



West Coast Transport Programme Business Case 2024-27 Addendum

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West Coast Transport Programme Business Case 2024-27 Addendum

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1 Foreword

The West Coast Transport Programme Business Case 2024-27 Addendum outlines the strategy and funding for Westland District Council's transport network for the next three years. It updates the original Activity Management Plan (AMP) and Programme Business Case (PBC), detailing funding changes, impacts on service levels, and associated risks.

Funding applications for the 2024-2027 National Land Transport Programme (NLTP) started in October 2023, with final funding announced in September 2024. The Government Policy Statement (GPS) 2024 prioritises Economic Growth, Maintenance and Resilience, Safety, and Value for Money, focusing on pothole prevention while reducing emphasis on walking, cycling, and climate change resilience.

This addendum addresses the challenges in managing the transport network within budget limits, highlighting risks like reduced service levels, asset condition deterioration, safety concerns, deferred maintenance costs, and economic productivity loss. Despite budget constraints, the Roding team aims to deliver the best possible programme, though some areas will receive suboptimal investment, affecting asset condition and service levels.

This document aims to offer a clear overview of the funding situation and strategic decisions for maintaining Westland District Council's transport network.

2 Introduction

2.1 Background

In December 2023 Westland District Council, jointly with Buller and Grey District Councils submitted the West Coast Transport Programme Business Case 2024-27 and Activity Management Plan 2024-34 to New Zealand Transport Agency (NZTA) and their respective Councils for inclusion in the National Land Transport Programme (NLTP) and Long-Term Plans (LTP).

Subsequently:

- The change of central government set a new direction for transportation, released in the final Government Policy Statement on Land Transport (GPS) in June 2024. This was a significant change of strategic direction and national funding priorities.
- Local government was provided the opportunity to defer their 2024 LTPs, opting instead for an Enhanced Annual Plan for 2024/25 followed by a 9-year 2025-34 LTP. All three West Coast Councils opted to defer.

As a result, each Council's 3-year NLTP programme which would usually be adopted via their LTPs is out of sync, and the Councils are now in the process of developing their 9-year LTP which will include two-years of approved NLTP funding:

	2024/25	2025/26	2026/27	2027/28
NZTA	NLTP Year 1	NLTP Year 2	NLTP Year 3	NLTP Year 1
Local Authorities	Enhanced Annual Plan	LTP Year 1	LTP Year 2	LTP Year 1

A key change implemented via the GPS is the introduction of new NLTP Activity Classes¹ and regrouping of individual work categories within these, key changes are:

- Pothole Prevention Activity Class: all maintenance and renewal categories for sealed, unsealed roads and drainage have been grouped here with the purpose of investment in resealing, rehabilitating, and drainage maintenance on the local road network.
- Walking and Cycling Activity Class: all work categories relating to walking and cycling are now included under this class, previously maintenance and renewals were part of the wider local road network programme.
- Local Road Operations Activity Class: all remaining maintenance, operation, and renewal work categories are included here.
- Bridge & Structures Renewals: WC216 was previously considered a renewal activity but is now included in the Local Road Improvements Activity Class, potentially increasing the threshold for securing funding via the NLTP for these works.

Along with these changes the most significant impact has been the ringfencing of approved NLTP allocations within each Activity Class, this means that Road Controlling Authorities (RCAs) will be unable to move funding between categories to optimise their spend as the 3-year programme develops. The immediate impact for Westland is if they wish to do any additional works on Walking and Cycling or Low-Cost, Low-Risk projects this will need to be 100% funded by Council, with no NLTP contribution.

2.2 Purpose

While the original PBC and AMP still provide a good summary of the current state of Westland's roading network and recommended programme of investment, they do not reflect the approved NLTP programme or decisions the Council has made in response to any funding constraints or other issues

¹ <https://www.nzta.govt.nz/planning-and-investment/planning-and-investment-knowledge-base/202427-nltp-investment-requirements/202427-nltp-activity-classes-and-work-categories/>

that have arisen in the last 12 months. The most significant changes to funding have been seen across Local Road Improvements, Walking and Cycling Improvements, and Investment Management.

This addendum supplements the 2024-27 AMP and PBC and provides an update for key areas of funding change between the requested amount and allocated amount. Additionally, the document outlines the potential risks and disadvantages of investing below the recommended levels, which include:

- Reduced levels of service.
- Risks to asset condition and asset failure.
- Potential safety and resilience risks
- Growing backlog of works and higher future costs.
- Loss of economic productivity.

This document should be read alongside the original AMP, as it provides a summary of key budget changes and their impact on programme delivery, levels of service, and risk.

The original programme, as outlined in the previous AMP, remains the preferred approach from an asset management perspective. However, this programme is not considered affordable by NZTA or local politicians. Consequently, the Roding team must work to deliver the best possible programme within the available funds.

As a result, there may be less than optimal investment in some areas, directly affecting asset condition and/or levels of service.

3 2024-27 National Land Transport Programme

3.1 Local Roads

WDC's final submission to NZTA for funding via the 2024-27 National Land Transport Programme (NLTP) was for a total \$31.1m, of which \$7.8m would be funded by WDC's local share.

