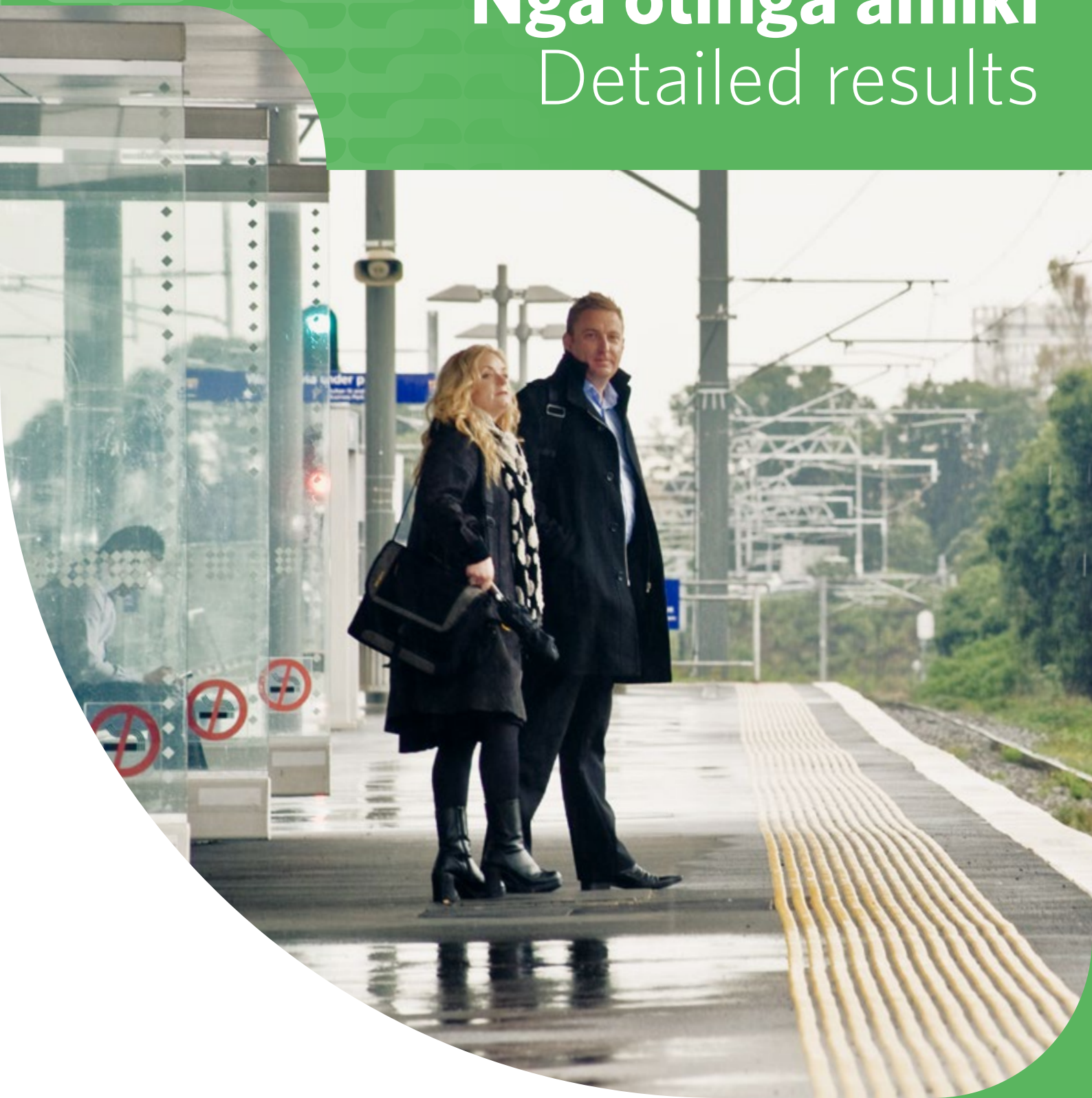


Ngā otinga āmiki

Detailed results



Safe

Overview



Our Te kāpehu system outcome **safe** is about ensuring no one is killed or seriously injured when using or working on the transport system

which links to these position statements

- a) Transport safety
- b) Regulatory

Waka Kotahi is committed to Vision Zero, a world-leading ethical transport approach that says it is unacceptable for anyone to be killed or seriously injured while travelling or working on the land transport system. Road to Zero, the government's national road safety strategy, sets us on a path to achieve Vision Zero with an initial target of reducing deaths and serious injuries by 40 percent by 2030, compared with 2018.

We have a long way to go to make Vision Zero a reality for Aotearoa. On average, at least one person is killed, and seven people are seriously injured in road crashes every day. These tragic events devastate families, friends and our community. Deaths and serious injuries should not be an inevitable cost of travelling, and this toll on human life is unacceptable.

Deaths and serious injuries

In the year to 31 March 2021, 2491 people were killed or seriously injured on roads compared with 2803 in the previous year (see Figure 7). The COVID-19 restrictions are likely to have contributed to this lower result. From April to June 2021, however, the numbers increased significantly. As at 30 June 2021, there were 160 more deaths and serious injuries than in the previous 12 months.

While the COVID-19 lockdowns initially led to fewer road deaths and serious injuries, they also affected the ability of Waka Kotahi and our partners to deliver several Road to Zero activities that could have had a positive impact on the deaths and serious injuries result.

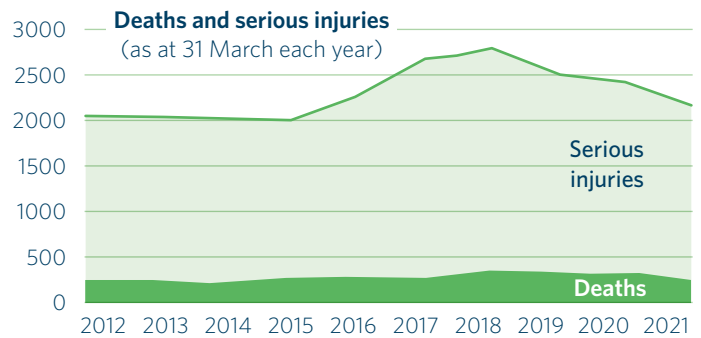


Figure 7: Deaths and serious injuries, 2012–2021 (12-month rolling total)

Implementing Road to Zero

We continue to collaborate with the New Zealand Police, Ministry of Transport, local government, WorkSafe and many others to implement Road to Zero. We made good progress this year in embedding the Road to Zero governance structure within Waka Kotahi and updating our implementation plan. To measure our progress, we developed a comprehensive outcomes framework, which was also the basis for the first annual Road to Zero Monitoring Report released by the Minister of Transport in August 2021. We'll continue our work over 2021/22 to source, collect and integrate data to complete our outcomes framework.

COVID-19 adversely affected delivery of several activities in the implementation plan, such as the Speed and Infrastructure Programme and the Tackling Unsafe Speeds Programme. Performance of the Road Safety Partnership Programme (RSPP) for

2019–21 was also affected. Progress made in these programmes is summarised below.

Road to Zero Speed and Infrastructure Programme

The Road to Zero Speed and Infrastructure Programme (formerly the Safe Networks Programme) is a 10-year programme targeting roads and roadsides that offer the greatest potential to reduce deaths and serious injuries. The programme includes safety treatments and speed management on state highways and local roads. The programme delivered over \$1 billion of safety improvements during the 2018–21 NLTP, which included implementing safe and appropriate speeds across 584 km of the state highway network.

The Waka Kotahi Board endorsed the Speed and Infrastructure Programme business case in May 2021. This means we have a clear direction for the next ten years on our programme of safety improvements, such as median and side barrier installations, intersection improvements via roundabouts and raised platforms, and speed reviews. We held multiple workshops with our people and local government partners to ensure we had meaningful conversations and contributions to form a robust business case.

Tackling Unsafe Speeds Programme

When speed limits are safer, and people drive within the speed limits, it makes crashes less likely to occur and it reduces the severity of crashes when they do occur. In April 2021, Waka Kotahi opened consultation on the Setting of Speed Limits Rule 2021. This draft rule proposed a new regulatory framework for setting speed limits. It takes a whole of network approach where decisions about safety-related infrastructure improvements, speed limit changes and the placement of safety cameras are made together.

The Cabinet decision on the proposed Setting of Speed Limits Rule was significantly delayed due to COVID-19 and is now expected to be signed December 2021. As a result, we were unable to complete the National Speed Management Plan or

launch the National Speed Limit Register as planned this year.

Road Safety Partnership Programme

The RSPP was established between Waka Kotahi, New Zealand Police and the Ministry of Transport to reduce harm on our roads through collaborative effort. As part of our assurance plan for RSPP, we established a governance group and undertook regular reporting against the programme's targets.

The RSPP 2019–21 ended in July 2021 and did not achieve several of its targets. COVID-19 affected some parts of the programme, particularly the number of breath screening tests undertaken. The Ministry of Transport plans to review the programme to support improved performance against its targets. For more information on programme performance, see the 2020/21 NLTF annual report.

This year we developed RSPP 2021–24 and strengthened our programme assurance mechanisms. RSPP 2021–24 aligns with Road to Zero and includes a comprehensive framework to support the achievement of target outcomes. We continue to work on identifying additional measures to help support successful delivery of RSPP 2021–24.

Strengthening our regulatory capability and performance

As a regulator, our role is to improve safety and reduce the risk of harm in land transport. Our approach is firm and fair, aiming to swiftly identify and manage those who put public safety at risk and make it easier for those who want to get it right. Our regulatory function will play a critical role in achieving the 40 percent reduction in deaths and serious injuries. We'll also contribute to improving rail safety through our role as the rail safety regulator. We've been laying foundations to strengthen our regulatory compliance and enforcement function, and we continued to build on this over the past year.

Funding was provided to Waka Kotahi to offset the impact of COVID-19 on our regulatory revenue.

The lasting impact of COVID-19 has also affected performance, with over 48,000 practical driver licence tests being re-scheduled due to restrictions under alert levels 3 and 4. We're working with our service delivery partners to clear this backlog.

We made good progress in implementing aspects of Tū ake, tū maia, our regulatory strategy. Our key successes in 2020/21 were:

- undertaking the funding and fees review to address the challenges of sustainably funding the land transport regulatory function
- putting in place the principal elements of our new operating model so we have the capability and capacity to deliver as a world-class regulator
- establishing the Director of Land Transport role and appointing a Chief Operating Officer to ensure appropriate focus and service delivery and to strengthen organisational structure
- establishing a regulatory intelligence team to support improved monitoring of the operating environment
- developing and launching the risk assurance and compliance response frameworks to provide a consistent approach to compliance decision-making and risk management practices
- developing and publishing the Good Regulatory Practice Guide to ensure our approach is firm and fair
- introducing te ao Māori principles to values with employees and partners so our way of working is grounded in te ao Māori, unpinned by good regulatory practice

Keeping our people safe

The health, safety and wellbeing of our employees and contractors is our top priority. We're committed to creating a risk-based approach to health and safety – not only within our own organisation, but across the wider transport industry. Our safety work includes a broad safety policy and procedure revision, dedicated critical risk improvement projects focussed on road worker safety and temporary traffic management, and mental health and wellbeing. This year we launched our new internal health, safety and security reporting system called Kōrero Mai. The number of incidents reported by employees increased significantly compared to last year. This increased reporting provides a greater visibility of issues and shows a positive trend in our people's awareness in reporting.

Our total recordable injury frequency rate, which is the number of serious injuries per million hours worked, is a measure under our Waka Kotahi position statement (see page 51 for details). Our new Te kāpehu performance framework will measure our significant incident frequency rate, which includes serious near misses that could have caused serious or life-threatening injuries. This is considered a better indicator for safety and allows us to better assess a broader range of impacts and systematic issues.

Measuring our performance



a) Transport safety

Our position is that it is unacceptable for anyone to be killed or seriously injured while travelling or working on the land transport system.

To help achieve our position on **transport safety**, by 30 June 2021 we aimed to have:

- delivered initiatives targeting speed management and infrastructure improvements designed to reduce the number of people killed or seriously injured while travelling on the land transport system through significantly increased investment, co-investment and coordination
- four fewer category A signals (rail) passed at danger.

We measured our progress through these transport safety strategic measures:

Ref	Measure	Result	2020/21 Target	2020/21 Actual	2019/20 Actual	2018/19 Actual
TS	Deaths and serious injuries ^A	Achieved	Reducing	2,491	2,803 ^B	2,904
	<p>This result is reported as a 31 March 12-month rolling total, using 31 March of the preceding year as a baseline in line with our statement of performance expectations 2020/21. We can now access more recent data, which showed that from 31 March 2021 deaths and serious injuries have begun to rise.</p> <p>At 30 June 2021, there were 160 more deaths and serious injuries than in the preceding 12 months. COVID-19 affected our ability to deliver Road to Zero activities that could have positively impacted on this figure. The Tackling Unsafe Speeds Programme and Road to Zero Speed and Infrastructure Programme were particularly affected, as was delivering aspects of the RSPP by New Zealand Police. A programme health check was completed for the Tackling Unsafe Speeds Programme, which has now been reset. We're also working on increasing the delivery of the Speed and Infrastructure Programme.</p>					
TS1.1.	Proportion of years 1-3 deliverables in the Safe Networks Programme delivered (including local roads and state highways) ^C	Achieved	≥80% for state highways ≥80% for local roads	99.1% for state highways 112.3% for local roads	52.1% for state highways 72.5% for local roads	60.8% for state highways 63.7% for local roads
	<p>All 16 large state highway projects were completed. Local authorities reported an overspend against forecast this year.</p>					
TS2.1	Number of trains that go through a stop signal when they could have stopped safely (category A signal passed at danger)	Achieved	≤134	88	93	138

^A Results are a 12-month rolling total to 31 March of each year.

^B Information received post-publication may mean that deaths and serious injuries figures need to be adjusted. For example, police may receive a fatal crash notifications for a particular period after the data has been extracted, and some deaths may occur after the reporting period has ended. Additionally, the data for serious injuries sometimes changes as we reconcile hospitalisation data with Crash Analysis System records.

^C Results are based on cumulative results across the three-year programme. State highway achievements are based on the delivery of large projects against plan and budget, while local road achievements are based on spend of large projects against budget only. The results are not comparable with previous years due to the resetting of financial targets this year.

