REG | THE ROAD EFFICIENCY GROUP
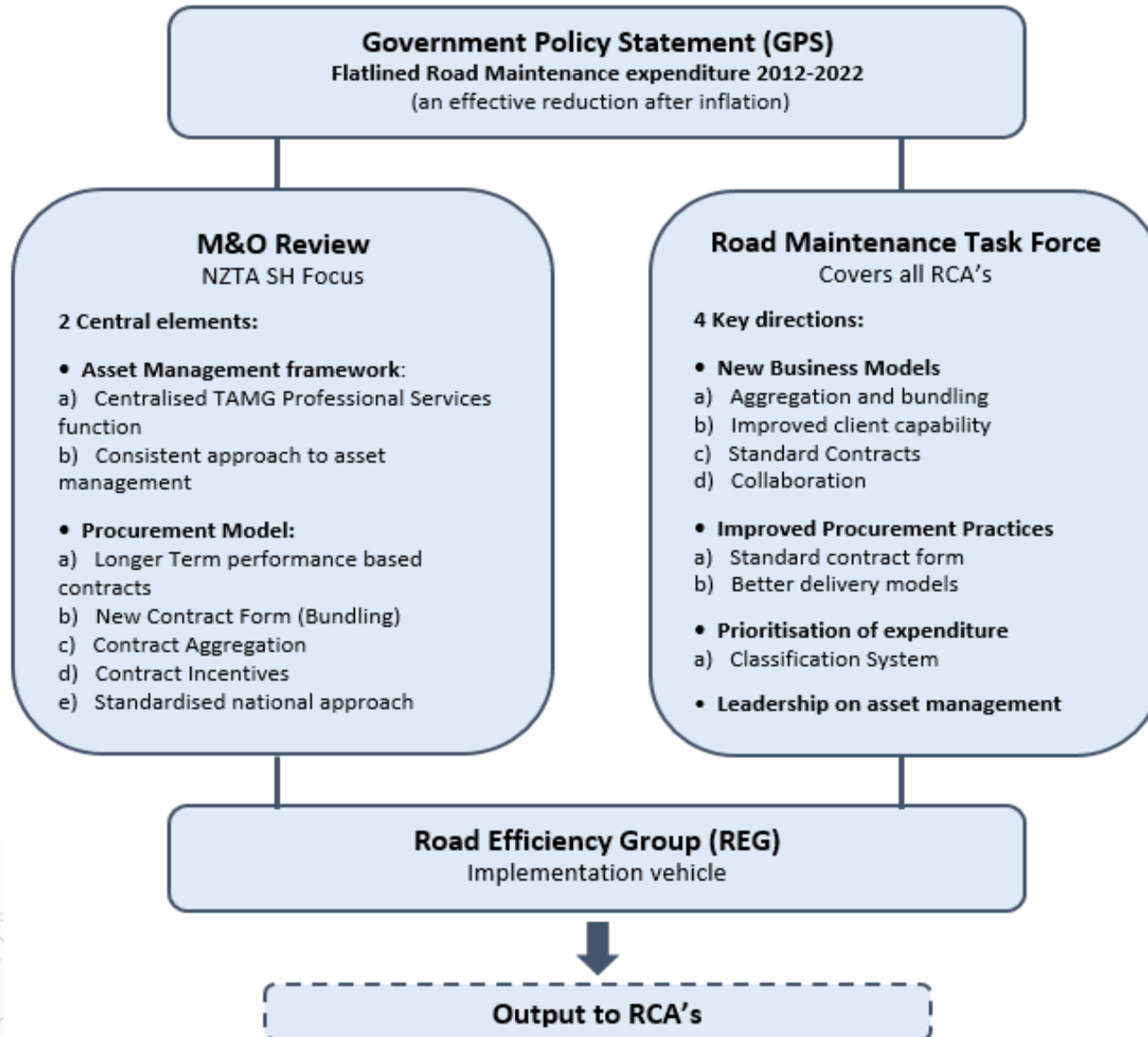
UPDATE to RCA Forum, Christchurch

9 May 2014

Jim Harland, Regional Director Southern

NZ **TRANSPORT** AGENCY
WAKA KOTAHI

Local Government
New Zealand
te pūtahi matakōkiri

Strategic Context

Government Policy Statement (GPS)
Flatlined Road Maintenance expenditure 2012-2022
(an effective reduction after inflation)

