

Draft Government Policy Statement on Land Transport 2024-2034 – Submission

Who is Āpōpō – Infrastructure Asset Management Professionals Incorporated?

1. Āpōpō is the lead professional association for New Zealand’s infrastructure asset management community. With approximately 1,000 members drawn from local and central government, consultants, contractors and suppliers throughout New Zealand, Āpōpō delivers asset management professional development, industry events, best practice resources and advocacy.
2. Our vision is sustainable communities enabled by infrastructure asset management excellence. Founded in 1948, we have represented, developed and enhanced the infrastructure asset management profession for Aotearoa for over 75 years.

Why is asset management critical?

3. Asset management is central to how we ensure that our country’s investment in infrastructure realises the value required by our communities, whether in waters, waste, health, education, justice, defence, utilities, social amenities, *or transport*. Our Āpōpō people are passionate about asset management – meeting a required level of service, in the most cost-effective manner, through the management of assets for present and future customers.
4. Managing our land transport infrastructure assets to support our community’s connection and economic prosperity both now and in the future requires funding, expertise and knowledge, physical resources, and planning. Getting this right is fundamental to our nation’s wellbeing and quality of life.
5. Āpōpō provides this submission to ensure that the asset management community’s voice is considered when finalising the Draft Government Policy Statement on Land Transport 2024-2034.

Capability development

6. Asset management capability development is essential to ensure that New Zealand's land transport infrastructure assets are able to deliver the community connection and economic prosperity that is expected of them. Current capability, being the combination of capacity and competency, is insufficient for the workload now required to be delivered.
7. We have heard of Local Authorities not having a roading asset manager employed or retained due to an inability to recruit, constrained budgets, short term thinking, or efforts to minimise rates increases. The lack of asset management expertise leads to inefficiency and ineffectiveness through deterioration of the physical assets, reduced lifespans and costlier remediation.
8. Capability development includes ensuring that asset managers have the resources they need to make sound investment decisions. Resources include decision making frameworks and tools, instruction and experience in using and applying these, and consistent data collection and analysis.
9. Funding for capability development is typically dispersed in training and development related budgets. This leaves investment in people vulnerable to short term imperatives which align poorly with the long-term horizon of infrastructure.
10. To address this mismatch, transport infrastructure investment projects, whether for renewal, replacement or expansion, should be required to include allocations of funding for capability development in the maintenance of both the newly created infrastructure as well as adjacent infrastructure.

Recommendation One

11. We recommend that the Government Policy Statement on Land Transport requires that a small allocation of the total funds targeted at new infrastructure is made to develop capability (capacity and competency) in asset management for the newly delivered and existing adjacent infrastructure.

Planning horizon

12. The Draft Government Policy Statement on Land Transport sets out a medium term 10-year planning horizon and its alignment with local government's long-term plans.
13. Such alignment of planning activity will be efficient and enable higher quality community conversations as trade-offs over time between services and investment will be exposed for consideration and debate. Investment in local waters infrastructure verses roading infrastructure verses climate change resilience initiatives, verses productivity enhancement

will all be competing for funding, physical, and expert resources. Prioritisation will be necessary when having all is beyond the economic capacity of the planning horizon.

14. For example, a community may decide first water quality, then road maintenance, then water disposal, then new road connections, then flood protection, because all cannot be afforded concurrently. Such prioritisation is the essence of sound asset management – informing the allocation of scarce resources to achieve the best possible co-ordinated outcomes.
15. A consistent planning horizon will reduce the need to accommodate surprise investments and provide a compelling and reliable direction for communities to support and for the required resources to be organised for delivery.
16. Raising the eye of central government agencies to this planning horizon is also critical so that local and central investment is aligned. For example, a Road of National Significance that opens connection for a community to tourism could cause harm to the community if its waters infrastructure is inadequate.

Recommendation Two

17. We recommend that future 10 year Government Policy Statements on Land Transport and corresponding local government long term plans are required to be cross-informed to ensure that local and national initiatives and policy settings are aligned and consistent.

Consistency

18. Requiring a long-term planning horizon of 30-50 years for transport infrastructure would begin to set New Zealand up for economic, social, and environmental success. The maintenance, renewal and expansion of our transport infrastructure requires more than just 10 years forethought.
19. Our last 20-30 years of transport and other infrastructure development can fairly be criticised as “kicking the can down the road”. With the end of the road upon us we now are faced with a reasonably predictable period of sub-optimal catchup.
20. The lifespan of infrastructure assets such as roads and other transport enablers is typically 50-100 years, when maintained. To only plan for a small portion of that period demonstrates we are not learning from recent experience of “kicking the can down the road”.
21. Long term imperatives such as climate change obligations, demographic shifts, and prosperity aspirations should be used to advance the long term conversation regarding transport strategy.