In 2020/21, we planned to deliver these **transport safety** initiatives (refer to pages 28 and 29 for details):

Ref	Significant activity	Status at 30 June 2021
1.1	ensure the Waka Kotahi implementation plan for Road to Zero is operational, including outcomes, targets and a reporting framework	Partially achieved
1.2	progress delivery of the Safe Networks Programme	Partially achieved
1.3	put into operation an assurance plan for the Road Safety Partnership Programme	Partially achieved
1.4	complete the draft National Speed Management Plan including a proposed plan for safer speeds around schools	Partially achieved
1.5	establish the National Speed Limit Register	Partially achieved

We also measured our progress through financial and non-financial performance expectations for these output classes that contributed to transport safety (see from page 55 for details):

- State highway improvements
- Local road improvements
- Road safety promotion and demand management
- Road policing.



b) Regulatory

Our position as the transport regulator is that our systems should be intuitive and clear to ensure people, vehicle, and commercial and rail operations are safe, people make good transport choices and harmful behaviour is swiftly dealt with.

To help achieve our **regulatory** position, by 30 June 2021 we aimed to have an efficient compliance and enforcement function that is transparent, fast and fair when dealing with non-compliance.

We measured our progress through these regulatory strategic measures:

Ref	Measure	Result	2020/21 Target	2020/21 Actual	2019/20 Actual	2018/19 Actual
REG	Proportion of reviewed non-compliance actions that are in line with Waka Kotahi regulatory intervention guidelines	Achieved	≥90%	99%	94%	Not applicable
REG1.1	Stage 1 deliverables of Waka Kotahi NZ Transport Agency's regulatory strategy capability shift #3: Delivering robust and consistent decision-making	Achieved	Achieved (with qualitative description of results)	Refer commentary (Refer to page 29 for details)	Not applicable	Not applicable

In 2020/21 we planned to deliver these **regulatory** initiatives:

Ref	Significant activity	Status at 30 June 2021
7.1	develop operating model to support delivery of the regulatory strategy	Achieved
7.2	establish the Director of Land Transport role and ensure it is in effective operation	Achieved
7.3	progress regulatory fees and funding review in preparation for public consultation	Achieved

We also measured our progress through financial and non-financial performance expectations for these output classes that contributed to our regulatory position (see from page 67 for details):

- Driver licensing and testing
- Vehicle safety and certification
- Regulation of commercial transport operators
- Regulation of the rail transport system
- Revenue collection and administration.

Environmentally sustainable

Overview



Our Te kāpehu system outcome **environmentally sustainable** is about reducing harm to and improving the environment with a focus on reducing greenhouse gas emissions

which links to this position statement

a) Environment

Transport is responsible for 47 percent of domestic carbon dioxide emissions in Aotearoa, with two-thirds of our transport emissions coming from light vehicles. He Pou a Rangi Climate Change Commission delivered its final advice on carbon emission budgets and emission reduction policies in May 2021. It recommends that by 2035, transport emissions will need to have decreased by 41 percent from 2019 levels. The Climate Change Response (Zero Carbon) Amendment Act 2019 also requires carbon dioxide to be reduced to net zero by 2050. To achieve these targets, we need to reduce reliance on private vehicle use and support people to walk, cycle and use public transport.

Waka Kotahi is committed to working with the government and our other partners to progress the government's climate change objectives. A strong focus on environmental sustainability is embedded in Te kāpehu and our new performance framework. We're guided by Toitū te taiao, which sets out our vision of a low carbon, safe and healthy land transport system and the actions we will take to tackle climate change. We've already delivered early rebates as part of the Clean Car Rebate on behalf of the government and continue to work on the full Clean Car Discount Scheme and the Clean Car Standard Programme. We're considering how the government's objectives will influence our other programmes and plans.

We've defined our strategic approach to urban form and transport planning using the avoid-shift-improve framework described in Toitū te taiao, which focuses on interventions that reduce the need for people to

travel (or lessen the time or distance they're travelling, particularly by car). We can embed our approach once we've incorporated emerging government direction on climate change, urban development, and reform of resource management legislation. This will include revising our approach to reflect the government's emissions reduction plan.

Greenhouse gas emissions

This year greenhouse gas emissions increased to 12,002 kilotonnes of carbon dioxide compared with 11,832 kilotonnes last year (see Figure 8). Emissions from the land transport system have increased over many decades and reflects a similar increase in travel by the light vehicle fleet. Emissions are predicted to continue to increase over the next few years but will start to reduce over time as the fleet becomes cleaner and government actions to reduce emissions start to take effect.

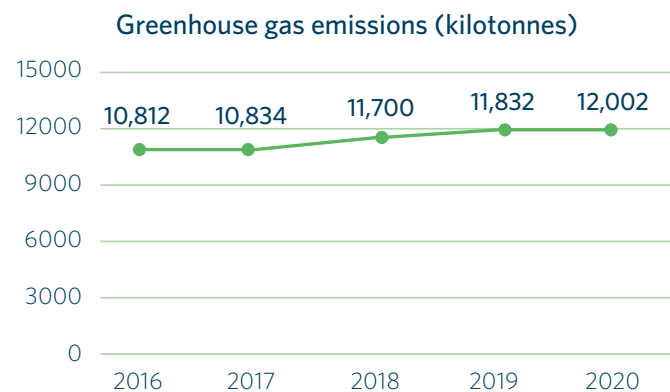


Figure 8: Greenhouse gas emissions 2016–2020

It's probable emissions would have been higher if COVID-19 restrictions had not been in place over the year, particularly in Auckland. Greenhouse gas emissions are closely related to the total vehicle kilometres travelled and while vehicle travel reduced when we had COVID-19 restrictions, it is not clear how much impact this had on emissions over the entire year. The proportion of emissions by region is shown in Figure 9.

Progress on Toitū te taiao our sustainability action plan

We're in the second year of implementing Toitū te taiao and will publish our second sustainability monitoring report, Tiakina te taiao, later in 2021/22. Over time, Tiakina te taiao will help us measure progress on our commitment to caring for our environment and toward achieving our vision of a low carbon, safe and healthy land transport system.

When it comes to tackling climate change, we must be the change we want to see. We're transitioning the Waka Kotahi vehicle fleet to electric vehicles and at 31 July 2021 more than a third of our fleet was electric. This will lead to a continuing decrease in our carbon emissions. The latest achievement in our corporate sustainability journey is receiving Toitū Envirocare carbonreduce certification. This is an independent audit against programme requirements and international standards. Achieving certification recognises our climate-positive actions and helps us make measurable progress.

This year we moved to the Infrastructure Sustainability Council's rating scheme (ISCA) to support sustainability-focused practices at Waka Kotahi. Transport investments and

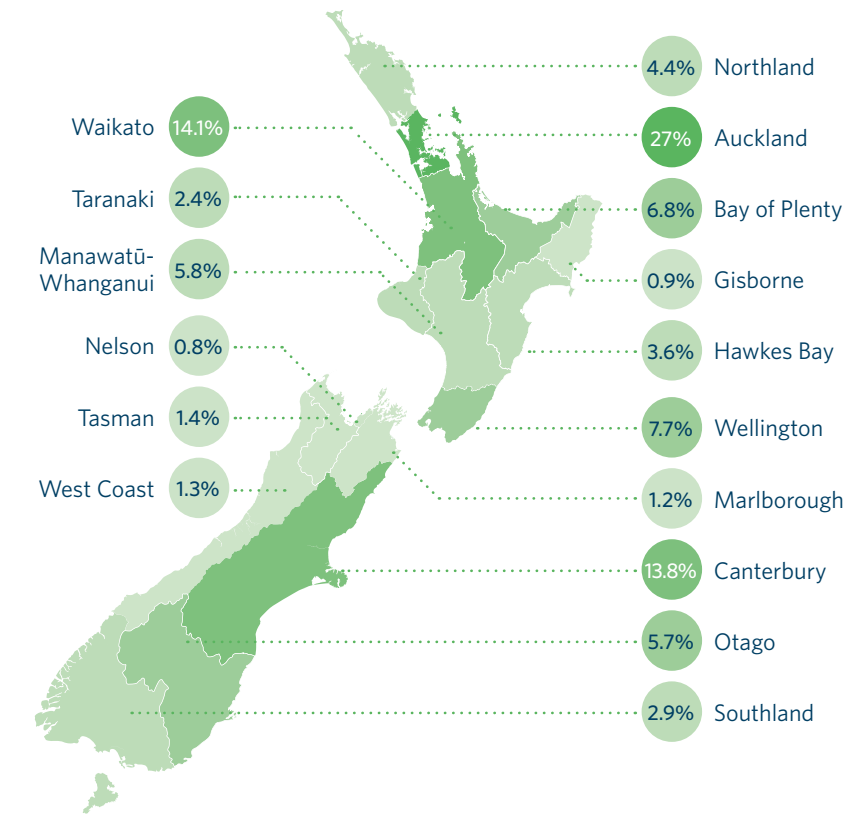


Figure 9: Proportion of total emissions by region as at 31 December 2020

activities have a long-lasting impact on the environment. As kaitiaki of the land transport system, our role is to ensure the transport decisions made today are sustainable for future generations. We'll apply the ISCA rating scheme to our high-cost capital projects to help drive sustainable outcomes from the initial business case all the way through to construction and operation.

Resilience of the network is becoming increasingly important as we can expect to see more weather events and disruptions with the effects of climate change. This year, we progressed development of the Waka Kotahi Adaptation Plan, which considers the multiple risks the land transport system is facing as a result of climate-related events. The Adaptation Plan will be completed over 2021/22 and will include an action plan.

Collective expertise for outcomes

We're committed to supporting the climate change agenda and the cross-government work being undertaken. We advised He Pou a Rangi Climate Change Commission on its draft advice on carbon emission budgets and emission reduction policies. We highlighted the importance of urban form and mode shift to reduce emissions. We provided technical and operational policy advice to the Ministry of Transport to support its development of Hīkina te Kohupara, a discussion document outlining options and pathways to decarbonise the transport system. We've also actively contributed to the work of the Ministry for the Environment-led interagency team developing the Emissions Reduction Plan.

Measuring our performance



a) Environment

Our position is that we will responsibly manage the land transport system's interaction with people, places and the environment

To help achieve our position on the **environment**, by 30 June 2021 we aimed to:

- be implementing a prioritised work programme to deliver on the government's environmental targets for the transport sector
- be leading the public sector in reducing greenhouse gas emissions from corporate travel and significantly reduced emissions from our vehicle fleet
- be reporting against approved environmental key performance indicators for infrastructure delivery and network management contracts that are 100 percent funded by the NLTF
- have environmental and public health impacts appropriately valued in investment decision-making processes.

We measured our progress through these environment strategic measures:

Ref	Measure	Result	2020/21 Target	2020/21 Actual	2019/20 Actual	2018/19 Actual
ENV	Greenhouse gas emissions from the transport system ^A	Not achieved	Reducing	12,002 kilotonnes	11,832 kilotonnes	11,717 kilotonnes
	Greenhouse gas emissions from the land transport system have continued to increase over the last several decades. This increase reflects a similar increase in travel by the light vehicle fleet. How quickly emissions reduce depends on the policies the government selects in response to He Pou a Rangi Climate Change Commission's advice, supported by actions Waka Kotahi and partners undertake.					
ENV1.1	Proportion of prioritised work programme under way, completed or delayed	Achieved	As per the milestones and targets set in the work programme	100%	Achieved	Not applicable
ENV2.1	Greenhouse gas emissions (carbon equivalent) from staff travel	Achieved	Decreasing	1,708 tonnes	3,190 tonnes	4,778 tonnes
	This result is positively influenced by the Waka Kotahi executive reducing staff travel budgets by 60 percent in 2020/21 and messaging the importance of reducing business travel to lower our carbon footprint. COVID-19 level 3 lockdowns in Auckland this year also contributed to the positive result.					
ENV2.2	Waka Kotahi fleet vehicle emissions (carbon dioxide equivalent)	Not achieved	Decreasing	476 tonnes	431 tonnes	469 tonnes
	Carbon emissions from petrol and diesel use increased by 45 tonnes of carbon dioxide equivalent from 2019/20 to 2020/21, an increase of 9.5 percent. Total kilometres travelled during 2020/21 increased by 15 percent from the previous year, indicating that the average emissions per vehicle reduced. Travel restrictions during April and May 2020 due to COVID-19 lockdowns mean our target of decreasing from 2019/20 reflects a year where vehicle travel emissions were lower than normal, although the result is also higher than in 2018/19. Plans are in place to electrify our entire fleet, which will significantly improve our performance in this area in line with our commitment to reduce the Waka Kotahi carbon footprint.					

Ref	Measure	Result	2020/21 Target	2020/21 Actual	2019/20 Actual	2018/19 Actual
ENV3.1	Projects that are fully funded by the NLTF are reported against an approved set of environmental key performance indicators for infrastructure and network management contracts	Achieved	Achieved	Refer comment below	Not applicable	Not applicable
Five NLTP projects are seeking Greenroads sustainability certification: Transmission Gully, Puhoi to Warkworth, Northern Corridor Improvements, Peka Peka to Otaki and Bayfair to Baypark. In September 2020, Waka Kotahi replaced Greenroads with ISCA. Two NLTP projects are ISCA registered (Te Ahu Turanga and Te Ara Tupua) and six NZUP projects have registered or are soon to register.						
ENV4.1	All new business cases are subject to investment decision gates that are able to demonstrate that environmental and public health impacts have been appropriately valued	Unable to report	Achieved	Refer comment below	Not applicable	Not applicable
We are unable to report on this measure. No business cases have been submitted for appraisal since the investment decision gates came into effect in August 2020.						

^A This covers the period from January to December 2020 because vehicle kilometres travelled data used in this measure is available on a calendar year basis. Data for 2021 is not available until mid-2022. The calculation method is different to that which the Ministry for the Environment uses for the national greenhouse gas emissions inventory, so the numbers from the two methods are not directly comparable.

^B Includes air travel, accommodation, rental cars and taxis. Does not yet include private car mileage for quarter four, but this is immaterial to the total carbon emissions.

In 2020/21, we planned to deliver these **environment** initiatives:

Ref	Significant activity	Status at 30 June 2021
6.1	define and embed a strategic approach to urban form and transport planning for sustainable development that reduces emissions, while improving safety and access	Partially achieved (refer page 34 for details)
6.2	work with the Ministry of Transport and other partners to recommend emissions budgets for land transport, taking account of all system levers	Achieved
6.3	implement Toitū te taiao our sustainability action plan, including making the monitoring and reporting of Waka Kotahi emissions and reduction targets operational	Achieved
6.4	implement the approved elements of the government's proposed clean car reforms	Achieved

All our activities and investments identify environmental impacts, seek positive environmental outcomes, and aim to avoid, remedy or mitigate adverse impacts, including cumulative impacts. For more details on how we've measured what we delivered and invested in over 2020/21, see our Output class performance from page 53.