M&O Review
NZTA SH Focus

2 Central elements:

• **Asset Management framework:**
a) Centralised TAMG Professional Services function
b) Consistent approach to asset management

• **Procurement Model:**
a) Longer Term performance based contracts
b) New Contract Form (Bundling)
c) Contract Aggregation
d) Contract Incentives
e) Standardised national approach

Road Maintenance Task Force
Covers all RCA's

4 Key directions:

• **New Business Models**
a) Aggregation and bundling
b) Improved client capability
c) Standard Contracts
d) Collaboration

• **Improved Procurement Practices**
a) Standard contract form
b) Better delivery models

• **Prioritisation of expenditure**
a) Classification System

• **Leadership on asset management**

Road Efficiency Group (REG)
Implementation vehicle

Output to RCA's

Strategic Context

REG | THE ROAD EFFICIENCY GROUP

One Network Road Classification

Clustering and Collaboration

Asset Management Best Practice

Sponsored by LGNZ and NZTA

One Network Road Classification (ONRC)

- Recognises that all roads are part of a National Network.

- Categorising roads based on the functions they perform as part of this national network.

- Helps local government and the Transport Agency to plan, invest in, maintain and operate the road network.

- Gives road users more consistency and certainty about what services to expect on national road network.

- Allows more strategic, consistent and affordable decision making

Three ONRC elements

- Classifying roads into categories based on their function in the national network

- Customer Levels of Service (CloS) define what the fit for purpose outcomes are for each category in terms of mobility, safety, accessibility and amenity.

- Performance Measures - how categories and customer levels of service translate into specific maintenance, operational and investment decisions.

The ONRC Classification

The functional classification differentiates roads into a nationally consistent set of six categories and two sub-categories:

1. **National**

   (and high volume sub-category)

2. **Regional**
3. **Arterial**
4. **Primary collector**
5. **Secondary collector**
6. **Access**

   (with a low volume sub-category).

Provisional CLoS on REG website

Possible change to LoS	Current		Proposed equivalent	
Reduce	A9,1		A10,3,1	
Reduce	A8,01		A2,1	
Reduce	A10,4		A8,2	
Increase	A2		A4	
Increase	A8,1		A3,A9	

ONRC Progress Update

Last year: Engagement with RCA and NZTA roading and planning staff, AA and Road Transport Association (RTA) reps, consultants and some mayors and councillors. Final classification and provisional CLoS endorsed by REG.

Feb/Mar/Apr '14: First round of ONRC update presentations to LGNZ and IPWEA; workshops to develop Performance Measures. Finalisation of CLoS.

May/June '14: Second round of update presentations to LGNZ and IPWEA; workshops to fine-tune and finalise Performance Measures; REG Governance Group to consider final outcomes in June.

Implementing the ONRC
Self-audit on capability by questionnaire by the end of May 2014

2015 - 18 NLTP:

Expectation that RCAs have applied ONRC to their network, identified differences in CLoS, agreed appropriate performance measures, understand financial implications

2018 – 21 NLTP:

ONRC fully embedded in AMP decison making and subsequent RLTPs for the 2018 NLTP process
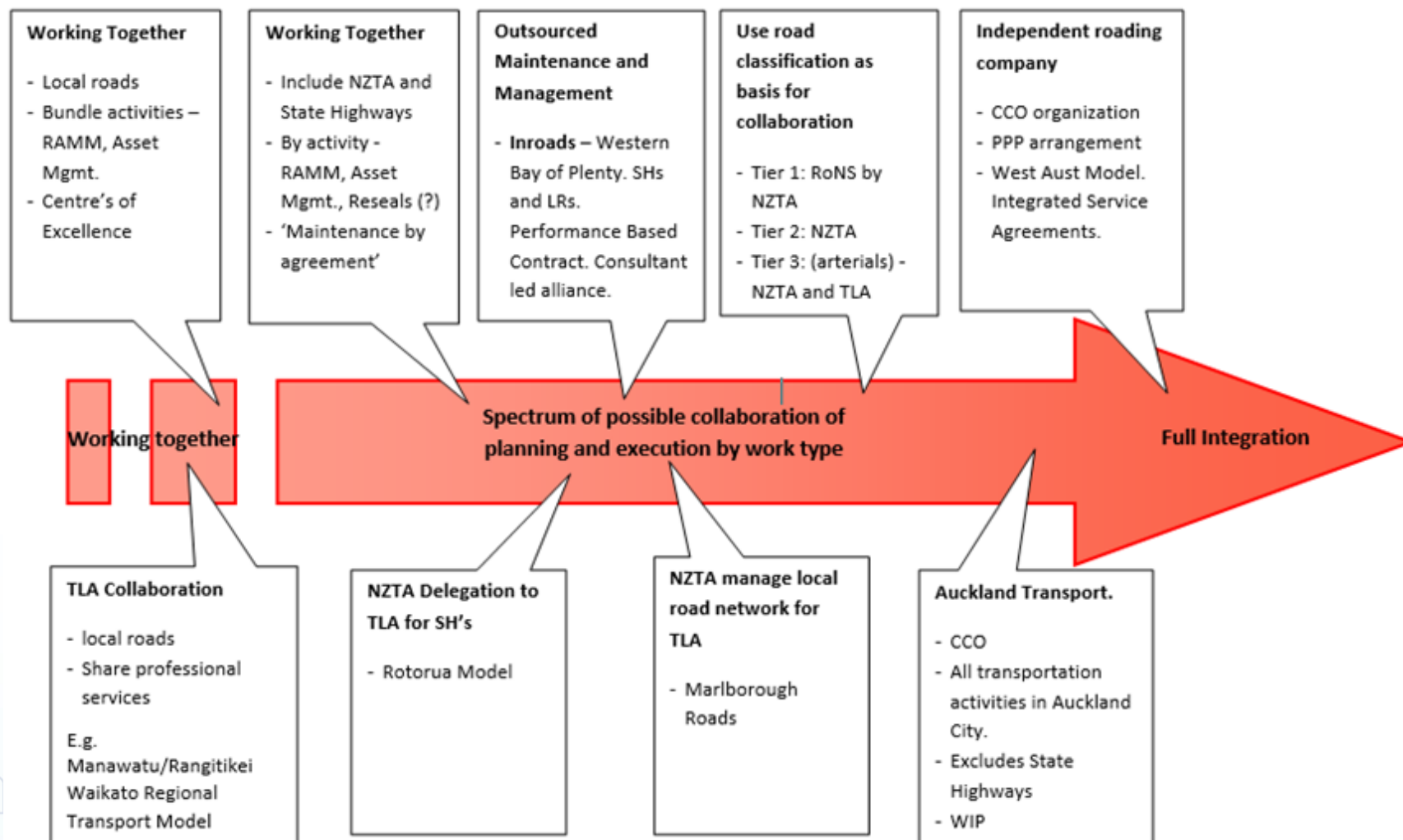
Information on ONRC

- **Hand out**

- **Website**

  nzta.govt.nz – type in 'ONRC'