NZTA subsequently approved a total of \$21.8m, \$9.3m less than requested) for inclusion in the NLTP and eligible for NZTA's Funding Assistance Rate. As a result, WDC's 3-year local share commitment to the approved NLTP programme is \$5.4m, a reduction of \$2.3m.

The total approved allocation for local roads is a \$6.27m increase on the previous 2021-24 programme, however this increase is variable across the programme with work categories under the new Government's 'Local Road Pothole Prevention' Activity Class funded relatively well to those in the Local Road Operations Class. There has also been a reduction in real terms for walking and cycling and local road improvements (low-cost low-risk).

At the time of writing, NZTA have not yet announced funding allocations for Investment Management.

Table 1 Summary of approved vs requested NLTP 2024-27 Budget (Local Roads)

Activity Class	2024-27 Requested	2024-27 Approved	Variance
Local Road Pothole Prevention	\$11,387,092	\$11,009,000	-378,092
Local Road Operations	\$14,267,353	\$9,582,000	-4,735,353
Local Road Improvements	\$3,530,000	\$750,000	-\$3,530,000
Road Safety	\$160,000	\$94,000	-
Public Transport Services	\$90,000	\$90,000	-\$66,000
Walking and Cycling Improvements	\$631,809	\$226,998	-\$404,811
Investment Management ²	\$309,000	TBC	TBC
TOTAL LOCAL ROADS	\$31,098,754	\$21,751,998	-\$9,346,756

3.2 Special Purpose Road

Table 2 Summary of approved vs requested NLTP 2024-27 Budgets (SPR)

Activity Class	2024-27 Requested	2024-27 Approved	Variance
Local Road Pothole Prevention	\$3,794,097	1,932,000	-1,862,097
Local Road Operations	\$5,039,191	2,545,000	-2,494,191
Road Safety	-	-	-
Public Transport Services	-	-	-
Walking and Cycling Improvements	\$30,000	-	-30,000
Investment Management	\$77,500		
Low cost low risk Improvements	\$6,000,000		
TOTAL SPR	\$14,863,288	\$4,477,000	-\$10,386,288

² At the time of writing NZTA has not yet made a final decision WC003 Investment Management funding.

4 Local Road Asset and Lifecycle Management Impacts

The 2024-34 AMP (Section 2.3) describes each lifecycle management category, current performance and condition, key issues and recommendations, and the proposed investment in each to achieve technical and customer levels of service.

This section summarises the levels of service and programme of work the Council originally planned to deliver under the full NLTP funding request. It then details changes that have been made in response to the approved NLTP budget, potential impacts on levels of service, and any risks that have arisen.

4.1.1 SEALED PAVEMENTS

NLTP Work Categories:

- WC111: sealed pavement maintenance
- WC212: sealed road resurfacing
- WC214: sealed road pavement rehabilitation

As noted this activity now sits under the Local Road Pothole Prevention Activity Class, which compared to the previous NLTP has had a national funding boost of ~90% for state highways and ~50% for local roads.

Consequently, Westland's request for funding has been well met by the approved programme providing a high level of confidence in Council's ability to deliver the proposed programme of work which is targeting 6.5% network length resealed per annum, and provides for planned pavement rehabilitations.

NZTA's Performance & Efficiency Plan, released in response to the GPS, is targeting a move to 9% resealing and 2% rehabilitation per annum on the state highway network. It is not yet clear if this target will also be applied to local roads, however based on current condition data this is considered an excessive and inefficient level of investment in Westland's network. If such a target was introduced future budgets would need to substantially increase to achieve this.

Sealed Pavements	Requested 2024-27	Approved 2024-2027	Approved v Requested	Change v 2021-24
WC111: sealed pavement maintenance	1,830,038	1,774,839	-55,199	+302,040
WC212: sealed road resurfacing	5,239,986	4,999,546	-240,440	+1,908,456
WC214 sealed road pavement rehabilitation	861,009	849,923	-11,086	+556,752
Total sealed pavements	7,931,033	7,624,308	-306,725	2,767,248

4.1.2 UNSEALED ROADS

NLTP Work Categories:

- WC112: unsealed pavement maintenance
- WC211: unsealed road remetalling

Unsealed roads have received approved funding nearly equal to WDC's request, there is no anticipated impact on the forward programme as originally planned.

Unsealed Roads	Requested	Approved	Approved v Requested	Change v 2021-24

	2024-27	2024-2027		
WC112: unsealed pavement maintenance	1,025,110	999,910	-25,200	-140,489
WC211: unsealed road returfing	670,981	649,941	-21,040	+62,720
Total unsealed roads	1,696,092	1,649,851	-46,241	-77,769

4.1.3 BRIDGES & STRUCTURES

NLTP Work Categories:

- WC114: structures maintenance
- WC215: structures component replacement
- WC216: bridge and structures renewals

Structures maintenance and component replacements were respectively allocated 41% and 35% less than what was originally requested, though the approved allocation is a step change from the previous 3-year NLTP with nearly \$4m additional funding approved for these activities. This will enable a continuation of WDC's programme of improved bridge asset management, which has historically been under-invested in and has a backlog of works.