Efficiently and effectively moving people and freight

Overview



Our Te kāpehu system outcome **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

which links to these position statements

- a) Inclusive access
- b) Liveable communities
- c) Resilience

As stewards of the state highway network, we are responsible for ensuring our roads fulfil their important function in moving people and goods to support the economy, as well as providing access for people to get to places of study and work and to connect with family and friends.

We must plan for a modern transport system with a mix of reliable transport options that keep people and products safely moving. We're working to ensure transport choices are being supported by a growing network of cycleways, improved public transport, better pedestrian connections and street environments that create a sense of community and connection.

Encouraging mode shift

We worked with our local partners to develop mode shift plans in Christchurch, Hamilton, Queenstown, Tauranga and Wellington. Mode shift is about growing the share of travel by public transport, walking and cycling. We continue working with Kāinga Ora and councils to improve integrated transport and spatial planning. To support better integration, we're drafting a memorandum of understanding (MoU) and developing a joint work programme with Kāinga Ora. Finalising the MoU was delayed, as we need to work through some operational issues in 2021/22.

Making our streets safer for people to bike, scoot or walk is also what the Innovating Streets for People programme is looking to improve. This year we approved funding for 74 projects planned across 30 councils, with 65 projects delivered in 2020/21. Many

communities are already experiencing the benefits of simple street changes that encourage people to confidently walk or bike due to reduced vehicle speeds.

Public transport

Access to frequent public transport services at peak times in the metropolitan centres has improved. Compared with last year about 100,000 more people had access to these services in 2020/21. We've also seen positive movement in the number of people being able to access to key social and economic opportunities by public transport and active modes.

Despite the disruption caused by COVID-19 and more people working from home, the three-year rolling average results from the Household Travel Survey indicate the share of travel modes remains relatively unchanged from previous years. The proportion of people using public transport and active modes has marginally increased year-on-year, even though the frequency of travel has reduced since pre-COVID norms.

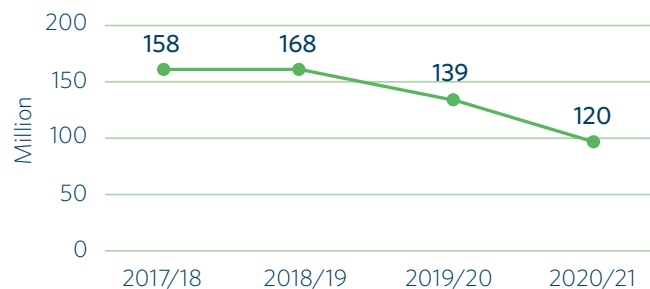


Figure 10: Public transport boardings 2017/18–2020/21

Public transport boardings continue to decline and have not returned to pre-COVID levels. However, we've started to see some recovery in major urban centres. There were 168 million boardings in 2018/19 (pre-COVID) compared to 120 million this year. Boarding levels were affected through alert level restrictions, particularly with Auckland moving to level 3. Closed borders also resulted in fewer overseas students and temporary workers who typically rely on public transport for travel.

Progress on rail

Rail contributes many benefits, including reduced road network congestion and transport emissions, and improved safety and resilience across the land transport system. We provided advice to the Minister of Transport on KiwiRail's Rail Network Investment Programme and now have systems in place to fund programme activities through the NLTF.

We've established new public transport and rail teams who lead engagement with approved organisations and KiwiRail. They provide subject-matter expertise and support, including on investment assurance. The Waka Kotahi Freight Action Plan was also completed in June 2021. This work will help lay the foundations for moving freight off roads, which is crucial to improving safety and reducing emissions from the transport sector as a whole.

Climate change adaptation

Increasingly severe weather events are making it difficult for people and goods to get where they need to go. We must respond to the impacts of climate change to keep New Zealanders safe and connected. The Waka Kotahi Adaptation Plan is in its early stages of development and will take direction from the Ministry for the Environment's National Adaptation Plan. We'll also work with our key partners to respond appropriately on the network and support individual communities and regions with pressing issues. The Waka Kotahi Adaptation Plan will be completed over 2021/22 and will include an action plan.

Keeping communities connected

We've been effective in our operational responses to keep things moving after significant disruptions. We acted quickly on extreme weather events and

the incident that caused structural damage to the Auckland Harbour Bridge. We worked closely with our stakeholders, partners and communities to manage these responses successfully. Our target for resolving road closures within standard timeframes was not achieved due to weather-related closures on long stretches of the state highway during winter and other weather events. Most notably in July 2020 a Northland storm triggered several road closures caused by landslides and flooding, and in May 2021 torrential rain in South Canterbury caused river overflows and floods leading to road closures.

We made progress on the SH4 Te Ore Ore reinstatement but did not achieve the planned milestones for this year. The cultural impact assessment, consent lodgement and property acquisition were delayed and consequently construction is now programmed for 2022/23.

We achieved all milestones for Te Ahu a Turanga, the Manawatū-Tararua highway this year, with the project ahead of its earthworks programme. There is strong community, council and iwi support for the project, which also won a national planning award. Physical completion of all Kaikōura earthquake recovery projects was achieved in June 2021. Nearly 9,000 people from 350 organisations from across Aotearoa and around the world helped to restore the transport corridor along the Kaikōura coastline and then build it back stronger and more resilient.

Network resilience

We haven't been able to programme pavement and surfacing renewals to required levels in the past few years, partly due to funding constraints. This has impacted on the condition of the network, including skid resistance. In 2020/21, we set up a dedicated project team to focus on delivery of the renewals, which resulted in an improvement of the pavement and surfacing renewals from 90-92 percent delivery to 95 percent. State highway improvement activities were also affected by COVID-19 due to travel restrictions that delayed construction and reduced productivity. Additionally, COVID-19 affected the availability of imported materials and resources, which caused further delays. See appendix 2 from page 178 for details on the performance of our critical assets including the state highway.

NZ Upgrade Programme

Waka Kotahi is delivering projects for the New Zealand Upgrade Programme (NZUP) that support greater transport choice with balanced investments in public transport, roads, and walking and cycling. This year, we achieved year-end milestones for 10 out of 19 NZUP significant capital projects with progress made on several others. For further details on performance against milestones, see appendix 3 from page 181.

At the outset of the programme, Waka Kotahi baselined NZUP in terms of cost, scope to achieve outcomes, schedules and risks. This was done at the initiation of the programme, when most projects were in early stages of development and detailed project information was being established. Increasing costs across the programme meant many projects were forecast to cost more than their funding allocation. In June 2021, the government confirmed the direction and funding commitment to deliver NZUP. This certainty means we can now fully deliver significant projects to help future proof the economy, get our cities moving, and make our roads safer.

Let's Get Wellington Moving

Let's Get Wellington Moving aims to move more people with fewer vehicles. It will support and shape the city's growth while making it safer and easier for people to get around. This includes providing more efficient and reliable access for all users, while ensuring the transport system can adapt to disruptions and uncertainty. Initiatives to create space and attractive streets will also enhance the liveability of the central city. This year a programme health check resulted in the programme being reset. While significant work was undertaken as part of this reset across both scope and resource, including programme and governance structure, the milestones set at the beginning of the year have not been met. For further details on these projects refer to appendix 3 from page 181, which summarises significant capital projects performance against milestones.

Auckland Transport Alignment Project

In March 2021, Cabinet approved the Auckland Transport Alignment Project (ATAP) 2021-31, a \$31.4 billion 10-year investment programme for Auckland focusing on mode shift and addressing longer-term challenges of climate change and housing development. The investment programme makes funding assumptions that are subject to other decisions, including those made as part of the 2021-24 NLTP, so full agreement on ATAP 2021-31 was not reached by all partners as planned this year. The impacts of COVID-19 have also led to a reduction in available funding for the programme from both the NLTF and Auckland Council.

Supporting Regions Programme

The Supporting Regions Programme addresses key challenges on the regional state highway networks including safety risks, resilience and congestion problems, accessibility and travel time reliability, while supporting regional economic development. We made progress on the 13 Supporting Regions Programme state highway projects as planned this year. By the end of 2020/21, we completed three of these projects, with two more nearing completion. Multiple factors affected our progress including bad weather conditions and safety issues. We anticipate all remaining projects will be completed within six months of the estimated dates in the project funding agreements. Once complete, this package throughout the regions will contribute to a safer and more resilient transport network.

Progress toward Protective Security Requirements

We made progress in complying with the core policies of the Protective Security Requirements (PSR), which outlines the government's expectations for managing physical, personnel and information security. There was a reduction in our overall physical security environment compliance following the incorporation of land transport security into our PSR programme. This meant reviewing the maturity of the land transport's physical security environment, which identified new risks that need to be addressed. We redeployed resources to COVID-19 related priorities for six months and this slowed down our progress on collaborating with other agencies to advance the programme. As a result, we didn't achieve all the activity milestones as planned.

Measuring our performance



a) Inclusive access

Our position is that everyone should have fair and equitable access to the transport system

To help achieve our position on **inclusive access**, by 30 June 2021 we aimed to have:

- increased mode share of public transport and active modes in high-growth urban areas
- improved access to priority routes for freight and tourism, particularly at peak times.

We measured our progress through these inclusive access strategic measures:

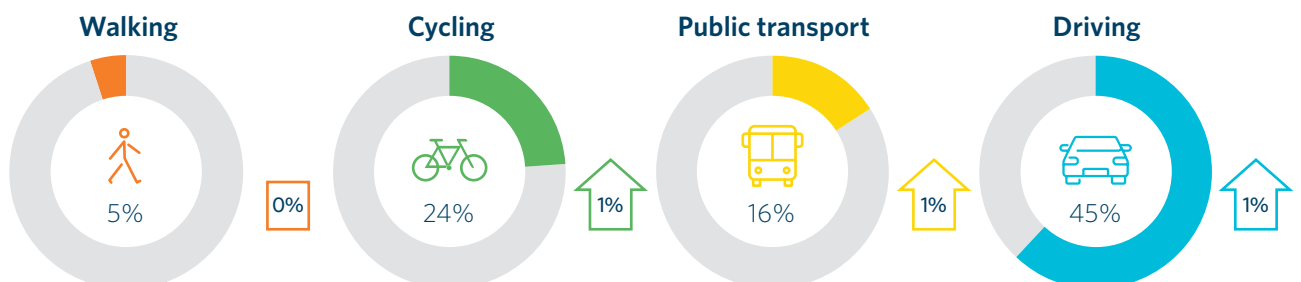
Ref	Measure	Result	2020/21 Target	2020/21 Actual	2019/20 Actual	2018/19 Actual
IAa	Access to social and economic opportunities by mode <i>Proportion of population within 15-minute access to the nearest school, health facility and supermarket during morning peak</i>	Achieved	Increasing	Increasing	Increasing	Baseline set

There has been little change in access to the nearest primary and secondary schools, general practitioner and supermarket since the previous year, but the results have marginally improved. The network continues to favour access by road vehicles with access coverage lower for walking and public transport.

Figure 11: Access to social opportunities by mode

Destination	Walking	Cycling	Public transport	Driving
Primary schools	62% (↔)	89% (↔)	70% (↔)	98% (↑1%)
Secondary schools	21% (↔)	71% (↔1%)	28% (↔)	92% (↔)
General practitioner	52% (↓1%)	83% (↔1%)	62% (↔)	95% (↔)
Supermarkets	40% (↔)	82% (↔)	51% (↔)	95% (↔)

IAb	Access to social and economic opportunities by mode <i>Proportion of jobs within 45-minute access during morning peak</i>	Achieved	Increasing	Increasing	Decreasing	Baseline set
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Ref	Measure	Result	2020/21 Target	2020/21 Actual	2019/20 Actual	2018/19 Actual
IA1.1	Proportion of total trips on public transport and active modes in high-growth urban areas	Not achieved	Increasing	18.8%	18.9% ^a	17.9% ^A
	Closed borders, COVID-19 travel disruption and shifting alert levels have likely influenced these results, including a higher proportion of public transport users working from home and a decrease in the number of overseas students and temporary workers who typically rely on public transport.					
IA2.1	Number of hours that priority routes for freight and tourism are unavailable	Achieved	Decreasing	2,930	3,701	Not applicable
	This year on our key freight and tourist routes there were 2,930 hours of unplanned closure (compared with 3,701 last year). In addition to being closed for fewer hours, when compared to last year, the average closure duration on these routes has decreased by over half an hour.					
IA2.2	Predictability of travel times on priority routes for freight and tourism ^B	Not achieved	Increasing	88.5%	91%	Not applicable
	Due to lockdowns and border closures as a response to COVID-19 last year, there were fewer journeys and activities resulting in high travel time predictability. Predictability remained high during the winter months, but dipped over summer when construction, network maintenance and travel demand peak. As part of our network activity planning, we aim to minimise disruptions and lessen impacts to customer journeys (including the impact on travel times).					
IA2.3	Percentage of people unable to make a beneficial land transport journey	Baseline set	Baseline to be set ^C	22%	Not applicable	Not applicable
	This year we surveyed people to understand their barriers to land transport access. Respondents were asked to consider journeys they had planned to undertake in the previous week. Twenty-two percent said that they were unable to make a journey due to: cost; it would have taken too long; no suitable transport option being available; and traffic conditions too bad. The most common journeys that couldn't be made were shopping (43 percent), work (31 percent) and social visits (25 percent).					

^A This was reported as 19 percent in the 2018/19 and the 2019/20 annual reports. The Ministry of Transport found errors in its data related to weighting and has corrected the results.

^B Predictability is a measure of how consistent the travel time is for customers along a journey. This measure compares travel times on strategic freight and tourist routes against the previous financial year.

^C This target was incorrectly published in the statement of performance expectations as 'Decreasing (based on 2019/20 results)'. This was a new measure in 2020/21 and we planned to set the baseline this year.

In 2020/21, we planned to deliver these **inclusive access** initiatives:

Ref	Significant activity	Status at 30 June 2021
2.1	have the implementation plan for the NZUP – Transport approved by the Crown Governance Group	Achieved
2.2	ensure the plan is in progress for building necessary capability for oversight and assurance of public transport investments, including the Rail Network Investment Programme	Achieved
2.3	complete an action plan for improving connections and movements of freight across the land transport system	Achieved

We also measured our progress through financial and non-financial performance expectations for these output classes that contributed to inclusive access (see from page 58 for details):

- Regional improvements
- Public transport
- SuperGold Card – administration of the Public Transport Concessions Scheme
- SuperGold Card – public transport concessions for cardholders.



b) Liveable communities

Our position is that we will partner to efficiently combine planning and investment for transport and land use, and this will result in more vibrant, interactive communities

To help achieve our position on **liveable communities**, by 30 June 2021 we aimed to have increased space in our cities dedicated to people.

