

Performance Information for Appropriations

Vote Transport

MINISTER(S) RESPONSIBLE FOR APPROPRIATIONS: Minister of Transport (M72)

ADMINISTERING DEPARTMENT: Ministry of Transport

MINISTER RESPONSIBLE FOR MINISTRY OF TRANSPORT: Minister of Transport

Part 1 - Summary of the Vote

Part 1.1 - Overview of the Vote

Vote Transport encompasses the funding of the road, rail, aviation and maritime transport modes.

The major entities involved are the Ministry of Transport, the New Zealand Transport Agency and KiwiRail, as well as the other Transport Crown entities, the Civil Aviation Authority (incorporating the Aviation Security Service), Maritime New Zealand and the Transport Accident Investigation Commission.

Road

The largest element of the Vote is the funding for the National Land Transport Programme (\$3,356 million or 82% of the total Vote) which is principally funded from road tax revenue collected by the Crown.

Of this balance, \$750 million relates to a loan from the Crown for cash flow management. The appropriation does not take account of any repayments made in the year and the facility may not exceed \$250 million at any one time.

Rail

Funding for Rail makes up 13% of the Vote - \$521 million:

- \$250 million is the third tranche of the Government's commitment to the KiwiRail Turnaround Plan, the aim of which is for KiwiRail to develop a commercially sustainable freight business within 10 years
- \$100 million is a loan to the Auckland Council to assist with the funding of the Electric Multiple Units
- an additional \$152 million is for the Auckland metro network, and
- the balance of \$19 million is mainly for a project supporting metro rail improvements in Wellington.

Crown Entity and Other Funding

The balance of the Vote (\$121 million) is mainly split between:

- the Ministry of Transport as departmental funding (\$33 million)
- Crown entities for services (\$42 million). The Crown entities receive most of their funding from third party fees and charges
- SuperGold card public transport concessions (\$22 million), and
- weather forecasting services from Meteorological Service of New Zealand (\$18 million).

Details of these appropriations are set out in Parts 2-6 below.

Part 1.2 - High-Level Objectives of the Vote

Objectives of the Vote

All of the appropriations in Vote Transport contribute to the following Government priority:

- The government's overall goal for New Zealand is to grow the economy to deliver greater prosperity, security and opportunities for all New Zealanders.

For the next three years, the government's priorities are to:

- responsibly manage the government's finances
- build a more competitive and productive economy
- deliver better public services, and
- rebuild Christchurch.

The government's objective for transport is for an effective, efficient, safe, secure, accessible and resilient transport system that supports the growth of our economy, in order to deliver greater prosperity, security and opportunities for all New Zealanders.

The particular priorities for the transport system are:

- investment in infrastructure
- better quality regulation
- safer transport system, and
- opening markets.

Part 1.3 - Trends in the Vote

Summary of Financial Activity

	2007/08	2008/09	2009/10	2010/11	2011/12		2012/13			2013/14	2014/15	2015/16
	Actual \$000	Actual \$000	Actual \$000	Actual \$000	Budgeted \$000	Estimated Actual \$000	Departmental Transactions Budget \$000	Non- Departmental Transactions Budget \$000	Total Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Appropriations												
Output Expenses	1,461,954	1,785,178	2,022,285	1,856,434	1,998,737	1,998,737	32,594	1,830,174	1,862,768	1,910,357	1,915,180	1,920,180
Benefits and Other Unrequited Expenses	-	-	-	-	-	-	N/A	-	-	-	-	-
Borrowing Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	8,220	20,211	356,257	413,936	381,293	374,147	-	184,224	184,224	56,065	118,418	28,418
Capital Expenditure	685,765	21,286,743	1,078,594	1,183,681	2,272,507	1,538,507	500	1,938,926	1,939,426	1,957,140	1,821,272	1,924,118
Intelligence and Security Department Expenses and Capital Expenditure	-	-	-	-	-	-	-	N/A	-	-	-	-
Total Appropriations	2,155,939	23,092,132	3,457,136	3,454,051	4,652,537	3,911,391	33,094	3,953,324	3,986,418	3,923,562	3,854,870	3,872,716
Crown Revenue and Capital Receipts												
Tax Revenue	1,042,450	1,060,329	1,048,680	1,151,672	1,176,520	1,176,520	N/A	1,284,114	1,284,114	1,371,330	1,451,535	1,532,264
Non-Tax Revenue	12,908	13,860	75,827	76,074	74,691	74,691	N/A	26,328	26,328	27,312	28,980	29,763
Capital Receipts	-	-	-	-	-	-	N/A	-	-	-	-	-
Total Crown Revenue and Capital Receipts	1,055,358	1,074,189	1,124,507	1,227,746	1,251,211	1,251,211	N/A	1,310,442	1,310,442	1,398,642	1,480,515	1,562,027

New Policy Initiatives

Policy Initiative	Appropriation	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
Third tranche of funding for the KiwiRail Turnaround Plan	Rail - KiwiRail Turnaround Plan Funding	-	250,000	-	-	-
SuperGold card	SuperGold Card - Public Transport Concessions for Cardholders	-	3,700	-	-	-
Health and Safety activities	Policy Advice and Related Outputs - Maritime	-	528	528	528	528

Analysis of Significant Trends

Significant trends in Vote Transport are discussed briefly below. In all of the tables, the 2008/09 - 2010/11 figures are actual and the other years are forecasts.

Tax Revenue

Road tax revenue is hypothecated by legislation to the National Land Transport Fund, the majority of which pays for the national roading network, as detailed in the National Land Transport Programme (NLTP). In 2012/13, the Crown is forecast to collect \$2.887 billion of road tax revenue.

There are three types of road tax revenue:

- Fuel excise duty (FED) paid on fuel by the importer.
- Road user charges (RUC) paid by owners of diesel vehicles.
- Motor vehicle registration fees (MVR) paid by owners of most vehicles.

The first is collected by the Customs Service and the others by the NZ Transport Agency.

The majority of the revenue is spent within Vote Transport with some in Vote Police for Road Policing activities (\$296 million in 2011/12). Road tax revenue is forecast at least twice every year and the funding to the NLTP is adjusted upwards or downwards in line with revenue.