  - "Applying the ONRC" guidelines

- **Newsletter**

  500+ subscribers
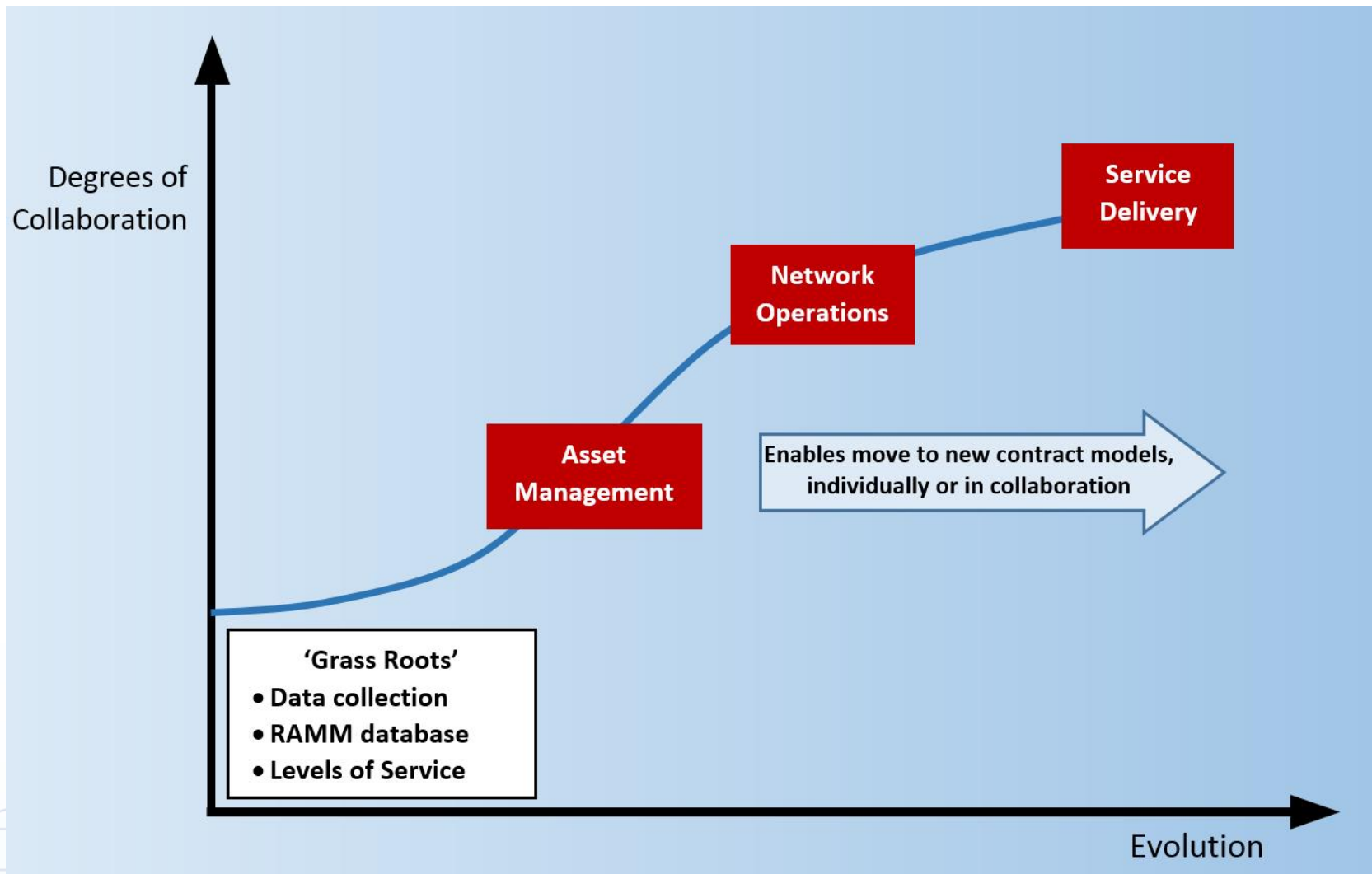
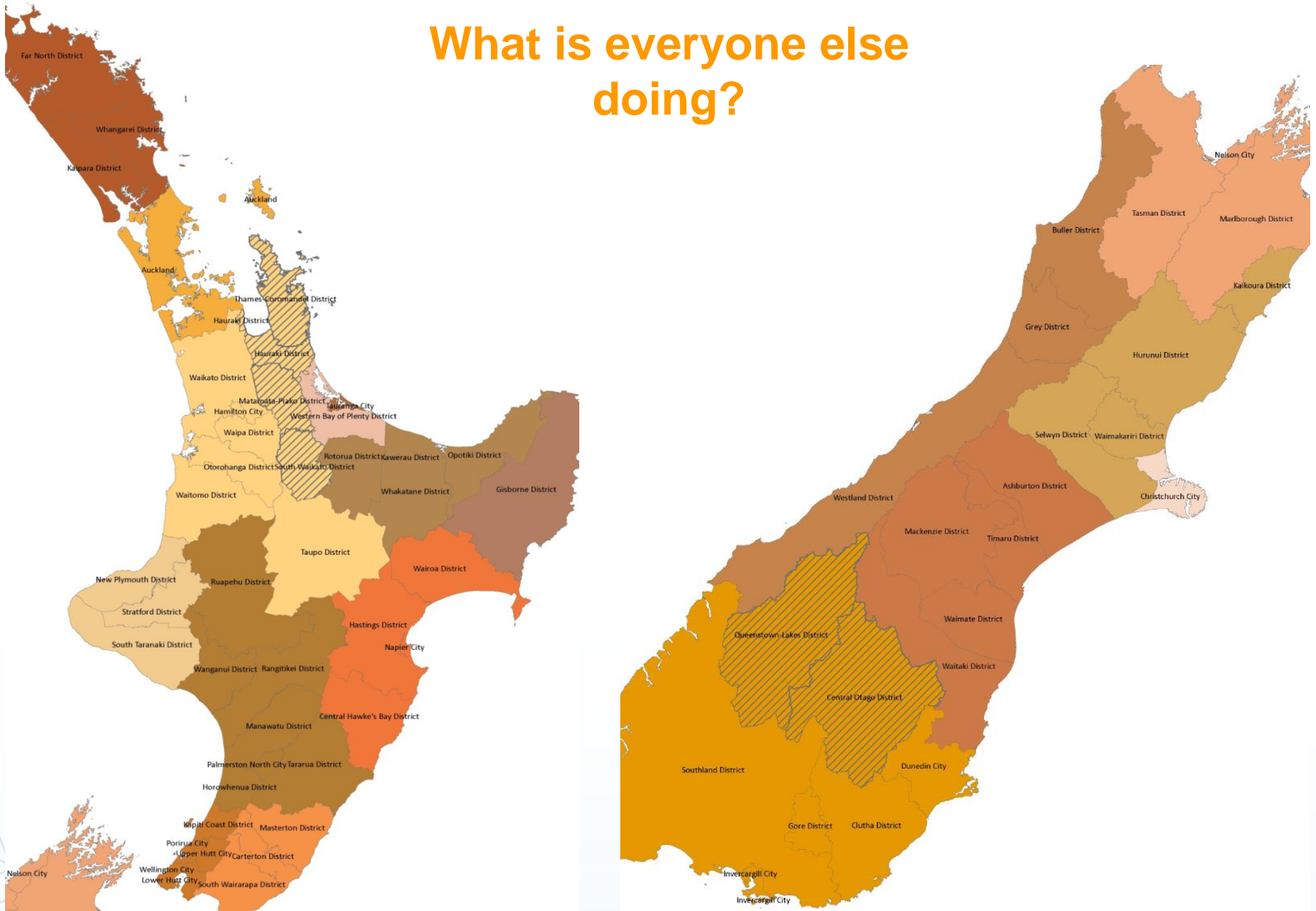 stefan.wolf@nzta.govt.nz