We measured our progress through these liveable communities strategic measures:

Ref	Measure	Result	2020/21 Target	2020/21 Actual	2019/20 Actual	2018/19 Actual
LC	Mode share (proportion of trips by mode) ^A	Achieved	Increasing share of public transport and active modes	15.8%	15.6% ^B	15.1% ^B

Results from the Household Travel Survey indicate that most trips nationwide continue to be by car or van (83.4%), with pedestrian trips the next most common (11.4%). Despite the disruption caused by COVID-19 and an increase in working from home arrangements, the three-year rolling average results from the survey indicate that the proportions of travel mode remain relatively unchanged from previous years. There has been a marginal increase in the proportion of people using public transport and active modes year-on-year, although the travel frequency has reduced since pre-COVID norms.

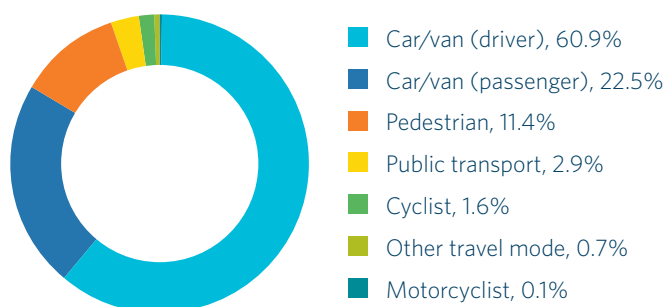


Figure 12: Mode share (proportion of trips by mode) 2020/21

In last year's annual report, we said increased investment in the Household Travel Survey in 2020/21 would enable analysis by city and up-to-date reporting based on the latest year rather than a three-year rolling average. However, COVID-19 restrictions affected the supplier's ability to undertake surveys so, we cannot present enhanced data this year as intended.

LC1.1	Proportion of space in cities dedicated to motorised vehicles	Measure retired	Baseline to be set	Refer below	Not applicable	Not applicable
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In 2020/21, we refreshed our performance framework to reflect our new strategic direction, Te kāpehu. We reviewed all existing performance measures as part of this process, including LC1.1. Following our review, we decided not to include this measure in the new performance framework. Through our review, we also found that baselining this measure for 2020/21 would be fairly resource-intensive relative to the benefits it would provide. Considering the resources required and that we didn't intend to report on the measure beyond 2020/21, we decided that baselining this measure did not represent good value for money. For this reason, the measure was retired and no further development work was undertaken.

^A Annual figures are reported a year in arrears using 36-month rolling average.

⁸ The 2019/20 and 2018/19 results were previously reported as 15.7% and 16.1% respectively. The Ministry of Transport found errors in their data related to weighting and have corrected the results.

In 2020/21, we planned to deliver these **liveable communities** initiatives:

Ref	Significant activity	Status at 30 June 2021
3.1	together with partners, progress delivery of the seven Let's Get Wellington Moving (LGWM) projects	Not achieved (refer to page 40 for details)
3.2	have a refreshed Auckland Transport Alignment Programme (post-NZ Upgrade Programme) including funding arrangements to 2028 agreed by all partners	Partially achieved (refer to page 40 for details)
3.3	develop mode shift action plans for five urban areas (Christchurch, Hamilton, Queenstown, Tauranga and Wellington)	Achieved
3.4	work with Kāinga Ora and councils to support regional spatial planning partnerships as part of the Urban Growth Agenda, focusing on integrated transport, infrastructure and land use planning to support regional development objectives within the government's urban development priorities	Partially achieved (refer to page 38 for details)
3.5	progress delivery of 13 Supporting Regions Programme state highway projects	Achieved
3.6	extend the funding and development of the Innovating Streets for People programme providing support for approved organisations to implement tactical urbanism projects and encourage active transport modes	Achieved

We also measured our progress through financial and non-financial performance expectations for these output classes that contributed to liveable communities (see from page 61 for details):

- Walking and cycling
- Rapid transit
- Transitional rail.



c) Resilience

Our position is that resilience of the land transport system is increased by managing risks and long-term resilience challenges and by helping communities quickly recover from disruptions

To help achieve our position on **resilience**, by 30 June 2021 we aimed to have:

- a system that is recognised as appropriately adapting to climate change
- the reputation as being highly responsive to significant disruption.

We measured our progress through these resilience strategic measures:

Ref	Measure	Result	2020/21 Target	2020/21 Actual	2019/20 Actual	2018/19 Actual
RES	Proportion of key social and economic corridors with viable alternative routes	Achieved	Increasing	42%	39%	Not applicable
RES1.1	Level of confidence of stakeholders and partners that the transport system is appropriately adapting to climate change	Not achieved	Increasing	2.39	2.44	2.26

This result is based on a scale rating from one to five where one is 'not at all confident' and five is 'extremely confident'. The level of confidence stakeholders and partners have that the transport system is appropriately adapting to climate change has decreased slightly compared with last year (although the decrease is not statistically significant).

Although many of our stakeholders and partners feel that visibility of the climate change has increased, a growing proportion of local authority partners say their lack of confidence relates to lack of action on responses (mitigation and adaptation), funding barriers for resilience-related projects and lack of leadership on this topic from Waka Kotahi.

We are engaging with several partner agencies as we develop the Waka Kotahi Climate Change Action Plan, due to be completed in early 2022. We hope that delivering and promoting the plan's actions will help strengthen the confidence of our partners in our ability to appropriately adapt to climate change.

Ref	Measure	Result	2020/21 Target	2020/21 Actual	2019/20 Actual	2018/19 Actual
RES2.1	Proportion of events where communities and stakeholders recently affected by significant disruption report that the Waka Kotahi was highly responsive	Not achieved	Increasing	28%	75%	Not applicable

We collect feedback about our responsiveness from communities and stakeholders who have been affected by a significant transport disruption. Only one survey was conducted during 2020/21 after heavy rains in Mangamuka Gorge in July 2020 triggered the need for a post-event survey.

Only 28 percent of 183 survey respondents rated Waka Kotahi as highly responsive (and about 48 percent disagreed that we were highly responsive). Just over half of respondents were from the general public (with the rest being a mixture of businesses, emergency services, non-government organisations and local government stakeholders). Most of those surveyed used the Mangamuka Gorge road on a regular basis.

Three out of five respondents said they were 'significantly impacted' by the road closure and this impact may have increased levels of expectation about our response. Although most were positive about how quickly Waka Kotahi sent teams to ensure safety and minimise further damage and the communications from Waka Kotahi, there were mixed views about how well Waka Kotahi: kept the local community informed; remained open to receiving feedback; and acted on the needs and concerns of the local community and businesses.

We have provided the survey responses to our maintenance and operations teams who are undertaking a review of lessons learned.

In 2020/21 we planned to deliver these **resilience** initiatives:

Ref	Significant activity	Status at 30 June 2021
5.1	progress the delivery of Te Ahu a Turanga: Manawatū Tararua highway (Manawatū Gorge replacement) and SH4 Te Ore Ore reinstatement (as detailed in appendix 3), and other key improvements to strengthen and improve the resilience of the land transport system	Partially achieved (refer page 39 for details)
5.2	develop a climate change adaptation plan	Partially achieved (refer page 39 for details)
5.3	develop a centralised risk register to provide a nationally consistent approach to identifying and assessing network maintenance risks nationally	Achieved
5.4	continue and extend our work on security to include our role in the land transport system; drawing on, and being consistent with, the work already taken in relation to applying the Protective Security Requirements (PSR) framework where relevant	Partially achieved (refer page 40 for details)

We also measured our progress through financial and non-financial performance expectations for these output classes that contributed to resilience (see from page 64 for details):

- State highway maintenance
- Local road maintenance.

Meeting current and future needs

Overview

Our Te kāpehu system outcome meeting current and future needs is about ensuring we have access to the people, funding and systems we need

which links to these position statements

d) Transport technology
e) Waka Kotahi



Our customers want a safe, affordable and reliable system that's easy to get around and gives them choices about how they travel. They want a socially and environmentally responsible system with joined-up services and reliable information. Our key challenges include being able to prioritise and sustainably fund what we need to deliver now and in the future. We successfully laid some strong foundations for our future state and aspirations this year, but must prepare for more changes in our information, technological, economic, social and physical environments.

A key part of our organisational foundations is focusing on our people. By ensuring we attract and retain great talent, we can continue delivering the best outcomes for New Zealanders. The section on Our organisation, from page 157, describes the actions we're taking to support our aspiration of being a good employer and a great place to work. These include promoting a diverse and inclusive workplace, and prioritising the health, safety and wellbeing of our people.

Completing the 2018–21 National Land Transport Programme

We're responsible for managing investment of the NLTF to deliver on government and regional priorities. Waka Kotahi must build strong partnerships and work with many agencies and organisations to deliver land transport outcomes for New Zealanders. Sometimes we invest and rely on our partners to deliver projects. Sometimes they rely on us for delivery and other times we invest and deliver together. See appendix 3 from page 181 for details on significant capital projects we've delivered with our partners, and the 2020/21 NLTF annual report for regional investment highlights.

As we finalise the 2018–21 NLTP, the NLTF will be fully utilised. Expenditure in two activity classes are below the GPS ranges: rapid transit (principally due to delayed progress of Auckland Light Rail) and road safety promotion and demand management (only slightly below target). Both approved organisation-led and Waka Kotahi-led road safety promotional activities activity class were affected by COVID-19, resulting in reduced promotional activities. State highway maintenance was slightly above the target on a pre-financing basis. See the 2020/21 NLTF annual report for detailed information on the NLTP and our overall financial performance.

This year we finalised our Investment Prioritisation Method following wide consultation with and feedback received from councils, transport and sector groups, and our people. Investment prioritisation is undertaken when a proposed activity, or combination of activities, is put forward for inclusion in an NLTP. Our Investment Prioritisation Method is being used this year to give effect to the GPS 2021 in the 2021–24 NLTP.

Refreshing our strategic direction, values and performance framework

This year, we launched our new strategic direction, Te kāpehu, which has a vision of connecting people, products and places for a thriving Aotearoa. Te kāpehu includes a new set of values and behaviours that we developed with our people and are working on embedding across Waka Kotahi. In June 2021, we finalised our new performance framework, which will help us track our progress toward realising the vision of Te kāpehu. Our new performance framework is aligned to the Transport outcomes, the GPS 2021

and our other internal strategies and plans, including Toitū te taiao our sustainability action plan, Tū ake, tu māia, our regulatory strategy and Arataki, our 10-year plan. Te kāpehu and our new performance framework are included in our refreshed statement of intent for 2021–26 and statement of performance expectations for 2021/22.

National Ticketing Solution

We've made good progress on Project NEXT, our national public transport ticketing project this year. Project NEXT will deliver a nationally coordinated approach to regional payment solutions for public transport services. Customers will have a better, more consistent and common payment experience across public transport networks. This year we completed evaluation of request for proposal (RFP) responses and began negotiations to select a final provider. This process took longer than expected as the impact of COVID-19 limited our ability to engage effectively with RFP respondents. Therefore, we didn't achieve all our planned milestones.

Safety Camera System Programme

Work is underway to develop an operating model to deliver the new approach, functions and procurement of fit-for-purpose technology systems to support safety camera operation and infringement processing within Waka Kotahi. We developed a Safety Camera System Programme Blueprint and the programme brief, which includes the Speed Infringement Implementation Plan 2021–24. We know safety cameras discourage excessive speeds, improve compliance with posted speed limits and reduce deaths and serious injuries. The Safety Camera System Programme is working toward delivering a new approach to safety cameras on our roads, including transition of their ownership and operation from New Zealand Police to Waka Kotahi.

The Advanced Traffic Management System

The Advanced Traffic Management System (ATMS) is critical for people's safety on our roads and to keep people moving. This system helps to manage planned and unplanned traffic events on motorways, regional roads, and in our numerous tunnels and bridges across the country. All roadside devices including cameras, variable message and speed signs, weather data, the health and safety systems in tunnels, and a whole lot more connect to our ATMS. We need to upgrade ATMS to ensure its ongoing reliability and remove the risk of it failing. We achieved many milestones

in the ATMS upgrade this year with operational testing of new system software underway and new infrastructure in place, including two data centre services in Auckland and Wellington. Our progress was impacted due to COVID-19, hindering the ability of our vendor to deploy required support and procure the necessary hardware within planned timelines.

Management of risks

We're part way through our three-year digital risk remediation programme. Some risks have already been addressed and a substantial work programme is underway to address the outstanding risks. We're also continually evaluating our systems and have identified new areas of high risks that will need to be remediated. This is an ongoing programme and will remain critical until all key upgrades are complete and/or ageing systems have been replaced.

We also undertook work in our risk management and risk-based assurance programme. Effective risk management helps us better understand risks and how to reduce them and provides a strong foundation for better decision-making. This year we completed 44 of the 51 procedural and technical audits we had programmed. The remaining seven audits we didn't complete were deferred to 2021/22. These were deferred so the audits carried over from 2019/20 due to COVID-19 restrictions could be prioritised and completed first.

We've also undertaken work to assess climate-related risks and opportunities. Our climate-related disclosures in appendix 1 from page 172 provide more details about these.

Digital services portfolio

Rapid advances in technology are changing our operating environment, which we can utilise to deliver better transport solutions for customers. Appendix 2 from page 178 provides details on the performance of our critical information technology assets. As part of our business planning process for 2021-24 we developed our digital services portfolio, which was approved by our executive leadership team with Board approval being sought in early 2021/22. This work will help us reduce risks by delivering key building blocks needed for future digitally enabled change. It recognises that multiple devices, systems and information will connect customers, operating systems and physical assets in new ways, providing more opportunities for new services and greater integration than ever before.

Measuring our performance



a) Transport technology

Our position is that we will combine technology and organisational capabilities to enable safer, sustainable and connected journeys

To help achieve our position on **transport technology**, by 30 June 2021 we aimed to have:

- increased easy customer access to information on journey options
- technology platforms and organisational capabilities are being delivered that reduce existing technology risk and provide the foundations for adaptable technology capability across Waka Kotahi for the future
- a single integrated plan for the investment and use of technology across Waka Kotahi is being delivered and regularly updated to reflect the changing environment.