While below the recommended amount in WDC's 10-year Road Structures Lifecycle Management Plan, this amount does provide an ability to undertake priority works alongside reactive maintenance resulting from bridge inspection activities.

Some of this increase will be taken up by rapidly rising costs which has increased disproportionately compared to other road network maintenance activities, due to the cost of materials such as steel significantly increasing along with external costs including traffic management.

WC216 requested \$800k for La Fontaine bridge condition-based replacement. Council will review this funding allocation to understand what works can be completed for the slightly reduced request. It is likely that WDC may request NZTA approval to re-allocate funding from component replacements to top this budget up if required.

Bridges and Structures	Requested 2024-27	Approved 2024-2027	Approved v Requested	Change v 2021-24
WC114: structures maintenance	2,047,700	1,206,215	-841,485	+903,713
WC215: structures component replacement	5,528,331	3,618,645	-1,909,686	+3,094,697
WC216: bridge and structures renewals	800,000	750,000	-50,000	-
Total bridges and structures	8,376,031	5,574,860	-2,801,171	+3,998,410

4.1.4 DRAINAGE

NLTP Work Categories:

- WC113: routine drainage maintenance
- WC213: drainage renewals

Drainage maintenance and renewal are both recategorised under the Pothole Prevention Class and received funding approximately equal to what was requested, there has also been a substantial increase in funding relative to the previous 2021-24 NLTP.

This level of funding provides for an enhanced programme of proactive drainage renewals to address issues that are negatively impacting sealed and unsealed pavement condition and remaining lives, and optimised renewal of drainage assets to accommodate current and future water volumes, this is important in areas where drainage will be under-sized for future weather events.

Drainage	Requested 2024-27	Approved 2024-2027	Approved v Requested	Change v 2021-24
WC113: routine drainage maintenance	968,799	959,912	-8,887	+180,231
WC213: drainage renewals	791,168	774,929	-16,239	+248,946
Total drainage	1,759,966	1,734,841	-25,125	+429,177

4.1.5 WALKING AND CYCLING

NLTP Work Categories:

- WC125: footpath maintenance
- WC225: footpath renewals
- WDC did not request any funding for cycle path maintenance or renewals this NLTP.

Funding for walking and cycling facilities was reduced in this NLTP cycle, reflecting a change in government priorities.

WDC subsequently received just \$227k out of a total \$632k request, a \$405k reduction. This is also a \$333k reduction relative to the previous 2021-24 allocation, so a significant decrease in real terms that will substantially restrict WDC's ability to meet levels of service.

Walking and Cycling	Requested 2024-27	Approved 2024-2027	Approved v Requested	Change v 2021-24
WC125: footpath maintenance	315,905	113,499	-202,406	-32,481
WC225: footpath renewals	315,905	113,499	-202,406	-278,576
Total walking and cycling	631,809	226,998	-404,811	-333,107

While WDC has reported satisfactory asset condition and level of service being delivered under existing contracts, the uplift in the requested budget was to increase the quantity of footpath maintenance and renewals to address identified issues and respond to community feedback.

Over the past six years, WDC has been focusing on improving footpath condition and addressing a growing backlog. Although the council could allocate unsubsidised funding to cover the shortfall, this option is not politically appealing given the tight budget and the need to make savings wherever possible.

The reduced budget, which is substantially less than previous triennium, is likely to revert the council back to a larger backlog while also impacting the following levels of service:

- Footpath maintenance: % of faults responded to within maintenance intervention timeframes.
- Footpath condition: % of footpaths within a territorial authority district that fall within the level of service or serve standard for the condition of footpaths are set out in the territorial authority's relevant document.

WDC plans to allocate the entire budget to maintenance, foregoing any renewals. This is due to a lack of funds for renewals, with only enough available for heavy maintenance of footpaths. Therefore, it is expected that future performance will decline from its current state.

Westland DC has set a target via the 2025 LTP at 90%.

Performance Measure	Current Performance 2021/22	Target 2024-27
DIA Mandatory Reporting Measure % of footpaths within a territorial authority district that fall within the level of service or service standard for the condition of footpaths that is set out in the territorial authority's relevant document.	There is no agreed level of service standard for footpaths, 2021/22 performance: Rated between 1-4: 92% Rated between 1-3: 72% Rated 5: 8%	90%

4.1.6 NETWORK SERVICES & MAINTENANCE

NLTP Work Categories:

- WC121: Environmental maintenance
- WC122: Network services maintenance
- WC131: Level crossing warning devices
- WC222: Traffic services renewals

All these work categories received less NLTP funding than requested, however there is a modest increase relative to the previous 2021-24 programme. There are two areas of potential concern with the current funding allocation:

- WC122 which is experiencing rising electricity costs, and increasing costs of streetlights, electronics and signage over the last 3-years.
- WC121 which includes clean up of trees and debris following weather events, an increasingly regular and costly occurrence which WDC was already struggling to deliver in the previous allocation.

So, while there is an increase in real terms, these budgets are likely to be tight and there will be some restriction on proactive renewals to ensure there is funding for reactive works.