Revenue trends

	2008/09 \$000	2009/10 \$000	2010/11 \$000	2011/12 \$000	2012/13 \$000	2013/14 \$000	2014/15 \$000	2015/16 \$000
RUC	880,678	909,900	1,015,779	1,038,245	1,152,255	1,240,262	1,320,114	1,399,106
MVR	214,332	171,295	171,529	173,655	170,485	170,918	173,016	175,913
FED refunds	(34,681)	(32,515)	(35,636)	(35,380)	(38,626)	(39,850)	(41,595)	(42,755)
<i>Vote Transport tax revenue</i>	<i>1,060,329</i>	<i>1,048,680</i>	<i>1,151,672</i>	<i>1,176,520</i>	<i>1,284,114</i>	<i>1,371,330</i>	<i>1,451,535</i>	<i>1,532,264</i>
FED	1,438,600	1,469,839	1,483,123	1,521,797	1,598,820	1,650,182	1,721,928	1,768,852
Total road tax revenue	2,498,929	2,518,519	2,634,795	2,698,317	2,882,934	3,021,512	3,173,463	3,301,116

The economic downturn continues to affect the revenue stream. RUC and FED rates were increased in September 2009 and September 2010 and a further increase of 2 cents per litre will be made on 1 August 2012. Forecasts for years beyond this date contain increases for estimated CPI only.

The road tax revenue is hypothecated to the National Land Transport Fund and so can be approved pursuant to a permanent legislative authority. For transparency, the expenditure proposed is shown in the Estimates although no appropriation is required. This disclosure provides a transparent view of the Government's books as the road tax revenue is matched by equal expenditure. If the expenditure was not shown, the revenue would create an apparent surplus.

Appropriations by Purpose within Vote Transport

	2008/09 \$m	2009/10 \$m	2010/11 \$m	2011/12 \$m	2012/13 \$m	2013/14 \$m	2014/15 \$m	2015/16 \$m
National Land Transport Programme PLAs	1,714	2,392	2,413	2,368	2,572	2,711	2,864	2,992
Crown funding to the National Land Transport Programme	835	80	154	1,037	770	850	767	750
Crown funding for other road projects	33	24	25	7	-	-	-	-
Rail	8	798	692	1,031	521	243	105	13
Crown entitlements	20,378	27	30	25	26	25	24	24
Other	66	86	88	133	65	61	61	61
Departmental Funding	59	50	53	52	33	33	33	33
Total appropriations	23,092	3,457	3,454	4,652	3,986	3,923	3,855	3,873

The figures shown by type of appropriation in the Summary of Financial Activity table have been reanalysed by purpose above, to allow for a more meaningful and straightforward explanation of the trends.

The funding by each purpose is explained in more detail below.

National Land Transport Programme (NLTP)

The key document which explains the current policy on land transport funding is the Government Policy Statement on Land Transport Funding. The second of these which relates to years 2012/13 - 2021/22 was published during 2011/12 and comes into force on 1 July 2012. This is a statutory document and a requirement of the Land Transport Management Act. This Policy Statement sets out the Government's priorities for land transport, and sets ranges of expenditure on defined activities. From this, the New Zealand Transport Agency in conjunction with regional local bodies develops the three year National Land Transport Programme to action these policy intentions. The existing Programme is for the years 2009/10 to 2011/12 and the new one for 2012/13 to 2015/16 will be released by 1 September 2012.

These Estimates were produced before the new National Land Transport Programme was published and so refer to the funding ranges contained in the Government Policy Statement 2012/13 - 2021/22.

The Crown collects the road tax revenue detailed above and it is then allocated as required to deliver the National Land Transport Programme. There are two permanent legislative authority appropriations

(PLAs) for the Programme - one operating and one capital in nature. The Information Supporting the Estimates section of this document provides more detail on planned expenditure by the different activity classes.

In addition to the permanent legislative authority funding, there are some Crown appropriations for specific purposes.

	2008/09 \$m	2009/10 \$m	2010/11 \$m	2011/12 \$m	2012/13 \$m	2013/14 \$m	2014/15 \$m	2015/16 \$m
Appropriated under PLA								
Operating	1,643	1,779	1,696	1,743	1,767	1,817	1,822	1,827
Capital	70	613	717	626	805	894	1,042	1,165
	<i>1,714</i>	<i>2,392</i>	<i>2,413</i>	<i>2,368</i>	<i>2,572</i>	<i>2,711</i>	<i>2,864</i>	<i>2,992</i>
Crown appropriations								
Operating and Capital	835	80	44	107	-	-	-	-
Capital - loan	-	-	110	930	770	850	767	750
	<i>835</i>	<i>80</i>	<i>154</i>	<i>1,037</i>	<i>770</i>	<i>850</i>	<i>767</i>	<i>750</i>
Total funding	2,549	2,472	2,567	3,404	3,342	3,561	3,631	3,742

Permanent Legislative Authority Funding

The NZ Transport Agency balances the funding available between the operating and capital appropriations to deliver the National Land Transport Programme. Funding is moved between the operating and capital appropriations as progress over time requires. The Agency uses the capital appropriation to fund the delivery of new State highways, which includes the Roads of National Significance programme.

As the Programme for 2012/13 to 2015/16 has not yet been published, the split above for 2012/13 and outyears is likely to change in future baseline updates.

Crown Appropriations

Road tax is intended to be the primary source of funding for the National Land Transport Programme but the Crown can appropriate additional funding if it wishes. The Crown Capital appropriations in 2008/09 mainly reflect the one off appropriation of \$722 million to fulfil revenue guarantees that had been made prior to the introduction of full hypothecation of road tax in 2008/09, and the economic stimulus package which ended in 2010/11.

The NZ Transport Agency is currently working through with other agencies what expenditure will be required to assist with the reinstatement of Canterbury's roads following the earthquakes. \$102 million was appropriated to Vote Transport in 2011/12 for this. Due to the uncertainty around costs, no funding has been appropriated for 2012/13 at this time. However Cabinet has delegated to joint Ministers the approval of up to \$88 million for Canterbury roading reinstatement in 2012/13 if approved by 30 June 2012. Any of the \$102 million that is unspent at 30 June 2012 will be carried forward to 2012/13. These ongoing reinstatement costs may affect the delivery of the National Land Transport Programme and this will have to be considered in the new Programme.