We measured our progress through these transport technology strategic measures:

Ref	Measure	Result	2020/21 Target	2020/21 Actual	2019/20 Actual	2018/19 Actual
TT	Customers reporting increased ease of access to transport data and journey choices	Achieved	Increasing	77%	71%	73%
TT1.1	Proportion of surveyed respondents who report they can get the journey information they want through their preferred channel	Achieved	Increasing	71%	66%	66%
TT2.1	Technology risk rating	Not achieved	Reducing	Critical	Critical	Critical
<p>Our technology continues to be a critical risk for Waka Kotahi. While some risks have already been mitigated, remediation of other risks will require multi-year programmes of work.</p>						
TT2.2	Technology asset performance measures	Baseline set	Baseline to be set	Refer to ICT asset performance measure results in appendix 2 from page 178	Baseline not set	Baseline not set
TT3.1	Revised single integrated investment plan created and key milestones are being tracked	Achieved	Plan created and key milestones tracked	Plan created and key milestones tracked	Plan revised and key milestones tracked	Plan created and key milestones tracked

In 2020/21 we planned to deliver these **transport technology** initiatives:

Ref	Significant activity	Status at 30 June 2021
4.1	ensure the Advanced Traffic Management System upgrade is on-track for completion in 2021/22, with interim risk mitigation completed.	Partially achieved (refer page 48 for details)
4.2	have the Project NEXT (the national public transport ticketing project) detailed business case and an implementation plan approved by the Sector Governance Group.	Partially achieved (refer page 48 for details)
4.3	complete the Speed Infringement Implementation Plan for 2021-24	Achieved

We also measured our progress through financial and non-financial performance expectations for the investment management output class, which contributes to transport technology (see page 74 for details).



b) Waka Kotahi

Our position is that our people are capable, fostered by a strong organisational culture, and equipped with the technology and systems that enable success, and Waka Kotahi is respected by partners, stakeholders and customers for its responsive and engaged people

To help achieve our position on **Waka Kotahi**, by 30 June 2021 we aimed to have:

- a reputation of being a lead public sector agency for workplace safety for our employees and contractors
- a reputation of being a lead public sector agency known for agile thinking and fast-tracking solutions
- recognition as an employer of choice, offering a diverse, fair, safe and dynamic work environment
- operation of a resilient digital environment with class-leading security and smart processes.

We measured our progress through these Waka Kotahi strategic measures:

Ref	Measure	Result	2020/21 Target	2020/21 Actual	2019/20 Actual	2018/19 Actual
WK	Stakeholder, partner and customer satisfaction with Waka Kotahi people, engagement and systems	Not achieved	Increasing	47.6%	48.6%	45%
<p>We have introduced a regional model to strengthen our regional presence in response to feedback from local government and other partners that highlighted a need for stronger collaboration on local transport issues and initiatives. We're committed to listening to and learning from the feedback we receive from our partners, stakeholders and communities so we can continue to improve.</p>						
WK1.1	SafePlus maturity rating ^A	Achieved	Assessed as 'performing' using the SafePlus tool	Assessed as 'performing' using the SafePlus tool	Not applicable	Not applicable

Ref	Measure	Result	2020/21 Target	2020/21 Actual	2019/20 Actual	2018/19 Actual
	<p>In 2020/21 Waka Kotahi undertook a SafePlus online assessment to assess staff perceptions of health and safety. SafePlus, a joint initiative of WorkSafe New Zealand, ACC and the Ministry of Business, Innovation and Employment, is a voluntary health and safety review and performance improvement toolkit. SafePlus assessments apply a three-level maturity rating scale to organisations' performance: developing, performing and leading.</p> <p>Waka Kotahi achieved an overall 'performing' rating. A 'performing' rating indicates that health and safety performance is reviewed and monitored to support continual improvements, that workers are engaged and empowered, and risk are identified and actions are taken to address root causes.</p>					
WK1.2	Staff and contractor injury rate	Not achieved	TRIFR ≤4 (Total Recordable Injury Frequency Rate)	Staff = 3.3 Contractors = 5.7	3.8 ^{BC}	1.62 ^C
	<p>Over the last 18 months, the 12-month rolling average TRIFR has been relatively stable. TRIFR for contractors remained in the range of 4-6, in line with industry performance, but not meeting our target. The lack of significant improvement to our contractor TRIFR may be the result of gaps in the improvement strategies we've used, changes to the labour market and projects we're undertaking, and incident reporting having improved. The Improving health, safety and wellbeing section (page 163) describes the possible drivers in more detail, as well as the work we're undertaking to address them.</p>					
WK2.1	Proportion of surveyed stakeholders who consider Waka Kotahi to be known for agile thinking and fast-tracking solutions	Not achieved	Increasing	42%	44%	36.8%
	<p>Our overall rating has dropped two percentage points from last year, with our partners and stakeholders rating us slightly more negatively on using transport technology, considering new evidence in business cases and responding to changes in the wider environment.</p>					
WK3.1	Proportion of Waka Kotahi staff who agree that 'this organisation is a great place to work'	Achieved	Increasing	75%	68%	59%
WK4.1	Rating of Waka Kotahi NZ Transport Agency's Protective Security Requirements (PSR) information security maturity ^D	Achieved	Basic ^E	Basic	Basic	Informal ^F
	<p>Overall, Waka Kotahi made progress in the level of compliance with the PSR core mandatory requirements. This includes improvements in delivering security-related communications and security awareness. The step to achieving 'Managed' maturity level requires continuous commitment across all aspects of the organisation. The current maturity level of 'Basic' continues to be consolidated as we build towards 'Managed' by focusing on driving up the mandatory PSR requirements over the next 12 months.</p>					

^AThis is a proxy measure for the 2020/21 Waka Kotahi SPE measure *Proportion of surveyed staff who consider Waka Kotahi a safe place to work*. The original SPE measure cannot be reported on as in 2020/21 Waka Kotahi switched to using SafePlus toolkit to assess staff perceptions of health and safety. Previous year results are therefore not comparable.

^B This result was incorrectly reported as 0.75 in the 2019/20 annual report.

^C Only the staff TRIFR was measured in 2018/19 and 2019/20, with contractors included in 2020/21.

^D This measure used to be called Rating of the Transport Agency's Protective Security Requirements (PSR) cyber-security maturity. Under the PSR, cyber-security is not assessed independently and is only a component of information security. Assessment of protective security capability for information security (as well as the other capability dimensions) is based on four maturity levels: Informal, Basic, Managed and Enhanced.

^E This target was incorrectly set as 'Managed' at the time the targets were being developed for the Statement of performance expectations. The target for the 12 months ending March 2021 was 'Basic' as planned in the PSR self-assessment report dated 20 March 2020.

^F This result was incorrectly reported as 'Basic' in the 2018/19 annual report. The PSR information security maturity was 'Informal' based on the PSR self-assessment report dated 15 March 2019.

In 2020/21 we planned to deliver these **Waka Kotahi** initiatives:

Ref	Significant activity	Status at 30 June 2021
8.1	undertake a refresh of Waka Kotahi's purpose, strategy, values and performance measures and then represent them in our statement of intent 2021-26 and statement of performance expectations 2021/22	Achieved
8.2	implement and embed new values and behaviours that strengthen our organisational culture and empower our people	Achieved
8.3	progress the people strategy and supporting people capability plan to close identified gaps	Achieved
8.4	establish a programme to uplift leadership capability	Achieved
8.5	implement a comprehensive risk management and risk-based assurance programme including a focus on core internal controls, probity, contract management, infrastructure projects and our regulatory function	Partially achieved (refer page 48 for details)
8.6	obtain Board approval of a multi-year Digital Services Portfolio with investment funding requirements identified	Partially achieved (refer page 48 for details)
8.7	complete the National Land Transport Programme 2021-24 incorporating Investment Decision Making Framework outcomes, with effective support to develop sector capability in place	Achieved

We also measured our progress through financial and non-financial performance expectations for the investment management output class, which contributed to Waka Kotahi (see page 74 for details)

Output class performance

Overview

Waka Kotahi is funded to deliver and invest in a range 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 the GPS and effectively perform our regulatory function. Our output class measures help us track whether we are delivering and investing in our goods and services (output classes) in the right way, in terms of quantity, quality, timeliness and cost.

In 2020/21 we had 19 output classes. Under each system outcome we listed the output classes we'll deliver and invest in to complete our significant activities. Table 1 summarises the contribution of each output class to our four Te kāpehu system outcomes.

Table 1: Contribution of each output class to achievement of our system outcomes and the outcome to which each output class primarily (P) contributes.

Output class	Safe	Environmentally sustainable	Effectively and efficiently moving people and freight	Meeting current and future needs
State highway improvements	P			
Local road improvements				
Road safety promotion and demand management	P			
Road policing	P			
Regional improvements				P
Public transport				P
Supergold card - administration of the public transport concessions scheme				P
Supergold card - public transport concessions for cardholders				P
Walking and cycling				P
Rapid transit				P

Output class	Safe	Environmentally sustainable	Effectively and efficiently moving people and freight	Meeting current and future needs
Transitional rail	●	●	P	
State highway maintenance	●		P	
Local road maintenance	●		P	
Driver licensing and testing	P		●	
Vehicle safety and certification	P		●	
Regulation of commercial transport operators	P		●	
Regulation of the rail transport system	P		●	
Revenue collection and administration	●		●	P
Investment management	●	●	●	P

P P P indicates which outcome(s) each output class contributes primarily to.

Output class results

State highway improvements ●●

Delivered by Waka Kotahi and funded from the NLTF and the Crown

We plan, invest in and deliver infrastructure (including roads, roadsides and all supporting infrastructure and technology) by working collaboratively with council partners to co-create integrated, community-wide solutions. State highway improvements primarily contribute to a safer, more resilient transport system, improved access to social and economic opportunities, and enhanced liveability. As well as seeking to reduce adverse effects, we look to identify opportunities to enhance the local environment and public health while providing more sustainable transport solutions.

Ref	Performance measure	Result	2020/21 Target	2020/21 Actual	2019/20 Actual	2018/19 Actual
SHI1	Proportion of state highway improvement activities delivered to agreed standards and timeframes ^{A B}	Not achieved	≥90%	68%	71%	88%
<p>A few large projects experienced delays due to the resetting of schedules that were impacted by COVID-19, poorer than average weather through spring and summer and difficulties in acquiring grade 40/50 binder material to complete road sealings. Details can be found in the significant capital projects report in appendix 3 from page 181. The result was also driven by the \$149 million an underspend this year, largely as a result of COVID-19 response payments being accrued in the 2019/20 and these payments being reimbursed by Treasury in 2020/21. The 2020/21 budget was set before the first COVID-19 lockdown in March 2020.</p>						
SHI2	Length of the state highway network modified to align with safe and appropriate speed ^A	Achieved	≥250 kilometres	465.2 kilometres	50.5 ^C kilometres	68.5 kilometres
<p>Speed modifications on 465.2 km of state highways were made this year to improve safety of the network. This brings total length of the network modified under the Safe Network Programme since 2018/19 to 584.2 km. A more continuous speed programme has provided the opportunity to balance resources, identify and streamline speed reviews and modify more lengths of road to align with safe and appropriate speeds. This year, we were able to apply speed changes on some large corridors including SH6 Blenheim to Nelson (109 km), SH35 Te Puia Springs to Gisborne townships (99 km) and SH5 Waitapu (71 km).</p>						

The explanatory notes for these performance measures are in appendix 4, page 190.

^A This is also a performance measure for an appropriation in Vote Transport. See appendix 5, page 198 for all appropriation measures.

^B The scope of this measure changed this year to include only projects funded by the National Land Transport Fund. Crown-funded Accelerated Regional Roding projects previously included in this measure are reported under *Proportion of Waka Kotahi NZ Transport Agency regional state highway activities delivered to agreed standards and timeframes* (see page 201 of appendix 5). This change does not materially affect the result of this measure. Other Crown-funded state highway improvement projects such as those under the NZ Upgrade programme are reported separately from this measure (see *Proportion of roads and walking and cycling infrastructure delivered to agreed standards and timeframes* on page 199 of appendix 5).

^C This result was reported as 119 km in the previous annual report, which reflected the cumulative length of the state highway network that was modified in 2018/19 and 2019/20. This year we assessed results against the target for the financial year only, so have adjusted the figure to show lengths modified for 2019/20 only.

	Actual 2020/21 \$M	Budget 2020/21 \$M	Variance 2020/21 \$M	Actual 2019/20 \$M
Revenue	1,343.4	1,516.0	(172.6)	1,676.6
Expenditure	1,343.4	1,516.0	(172.6)	1,676.6
Net surplus/(deficit)	0.0	0.0	0.0	0.0

Excludes repayment of borrowing for the Auckland Transport Package and other borrowings.

Note: Expenditure is net of developers' contributions, so reflects increases in Waka Kotahi 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 \$645.7 million (2019/20: \$620.3 million)
- public-private partnerships of (\$59.4) million (2019/20: \$629.3 million)
- assets vested to local authorities of \$1.6 million (2019/20: \$0.0 million)

State highway improvements was \$172.6 million (11 percent) below budget mainly due to project delays caused by COVID-19 and weather across a number of projects including projects that are funded by the Crown.

See from page 128 for full details on output class funding and expenditure.

Local road improvements ●●

Invested in by Waka Kotahi, delivered by local authorities and funded from the NLTF and the Crown

With our council partners, we co-invest in infrastructure (including roads, roadsides and all supporting infrastructure and technology) by planning collaboratively to co-create integrated, community-wide solutions.

Local road improvements primarily contribute to a safer, more resilient transport system, improved access to social and economic opportunities, and enhanced liveability. As well as seeking to reduce adverse effects, we look to identify opportunities to enhance the local environment and public health while providing more sustainable solutions.

Ref	Performance measure	Result	2020/21 Target	2020/21 Actual	2019/20 Actual	2018/19 Actual
LRI1	Length of the local road network modified to align with safe and appropriate speed ^A	Unable to report	Baseline to be set	Unable to report	Unable to report	Unable to report

We are not able to report against this measure because data will be sourced from the National Speed Limit Register (NSLR), which is planned to go live in December 2021. Development of the NSLR has been put on hold pending the completion of the National Speed Management Guide and the signing of the new Setting of Speed Limits Rule.

The explanatory notes for these performance measures are in appendix 4, page 190.

^A This is also a performance measure for an appropriation in Vote Transport. See appendix 5, page 198 for all appropriation measures.

	Actual 2020/21 \$M	Budget 2020/21 \$M	Variance 2020/21 \$M	Actual 2019/20 \$M
Revenue	320.0	357.4	(37.4)	290.9
Expenditure*	320.0	357.4	(37.4)	290.9
Net surplus/(deficit)	0.0	0.0	0.0	0.0

* Finance costs have been added to the budget for comparability.

Local road improvements was \$37.4 million (10 percent) under budget mainly due to delays in the Housing Infrastructure Fund projects and underspends in the low-cost low risk programmes.