Network services & maintenance	Requested 2024-27	Approved 2024-2027	Approved v Requested	Change v 2021-24
WC121: environmental maintenance	1,206,741	1,109,718	-97,023	+90,025
WC122: Network services maintenance	947,714	723,729	-223,985	+235,672
WC131: Level crossing warning devices	29,821	28,776	-1,045	+9,631
WC222: Traffic services renewals	521,941	482,487	-39,454	+117,611
Total network services & maintenance	2,706,218	2,344,710	-361,508	+272,889

4.1.7 NETWORK AND ASSET MANAGEMENT

NLTP Work Category:

- WC151: network and asset management

WC151 provides for the general management and control of the road network and management of road infrastructure, including public footpaths and cycleways and associated facilities. This includes:

- WDC's internal roading business unit and associated internal costs.

- External specialist professional services provider support for asset management.
- Data, subscriptions and other costs associated with asset management planning and delivery.

WDC received less than requested from the NLTP, however does have a substantial increase relative to the previous allocation. The budget for WC151 includes several asset management improvement items which would likely be outsourced to external suppliers, these are likely to be removed from the programme and instead focusing on a continuation of core activities, which is delivering good value.

WDC has a desire to retain as much funding for the internal business unit as possible to ensure appropriate levels of staffing and the ability to upskill and retain an internal team, avoiding the need to outsource to more costly providers to fill gaps. The increased funding will help build capacity and ensure that the internal team can meet these needs effectively. The approach to achieving this will be explored over this triennium.

Network and asset management	Requested 2024-27	Approved 2024-2027	Approved v Requested	Change v 2021-24
WC151: network and asset management	3,037,391	2,412,430	-624,961	+1,116,807

The 2021-2031 combined AMP indicated that the councils were operating at a 'Core' to 'Intermediate' level of asset management maturity. The 2024-27 triennium aims for continual improvement in asset management, working towards an overall Intermediate maturity level as per the Asset Management Maturity Assessment (appendix 1 of the AMP). The requested \$3,037,391 for WC151 reflected the step-change, intending to enhance the council's asset management maturity, capability, and capacity.

The plan includes increasing the in-house business unit budget from \$1,094,681 in 2021-24 to \$1,417,080 in 2024-27.

Concurrently, professional service fees are projected to rise from \$330,000 to \$1,459,636.

The requested professional services are:

- Rooding Asset Management Services
- Bridge & Structure Asset Management Services
- 2027-30 Programme Business Case and AMP Update
- Strategies and Plans

The total approved amount for 151, set at \$2,412,430, represents a 21% reduction from the requested funds. This will necessitate a review of specific line items within the professional service category before making adjustments to the in-house unit.

4.1.8 MINOR EVENTS & EMERGENCY WORKS

Previously NZTA has approved an annual budget for WC140 Minor Events to commit their funding assistance for qualifying events. This triennium NZTA has not approved any funding for WC140, with the expectation that NZTA's co-share having to be reallocated from other activities within the Local Road Operations Activity Class if / when these events arise.

This is a substantial risk to WDC, as it is all but guaranteed there will be multiple qualifying events per annum. WDC will have to reallocate NZTA funding from other maintenance activities to fund these reactive works. Currently it is anticipated that Bridge Maintenance and Renewals (WC114 & WC215) will be the most likely source of this funding.

Minor events	Requested 2024-27	Approved 2024-2027	Approved v Requested	Change v 2021-24
140: minor events	947,714	-	-947,714	-874,007

WC141 Emergency Works is a wholly reactive activity, with WDC and NZTA committing their relevant share as per NZTA's Policy. This Policy has recently changed with substantial impact on WDC:

- Change in qualifying return period for an emergency event to a minimum frequency 1-in-20-year event. This is a significant event size increase, and as event return periods are changed as climate models are updated it is likely that a qualifying 1-in-20-year event today could soon be a non-qualifying 1-in-15-year event. Further, NIWA forecasts for weather-related events through to 2040, under the RCP 4.5 projection, predict increased intensity of (ex)tropical cyclones, short duration (1 hour) extreme rainfalls +13.6% per 1°C increase, and long duration (1-in-2-year, 120-hour duration) rainfall events +4.8% for every 1°C increase. A further note is that some routes can be impacted and closed by any event with any return period and a more robust trigger on road reinstatement support from Central Government may in fact be based on the road's importance level in the ONF.
- Change in enhanced FAR from +20% to +10% for events exceeding 10% of annual maintenance spend. This change is compounded by the significant increases in maintenance costs the RCAs are experiencing so the dollar trigger is much higher than it is for the 2021-24 approved NLTP programme. The impact of this is the % increase in cost to RCAs increases at a higher rate than the % savings to the NLTF.
- Change to bespoke FAR provisions proposing removal of NZTA's role as funder of local share when an Approved Organisation (AO) cannot afford its local share, and that this would only apply if matched by Crown top-up to NLTF. This is a significant change to the status quo and removes NZTA Board's ability to consider the impact of extreme events on local communities' ability to recover and restore appropriate levels of service.