The balance of funding in 2011/12 is the final year for two regional transport projects and the surplus administration fees from the Motor Vehicle Register business. There is no Crown funding for these in 2012/13 and outyears.

Loan Appropriation - Management of a Three Year NLTP within the Annual Government Budget Cycle

The National Land Transport Programme is a three-year programme, with the NZ Transport Agency Board required to approve funding for projects and activities over multiple years. Variations in project timing (eg, due to weather), cost overruns and fluctuations in revenue may result in expenditure in a particular year exceeding the available funds, despite being within the expected range over three years. Such negative cash flow variations may require adjustments to the land transport programme in the short to medium term.

Cabinet has addressed this by approving a borrowing facility to manage short-term cash flow variations between hypothecated revenue inflows and expenditure outflows. The facility allows the NZ Transport Agency greater flexibility and efficiency in managing the timing of any required adjustments to the programme. It has two components:

- up to \$150 million, for the purpose of managing regular seasonal cash flow cycles (to be repaid during the off-season, when revenue inflows exceed expenditure), and
- up to \$100 million, for the purpose of managing unexpected and unavoidable cash flow variations.

The NZ Transport Agency is in charge of managing the facility which was first drawn on in 2010/11 and it draws down the loan and makes repayments as revenue levels permit. The constraint is that the loan balance may not exceed \$250 million at any time. In calculating the size of the appropriation at \$750 million, only draw downs can be taken into account and so the appropriation is large as shown above, but is not a reflection of the net funding being provided. The Agency reports quarterly to the Minister of Transport on the ongoing management of the loan against its terms and conditions. The latter have been complied with.

During 2011/12, an additional facility was provided for 2011/12 only. The loan balance could not exceed \$90 million at any time and the appropriation was set at \$180 million for the reason noted above.

Thus the forecast total loan appropriations equalled \$930 million in 2011/12 (the sum of \$750 million and \$180 million), against an actual draw down of \$110 million in 2010/11.

Tauranga Eastern Link Loan

Over 2012/13 to 2014/15, the Crown will provide a loan of \$137 million to the NZ Transport Agency to bring forward the construction of this particular road. The loan will be repaid from tolling revenue.

\$20 million of the loan is appropriated in 2012/13 and so the appropriation loan balance for 2012/13 is \$770 million in total.

Rail Funding

	2009/10 \$m	2010/11 \$m	2011/12 \$m	2012/13 \$m	2013/14 \$m	2014/15 \$m	2015/16 \$m
Capital - Turnaround Plan	-	250	250	250	-	-	-
Capital - loan	380	55	450	100	200	-	-
Operating and capital for projects	418	387	331	171	43	105	13
Total	798	692	1,031	521	243	105	13

Before 2009/10, most Rail funding was contained within Vote Finance. From 1 July 2009, the funding was transferred to Vote Transport which now holds all rail funding.

Capital - Turnaround Plan

The Government made a commitment as part of Budget 10 to support a 10 year strategy for the New Zealand Railways Corporation (KiwiRail) - the Turnaround Plan. The objective is for KiwiRail to become, within ten years, a sustainable rail freight business that is able to fund its ongoing operating and capital expenditure solely from customer revenue.

A total of \$750 million in capital over three years was committed by the Crown towards the strategy, but its disbursement is dependent on the approval of suitable business cases and demonstrable progress towards objectives. All of the \$750 million has now been appropriated as shown above.

Capital - Loan

The loan balance reflects existing loans to KiwiRail which have been rolled over and so require an appropriation, and a new loan of \$500 million for the Auckland Electric Multiple Unit package. During 2011/12, this loan was transferred from KiwiRail to the Auckland Council. The funding is appropriated for 2011/12 to 2013/14 and the loan balance in 2012/13 and 2013/14 is solely this loan.

Operating and Capital for Project Funding

The elements of this funding are:

- a number of existing appropriations supporting the metro rail network in Auckland and Wellington. All are complete by the end of 2014/15
- \$90 million in 2014/15 only as part of the Auckland Electric Multiple Unit package funding
- an appropriation of \$88 million over the eight years to 2018/19 to upgrade the Wellington metro network, and
- \$4 million per annum for public policy and railway safety work.

From 2015/16, only the third and fourth items remain.

Funding to Crown Entities

	2008/09 \$m	2009/10 \$m	2010/11 \$m	2011/12 \$m	2012/13 \$m	2013/14 \$m	2014/15 \$m	2015/16 \$m
Output expense	24	24	23	25	26	25	24	24
Capital	7	3	7	-	-	-	-	-
Capital relating to entity creation	20,347	-	-	-	-	-	-	-
Total	20,378	27	30	25	26	25	24	24

The figures in 2008/09 reflect the creation of the largest Transport Crown entity, the New Zealand Transport Agency from the merger of Land Transport New Zealand and Transit NZ. Assets of more than \$20 billion were involved and the transfer required an appropriation.

Most Transport Crown entity activity is funded from the NLTP or fees and charges and so the Crown funding is relatively little.

Other

	2008/09\$m	2009/10 \$m	2010/11 \$m	2011/12 \$m	2012/13 \$m	2013/14 \$m	2014/15 \$m	2015/16 \$m
Total	66	86	88	133	65	61	61	61

The 'Other' category is funding paid to third parties, fee funded work and one off projects. Key elements in 2012/13 are:

- SuperGold card public transport concessions (\$22 million)
- purchase of road user charges administration from the NZ Transport Agency (\$18 million), and
- purchase of weather forecasting services from the Meteorological Service of NZ (\$18 million).

The table shows a decrease to \$65 million in 2012/13. This reflects:

- costs of MV Rena grounding response: \$35 million in 2012/13, \$0 currently in 2012/13 due to uncertainty, and
- changes to how motor vehicle and road user charge activities are funded, resulting in a decrease of \$30 million.