Clustering and Collaboration

Collaboration Continuum

Evolution of Collaboration

What is everyone else doing?

Collaboration Status

Region	Participants	MOU Proposed	Still in discussion	Awaiting LG Review	Other
Northland "Twin Coast Roading"	Far North, Kaipara, Whangarei, NZTA.			Yes	Proposal for shared offices (NZTA/WDC), plus other initiatives.
Waikato Mayoral Forum	Hamilton, Otorohanga, Rotorua, Taupo, Waikato, Waipa, Waitomo, Hauraki, Matamata-Piako, South Waikato, Thames-Coromandel, NZTA.	Yes			Initial module collaboration under development, leading to future Centre of Excellence if successful.
BOP East	Rotorua, Whakatane, Opotiki, Kawerau, NZTA.				Renewal of NZT/RDC collaboration.
BOP West	Western Bay of Plenty, Tauranga, NZTA.				Renewal of existing collaboration.
Hawkes Bay	Wairoa, Central Hawkes Bay, Hastings, Napier.			Yes	
Gisborne Tairāwhiti	Gisborne, NZTA.				Implementing joint business unit and contracts.
Taranaki	New Plymouth, South Taranaki, Stratford.				Broad project considering all Council asset classes.
Manawatu Wanganui	Horowhenua, Manawatu, Palmerston North, Rangitikei, Tararua, Wanganui, NZTA.	Yes			
Wairarapa	Carterton, Masterton, South Wairarapa, NZTA.			Yes	
Greater Wellington	Kapiti, Porirua, Upper Hutt, Lower Hutt, Wellington.			Yes	
Marlborough Tasman "Top of the South"	Marlborough, Nelson, Tasman, NZTA.	Yes			
North Canterbury	Hurunui, Kaikoura, Selwyn, Waimakariri, NZTA.	Yes			
South Canterbury Waitaki	Ashburton, Mackenzie, Timaru, Waimate, Waitaki, NZTA.		Yes		
Otago/Southland	Clutha, Dunedin, Gore, Invercargill, Southland.				Retaining existing cooperation.
Otago Central	Central Otago, Queenstown Lakes, NZTA.	Yes			
West Coast	Buller, Grey, Westland, NZTA.		Yes		
Southland	Southland DC, NZTA HNO				Contract model development

BEST PRACTICE AMP WORKING GROUP

PRACTICE INTO ACTION

Who are they?