While helping NZTA to address NLTF funding pressure, the changes to the eligibility criteria and funding assistance rates will transfer considerable costs and risk to (local) Road Controlling Authorities (RCA) who are themselves under extreme pressure on their local share to fund core maintenance, operation, and renewal activities.

The likely consequence of the Policy changes, in conjunction with forecast intensity and frequency of future weather events, is a reduction in level of service to our communities and businesses, potential for longer term or permanent road closures, loss of access, and unintended negative social and economic consequences.

4.1.9 INVESTMENT MANAGEMENT

At the time of writing, the allocation for WC003 Activity Management Planning Improvement is yet to be determined by NZTA. This budget was developed to carry out the following regional items, all of which are intended to be delivered jointly with Buller and Grey District Councils, sharing costs 1/3 each:

- Procurement Strategy
- Regional Resilience & Climate Change Adaptation Plan
- Asset Performance & Service Gap Analysis: Bridge & Structure, Sealed Pavement, Drainage
- Regional Walking & Cycling Strategy
- Community Engagement for AMP Improvement
- REG Differential Level of Service Development & Implementation
- Strategic Asset Management Improvements

While it is expected that the full requested amount may not be allocated, the priority for WDC will be the development of a combined regional procurement strategy in collaboration with Grey District Council and Buller District Council.

Once the allocation for this work category is confirmed, WDC will be better positioned to determine what can be rationalised, what requires reduction, and what should be prioritized to fit within the funding envelope.

4.1.10 LOW COST LOW RISK IMPROVEMENTS

WC341 low cost low risk improvements, which falls under Sealed pavements within the AMP (but not recategorised under the Pothole prevention activity class), received no funding out of the \$3,530,000 originally requested. It is unlikely the council will fund these minor capital works without subsidies, as they are considered non-essential.

4.1.11 PUBLIC TRANSPORT

WDC received the full requested amount of \$90,000 for public transport, this is the same as the previous allocation.

5 Special Purpose Road Asset and Lifecycle Management Impacts

The Haast to Jackson Bay Road is currently received 100% funding assistance, however this is proposed to change as part of the national transition of SPR roads to local road status.

WDC's funding request for the SPR is based on ensuring proactive maintenance is undertaken to minimise costly reactive maintenance and renewals. This is both good from an asset management perspective but also to avoid high costs to Westland ratepayers if the road is transferred to local road status.

Unfortunately, the approved NLTP programme for 2024-27 is lower than requested:

- Substantial under-investment in operation, maintenance, and renewals relative to the request. This will challenge WDC's ability to proactively maintain the asset, likely leading to higher long-term costs.
- No funding was approved for Resilience Improvements, proposed to be undertaken in three stages for a total of \$6m. This is a major package of works supported by geotechnical investigations already completed. WDC was progressing towards obtaining consents for this work. At a minimum this will increase the risk of temporary closures, and in the worst case the long-term viability of this route.

This under-investment increases concern over the future funding arrangement for this road, with the risk that current low investment will increase future costs borne by WDC ratepayers. WDC has previously proposed a compromise which would see all operation, maintenance, and renewal works co-funded at WDC's standard funding assistance rate, while emergency works and major capital works would remain 100% NZTA funded.

Currently no agreement has been reached between Waka Kotahi and Buller District Council or Westland District Council for the transition of the SPRs to Local Road status, and the responsibility for funding specific activities following any transition.

6 Low-Cost, Low-Risk Capital Improvement Projects

WDC has received not approved funding for any capital projects submitted to the NLTTP, if Council wishes to proceed with any of these it will need to do so on a 100% local share basis, or seek alternative sources of funding.

Project	Description	Cost
Local Roads		
Hampden St-Hauhau Road Footpath Extension	Extension of footpath along Hampden Street and Hauhau Road to connect Racecourse Terrace Rise Subdivision to town	450,000
Woodstock Rimu Road	Safety improvements for cyclists at pinch point on key route.	220,000
Pedestrian Crossing Improvements (Various)	Crossing improvements within Hokitika, Ross, Kumara & Franz Josef Townships	160,000
Haast Village Footpath Extension	Footpath extension within village to link main centre with start of new walkway/cycleway track.	100,000
Hokitika CBD Speed Management	Hokitika CBD, improvements with creation of raised pedestrian crossings to help with speed management within the CBD area.	100,000
Blue Spur Road Hau Hau Road SNP	Roadside Safety Barrier at High-Risk Locations	150,000
Speed Management Plan implementation	Implement 2024-27 SMP, Physical works (signs, paint, kerbs), Monitoring, Develop 2027-30 SMP	300,000
Kaneire Komi SSS	Roadside Safety Barrier at High-Risk Locations	250,000
Seal extensions	Adairs Road	600,000
Seal extensions	Cement Lead Road	600,000
Seal extensions	Gillam's Gully	600,000
Special Purpose Road		
Jackson Bay Road Resilience Improvement Package 1	WDC has a range of resilience improvements recommended following technical investigations on the Jackson Bay Road. This is a programme of work to be delivered on an annual basis. Package 1 is committed, WDC has begun the resource consent process to proceed with physical works.	2,000,000
Package 2		2,000,000
Package 3		2,000,000

7 Risk Management

Based on the allocations received a review of the risk framework was completed, this is outlined below.