Departmental Output Expenses

	2008/09 \$m	2009/10 \$m	2010/11 \$m	2011/12 \$m	2012/13 \$m	2013/14 \$m	2014/15 \$m	2015/16 \$m
Funding to Ministry	41	32	34	33	33	33	33	33
Funding for services contracted to NZ Transport Agency	18	18	19	19	-	-	-	-
Total	59	50	53	52	33	33	33	33

The main reasons for changes to departmental funding over time is the changing funding since 2008/09 of motor vehicle register, road use charge and fuel excise duty refund administration activity. From 2012/13, the funding for road user charge and fuel excise duty refund administration will be paid directly to the NZ Transport Agency as opposed to being a departmental activity that is contracted to the Agency.

From 2012/13, departmental funding will decrease by \$900,000 as a result of the 3 % efficiency saving. This is not visible in the table above due to the Ministry transferring some departmental funding to Maritime NZ in 2011/12 to assist it with the management of its planned activities while also managing the response to the grounding of the MV Rena off Tauranga in October 2011.

Non-Tax Revenue

	2008/09 \$m	2009/10 \$m	2010/11 \$m	2011/12 \$m	2012/13 \$m	2013/14 \$m	2014/15 \$m	2015/16 \$m
Administration fees	-	60	61	61	15	16	16	17
Tolling revenue	2	4	6	6	7	7	8	8
Other	11	11	10	8	5	5	5	5
Total	13	75	77	75	27	28	29	34

In 2008/09, the administration fees of \$57 million were incorrectly classified at Tax Revenue.

As noted elsewhere, the funding of motor vehicle register, road use charges and fuel excise duty refund administration activity has been undergoing change. From 2012/13, the administration fees for motor vehicle register activity will become third party revenue of the NZ Transport Agency and the related Crown appropriation will be disestablished. This explains the decrease in fees above.

The administration fee revenue for road user charges will remain non-tax revenue of the Crown in the short term although a similar change is planned for it

Tolling revenue comes from the Northern Gateway road that is currently the only road in the country being tolled by the Crown. Tolling began during 2008/09.

Other revenue has decreased due to changes in what can be charged for.

Part 1.4 - Reconciliation of Changes in Appropriation Structure

2011/12 Appropriations in the 2011/12 Structure	2011/12 (Current) \$000	Appropriations to which Expenses (or Capital Expenditure) have been Moved from or to	Amount Moved \$000	2011/12 Appropriations in the 2012/13 Structure	2011/12 (Restated) \$000	2012/13 \$000
Governance and Performance Advice for Crown Agencies	750	Transferred to: Policy Advice and Related Outputs MCOA		Policy Advice and Related Outputs MCOA	31,388	30,806
		<i>Governance and Performance Advice on Crown Agencies</i>	(750)	<i>Governance and Performance Advice on Crown Agencies</i>	750	900
		Transferred from: Governance and Performance Advice for Crown Agencies	750			

2011/12 Appropriations in the 2011/12 Structure	2011/12 (Current) \$000	Appropriations to which Expenses (or Capital Expenditure) have been Moved from or to	Amount Moved \$000	2011/12 Appropriations in the 2012/13 Structure	2011/12 (Restated) \$000	2012/13 \$000
Land Transport Revenue Forecasting and Strategy	1,550	Transferred to: Policy Advice and Related Outputs MCOA <i>Policy Advice</i>	(1,550)	<i>Policy Advice</i>	27,428	26,606
		Transferred from: Land Transport Revenue Forecasting and Strategy	1,550			
Policy Advice	29,088	Transferred to: Policy Advice and Related Outputs MCOA <i>Policy Advice</i>	(25,878)	<i>Ministerial Servicing</i>	3,210	3,300
		Transferred from: Policy Advice	25,878			
		Transferred to: Policy Advice and Related Outputs MCOA <i>Ministerial Servicing</i>	(3,210)			
		Transferred from: Policy Advice	3,210			
Policy Advice - Civil Aviation	2,219	Transferred to: Policy Advice and Related Outputs - Civil Aviation MCOA		Policy Advice and Related Outputs - Civil Aviation MCOA	2,219	2,219
		<i>Health and Safety in Employment Activities - Civil Aviation</i>	(440)	<i>Health and Safety in Employment Activities - Civil Aviation</i>	440	440
		Transferred from: Policy Advice - Civil Aviation	440			
		Transferred to: Policy Advice and Related Outputs - Civil Aviation MCOA <i>International Relations and International Civil Aviation Organisation Obligations</i>	(685)	<i>International Relations and International Civil Aviation Organisation Obligations</i>	685	685
		Transferred from: Policy Advice - Civil Aviation	685			
		Transferred to: Policy Advice and Related Outputs - Civil Aviation MCOA <i>Ministerial Servicing - Civil Aviation</i>	(431)	<i>Ministerial Servicing - Civil Aviation</i>	431	431
		Transferred from: Policy Advice - Civil Aviation	431			
		Transferred to: Policy Advice and Related Outputs - Civil Aviation MCOA <i>Policy Advice - Civil Aviation</i>	(663)	<i>Policy Advice - Civil Aviation</i>	663	663
		Transferred from: Policy Advice - Civil Aviation	663			

2011/12 Appropriations in the 2011/12 Structure	2011/12 (Current) \$000	Appropriations to which Expenses (or Capital Expenditure) have been Moved from or to	Amount Moved \$000	2011/12 Appropriations in the 2012/13 Structure	2011/12 (Restated) \$000	2012/13 \$000	
Policy Advice on Safety Regulation and Monitoring - Maritime	7,232	Transferred to: Policy Advice and Related Outputs - Maritime MCOA		Policy Advice and Related Outputs - Maritime MCOA	7,232	6,510	
		<i>Health and Safety in Employment Activities - Maritime</i>	(426)	<i>Health and Safety in Employment Activities - Maritime</i>	426	954	
		Transferred from: Policy Advice on Safety Regulation and Monitoring - Maritime	426				
		Transferred to: Policy Advice and Related Outputs - Maritime MCOA <i>Maritime Safety and Marine Protection Services</i>	(2,078)	<i>Maritime Safety and Marine Protection Services</i>	2,078	2,078	
		Transferred from: Policy Advice on Safety Regulation and Monitoring - Maritime	2,078				
		Transferred to: Policy Advice and Related Outputs - Maritime MCOA <i>Policy Advice - Maritime</i>	(4,728)	<i>Policy Advice - Maritime</i>	4,728	3,478	
		Transferred from: Policy Advice on Safety Regulation and Monitoring - Maritime	4,728				
TOTAL	40,839		0		40,839	39,535	

Explanations of the reasons for changing the appropriation structure are noted in the details of each appropriation in Parts 2-6.

