which imposes restrictions in relation to borrowings, acquisition of securities, issuing guarantees and indemnities and the use of derivatives.

NZTA actively manages the NLTF general funds through prudent management of revenues, expenses, liabilities and general financial management.

9 | Related party transactions

The NLTF is a wholly owned entity of the Crown.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client relationship under normal terms and conditions for such transactions. Further, transactions with other government agencies (for example, government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

10 | Contingencies

The NLTF has \$161 million of contingent liabilities (June 2024 (restated): \$201 million).

The \$161 million of contingent liabilities relates to the Clean Car Standard (CCS). Refer to note 1 on page 218 for the background and accounting policy on CCS. At June 2025, there were \$224 million of credits held by importers. Of this total, \$63 million is recorded as a provision on the basis that the credits may be used to offset \$63 million of current charges. The remaining \$161 million of credits are recorded as a contingent liability. NZTA's view is that, under the current policy settings of the scheme, it is more probable that the \$161 million of credits will not be used to offset future charges. This is based on NZTA's view that the current import trends (with more imported cars receiving credits than incurring charges) will not sufficiently reverse to enable use of the current level of credits beyond the provision. The residual amount is recorded as a contingent liability. There remains significant uncertainty as to future behaviours.

In addition, the NLTF may have exposure to those contingent liabilities of NZTA arising from the delivery of the NLTP.

11 | Events after the balance date

There are no material post balance date events requiring disclosure.

Statement of performance

Output class funding to NZTA

	Actual 2024/25 \$M	Budget 2024/25 \$M	Actual 2023/24 \$M
Investment management	69	86	63
Public transport services	477	563	498
Public transport infrastructure	395	202	192
Walking and cycling	122	101	1
Local road improvements	70	12	0
Local road operations	523	384	748
Local road pothole prevention	468	579	0
State highway improvements	914	1,047	900
State highway operations	836	931	1,524
State highway pothole prevention	714	589	0
Safety	124	71	426
Coastal shipping	0	0	3
Debt	877	465	0
Funding to NZTA - current	5,589	5,030	4,355
Road policing programme	426	438	433
Rail network investment programme - rail	500	353	560
Rail network investment programme - public transport infrastructure	242	20	50
Total output class funding (current)	6,757	5,841	5,398
Output class funding (long-term)			
Local road improvements - Housing Infrastructure Fund	35	50	15
State highway improvements - public-private partnerships	0	0	6
State highway improvements - repayment for public-private partnerships	31	(33)	(45)
State highway improvements - repayment for Auckland Transport Package	(117)	(117)	0
NLTF borrowing facility for shocks/seasonal costs	(500)	(250)	125
NLTP 2021-24 loan	0	0	1,497
NLTP 2024-27 loan	460	925	0
Accrued interest (general)	0	0	0
Fair value changes in financial instruments to surplus or deficit	(7)	(5)	3
Total output class funding (long-term)	(98)	570	1,601

The output class funding (current) above is net of borrowing used to finance activities NZTA carries out. The use of the NLTP 2024–27 loan of \$460 million is additional spend to the total output class funding (current).

The output class funding (long-term) reflects the expenditure on public-private partnerships, the Housing Infrastructure Fund and fair value changes of financial instruments, and expenditure that is financed by borrowing facilities.

Where borrowing facilities are used to fund expenditure, rather than a specific project, the debt is notionally apportioned across activity classes. This effectively is a change between current expenditure and long-term expenditure. Drawdowns from the \$3.08 billion NLTP 2024–27 loan facility are notionally apportioned based on the output class investment targets set by the Board. The October Baseline Update output class forecast has been applied for the borrowing in the 2024/25 financial year. The breakdown for 2024/25 is as follows.

	NLTF funding \$M	NLTP 2024–27 Loan \$M	Short-term borrowing \$M	Total \$M
Investment management	69	0	0	69
Public transport services	477	92	0	569
Public transport infrastructure	395	65	0	460
Walking and cycling	122	8	0	130
Local road improvements	70	29	0	99
Local road operations	523	62	0	585
Local road pothole prevention	468	89	0	557
State highway improvements	914	0	0	914
State highway operations	836	82	0	918
State highway pothole prevention	714	33	0	747
Safety	124	0	0	124
Debt	877	0	0	877
Total	5,589	460	0	6,049

For explanations of major variances against budget see the Use of the NLTF graphs on page 200. The graphs include both the output class funding (current) and use of the NLTP 2024–27 loan.