Risk	Cause	Consequence	Likelihood	Level of Risk	Mitigation Measure / Treatment Options	Review	
Planning & Programming Risks	Lack of investment means Council doesn't deliver on community outcomes	Insufficient funds allocated	4	4	Critical	Anticipate what level of investment is needed for the next 10 years and review this annually through <ul style="list-style-type: none"> Strategic plans LTP & Infrastructure Strategy C.TAMP and Annual Plans 	This was rated as a high likelihood and high consequence risk. Retrospectively the NLTP allocations not meeting requests and further constraints within Council LTP budgets shows that this will continue to be a risk. Transportation teams will need to increasingly tailor their programme to a 'constrained' level of funding, which will not always meet 'best practice' or 'desirable' asset management.
	Reducing capacity of the Activity/Service so reducing levels of service	Increased demand	4	3	High	Monitor growth and demand	Demand forecasts remain unchanged, will be updated for 2027 AMP. Not major increase in traffic or heavy vehicle volumes has been forecasts for some time. The issue is more localised patterns of demand, e.g. heavy vehicles using routes they previously did not leading to deterioration.
	Bridge restrictions or posting of bridges may restrict freight for industries and may prevent access for emergency services	Inadequate level of service Increase demand from freight vehicles	4	4	Critical	<ul style="list-style-type: none"> Two yearly bridge inspections to identify high risk structures and identify/prioritise the FWP Regular review of bridge capacities and demand for increased LOS Development of overweight permit policy and database 	Rated high likelihood. It is likely that the Councils will seek to change bridge LoS with a bridge-by-bridge type approach taken. It will not be practical to provide bridges in all current locations, or for bridges to support heavy vehicles, especially on low volume roads or locations where a bridge services a single property.
	Asset Management Planning fails to match the district's needs	<ul style="list-style-type: none"> LOS do not match customer expectations Inappropriate FWP Poor project management or service delivery 	4	3	High	Focus on community outcomes as directed by Council.	LoS continue to be reviewed, it is likely that a reduction in technical levels of service resulting from a lack of funding will result in reducing customer satisfaction. The question for Council is whether to lower targets just to score an achieved, or to continue to strive for a more desirable / aspirational level, but accept they may regularly fail to achieve this.
	Asset inventory incomplete resulting in deterioration or loss of assets	<ul style="list-style-type: none"> Data not gathered Database not kept up to date, including asset condition data 	4	3	High	<ul style="list-style-type: none"> Requirements regards collection of data to be specified in contracts Regular audits Regular condition assessments 	No impact resulting from funding. Network & Asset Management funding has increased which should assist with improvement here.
	Absence of or inaccurate asset condition information resulting in inappropriate maintenance or renewal	<ul style="list-style-type: none"> Condition assessments not undertaken Condition data not input into database 	4	3	High		
	Inadequate maintenance and renewals planning fail to address deterioration of infrastructure resulting in an unsafe network	<ul style="list-style-type: none"> FWP based on inaccurate asset data FWP not prioritised 	5	3	Critical	<ul style="list-style-type: none"> Establish risk based (prioritised) asset management plan Establish effective condition assessment programme to reduce uncertainty around lifecycle stages of infrastructure 	No impact resulting from funding. Network & Asset Management funding is sufficient to continue to fund the in-house business unit as well as external professional services for pavements (Beca) and bridges (WSP).
	Reducing/inadequate funding base for the land transport activity to meet required levels of service	<ul style="list-style-type: none"> Reduced subsidies (FAR) Declining population with consequent reduced rating base Elected member influence 	4	3	High	<ul style="list-style-type: none"> Monitor level of investment annually Better understand cost implications of changing LOS Investigate alternative sources of funding such as PGF 	Likelihood may need to be increased given we are already seeing funding constraints from both the NLTP and Councils. If these constraints are sustained over the long-term levels of service are likely to be impacted. We do not expect any substantive change to LoS in the immediate term for this AMP. But this will be a key area of focus for the 2027 AMP