See page 133 for full details on output class funding and expenditure.

Road safety promotion and demand management ●●

Delivered by Waka Kotahi and local authorities with funding assistance from the NLTF

We manage and invest in activities that support behavioural changes to improve road safety and align with the priority actions in Road to Zero. We develop, design and deliver advertising, education, public information and interventions targeted at road users to positively influence desired behaviour in the transport system. This sets the benchmark for approved organisations to be eligible for road safety promotion funding administered through the NLTP.

We also promote mode shift and use of travel planning to optimise the transport system, including travel demand management plans, cycle safety training, ride sharing, promotion of public transport and active modes, provision of alcohol interlocks and reimbursements related to impounded vehicles. Activities are also delivered through other output classes such as Driver licensing and testing and Public transport.

Effective road safety promotion means people are informed and know how to stay safe in the transport system. Through travel planning activities we help people make informed choices about which mode of transport to use.

Ref	Performance measure	Result	2020/21 Target	2020/21 Actual	2019/20 Actual	2018/19 Actual
RSP1	Proportion of road safety advertising campaigns that meet or exceed their agreed success criteria ^A	Achieved	≥80%	85%	90%	89%

The explanatory note for this performance measure is in appendix 4, page 190.

^A This is also a performance measure for an appropriation in Vote Transport. See appendix 5, page 198 for all appropriation measures.

	Actual 2020/21 \$M	Budget 2020/21 \$M	Variance 2020/21 \$M	Actual 2019/20 \$M
Revenue	62.6	61.6	1.0	52.6
Expenditure	60.0	59.7	0.3	50.1
Net surplus/(deficit)	2.6	1.9	0.7	2.5

Road safety promotion and demand management expenditure and revenue were materially on budget.

See page 136 for full details on output class funding and expenditure.

Road policing ●●

Results for the road policing output class are reported in the 2020/21 NLTF annual report.

Regional improvements ●●●

Delivered by Waka Kotahi and funded from the NLTF and the Crown

We plan and invest in infrastructure outside metropolitan areas (including roads, roadsides, and supporting infrastructure and technology) by working collaboratively with council partners to co-create integrated, community-wide solutions. We deliver state highway projects, and local and regional councils deliver local road projects.

Regional improvements support regional economic development by creating a safer, more resilient transport system and improving access to social and economic opportunities. As well as seeking to reduce adverse effects, we look to identify opportunities to enhance the local environment and public health while providing more sustainable solutions.

Ref	Performance measure	Result	2020/21 Target	2020/21 Actual	2019/20 Actual	2018/19 Actual
RI1	Proportion of regional improvement activities delivered to agreed standards and timeframes ^A	Not achieved	≥90%	77%	88%	98%
	Target was not achieved due to four significant capital projects not achieving key milestones: Loop Road North to Smeatons Hill safety improvements, Mt Messenger and Awakino Gorge Corridor, Hawke's Bay Expressway Safety Treatments and Prebensen Hyderabad Intersection upgrade. Details can be found in appendix 3. Strong progress was made across all other regional improvement projects.					
RI2	Proportion of Waka Kotahi NZ Transport Agency projects funded by the Provincial Growth Fund delivered to agreed standards and timeframes ^A	Not achieved	≥90%	60%	Unable to report ^B	Unable to report ^B
	Target was not achieved because most of the projects were in early stages of development and have taken longer than initially estimated to progress to the construction phase. Challenges included geotechnical issues on the SH35 Resilience project, and a constricted construction season on the SH43 Sealing the Gorge project.					

The explanatory notes for these performance measures are in appendix 4, page 190.

^A This is also a performance measure for an appropriation in Vote Transport. See appendix 5, page 198 for all appropriation measures.

^B We were unable to report on this measure in the past because no projects were scheduled for completion in previous years.

	Actual 2020/21 \$M	Budget 2020/21 \$M	Variance 2020/21 \$M	Actual 2019/20 \$M
Revenue	153.9	243.8	(89.9)	102.7
Expenditure	153.9	243.8	(89.9)	102.7
Net surplus/(deficit)	0.0	0.0	0.0	0.0

Regional improvements expenditure was \$89.9 million (37 percent) below budget. This was mainly driven by delays in Provincial Growth Fund projects and New Zealand Upgrade Programme Regional Investment Opportunity projects.

See page 135 for full details on output class funding and expenditure

Public transport ●●●

Invested in by Waka Kotahi, delivered by local authorities and funded from the NLTF

Along with approved organisations, we invest in bus, ferry and rail public transport services, customer information, technology, trains, facilities (including operations and maintenance) and infrastructure. We also subsidise door-to-door transport for people with mobility impairments.

The SuperGold card output classes support public transport activities. The transitional rail and rapid transit output classes also fund public transport activities.

Public transport improves customers' travel choices, increases people's access to social and economic opportunities, eases congestion and makes better use of the existing transport system. Public transport also reduces the impact of transport on the environment and contributes to reducing the number of deaths and serious injuries from road crashes. Public transport supports vibrant and liveable urban communities and effective land use.

Ref	Performance measure	Result	2020/21 Target	2020/21 Actual	2019/20 Actual	2018/19 Actual
PT1	Number of boardings on urban public transport services (bus, train and ferry) ^A	Achieved	≥119 million ^B	120 million	139 million	168 million
	The target was achieved despite a challenging year. While COVID-19 travel restrictions continue to affect patronage, public transport boardings started to recover in major urban centres. The pandemic has also influenced changes in travel behaviours, with more people working from home resulting in less frequent use of public transport. As a result of closed international borders, there is also less patronage from overseas students and temporary workers, who would typically rely on public transport.					
PT2	Proportion of people with access to frequent public transport services at peak times in Auckland, Wellington and Christchurch ^A	Achieved	Increasing	24.3%	23.8% ^C	25.7% ^C
	Access to frequent public transport services at peak times in the metropolitan centres has improved. Compared with last year, about 100,000 more people had access to the service this year.					
PT3	Mode share of people into Auckland central business district ^D	Not achieved	Bus: Increasing Car: Decreasing	Bus: 23% Car: 57%	Bus: 26% Car: 49%	Not applicable
	Travel into the Auckland central city dropped across all modes as a result of COVID-19 disruptions. However, car travel recovered at a faster rate than public transport. The result is an increase in car mode share relative to other modes. This reversed previous trends of declining car mode share. Analysis of public transport data suggests the results are influenced by an increase in work-from-home behaviours, whereby many public transport customers are travelling into the central city less frequently than before COVID-19.					

The explanatory notes for these performance measures are in appendix 5, page 198.

^A This is also a performance measure for an appropriation in Vote Transport. See appendix 5, page 198 for all appropriation measures.

^B We were unable to set a target early in the financial year due to uncertainties on the effects of COVID-19 to public transport boardings. The target has been determined based on the year-end estimate of the measure. This has been used to assess progress since 2020/21 quarter two.

^C This was rounded off in the previous annual report.

^D This is a proxy measure and the result is comparable to the previous year's result. We have been unable to report on *Mode share of people travelling by bus and car on key Auckland corridors* because robust data is not available.

	Actual 2020/21 \$M	Budget 2020/21 \$M	Variance 2020/21 \$M	Actual 2019/20 \$M
Revenue	760.9	708.6	52.3	716.4
Expenditure	760.9	708.6	52.3	716.4
Net surplus/(deficit)	0.0	0.0	0.0	0.0

Public transport expenditure was \$52.3 million (seven percent) above budget reflecting the Crown funding for the reduction in farebox revenue as a result of COVID-19.

See page 132 for full details on output class funding and expenditure.

SuperGold card – administration of the public transport concessions scheme and SuperGold card – public transport concessions for cardholders

Administered by Waka Kotahi, delivered by local authorities and funded from the Crown

Together with regional councils, including Auckland Transport, we provide public transport concessions for SuperGold cardholders and administer the SuperGold cardholders' scheme on behalf of the Ministry of Transport. This work includes monitoring, reporting, auditing, liaising with regional councils and managing payments.

The SuperGold card scheme gives older people more transport choices and improves the use of public transport during off-peak hours, which contributes to access to social and economic opportunities and essential services for older people, lower emissions and improved safety on our roads.

Ref	Performance measure	Result	2020/21 Target	2020/21 Actual	2019/20 Actual	2018/19 Actual
SG1	Proportion of bulk funding payments of Crown SuperGold allocation paid to approved organisations within a month from funding amount agreement date ^A	Not achieved	100%	29%	Not applicable	Not applicable
	Approved organisations (AOs) were advised of their SuperGold funding allocations on 18 September 2020. Only four of 14 AOs were paid within the month. These were the AOs that submitted their funding claims within three days of funding agreement date. While Waka Kotahi processed all claims within acceptable timeframes (an average of 14 days), as the remaining AOs submitted their claims much later, payment could not be made within the target timeframe.					
SG2	Number of boardings using SuperGold concessions ^A	Achieved	≥11.3 million ^B	12.2 million	12.6 million	15.7 million
	SuperGold card patronage is slowly recovering from the initial impacts of COVID-19 in 2019/20. Subsequent changes in alert levels had less impact on SuperGold customer patronage, with robust recovery and a higher return of SuperGold passengers to public transport than for other customer demographic groups.					

The explanatory notes for these performance measures are in appendix 4, page 190.

^A This is also a performance measure for an appropriation in Vote Transport. See appendix 5, page 198 for all appropriation measures.

^B We were unable to set a target early in the financial year due to uncertainties of the effects of COVID-19 on public transport boardings using SuperGold card concessions. The target has been determined based on the year-end estimate of the measure. This has been used to assess progress since 2020/21 quarter two.

	Actual 2020/21 \$M	Budget 2020/21 \$M	Variance 2020/21 \$M	Actual 2019/20 \$M
Revenue	30.2	30.7	(0.5)	30.7
Expenditure	30.2	30.7	(0.5)	30.7
Net surplus/(deficit)	0.0	0.0	0.0	0.0

SuperGold card administration and public transport concessions expenditure and revenue were materially on budget.

See page 133 for full details on output class funding and expenditure.

Walking and cycling ●●●

Invested in by Waka Kotahi, delivered by road controlling authorities and funded from the NLTF and the Crown

We plan and co-invest in new and improved walking and cycling facilities, including the Urban Cycleways Programme, as well as in community education and promotion (as part of a walking or cycling project). We deliver state highway walking and cycling facilities, and local and regional councils primarily deliver local road walking and cycling facilities.

Walking and cycling investment encourages more people to walk and cycle by:

- creating safer and more accessible infrastructure
- creating transport networks that give people more transport choices
- supporting access to social and economic opportunities, including education, employment and tourism.

Ref	Performance measure	Result	2020/21 Target	2020/21 Actual	2019/20 Actual	2018/19 Actual
WC1	Network kilometres of walking and cycling facilities delivered ^A	Achieved	Increasing	85.3 kilometres	63.2 kilometres	104.8 kilometres
	A total of 85.3 km of walking and cycling facilities were added to the network this year, including existing paths and cycleways where improvements were made. This included 13.5 km of facilities delivered through the Urban Cycleways Programme, which is now nearing completion. Suspension in construction works and other work programme delays because of the national COVID-19 lockdown in 2020 have also affected delivery of some milestones. More facilities would have been delivered this year if not for the COVID-19 disruptions.					
WC2	Cycling count in urban areas	Achieved	Increasing	7,078 ^B	6,776 ^C	6,238
	Cycle count increased 5% this year compared with the previous year. This result was due to the significant increase in cycle count in Wellington (15%) and moderate increase in cycle count in Auckland (7%) but was offset by the decrease in cycle count in Christchurch (9%).					

The explanatory notes for these performance measures are in appendix 4, page 190.

^A This is also a performance measure for an appropriation in Vote Transport. See appendix 5, page 198 for all appropriation measures.

^B The cordon count is undertaken as at a point in time so is subject to variability from year to year. This result reflects the number of cyclists counted in the annual cycling cordon count in each urban centre. The count for Auckland was done on the week of 12 April 2021, and the Wellington and Christchurch counts were done on the week of 8 March 2021. Due to changes on some cordon count locations in Auckland this year, data was adjusted to make them comparable with last year's figures.

^C This was incorrectly reported as 6,728 last year due to an error in reporting by Wellington City Council.

	Actual 2020/21 \$M	Budget 2020/21 \$M	Variance 2020/21 \$M	Actual 2019/20 \$M
Revenue	210.2	123.2	87.0	89.3
Expenditure	210.2	123.2	87.0	89.3
Net surplus/(deficit)	0.0	0.0	0.0	0.0

Walking and cycling expenditure was \$87.0 million (71 percent) above budget mainly due to the Innovating Streets projects and Bayview to Baypark project that were not included in the 2020/21 budget and projects progressing faster than planned.

See page 131 for full details on output class funding and expenditure.

Rapid transit

Invested in and delivered by Waka Kotahi and funded from the NLTF

In partnership with other agencies, we deliver rapid transit improvements. This work includes establishing arrangements to plan, fund, design, supervise, construct and maintain rapid transit networks and projects, including light rail. The State highway improvements and Public transport output classes also fund rapid transit activities.

Rapid transit provides customers with more ways to travel, eases congestion, and supports better access to housing, education and employment in major metropolitan areas. Like other forms of public transport, rapid transit also reduces the impact of transport on the environment and contributes to reducing the number of deaths and serious injuries from road crashes.

Ref	Performance measure	Result	2020/21 Target	2020/21 Actual	2019/20 Actual	2018/19 Actual
RPT1	Proportion of rapid transit activities delivered to agreed standards and timeframes ^A	Not achieved	≥90%	39%	Not applicable	Not applicable

Target was not achieved due to the delays in the business cases of four major rapid transit projects. City Centre to Mangere and North West Rapid Transit Improvements were delayed to ensure alignment with wider network improvements in Auckland. The business cases of Auckland's Supporting Growth Alliance (Northwest rapid transit network from Westgate to Kumeu and the busway extension from Albany to Silverdale) and Let's Get Wellington Moving Mass Rapid Transit were delayed due to the impact of COVID-19 on funding and resourcing (details can be found in appendix 3 from page 181).

The explanatory note for this performance measure is in appendix 4, page 190.

^A This is also a performance measure for an appropriation in Vote Transport. See appendix 5, page 198 for all appropriation measures.