How do they work?

What do they want to achieve?

Best Practice AMP Working Group

Relationship between REG workstreams

One Network Classification → output

Good Practice AMP's group — Continually identifying, applying & refining good practice in AMP's

Training → output

Procurement → output

Investment Guidance → output

Data Management → output

Consistent and Effective Asset Management
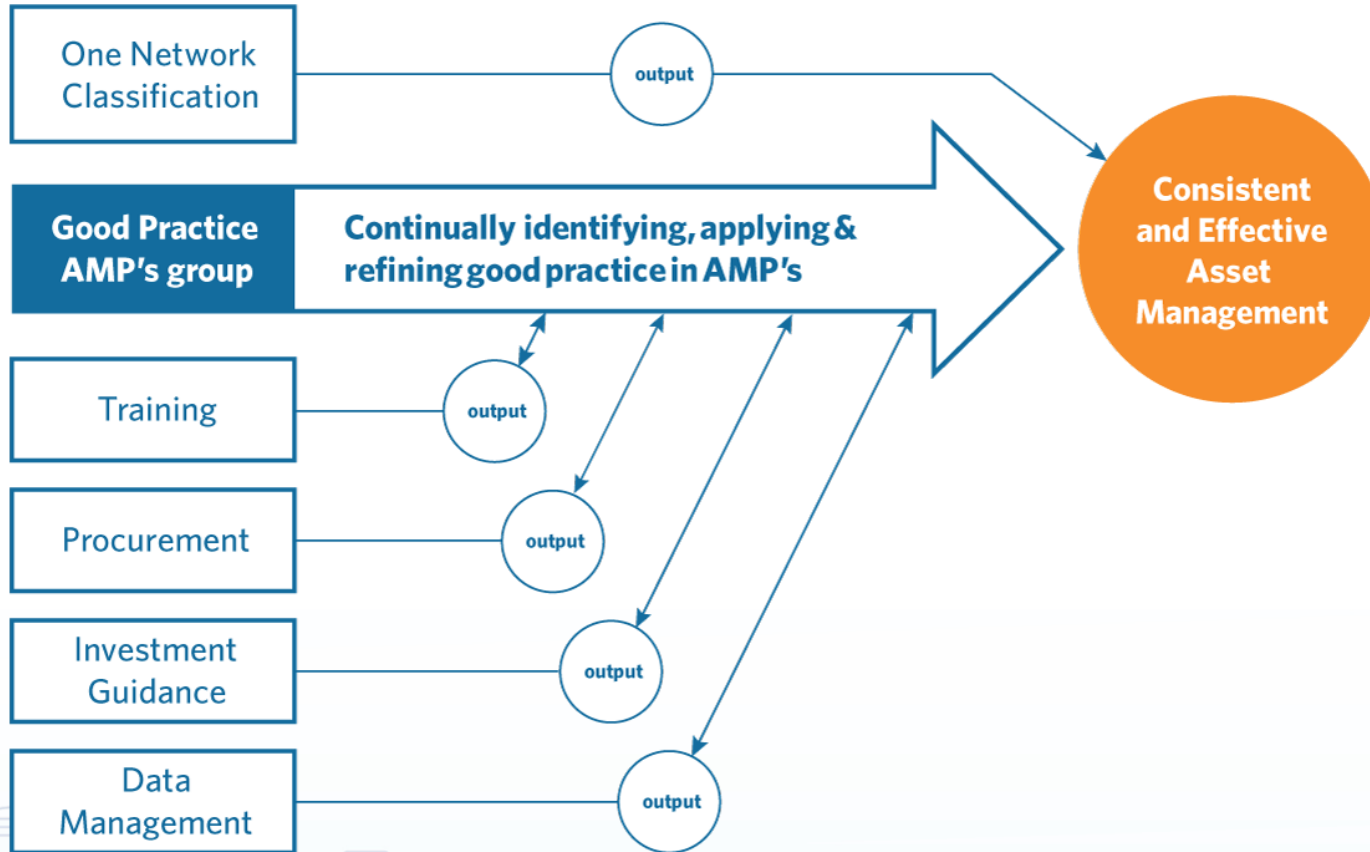
AMP process