Part 2 - Details and Expected Performance for Output Expenses

Part 2.1 - Departmental Output Expenses

Intended Impacts, Outcomes and Objectives

Intended Impacts, Outcomes or Objectives of Appropriations	Appropriations
<p>Government's overall goal</p> <p>To grow the New Zealand Economy to deliver greater prosperity, security and opportunities for all New Zealanders.</p>	<p>Fuel Excise Duty Refund Administration</p> <p>Milford Sound/Piopirotahi Aerodrome Operation and Administration</p> <p>Policy Advice and Related Outputs MCOA</p> <p>Search and Rescue Activity Coordination PLA</p>

Fuel Excise Duty Refund Administration (M72)

Scope of Appropriation

This appropriation is limited to the receipt and processing of applications for, and the refunding of, Fuel Excise Duty.

Expenses and Revenue

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	429	429	429
Revenue from Crown	429	429	429
Revenue from Other	-	-	-

Output Performance Measures and Standards

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Percentage of refund applications that are audited, processed and paid within 20 working days	85%	90%	No longer a measure
Average number of days taken to audit, process and paid FED refunds	New	New	10 days

Milford Sound / Piopirotahi Aerodrome Operation and Administration (M72)

Scope of Appropriation

This appropriation is limited to the operation of Milford Sound/Piopirotahi aerodrome to provide a safe and efficient airport.

Expenses and Revenue

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	223	223	223
Revenue from Crown	-	-	-
Revenue from Other	223	223	223

Output Performance Measures and Standards

	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Performance Measures			
The aerodrome operation will conform with appropriate Civil Aviation Authority safety requirements	100%	100%	100%
Operating costs within third-party revenue	\$223,000	223,000	223,000

Conditions on Use of Appropriation

Reference	Conditions
Civil Aviation Aerodrome Design Advisory Circulars	Requirements as specified, in accordance with Civil Aviation Aerodrome Design Advisory Circulars.

Policy Advice and Related Outputs MCOA (M72)*Scope of Appropriation***Governance and Performance Advice on Crown Agencies**

This output class is limited to monitoring of and advice on the governance, performance and capability of transport Crown agencies.

Ministerial Servicing

This output class is limited to services to Ministers to enable them to discharge their portfolio (other than policy decision-making) responsibilities.

Policy Advice

This output class is limited to the provision of advice (including second opinion advice and contributions to policy advice led by other agencies) to support decision-making by Ministers on government policy matters relating to transport.

Explanation for Use of Multi-Class Output Expense Appropriation

All of the output classes are directed at the government's long term outcome of an efficient transport system that supports high levels of economic productivity, provides strong international connections for freight, business and tourism, and meets international obligations.

Expenses and Revenue

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	-	-	30,806
Governance and Performance Advice on Crown Agencies	-	-	900
Ministerial Servicing	-	-	3,300
Policy Advice	-	-	26,606
Revenue from Crown	-	-	30,806
Governance and Performance Advice on Crown Agencies	-	-	900
Ministerial Servicing	-	-	3,300
Policy Advice	-	-	26,606
Revenue from Other	-	-	-
Governance and Performance Advice on Crown Agencies	-	-	-
Ministerial Servicing	-	-	-
Policy Advice	-	-	-

Reasons for Change in Appropriation

This appropriation replaces three previous appropriations. This reorganisation had no effect on the funding available.

Funding for these activities has decreased due to the 3% efficiency saving to the Crown (\$927,000) and the transfer of some activity and the related funding to the NZ Transport Agency (\$775,000).

Output Performance Measures and Standards

	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Performance Measures			
Governance and Performance Advice on Crown Agencies			
Date to complete review of the Ministry's approach to assessing and assuring performance of transport Crown	New	New	31 December 2012
Advice on transport Crown entity board appointments provided to agreed timeframes	New	New	Achieved
Regularity of Ministry strategic discussions with each Crown entity Chair / Board	Twice yearly	Achieved	Twice yearly
Percentage of Crown entity performance-related papers submitted to the annual survey of quality by NZIER that receive a score of 7.5 out of 10 or more	New	New	90%
Date by which advice on Crown entity strategic issues and expectations is provided to the Minister	29 February 2011	29 February 2011	No longer a measure
Ministerial Servicing			
Number of items of ministerial correspondence addressed by the Ministry	New	New	1,400 for draft reply 1,700 for direct action

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Percentage of draft replies to ministerial correspondence completed within 10 working days	New	New	80%
Number of Official Information Act requests addressed by the Ministry	New	New	80 requests to the Minister 100 requests to the Ministry
Percentage of Official Information Act requests replied to within statutory timeframes	New	New	100%
Characteristics (refer conditions on use of Appropriation) as determined through delivery recorded against the ministerial servicing item	New	New	100%
Policy Advice			
Key initiatives contained in the annual work programme are completed or progressed as agreed, or as subsequently amended by the agreement between the Minister and the Chief Executive	Achieved	98%	95%
Advice Quality Characteristics (refer conditions on use of Appropriation) as determined through delivery recorded against the project plan	100%	100%	100%
Percentage of policy papers submitted to the annual survey of quality by NZIER that receive a score of 7.5 out of 10 or more (6.5 for 2011/12)	100%	70%	80%
Rules and regulations are developed as specified in the agreed annual Rules Programme	Priority work as detailed in the work programme	Achieved in accordance with re-negotiated timeframes	90%
Programme to periodically review transport legislation and subordinate regulation established by 30 August 2012	New	New	Achieved
Annual programme of periodic reviews of legislation and regulation completed by 30 June each year	New	New	100%
Drafting instructions for changes to the vehicle and operator registration and licensing provisions of the Land Transport Act issued, subject to government decisions, by November 2012	New	New	Achieved
Road user charges regulations promulgated and successfully implemented by 1 August 2012	New	New	Achieved
First cycle of evaluation and monitoring of new road user charges system (including a survey of users) completed by 30 June 2013	New	New	100%
Amendments to transport Rule for agricultural vehicle licensing requirements completed by 30 December 2012	New	New	Achieved
Drafting instructions for Land Transport Amendment Bill (amending agricultural vehicle licensing requirements as agreed by government) issued by 30 December 2012	New	New	Achieved
International air services negotiations completed in accordance with annual schedule	New	New	75%
Land Transport Management Act amendments supported through Select Committee processes, in accordance with Select Committee requirements	New	New	Achieved
Freight Information Gathering System data published quarterly	New	New	100%
Port productivity data published quarterly	New	New	100%