Independent auditor's report

To the readers of National Land Transport Fund's Financial statements and performance information for the year ended 30 June 2025

The Auditor-General is the auditor of the National Land Transport Fund (the NLTF). The Auditor-General has appointed me, Clint Ramoo, using the staff and resources of Audit New Zealand, to carry out, on his behalf, the audit of:

- the annual financial statements that comprise the statement of financial position as at 30 June 2025, the statement of comprehensive revenue and expense, statement of changes in general funds balance, and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information on pages 215 to 229;
- the performance information of the NLTF for the year ended 30 June 2025 on pages 201 to 212.

Opinion

In our opinion:

- The annual financial statements of the NLTF:
 - fairly present, in all material respects:
 - its financial position as at 30 June 2025; and
 - its financial performance and cash flows for the year then ended; and
 - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards.
- The performance information fairly presents, in all material respects, the service performance for the year ended 30 June 2025. In particular, the performance information:
 - provides an appropriate and meaningful basis to enable readers to assess the actual performance for each activity class funded by the NLTF; determined in accordance with generally accepted accounting practice in New Zealand;
 - fairly presents, in all material respects, for each activity class funded by the NLTF the actual performance and expenditure as compared to the performance targets and budgets for the year ended 30 June 2025; and
 - complies with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards.

Our audit was completed on 31 October 2025. This is the date at which our opinion is expressed.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards, the International Standards on Auditing (New Zealand), and New Zealand Auditing Standard 1 (Revised): The Audit of Service Performance Information issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of the Board for the annual financial statements and the performance information

The preparation of the financial statements and performance information of the NLTF is the responsibility of the Board of the New Zealand Transport Agency (NZTA). The Board is responsible on behalf of NZTA for preparing financial statements and performance information that are fairly presented and comply with generally accepted accounting practice in New Zealand. This includes preparing performance information that provides an appropriate and meaningful basis to enable readers to assess what has been achieved for the year for each activity class funded by the NLTF.

The Board is responsible for such internal control as it determines is necessary to enable it to prepare annual financial statements and performance information that are free from material misstatement, whether due to fraud or error.

In preparing the NLTF's annual financial statements and performance information, the Board is responsible on behalf of NZTA for assessing the NLTF's ability to continue as a going concern.

The Board's responsibilities arise from the Land Transport Management Act 2003 and the Crown Entities Act 2004.

Responsibilities of the auditor for the audit of the annual financial statements and performance information

Our objectives are to obtain reasonable assurance about whether the NLTF's annual financial statements and performance information, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of the annual financial statements and performance information.

For the budget information reported in the annual financial statements and performance information, our procedures were limited to checking that the information agreed to NZTA's statement of performance expectations for the year ending 30 June 2025.

We did not evaluate the security and controls over the electronic publication of the NLTF's annual financial statements and performance information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the annual financial statements and performance information whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the NLTF's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- We evaluate whether the performance information:
 - provides an appropriate and meaningful basis to enable readers to assess the actual performance for each activity class funded by the NLTF in relation to forecast performance targets. We make our evaluation by reference to generally accepted accounting practice in New Zealand; and
 - fairly presents the actual performance for each activity class funded by the NLTF for the financial year.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board.
- We evaluate the overall presentation, structure and content of the annual financial statements, and performance information including the disclosures, and whether the annual financial statements, and performance information represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information comprises all of the information included in the annual reports of the NLTF and NZTA but does not include the NLTF's annual financial statements and performance information, and our auditor's report thereon.

Our opinion on the annual financial statements and performance information does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the annual financial statements, and performance, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the annual financial statements, and performance information or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the NLTF in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board.

Other than in our capacity as auditor of the NLTF and NZTA, we have no relationship with or interests in the NLTF.



Clint Ramoo

Audit New Zealand
On behalf of the Auditor-General
Wellington, New Zealand



If you have further queries,
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This publication is also available
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