22. We support the New Zealand Infrastructure Commission Te Waihanga 30-year New Zealand Infrastructure Strategy and the opportunity this provides for a long term planning horizon for land transport.

Recommendation Three

23. We recommend that future Government Policy Statements on Land Transport are required to provide a long term 30-50 year view consistent with the New Zealand Infrastructure Strategy.

Political cycles

24. The draft Government Policy Statement on Land Transport sits in a context of changing priorities brought about by political cycles. Both central and local government three-year cycles disrupt planning and lead to significant economic waste through loss of continuity and momentum, withdrawal of expertise and knowledge, and abandonment of sunk resources.
25. Raising the infrastructure asset investment conversation above local and central political imperatives so that basic principles of investment are universally agreed and pursued would significantly increase efficiency and effectiveness of that investment. Priorities such as economic productivity, climate change resilience, carbon reduction, and community connection are all long term in nature and best achieved through consistent effort.
26. A reliable pipeline of road maintenance, renewal and development supports investment in physical and human resources so that they are ready and available to deliver the expected works when programmed. From an asset management perspective this is the most efficient way of achieving a required level of service delivery over the full life span of infrastructure assets.

Recommendation Four

27. We recommend that future Government Policy Statements on Land Transport are required to gain support from across the political spectrum so that there is medium term reliability to policy settings.

Road Efficiency Group

28. We support the focus of the Road Efficiency Group being on ensuring that all investment in maintaining and improving resilience on the state highway, local and rural road network is spent in the most efficient manner. Internationally recognised asset management principles align with this objective.

29. We will seek to work closely with the Road Efficiency Group to ensure its members are familiar with these asset management principles. We will also seek to support the delivery of the Road Efficiency Group Performance and Efficiency plan and wish to be involved in its development through our RIMS Special Interest Group. RIMS is a long-established industry representative group focused on roading information management and analysis support.

Recommendation Five

30. We recommend that Āpōpō, through our RIMS Special Interest Group, participates in the development of the Performance and Efficiency Plan in relation to the scope and role of the Road Efficiency Group.

Road Asset Data

31. Utilising the existing significant data pool available to road asset managers to inform decision making will be essential to realise efficiencies in spend while improving short, medium, and long -term outcomes. Standardised data collection and categorisation protocols improve consistency and enable comparison modelling to a sophisticated level. Artificial intelligence / machine learning can then be applied to reliably predict future condition and performance outcomes.
32. Āpōpō subsidiary IDS has proven predictive models for sealed and unsealed roads and bridges. IDS is a charitable purposes company advancing the decision-making interests of all road controlling authorities including NZTA, local government and DoC, and other asset owners. The modelling relies on 25 years of data and parameter refinement and reliably provides road managers with optimised treatment and investment programmes which trade off defined outcomes and defined funding. Comparison of predictive models created 5-10 years ago with now experienced outcomes show very high levels of accuracy.
33. To date, the IDS modelling has been locally or regionally focused. We recommend that a national model be worked towards by combining existing regional and local models and creating new model material to fill the gaps. The resulting national scale model will provide valuable insight into the very likely future state of the full road asset given the investment profile selected, helping to inform a long-term decisions about the levels of service required, expected and desired.

Recommendation Six

34. We recommend that the Government Policy Statement on Land Transport requires that a national predictive model of road asset condition performance and investment is developed from the current local and regionalised models to better inform long term decision making and investment.

Āpōpō Recommendations Summary

35. Āpōpō makes the following recommendations for consideration as the draft Government Policy Statement on Land Transport 2024-2034 is finalised:

- 1) We recommend that the Government Policy Statements on Land Transport requires that a small allocation of the total funds targeted at new infrastructure is made to develop capability (capacity and competency) in asset management for the newly delivered and existing adjacent infrastructure.
- 2) We recommend that future 10-year Government Policy Statements on Land Transport and corresponding local government long term plans are required to be cross-informed to ensure that local and national initiatives and policy settings are aligned and consistent.
- 3) We recommend that future Government Policy Statements on Land Transport are required to provide a long term 30-50 year view consistent with the New Zealand Infrastructure Strategy.
- 4) We recommend that future Government Policy Statements on Land Transport are required to gain support from across the political spectrum so that there is medium term reliability to policy settings.
- 5) We recommend that Āpōpō, through our RIMS Special Interest Group, participates in the development of the Performance and Efficiency Plan in relation to the scope and role of the Road Efficiency Group.
- 6) We recommend that the Government Policy Statement on Land Transport requires that a national predictive model of road asset condition performance and investment is developed from the current local and regionalised models to better inform long term decision making and investment.

36. For further information or discussion regarding these recommendations please contact:

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