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Policy Advice - cont'd			
Advice provided to government on options to address land transport funding pressures as a consequence of the Canterbury earthquakes by 31 October 2012	New	New	Achieved
Fuel excise duty and road user charges levels adjusted as required, in accordance with agreed timeframes	100%	100%	100%
Revenue forecasting provided for use in Crown accounts and Budget forecasts	New	New	Twice yearly
Ministry actions from 2011/12 Safer Journeys action plan are implemented according to agreed timeframes	Achieved	Achieved	100%
Trials of 'incentives approach' to road safety completed, as agreed by the National Road Safety Council, by 30 June 2013	New	New	Achieved
2013-15 Safer Journeys action plan developed by 30 December 2012	New	New	Achieved
Advice provided on quality of Civil Aviation Authority's funding review	New	New	Within 30 working days of completion of review
Maritime New Zealand funding review, including new regulations, completed by 30 June 2013 (subject to government decisions on the review)	New	New	Achieved
Lessons learned from review of Canterbury earthquakes response and Rena grounding investigation recommendations applied to transport emergency management systems by 30 December 2012	New	New	100%
New Order-in-Council establishing level of Oil Pollution Levy comes into force by December 2012	New	New	Achieved
Maritime Transport Act amendments supported through Select Committee processes, in accordance with Select Committee requirements	New	New	Achieved
Support provided for the implementation 2012-2015 Government Policy Statement on Land Transport Funding during 2011-12	Achieved	Achieved	No longer a measure
Scope for a redesigned rules development process agreed by 31 July 2011	Achieved	Achieved	No longer a measure

Conditions on Use of Appropriation

Reference	Conditions
Policy Advice Quality Characteristics	
Purpose	The aim of the papers will be clearly stated and will answer the question set.
Logic	The assumptions behind the advice will be explicit and the argument will be logical and supported by facts.
Accuracy	The facts in the papers will be accurate and all material facts included.
Options	An adequate range of options will be presented and each assessed for benefits, costs and consequences to the government and community.
Consultation	There will be consultation with principal parties and this will be stated along with any objections to the proposal.

Reference	Conditions
Practicality	Problems of implementation, technical feasibility, timing and consistency with other policies will be identified.
Presentation	The format will meet requirements specified by the Cabinet Office and the Minister, material will be concise and effectively summarised, correct grammar and spelling will be used, and readability will be ensured through the use of short sentences in plain English.
Ministerial Servicing Quality Characteristics	
Logic	The assumptions behind a draft reply will be explicit and the rationale for any positions will be logical and supported by facts.
Accuracy	The facts in the papers will be accurate and all material facts included.
Presentation	The format will meet the requirements specified by the Minister or Ministry (as appropriate), material will be concise, correct grammar and spelling will be used, and readability will be ensured through the use of short sentences in plain English.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
Current Government						
NZ Productivity Commission Funding	2010/11	(140)	(150)	(150)	(150)	(150)
Previous Government						
Next Steps Capability Funding	2008/09	2,000	2,000	2,000	2,000	2,000

Search and Rescue Activity Coordination PLA (M72)

Scope of Appropriation

The estimated amount to be spent on the coordination of search and rescue activities as authorised by section 9(1) of Land Transport Management Act 2003.

Expenses and Revenue

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	1,136	1,136	1,136
Revenue from Crown	1,136	1,136	1,136
Revenue from Other	-	-	-

Output Performance Measures and Standards

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Provision of: <ul style="list-style-type: none"> effective leadership and strategic coordination to the New Zealand search and rescue sector effective support services and policy advice to the satisfaction of the New Zealand Search and Rescue (NZSAR) Council 	90%	90%	90%
Provision of support services and policy advice to the NZ Search and Rescue Council and effective leadership and strategic coordination to the wider New Zealand search and rescue sector	New	New	95%

Part 2.2 - Non-Departmental Output Expenses

Intended Impacts, Outcomes and Objectives

Intended Impacts, Outcomes or Objectives of Appropriations	Appropriations
To grow the economy to deliver greater prosperity, security and opportunities for all New Zealanders.	Accident or Incident Investigation and Reporting Crash Analysis Licensing Activities Maritime Port Security Ministerial Servicing by the New Zealand Transport Agency National Land Transport Programme PLA Policy Advice and Related Outputs - Civil Aviation MCOA Policy Advice and Related Outputs - Maritime MCOA Rail - Waikato Network Funding Road User Charges Collection Road User Charges Investigation and Enforcement Road User Charges Refunds Search and Rescue Activities Search and Rescue and Recreational Boating Safety Activities PLA SuperGold Card - Administration of the Public Transport Concessions Scheme Weather Forecasts and Warnings

Accident or Incident Investigation and Reporting (M72)

Scope of Appropriation

This appropriation is limited to investigation and reporting on aviation, rail and marine accidents and incidents in New Zealand and the waters over which it has jurisdiction.

Expenses

Total Appropriation	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
	3,865	3,865	3,865

Output Performance Measures and Standards

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Average lifetime cost per inquiry	\$129,000	\$252,000	\$129,000
Inquiries closed	30	25	30
Reports published	30	25	30
Average age of inquiries in progress (working days)	300	319	300
Percentage published under 220 days	40%	40%	No longer a measure
Percentage published under 440 days	100%	100%	No longer a measure
Historical Impact Review (qualitative measure)	Review conducted	Review conducted	No longer a measure

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
Previous government						
Transport Accident and Investigation Commission capability	2008/09	1,200	1,200	1,200	1,200	1,200
Increase funding to ensure TAIC's viability and capability for service	2007/08	121	121	121	121	121

Crash Analysis (M72)

Scope of Appropriation

This appropriation is limited to operating the Crash Analysis System and performing associated crash analysis and research activities.