	Actual 2020/21 \$M	Budget 2020/21 \$M	Variance 2020/21 \$M	Actual 2019/20 \$M
Revenue	21.6	42.8	(21.2)	32.3
Expenditure	21.6	42.8	(21.2)	32.3
Net surplus/(deficit)	0.0	0.0	0.0	0.0

Rapid transit expenditure was \$21.2 million (50 percent) under budget. The budgeted was set in April 2020 and was based on anticipated progress on the original plan for the City Centre to Māngere Light Rail project which was discontinued in June 2020. Work on an alternative solution has continued since the announcement. In addition, Let's Get Wellington Moving Mass Rapid Transit was delayed due to the impact of COVID-19 on funding and resourcing. As a result, the rapid transit output class would not meet budget over the remainder of the current National Land Transport Programme and the balance of unused funding has been reallocated to other output classes.

See page 139 for full details on output class funding and expenditure.

Transitional rail

Invested in by Waka Kotahi and funded from the NLTF

We work with approved organisations to invest in improving urban (metro) rail network infrastructure and developing interregional passenger rail infrastructure and services. Approved organisations co-design and contract with KiwiRail to deliver the projects.

Transitional rail:

- accommodates past growth in Auckland and Wellington by improving the reliability and resilience of urban passenger rail services
- accommodates future growth of New Zealand's cities by increasing the capacity of urban rail services
- improves access to social and economic opportunities between regions.

Ref	Performance measure	Result	2020/21 Target	2020/21 Actual	2019/20 Actual	2018/19 Actual
TR1	Proportion of transitional rail projects delivered to plan ^A	Not achieved	≥90%	83%	Not applicable	Not applicable
Two of 12 transitional rail projects have been delayed. Completion of the business case for the Auckland pedestrian level crossing removal is now expected in November 2021. The Palmerston North-Wellington Rail Passenger (Capital Connection) project was also delayed due to the work on rolling stock replacement taking longer than expected.						

The explanatory note for this performance measure is in appendix 4, page 190.

^A This is also a performance measure for an appropriation in Vote Transport. See appendix 3, page 181 for all appropriation measures.

	Actual 2020/21 \$M	Budget 2020/21 \$M	Variance 2020/21 \$M	Actual 2019/20 \$M
Revenue	160.4	100.0	60.4	64.6
Expenditure	160.4	100.0	60.4	64.6
Net surplus/(deficit)	0.0	0.0	0.0	0.0

Transitional rail expenditure was \$60.4 million (60 percent) above budget mainly due increased expenditure following the approval of cost and scope adjustments by the Waka Kotahi Board on three major projects (WMUP3&4, and RNGIM). These offset some minor delays in other areas of the programme.

See page 139 for full details on output class funding and expenditure.

State highway maintenance ●●

Delivered by Waka Kotahi and funded from the NLTF and the Crown

We plan and deliver maintenance and emergency works and provide responsive operation of the state highway system to enable liveable communities.

State highway maintenance provides reliable access for people 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.

Ref	Performance measure	Result	2020/21 Target	2020/21 Actual	2019/20 Actual	2018/19 Actual
SHM1	Proportion of state highway maintenance activities delivered to agreed standards and timeframes ^{A B}	Achieved	≥90%	96%	Not applicable	Not applicable
SHM2	Safe stopping: proportion of network above skid threshold ^A	Not achieved	≥98%	97%	95%	97%

The result reflects the deteriorating condition of the state highway network, a consequence of funding for renewal programmes being lower than what is required to sustain network condition. In the past few years, pavement and surfacing renewal activities have not been delivered to planned levels, with only 90-92 percent of the renewals programme delivered annually.

Early this year, an evaluation of network condition programmes identified the renewals programme as a focus for improvement and has since resulted in an improvement in programme delivery to 95 percent. We will continue improving delivery of funded programmes but funding constraints on state highway maintenance throughout the 2021-24 NLTP period limits our capability to sustain agreed levels of service that will ensure network condition standards are met.

Ref	Performance measure	Result	2020/21 Target	2020/21 Actual	2019/20 Actual	2018/19 Actual
SHM3	Availability of state highway network: proportion of unplanned road closures resolved within standard timeframes	Not achieved	≥81.8% ^C	80.6%	81.8% ^C	Not applicable

Target was not achieved due to weather-related closures on long stretches of the state highway during the winter season (such as snow and ice along the Desert Road in the North Island and the alpine passes in the South Island), as well as extreme weather events during the year.

Although road closures caused by weather events comprised only 18% of the 840 incidents this year, only 57% of those closures were resolved within standard timeframes. On the other hand, 86% of road closures caused by other incidents (such as crashes, fire and obstructions) were resolved on time.¹

In 2019/20, performance against the measure target improved during the national COVID-19 lockdown, possibly because of limited traffic and travel. The result did not improve during the Auckland lockdown in quarter one of 2020/21.

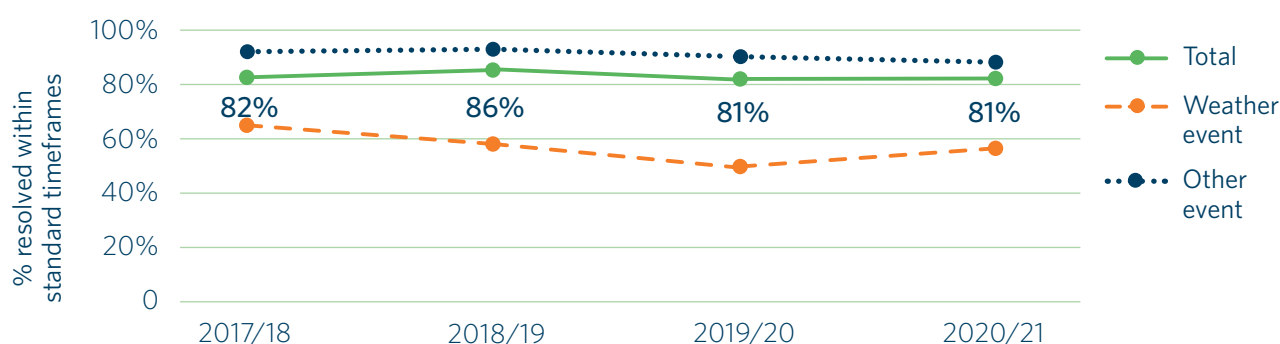


Figure 13: Proportion of unplanned road closures resolved within standard timeframes 2017/18–2020/21

SHM4	State highway maintenance cost per lane kilometre delivered ^A	Achieved	\$24,000–\$28,000	\$26,292	\$25,352	\$22,997
SHM5	Proportion of restoration and rebuild projects of State Highway 1 between Picton and Christchurch delivered to agreed standards and timeframes ^A	Achieved	100%	100%	97%	81%

The explanatory notes for these performance measures are in appendix 4, page 190.

^A This is also a performance measure for an appropriation in Vote Transport. See appendix 5, page 198 for all appropriation measures.

^B The methodology of this measure was changed this year to replace the assessment used for some activities. The result of this measure is not comparable with previous years' results.

^C Due to the change in methodology to align urban and rural road definitions with those used by Statistics NZ, we were unable to provide a target early in the financial year. We have recalculated 2019/20 data using the new road definitions and have set it as the minimum target this year. This target has been used to assess progress since 2020/21 quarter one.

¹ See related IA2.1 Number of hours that priority routes for freight and tourism are unavailable, which is an inclusive access strategic measure (see page 42).

	Actual 2020/21 \$M	Budget 2020/21 \$M	Variance 2020/21 \$M	Actual 2019/20 \$M
Revenue	814.5	745.0	69.5	803.5
Expenditure	814.5	745.0	69.5	803.5
Net surplus/(deficit)	0.0	0.0	0.0	0.0

State highway maintenance expenditure was \$69.5 million (9 percent) above budget. This was mainly due to the additional costs associated with emergency works and increased contract prices.

See page 130 for full details on output class funding and expenditure.

Local road maintenance ●●

Invested in by Waka Kotahi, delivered by local authorities and funded from the NLTF

We fund the planning and delivery of maintenance and emergency works that provide a responsive operation of the local road system to enable liveable communities.

Local road maintenance provides continued access for people to social and economic opportunities while maintaining the safety and resilience of the local road network.

Ref	Performance measure	Result	2020/21 Target	2020/21 Actual	2019/20 Actual	2018/19 Actual
LRM1	Smooth ride: proportion of travel on smooth roads ^A	Achieved	≥86%	87%	87%	87%
LRM2	Local road maintenance cost per lane kilometre delivered ^A	Not achieved	≤\$3,000	\$4,004	\$3,628	\$3,455

The cost of local road maintenance continued to increase because recently awarded contracts by local authorities to service and delivery providers were more expensive than previous contracts. We have revised our approach in assessing this performance measure from 2021/22 to reflect the steady cost increases during the 2018–21 NLTP and the local road maintenance forecast allocations for the 2021–24 NLTP.

The explanatory notes for these performance measures are in appendix 4, page 190.

^A This is also a performance measure for an appropriation in Vote Transport. See appendix 5, page 198 for all appropriation measures.

	Actual 2020/21 \$M	Budget 2020/21 \$M	Variance 2020/21 \$M	Actual 2019/20 \$M
Revenue	667.6	668.9	(1.3)	617.7
Expenditure	667.6	668.9	(1.3)	617.7
Net surplus/(deficit)	0.0	0.0	0.0	0.0

Local road maintenance was materially on budget.

See page 134 for full details on output class funding and expenditure.

Driver licensing and testing ●●

Delivered by Waka Kotahi and funded from fees and charges and the Crown

We improve the safety of the land transport system by ensuring drivers meet and maintain required safety standards. This work includes:

- providing approved driver licensing courses
- developing land transport rules relating to driver licensing and testing (for the Minister of Transport)
- managing the standards and delivery of driver licensing and testing to the public, including developing and maintaining driver licensing test routes
- assessing licence holders, including for alcohol and other drug use
- maintaining the integrity of the driver licence register
- informing and advising the public on driver licensing and testing
- educating, auditing and undertaking 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
- developing and maintaining resources, such as road codes, theory and practical test requirements, and testing and provider manuals.

Driver licensing and testing 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.

Ref	Performance measure	Result	2020/21 Target	2020/21 Actual	2019/20 Actual	2018/19 Actual
DLT1	Unit cost of providing user-facing driver licensing and testing services	Not achieved	\$20.90 - \$22.95 ^A	\$25.09	\$27.36	Not applicable
	There has been an increase in direct costs as a result of agent fee increases. While transaction volumes continued to decrease, unlike last year this was not materially affected by the impacts of COVID-19.					
DLT2	Proportion of driver licence tests booked online	Achieved	≥60%	74%	66%	60%
	Last year, performance against this measure was positively affected by COVID-19 due to an increase in online transactions as counter agents became unavailable and inaccessible as a result of lockdowns and travel restrictions.					
DLT3	Proportion of practical tests taken within 30 working days of booking	Not achieved	≥85%	60%	61%	Not applicable
	The impacts of the COVID-19 lockdowns on practical testing affected performance against target for this measure in both 2019/20 and 2020/21. The COVID-19 lockdowns during 2019/20 and 2020/21 led to over 48,000 tests being rescheduled, creating a significant backlog. During 2020/21, there was also an overall increase in demand for practical testing, driven by government initiatives to encourage New Zealanders to progress through the driver licensing system.					
	Waka Kotahi and Vehicle Testing New Zealand (VTNZ) have worked together closely to reduce test wait times and increase testing volumes. VTNZ increased staffing levels by 26 percent across Aotearoa in the last 12 months. Additionally, in the Auckland region where there have been multiple COVID-19 lockdowns, five temporary driver testing officers were allocated and an additional testing site was opened in Takanini.					
	We've already started seeing some improvements in the number of tests taken and wait times, with VTNZ continuing to increase staffing levels in the most affected areas. We expect performance to hit target by the end of the calendar year.					

Ref	Performance measure	Result	2020/21 Target	2020/21 Actual	2019/20 Actual	2018/19 Actual
DLT4	Proportion of audits for driver licence course providers completed against target	Achieved	≥95%	132%	148%	Not applicable
	The result is above 100% as the target for this measure was set at a time when the audit team was under-resourced. The team returned to full capacity during the year, leading to the result exceeding target.					
DLT5	Proportion of non-compliance actions for driver licence course providers and testing officers that are under active management	Achieved	≥95%	95%	Not applicable	Not applicable

The explanatory notes for these performance measures are in appendix 4, page 190.

^A We were unable to set a target early in the financial year because data required to adjust forecast volumes was incomplete due to the COVID-19 lockdown. The target has been determined and used to assess progress since 2020/21 quarter one.

	Actual 2020/21 \$M	Budget 2020/21 \$M	Variance 2020/21 \$M	Actual 2019/20 \$M
Revenue	67.9	67.7	0.2	66.7
Expenditure	90.0	89.9	0.1	81.1
Net surplus/(deficit)	(22.1)	(22.2)	0.1	(14.4)

Drivers licencing and testing recorded a deficit of \$22.1 million which was materially on budget.

See page 137 for full details on output class funding and expenditure.

Vehicle safety and certification ●●

Delivered by Waka Kotahi and funded from fees and charges and the Crown

We use vehicle registration, licensing, standards and certification to ensure the vehicles on our roads are compliant and safe. We do this by:

- developing land transport vehicle rules and clear standards and guidelines for vehicle inspection and certification (for the Minister of Transport)
- appointing vehicle inspectors and inspecting organisations that certify vehicles for compliance with standards and safety requirements
- monitoring and auditing performance of vehicle inspectors and inspecting organisations, including investigating complaints
- investigating and taking appropriate action against vehicle inspectors and inspecting organisations that do not meet the required standards
- revoking certification of vehicles when we find they are unsafe or illegal
- managing the delivery of motor vehicle registration and licensing services to the public
- maintaining the integrity of the motor vehicle register and related systems
- authorising and managing third-party access to registry information
- informing and advising on vehicle standards, registration and licensing regulatory requirements.

Vehicle safety and certification (including registration, licensing, standards and certification activities) helps ensure vehicles on our roads are safe and maintains the integrity of vehicle registration and certification systems.