Risk	Cause	Consequence	Likelihood	Level of Risk	Mitigation Measure / Treatment Options	Review	
						development to inform the subsequent long term plans.	
	Significant new investment needed to match HPMV demand - which can't be funded	<ul style="list-style-type: none"> Increase in HPMV on the roads requires higher LOS in particular on bridges. No additional funding source 	4	3	High	Use of asset management systems to prioritise works	As above, bridges are the key constraint and it is likely that HPMV / 50MAX capacity will not be delivered across the entire network, particularly on low volume roads and structures servicing a small number of properties. Council should set LoS on a bridge by bridge basis.
Operational and Service Delivery Risks	Insufficient resources are available to implement the programme	Lack of capacity and / or capability within the Council and / or their suppliers	4	3	High	<ul style="list-style-type: none"> Internal staff recruitment Procurement strategies and plans in place Market analysis prior to procurement Combined projects to increase size and make more attractive to procure 	No impact. Council capability is sufficient to deliver, Contractors and Professional Service providers are available and contracted.
	Health and safety risks leading to death & serious injury to council staff, contractor working on council owned sites, consultant, member of the public	<ul style="list-style-type: none"> Unsafe practices No or inappropriate Health and Safety Plans / procedures Lack of H&S policy 	5	2	High	<ul style="list-style-type: none"> Organisation H&S management systems in place and regularly reviewed Ensure all contractors / consultants have appropriate H&S management plans / systems in place Monitoring of site works 	No impact. Health and safety risk remains the priority.
	Insufficient resources are available to implement the programme	<ul style="list-style-type: none"> Recruitment and retention challenges. Increasing quantity of work exceeds local capacity 	4	3	High	<ul style="list-style-type: none"> Succession planning Regional approach to delivery – share resources Recruitment focus Engagement of external providers to 'fill the gap' 	No impact. Recruitment and succession planning continue to be a challenge. The Council's have long-standing relationships with specialists locally and around NZ who can provide support.
	Lack of technical expertise to provide planning/design resulting in absence of or inappropriate planning/design.	<ul style="list-style-type: none"> Limited of specialist technical engineering capability based on the West Coast. 	4	3	High		
	Renewals / capital works not delivered within approved scope of works, planned timeframes, and budget.	<ul style="list-style-type: none"> Unrealistic budgets Resources 	4	3	High	<ul style="list-style-type: none"> Set realistic capital budgets Assess resources required to deliver the overall renewals / capital programmes 	No impact. Works delivery will continue to follow Contracted timeframes and deliverables.
Physical Asset Risk	Bridges Failure - Premature failure or partial collapse due to condition of structure resulting in serious injury or possible loss of life. Considerable disruption to traffic or rail movement.	<ul style="list-style-type: none"> Undetected deterioration or poor maintenance. 	5	2	High	Bridge inspection procedures, seismic performance review of bridge structure	No impact. Bridges are inspected on agreed cycles meeting NZ standards.
	Age of infrastructure with potential backlog in renewals resulting in <ul style="list-style-type: none"> Diminishing or loss of service, Health and safety issues Reducing level of satisfaction 	Deferred maintenance	4	2	High	Regular condition assessments	No impact. However, further analysis is needed to understand the backlog of urgent maintenance on bridges. Councils continue to receive reports from consultants stating that there is an urgent backlog to address, but the deterioration is not being seen on those bridges where work is not completed, some items have sat on lists for multiple years but not deemed a priority by maintenance contractor and field inspections. Councils will seek a better understanding of this from WSP ahead of the 2027 AMP.
	Premature asset failure due to HPMV regularly using the network.	Existing pavements or structures unable to take increase in loadings.	4	2	High	<ul style="list-style-type: none"> Identification of vulnerable assets. Options to address under capacity 	No impact. Buller DC has seen this eventuate with the KiwiRail tunnel outage resulting in multiple heavy vehicles using the local road network and a costly programme of repairs. This will continue to be a risk, however the timing and location of these is impossible to predict.
	Pavement deterioration accelerates faster than expected, resulting in	Underfunding, work being deferred for too long, overloading by heavy	4	2	High	<ul style="list-style-type: none"> Annual condition rating data collection 	No impact.

Risk	Cause	Consequence	Likelihood	Level of Risk	Mitigation Measure / Treatment Options	Review	
	significantly increased long term life-cycle costs.	vehicles, poor materials or work quality, poor asset management decisions.				<ul style="list-style-type: none"> Continued focus on improving AM processes, systems and data. Monitor traffic growth trends Review construction specifications for appropriateness. Introduce stricter controls if necessary. 	The Road Efficiency Group is collecting sealed road condition data on behalf of the West Coast Councils, and all other TLA RCAs, with 100% of the high class network collected annually and the low class network collected every 2-years. This information will inform forward work programmes, monitor deterioration, and provide a benchmark against the peer Group.
Natural Hazards Emergency Event Risks	<ul style="list-style-type: none"> West Coast councils unable to function Damage caused by natural hazard (earthquake / flood) results in regional isolation 	Moderate to severe earthquake, extreme weather event, building fire	5	2	High	Inclusion in Civil Defence emergency response.	No impact as a result of funding. Known potential event the Councils prepare for. Changes to NZTA emergency works policy means the Councils will have to contribute a large local share to recover from these events.
	<ul style="list-style-type: none"> Collapse or serious Damage to bridge/s 	Flooding following extreme weather event / EQ	5	2	High	Inspections of river and structure Lifelines study. Identify critical bridges and monitor	No impact as a result of funding. Known potential event the Councils prepare for. Changes to NZTA emergency works policy means the Councils will have to contribute a large local share to recover from these events.
	Large slips making routes inaccessible or causing damage or collapse to structures (eg) rural roads to service key infrastructure & rural industry (forestry / farming)	Moderate to severe earthquake or flooding following a storm event.	5	2	High	Routine inspection. Review Waka Kotahi records for previous incidents of accidents as a result of flood. Identify high risk zones and potential mitigation measures, route slope stability and resilience etc.	No impact as a result of funding. Known potential event the Councils prepare for. Changes to NZTA emergency works policy means the Councils will have to contribute a large local share to recover from these events.