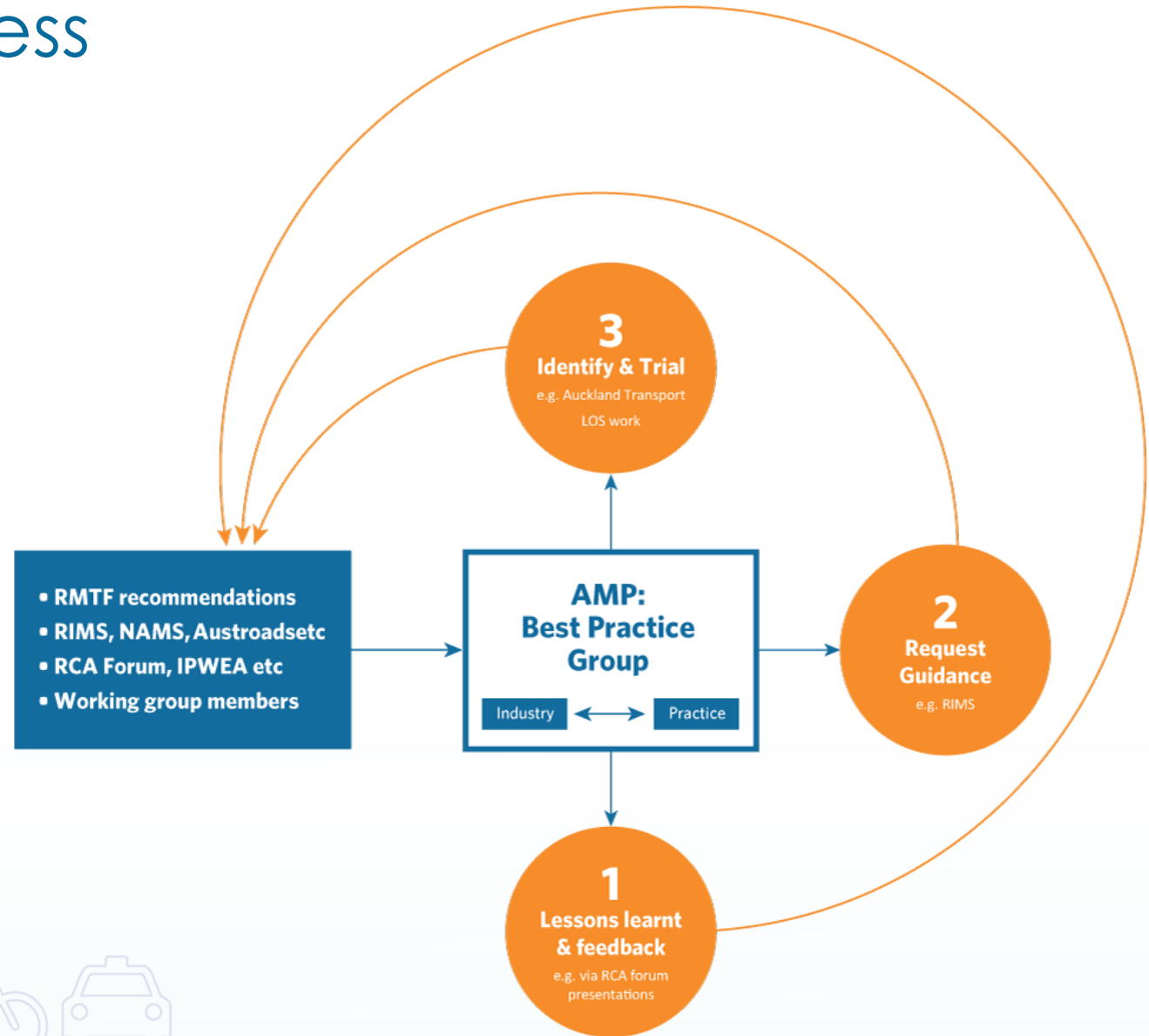
Sharing best practice through

Working with the One Network Classification Group

- **www.nzta.govt.nz/REG**

- **www.nzta.govt.nz/AMP**

Engagement

Case studies

Developing a strategic plan

Case studies

NZTA programme review (RAPT) process

This case study outlines the process that the NZ Transport Agency undertakes on an annual basis to review the appropriateness of the upcoming pavement surfacing and drainage renewal programme.