Expenses

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	-	-	775

Reasons for Change in Appropriation

This appropriation is new for 2012/13, having been created by a transfer of funding and activity from the Ministry of Transport to the NZ Transport Agency.

Output Performance Measures and Standards

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Average number of days taken to enter crash reports (from date of receipt) into the Crash Analysis System	New	New	20

Licensing Activities (M72)*Scope of Appropriation*

This appropriation is limited to land transport licensing services, including driver licensing, not met by user fees.

Expenses

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	2,675	2,675	3,561

Reasons for Change in Appropriation

The appropriation has increased due to additional funding granted for the introduction of Driver Licence Stop Orders.

Output Performance Measures and Standards

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Number of drug or alcohol assessments funded	1,000 - 1,300	> 1,000	1,000 - 1,300

Conditions on Use of Appropriation

Reference	Conditions
Standards	The standard of service is agreed with the Ministry of Transport.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
Previous government						
Drug and alcohol driver assessment-increase in Crown funded regulated fee	2007/08	820	820	820	820	820

Maritime Port Security (M72)

Scope of Appropriation

This appropriation is limited to standby screening and searching services at ports.

Expenses

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	145	145	145

Output Performance Measures and Standards

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Number of major findings from the annual audit review of the readiness of maritime security support	New	New	Nil
Port security exercises completed per annum	14	14	No longer a measure
Percentage of scheduled x-ray equipment maintenance and training of standby personnel completed	100%	100%	No longer a measure

Ministerial Servicing by the New Zealand Transport Agency (M72)

Scope of Appropriation

This appropriation is limited to Ministerial servicing by the New Zealand Transport Agency.

Expenses

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	548	548	548

Output Performance Measures and Standards

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Percentage of ministerial servicing that meets statutory time frames.	100%	>80%	100%

National Land Transport Programme PLA (M72)

Scope of Appropriation

The estimated amount to be spent on activities under the National Land Transport Programme, as authorised by section 9 (3) and (4) of the Land Transport Management Act 2003.

Expenses

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	1,742,800	1,742,800	1,767,000

Reasons for Change in Appropriation

The appropriation represents the operating expenditure of the National Land Transport Programme and it varies each year depending on the activities in the Programme and the revenue available.

The Government Policy Statement on Land Transport Funding identifies ranges of expenditure that the government wishes to commit to different roading activities. The NZ Transport Agency in conjunction with regional bodies then develops the National Land Transport Programme, detailing how the funding will be spent and what it will deliver within the ranges. The Government Policy Statement and the National Land Transport Programme are three year documents.

The new National Land Transport Programme is currently under development and so the 2012/13 figures below are the ranges from the Government Policy Statement 2012/13-2021/22.

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Funding	1,742,800	1,742,800	1,767,000
Made up of expenditure on the following NLTP activities:			
Road Safety Promotion (previously Road User Safety)	38,044	40,800	29,000 - 36,000
Maintenance and Operation of Local Roads	263,000	275,000	205,000 - 300,000
Maintenance and Operation of State Highways	323,100	363,200	255,000 - 325,000
Management of Funding Allocation System	29,009	29,000	26,000 - 30,000
New and Improved Infrastructure for Local Roads	156,000	137,000	130,000 - 180,000
Public Transport Services	227,000	233,000	240,000 - 350,000

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Public Transport Infrastructure (combined with above in 2012/13)	77,000	35,000	-
Rail and Coastal Freight	2,000	2,000	No longer an activity
Renewal of Local Roads	233,000	185,000	190,000 - 250,000
Sector Research	6,500	5,000	3,000 - 5,000
Transport Planning	30,000	25,000	14,000 - 23,000
Walking and Cycling (previously Walking and Cycling Facilities)	20,000	7,000	12,000 - 30,000
State Highway Renewals	388,000	408,000	180,000 - 220,000

Output Performance Measures and Standards

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Total cost of management of the funding allocation system as a percentage of the NLTP expenditure	< 1%	< 1%	< 1%
Percentage of investments that meet the NZTA's investment criteria benchmark level (aggregate of all output classes)	100%	100%	No longer a measure
Percentage of NZTA investment decisions which meet required process standards (aggregate of all output classes)	100%	100%	No longer a measure
Percentage of activities that are delivered to agreed standards and timeframes	New	New	100%
Road Safety Promotion			
% of target audience that rate road user safety messages as relevant to them	> 60%	> 60%	> 60%
Maintenance and Operation of Local Roads			
Cost of emergency reinstatement	\$57 million	\$57 million	\$57 million
Cost of maintaining and operating the network (excluding emergency work) per network lane km	\$3,000 - \$3,500	\$3,000 - \$3,500	\$3,000 - \$3,500
Cost of maintaining and operating the network excluding emergency reinstatement (cents per vehicle kilometres travelled)	21 - 27 cents	21 - 27 cents	21 - 27 cents
Maintenance and Operation of State Highways			
Cost of maintaining and operating the network excluding emergency reinstatement (\$ per lane km)	\$11,000 - \$12,000	\$11,000 - \$12,000	\$11,000 - \$12,000
Cost of maintain and operating the network excluding emergency reinstatement (cents per vehicle kilometres travelled)	12.5 - 14.5 cents	12.5 - 14.5 cents	12.5 - 14.5 cents
Cost of emergency reinstatement	\$37 million	\$37 million	\$37 million
New and Improved Infrastructure for Local Roads			
Length of road reconstruction and new roads completed (lane km)	120 - 200 km	120 - 200 km	120 - 200 km
Length of bridge replacements (lane km)	Approx 1.2 km	Approx 1.2 km	Approx 1.2 km