8 Re-forecasting Years 3-9

Overall WDC received less funding from NZTA than they bid for. Therefore, the budgets in Years 3-9 of the Long Term Plan have been revised to reflect a more realistic outcome. These budgets are in Appendix B and are based on:

1. A 10% increase to every Year 1 of a Long Term Plan (2027/28, 2030/31, 2033/34)
2. Special Purpose Road work categories have been absorbed into their respective category due to no funding agreed with NZTA past 2027/28.

Please note that inflation has been included based on the BERL model used for other activities in the Long Term Plan.

Appendix A: NLTP Work Category Budgets 2024-27

Local Roads

Work category	Requested 2024-27	Approved 2024-2027	Approved v Requested	Change v 2021-24
Local Road Pothole Prevention				
111 - Sealed pavement maintenance	1,830,038	1,774,839	-55,199	+302,040
112 - Unsealed pavement maintenance	1,025,110	999,910	-25,200	-140,489
113 - Routine drainage maintenance	968,799	959,912	-8,887	+180,231
211 - Unsealed road metalling	670,981	649,941	-21,040	+62,720
212 - Sealed road resurfacing	5,239,986	4,999,546	-240,440	+1,908,456
213 - Drainage renewals	791,168	774,929	-16,239	+248,946
214 - Sealed road pavement rehabilitation	861,009	849,923	-11,086	+556,752
Local Road Pothole Prevention Total	\$11,387,092	\$11,009,000	-378,092	3,118,656
Local Road Operations				
114 - Structures maintenance	2,047,700	1,206,215	-841,485	+903,713
121 - Environmental maintenance	1,206,741	1,109,718	-97,023	-90,025
122 - Network services maintenance	947,714	723,729	-223,985	+235,672
123 - Network operations	-	-	-	-
131 - Level crossing warning devices	29,821	28,776	-1,045	+9,631
140 - Minor events	947,714	-	-947,714	-874,007
151 - Network and asset management	3,037,391	2,412,430	-624,961	+1,116,807

215 - Structures component replacements	5,528,331	3,618,645	-1,909,686	+3,094,697
222 - Traffic services renewals	521,941	82,487	-39,454	+117,611
Local Road Operations Total	\$14,267,353	\$9,582,000	-\$4,685,353	\$4,514,099
Local Road Improvements				
216 - Bridge and structure renewals	800,000	750,000	-50,000	-
341 – Low-cost, low-risk local road improvements	2,500,000	-	-2,500,00	-645,000
Local Road Improvements Total	3,200,000	750,000	-2,550,000	-\$645,000
Road Safety				
432 - Safety promotion education and advertising	160,000	94,000	-66,000	+2,188
Road Safety Total	160,000	94,000	-66,000	2,188
Public Transport Services				
511 - Bus Services	90,000	90,000	-	-
Public Transport Services Total	90,000	90,000	-	0
Walking & Cycling				
125 - Footpath maintenance	315,905	113,499	-202,406	-32,481
225 - Footpath renewals	315,905	113,499	-202,406	-278,576
Walking & Cycling Total	\$631,809	\$226,998	-404,811	-311,057
Investment Management				
003 - Activity management planning improvement	232,500	TBC	TBC	TBC
Investment Management Total	232,500	TBC	TBC	TBC
LOCAL ROADS TOTAL	\$31,098,754	\$21,751,998	-\$9,346,756	\$6,271,836

Special Purpose Road

Work category	Requested 2024-27	Approved 2024-2027	Approved v Requested	Change v 2021-24
Local Road Pothole Prevention				
111 - Sealed pavement maintenance	354,117	550,000	195,883	296,197
112 - Unsealed pavement maintenance	-	120,000	120,000	120,000
113 - Routine drainage maintenance	129,758	-	-129,758	-96,021
212 - Sealed road resurfacing	878,413	362,000	-516,413	206,458
213 - Drainage renewals	631,809	300,000	-331,809	142,183
214 - Sealed road pavement rehabilitation	1,800,000	600,000	-1,200,000	-77,905
Local Road Pothole Prevention Total	3,794,097	1,932,000	-1,862,097	590,912
Local Road Operations				
114 - Structures maintenance	388,300	285,000	-103,300	196,477
121 - Environmental maintenance	288,816	210,000	-78,816	66,837
122 - Network services maintenance	157,952	60,000	-97,952	-3,125
140 - Minor events	631,809	450,000	-181,809	58,254
151 - Network and asset management	1,024,928	450,000	-574,928	184,279
215 - Structures component replacements	2,500,000	1,000,000	-1,500,000	552,655
222 - Traffic services renewals	47,386	90,000	42,614	40,711
Local Road Operations Total	5,039,191	2,545,000	2,494,191	1,096,088
Local Road Improvements				
341 – Low-cost, low-risk local road improvements	6,000,000	-	-6,000,000	-2,600,000

Local Road Improvements Total	6,000,000	-	-6,000,000	
Walking & Cycling				
225 - Footpath renewals	30,000	-	-30,000	-
Walking & Cycling Total	30,000	-	-30,000	-
SPECIAL PURPOSE ROAD TOTAL	\$14,863,288	\$4,477,000	-\$10,386,288	-\$913,000