Ref	Performance measure	Result	2020/21 Target	2020/21 Actual	2019/20 Actual	2018/19 Actual
VSC1	Unit cost of providing user-facing motor vehicle licencing services	Not achieved	\$4.98 - \$5.13 ^A	\$5.17	\$5.69	Not applicable
<p>Contract negotiations have led to increases in agent fees and a subsequent increase in direct costs to higher than expected levels. Once the new service contracts were signed we also had to backdate payment for the cost increases to 1 July 2020, which further increased the unit cost of the service. Last year, performance against this measure was negatively affected by COVID-19 due to low transaction volumes during lockdown. While transaction volumes are also down by 2%, unlike last year this has not been materially affected by the impacts of COVID-19.</p>						
VSC2	Proportion of motor vehicle licensing completed online	Achieved	≥60%	68%	64%	57%
VSC3	Proportion of vehicles relicensed on time	Achieved	≥98%	98%	98%	98%
VSC4	Proportion of audits and reviews for inspecting organisations and vehicle inspectors completed against target	Achieved	≥95%	178%	119%	Not applicable
<p>The result is greater than 100% as a result of two main factors.</p> <ul style="list-style-type: none"> Conservative target setting as a result of COVID-19. Target setting occurred just after the first national COVID-19 lockdown. At that time, we were concerned that the impacts of the lockdown meant that the baseline data we used to inform target setting wasn't representative of typical performance. Additionally, we didn't have enough information to estimate the impacts of COVID-19 on future performance. Our recent transition from a five to three-year inspection programme. We didn't have a full understanding of what our transition from a five to three-year programme meant for our resourcing and planning. For example, we initially didn't account for having to prioritise auditing those inspecting organisations and vehicle inspectors that had last been audited four to five years ago and were, therefore, out of cycle with our new three-year programme. <p>We also increased resourcing and standardised our standard operating procedures, which both contributed to improved performance.</p>						
VSC5	Proportion of non-compliance actions for vehicle inspecting organisations, vehicle certifiers and vehicle inspectors that are under active management	Achieved	≥95%	95%	Not applicable	Not applicable

The explanatory notes for these performance measures are in appendix 4, page 190.

^A We were unable to set a target early in the financial year because data required to adjust forecast volumes was incomplete due to the COVID-19 lockdown. The target has been determined and used to assess progress since 2020/21 quarter one.

	Actual 2020/21 \$M	Budget 2020/21 \$M	Variance 2020/21 \$M	Actual 2019/20 \$M
Revenue	75.7	78.1	(2.4)	71.1
Expenditure	68.7	68.8	(0.1)	78.9
Net surplus/(deficit)	7.0	9.3	(2.3)	(7.8)

Vehicle safety and certification recorded a surplus of \$7.0 million which was lower than planned due to reduced revenue (\$2.4 million under budget) as a result of returning of COVID-19 funding that was over forecast in 2019/20.

See page 138 for full details on output class funding and expenditure.

Regulation of commercial transport operators ●●

Delivered by Waka Kotahi and funded from fees and charges

We improve the safety of the land transport system by ensuring commercial operators and drivers meet the required safety standards. This work includes:

- developing land transport rules relating to commercial transport operation (for the Minister of Transport)
- setting regulatory standards and requirements for the industry
- licensing commercial transport operators and maintaining the transport service licence register
- monitoring and auditing compliance with regulatory standards and requirements for commercial transport operators and drivers, including on-road electronic monitoring of commercial vehicles
- investigating and prosecuting commercial transport operators and drivers and suspending or revoking their licences when they do not meet required standards
- informing, advising and educating commercial operators and the public on commercial transport obligations
- administering permits for over-weight, over-dimension and high-productivity vehicles.

Effective regulation of commercial transport operators helps to ensure commercial operators and drivers are safe and legal, so people and goods can be moved safely.

Ref	Performance measure	Result	2020/21 Target	2020/21 Actual	2019/20 Actual	2018/19 Actual
CTO1	Proportion of commercial operators reviewed or audited against target	Achieved	≥95%	172%	116%	Not applicable
	The number of audits planned for 2020/21 was based on the previous year's resourcing levels. The audit team also changed how they work and are now completing a greater proportion of audits at a desktop and safety system level, reducing the time per audit and allowing for more audits to be completed. Together these factors led to the result exceeding target.					
CTO2	Proportion of non-compliance actions for commercial operators that are under active management	Achieved	≥95%	100%	Not applicable	Not applicable
CTO3	Proportion of standard permits issued within 10 working days	Not achieved	100%	94%	100%	Not applicable
	The number of permit applications is increasing significantly as the 50MAX truck becomes the preferred vehicle type for commercial operators. Our ability to achieve the target of 100 percent has been negatively affected by the high volume of applications, with up to 2 percent of permits not issued within target timeframes due to the time needed to seek additional information from applicants. Additional permitting case managers have been recruited in response to increased application volumes.					

The explanatory notes for these performance measures are in appendix 4, page 190.

	Actual 2020/21 \$M	Budget 2020/21 \$M	Variance 2020/21 \$M	Actual 2019/20 \$M
Revenue	12.4	13.9	(1.5)	13.3
Expenditure	10.9	19.7	(8.8)	24.0
Net surplus/(deficit)	1.5	(5.8)	7.3	(10.7)

Regulation of commercial transport operators recorded a surplus of \$1.5 million which was higher than planned. This was mainly due to lower expenditure as a result of revised cost allocations. Offsetting this was lower than planned revenue (\$1.5 million under budget) as a result of less fees and charges being collected.

See page 138 for full details on output class funding and expenditure

Regulation of the rail transport system ●●

Delivered by Waka Kotahi and funded from fees and charges

We regulate the rail transport system to assure stakeholders and the public that rail participants effectively manage rail safety risks by:

- managing entry to and exit from the rail system through licensing and restricting operations
- approving, replacing and varying 'safety cases' (documents that describe a licensee's safety approach)
- setting or guiding the development of safety standards for infrastructure, vehicles and practices
- assessing compliance with safety cases and standards
- investigating safety accidents
- directing improvements or imposing restrictions in response to safety breaches by licensees and other participants
- prosecuting breaches of the Railways Act 2005
- monitoring risks and the overall level of safety in the rail system
- providing advice and information on rail system safety.

Effective regulation of rail participants helps to ensure New Zealand has safe rail networks that can be used with confidence to move people and goods.

Ref	Performance measure	Result	2020/21 Target	2020/21 Actual	2019/20 Actual	2018/19 Actual
RTS1	Proportion of rail participants reviewed or audited against target	Not achieved	≥95%	86%	85%	Not applicable
	<p>We completed 56 ordinary safety assessments year to date against a target of 65, as well as two high-risk special safety assessments. Carrying out the two special safety assessments required significant resources. Assessments for eight low-risk licence holders were cancelled and resources reallocated to the special assessments so that these could be completed. One other assessment was postponed until 2021/22 due to changes in COVID-19 alert levels.</p> <p>As special safety assessments are only completed when Waka Kotahi has a particular safety concern, it is not possible to predict when we'll have to complete them. We, therefore, have to reallocate resources as required when the need for them arises.</p> <p>Last year, performance against this measure was negatively affected by COVID-19 as assessments could not be carried out during the lockdown period. While COVID-19 did affect the completion of one assessment in 2020/21, its impacts on the 2020/21 result were less severe.</p>					
RTS2	Proportion of non-compliance actions for rail participants that are under active management	Achieved	≥95%	100%	Not applicable	Not applicable

The explanatory notes for these performance measures are in appendix 4, page 190.

	Actual 2020/21 \$M	Budget 2020/21 \$M	Variance 2020/21 \$M	Actual 2019/20 \$M
Revenue	1.9	3.0	(1.1)	2.5
Expenditure	2.7	3.1	(0.4)	2.9
Net surplus/(deficit)	(0.8)	(0.1)	(0.7)	(0.4)

Regulation of the rail transport system recorded a deficit of \$0.8 million, which was higher than planned mostly due to reduced revenue (\$1.1 million under budget) as a result of returning of COVID-19 funding that was over forecast in 2019/20.

See page 135 for full details on output class funding and expenditure.

Revenue collection and administration

Delivered by Waka Kotahi and funded from the NLTF and fees and charges

We:

- collect and refund road user charges (RUC) revenue to be paid to the NLTF by:
 - selling RUC licences
 - investigating evasion and enforcing payment
 - refunding customers' charges paid for off-road travel
 - informing and advising the public about RUC
- collect road tolling revenue to fund or repay the cost of building, maintaining or operating toll roads, including:
 - collecting toll revenues and disbursements to the Crown
 - investigating evasion and enforcing payment
 - managing associated roadside and back-office systems, customer interfaces and payment channels
 - informing and advising the public about road tolls
- collect and rebate regional fuel tax to fund regional projects, including:
 - collecting fuel tax from distributors
 - providing rebates for off-road use
 - forwarding the tax to the Auckland Council
 - auditing compliance with the requirements
 - reporting fuel prices and volumes
- refund and account for fuel excise duty claims so customers are refunded for off-road fuel use, which is an adjunct to the collection of the duty provided for under the Land Transport Management Act 2003 that we do on behalf of the Ministry of Transport.

Revenue collection and administration allows us to collect the amount of revenue prescribed fairly and in accordance with the law to invest in a safe, resilient and accessible transport system. Revenue collected through motor vehicle registration is also invested in the transport system.

Ref	Performance measure	Result	2020/21 Target	2020/21 Actual	2019/20 Actual	2018/19 Actual
REV1	Unit cost of providing user-facing road tolling services	Achieved	\$0.68 – \$0.75 ^A	\$0.72	\$0.85	Not applicable
REV2	Tolling revenue written off as proportion of current year revenue	Achieved	4.0 – 6.5%	6.0%	Not applicable	Not applicable
REV3	Proportion of road user charges licences completed online	Achieved	≥70%	78%	74%	69%
<p>In 2019/20 the COVID-19 lockdowns led to more people completing their road user charges online. The 2020/21 result is higher than the 2019/20 result due to continued increases in automatic purchasing through electronic road user charges (eRUC) providers. The proportion of kilometres purchased through eRUC increased 2 percent this year and continues to increase year on year.</p>						
REV4	Unit cost of providing user-facing road user charges services	Achieved	\$3.00 – \$3.09 ^A	\$2.34	Not applicable	Not applicable
REV5	Proportion of Transport Service Licence holders that are assessed for road user charges compliance against target ^B	Achieved	≥95%	250%	113%	Not applicable
<p>Thirty audits were completed against a year-end target of 12. In quarter four a project was implemented to review all mobile crane operators, accounting for 16 of the 18 additional audits completed in 2020/21. Process improvements made also contributed to the year-end result exceeding target.</p>						
REV6	Proportion of unpaid road user charges identified through investigations and assessments that are collected ^C	Achieved	65-75%	73%	Not applicable	Not applicable
REV7	Average number of days to process road user charges, fuel excise duty and regional fuel tax refund applications	Achieved	≤20 working days	19.8 working days	Not applicable	Not applicable

The explanatory notes for these performance measures are in appendix 4, page 190.

^A We were unable to set a target early in the financial year because data required to adjust forecast volumes was incomplete due to the COVID-19 lockdown. The target has been determined and used to assess progress since 2020/21 quarter one.

^B This is was reported last year as Proportion of road user charges operators that are investigated or audited against target.

^C This is also a performance measure for an appropriation in Vote Transport. See appendix 5, page 198 for all appropriation measures.

	Actual 2020/21 \$M	Budget 2020/21 \$M	Variance 2020/21 \$M	Actual 2019/20 \$M
Revenue	37.8	35.3	2.5	33.5
Expenditure	32.9	29.0	3.9	38.5
Net surplus/(deficit)	4.9	6.3	(1.4)	(5.0)

Revenue collection and administration recorded a surplus of \$4.9 million which was lower than planned. This was mainly due higher expenditure across tolling, regional fuel tax administration and investigation and enforcement offset by higher revenue.

See page 127 for full details on output class funding and expenditure.

Investment management

Delivered by Waka Kotahi and funded from the NLTF and the Crown

The investment management output class covers the cost to Waka Kotahi of:

- developing and managing the NLTP, including:
 - managing the NLTF
 - supporting development of the GPS
 - developing criteria for assessing and prioritising land transport investment
 - providing investment and funding advice to the government
 - providing assurance in respect to the delivery of outcomes
- planning the transport system, including:
 - supporting the development of regional land transport plans
 - transport model development
 - activity management planning
 - programme business case development
- delivering sector research, including:
 - engagement with the sector
 - research project development, delivery and promotion.

Investment management allows us to achieve what the government wants us to do (as directed by the GPS) and balance multiple objectives while shaping the land transport system and influencing its delivery.

We aim to achieve long-term land transport funding sustainability and investment certainty by consistently and transparently adhering to the investment decision-making framework and obtaining assurance on benefits realisation and investment outcomes.

Ref	Performance measure	Result	2020/21 Target	2020/21 Actual	2019/20 Actual	2018/19 Actual
IM1	Proportion of total cost of managing the investment funding allocation system to National Land Transport Programme expenditure ^A	Achieved	≤1.1%	1.00% ^B	1.02% ^C	1.03%
IM2	Proportion of reviewed Waka Kotahi investment decisions that meet required process standards	Not achieved	100%	79%	Not applicable	Not applicable
Four of the 19 investment decisions reviewed this year did not meet required process standards. For all four decisions, there was insufficient information in Transport Investment Online to confirm whether the required standards were met.						
IM3	Proportion of sector research activities delivered to agreed standards and timeframes	Achieved	≥95%	100%	100%	96%
34 of 35 research projects were completed to contracted standards. The remaining project met 89% of contracted time and cost standards. COVID-19 restrictions affected at least one project, including limiting its ability to conduct face-to-face interviews. This was managed by timelines being revised and a contract variation being agreed. We also commissioned a project to assess the impact of COVID-19 on transport demand.						

Ref	Performance measure	Result	2020/21 Target	2020/21 Actual	2019/20 Actual	2018/19 Actual
IM4	Proportion of investment audit activities delivered to plan	Not achieved	100%	86%	79%	100%
	We completed 44 of the 51 procedural and technical audits programmed for 2020/21. Seven audits were deferred to 2021/22 to prioritise six audits that were not completed in 2019/20 due to COVID-19 restrictions.					
IM5	Average number of days to action new funding approvals	Achieved	≤20 working days	12.3 working days	20 working days	24.9 days

The explanatory notes of the performance measures are in appendix 4, page 190.

^A This is also a performance measure for an appropriation in Vote Transport. See appendix 5, page 198 for all appropriation measures.

^B This reflects the cumulative cost across the three years of the 2018-21 NLTP.

^C This reflects the cumulative cost of years 1 and 2 of the 2018-21 NLTP (2018/19 and 2019/20). This was incorrectly reported as 1.03% in the 2019/20 annual report.

	Actual 2020/21 \$M	Budget 2020/21 \$M	Variance 2020/21 \$M	Actual 2019/20 \$M
Revenue	72.0	86.4	(14.4)	87.9
Expenditure	72.0	86.4	(14.4)	87.9
Net surplus/(deficit)	0.0	0.0	0.0	0.0

Investment management expenditure was \$14.4 million (17 percent) below budget mainly due to lower claims from approved organisations in regional land transport planning management and activity management planning.

See page 126 for full details on output class funding and expenditure.