The review process is referred to by the Transport Agency as their RAPT review (Review and Prioritisation Team).

Case studies

Forward works programme optimisation

This case study discusses the processes that should be adopted to develop an optimised forward works programme for pavement and surfacing renewals, and the tools and methodologies that are available to achieve this.

It outlines the importance of starting the prioritisation process from an optimised programme, and the efficiencies that can be achieved from an optimised programme against a worst first approach.

Case studies

Auckland Transport Street Lighting: Energy efficiency initiatives

This project identifies ways in which significant costs can be saved in street lighting across the Auckland Transport network by the adoption of advanced lighting technologies which are now technologically mature and low risk.
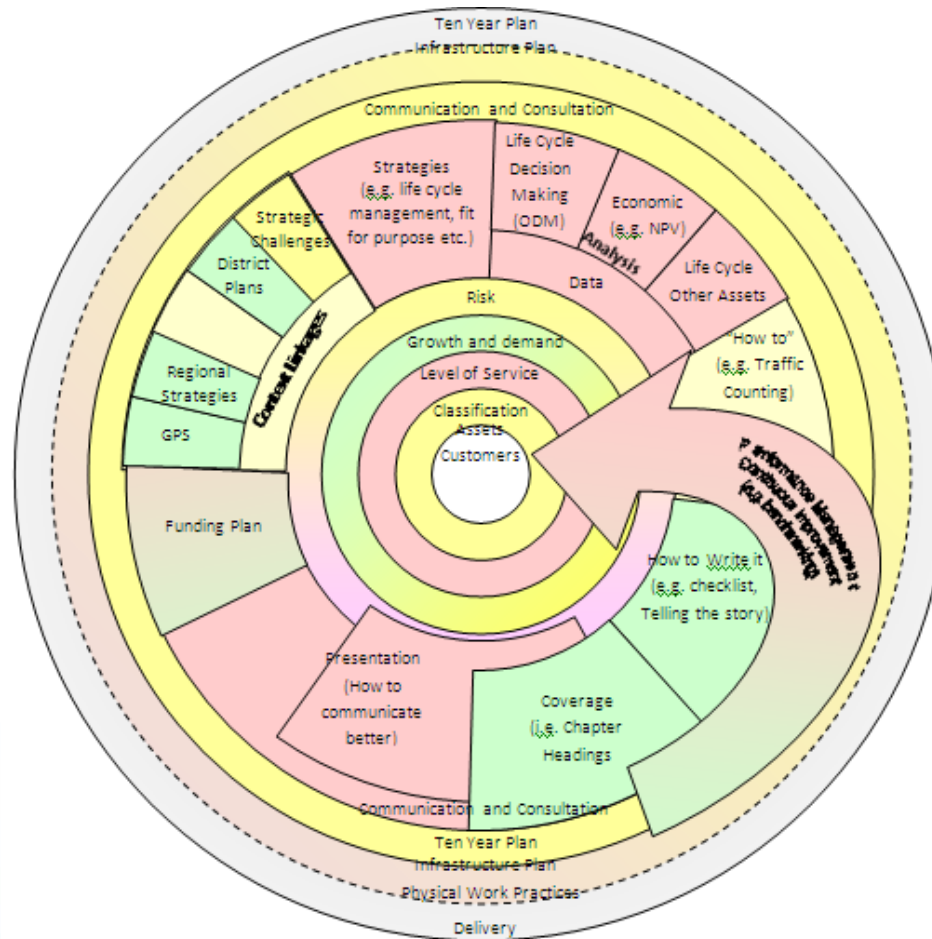
Case studies

Review of RIMS Traffic Counting Guideline

- shifts from reactive to strategic, proactive counting

- It will improve your data accuracy

- It will reduce the number of counts needed

- The case study identifies some challenges

- Suggests some further information to help Councils with implementation

Developing a strategic plan

Common threads

Medium term:

- Risk
- Demand
- Performance management (the feedback loop)
- Asset data (reliable)
- Level of service
- External scrutiny/share experience
- Integrated
- Funding/affordability
- Life cycle/long term/life cycle strategies (ODM)

Value for Money

"We don't have the money,

so we have to think."

— Ernest Rutherford