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Public Transport Services			
Number of passengers using public transport subsidised by the NZTA (includes bus, train, ferry)	125 - 135 million	125 - 135 million	125 - 135 million
Percentage of users that rate public transport services as good or better	> 75%	No longer a measure	No longer a measure
Farebox recovery across networks <ul style="list-style-type: none"> Passenger. Regional Council. NZTA. 	40 - 50% 25 - 30% 25 - 30%	No longer a measure	No longer a measure
Fare revenue as a percentage of total expenditure	47%	47%	> 47%
Renewal of Local Roads			
Percentage of sealed network resurfaced (based on road length in lane km)	> 6%	> 6%	> 6%
Percentage of network rehabilitated (based on road length in lane km)	1 - 2%	1 - 2%	1 - 2%
Percentage of unsealed network metalled (based on road length in centreline km)	20 - 35%	20 - 35%	20 - 35%
Cost of renewal of the network excluding emergency reinstatement (cents per vehicle kilometres travelled)	10 - 11.5 cents	10 - 11.5 cents	10 - 11.5 cents
Cost of renewals (excluding emergency reinstatement) per network lane km	\$1,490	\$1,490	\$1,490
Surface condition of the sealed network (100-CI) (average of index for the whole of the network)	83	83	83
Pavement integrity of the sealed network (100-PII) (average of index for the whole of the network)	86	86	86
Renewal of State Highways			
Percentage of activities that are delivered to agreed standards and timeframes	> 90%	> 90%	> 90%
Cost of renewal of the network excluding emergency reinstatements (cents per vehicle kilometres travelled)	9.5 - 10.5 cents	9.5 - 10.5 cents	9.5 - 10.5 cents
Cost of renewals (excluding emergency reinstatement) per network lane km	\$8,330	\$8,330	\$8,330

Conditions on Use of Appropriation

Reference	Conditions
Performance guidelines	All activities are assessed in accordance with the methodology set in the Planning, Programming and Funding Manual and Section 20 of the Land Transport Management Act 2003.

Policy Advice and Related Outputs - Civil Aviation MCOA (M72)

Scope of Appropriation

Health and Safety in Employment Activities - Civil Aviation

This output class is limited to health and safety activities, for which there is a designated responsibility.

International Relations and International Civil Aviation Organisation Obligations

This output class is limited to technical information and advice in relation to international matters affecting New Zealand aviation, to ensure the Minister's obligations in relation to international civil aviation agreements are met, and to promote the development of New Zealand aviation in the international context.

Ministerial Servicing - Civil Aviation

This output class is limited to services to Ministers to enable them to discharge their portfolio (other than policy decision-making) responsibilities.

Policy Advice - Civil Aviation

This output class is limited to the provision of advice (including second opinion advice and contributions to policy advice led by other agencies) to support decision-making by Ministers on government policy matters relating to civil aviation.

Explanation for Use of Multi-Class Output Expense Appropriation

All the output classes are directed at the government's long term outcome of an efficient transport system that supports high levels of economic productivity, provides strong international connections for freight, business and tourism, and meets international obligations.

Expenses

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	-	-	2,219
Health and Safety in Employment Activities - Civil Aviation			440
International Relations and International Civil Aviation Organisation Obligations			685
Ministerial Servicing - Civil Aviation			431
Policy advice - Civil Aviation			663

Reasons for Change in Appropriation

This appropriation replaces Non-departmental Output Expense: Policy Advice - Civil Aviation. The new appropriation better reflects the outputs being purchased by the Crown. The funding level is unchanged from 2011/12.

Output Performance Measures and Standards

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Health and Safety in Employment Activities - Civil Aviation			
Number of health and safety in employment investigations, audits, and inspections	New	New	50-65
Percentage of health and safety in employment investigations, audits, and inspections that follow policy and procedural requirements	New	New	100
Percentage of health and safety in employment investigation and audit reports issued within agreed timeframes	New	New	100%
International Relations and International Civil Aviation Organisation Obligations			
Percentage of advice and representation to ICAO that meets the priorities and goals of the Government and CAA	100%	100%	100%
Percentage of advice and representation to ICAO completed by the due date	100%	100%	100%
Ministerial Servicing - Civil Aviation			
Percentage of briefings, responses, or reports to ministerial correspondence and Parliamentary questions acceptable to the Minister and advisers (assess by annual survey)	100%	100%	100%
Policy Advice - Civil Aviation			
Percentage of policy reports, briefings, and advice provided by CAA to the Minister that meet the Minister's expectations (assessed by annual survey)	100%	100%	100%

Policy Advice and Related Outputs - Maritime MCOA (M72)

Scope of Appropriation

Health and Safety in Employment Activities - Maritime

This output class is limited to health and safety activities, for which there is a designated responsibility.

Maritime Safety and Marine Protection Services

This output class is limited to the development and delivery of regulatory services which are the responsibility of Maritime New Zealand under legislation

Policy Advice - Maritime

This output class is limited to the provision of advice (including second opinion advice and contributions to policy advice led by other agencies) to support decision making by ministers on government policy matters and Ministerial servicing.

Explanation for Use of Multi-Class Output Expense Appropriation

All the output classes are directed at the government's long term outcomes of an efficient transport system that supports high levels of economic productivity, provides strong international connections for freight, business and tourism, and meets international obligations.

Expenses

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	-	-	6,510
Policy Advice - Maritime	-	-	3,478
Maritime Safety and Marine Protection Services	-	-	2,078
Health and Safety in Employment Activities	-	-	954

Reasons for Change in Appropriation

This appropriation replaces Non-departmental Output Expense: Policy Advice - Maritime. The new appropriation better reflects the outputs being purchased by the Crown.

The previous appropriation was for \$5.689 million. The increase represents new initiative funding as shown below, as well as additional funding for capital charge.

Output Performance Measures and Standards

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Policy Advice - Maritime			
Percentage of written policy reports or advice to Ministers that meets Maritime NZ's quality characteristics	New	New	100%
Percentage of written policy reports and advice to Ministers completed by due date	New	New	100%
Percentage of Ministerial correspondence and parliamentary questions accepted by the Ministry of Transport	New	New	95%
Percentage of Ministerial correspondence and parliamentary questions provided within agreed timeframe	100%	95%	100%
Maritime Safety and Marine Protection Services			
Percentage availability of Maritime NZ's 24-hour media line	100%	100%	100%
Percentage of time lighthouses are available	99.8%	99.8%	99.8%
Percentage of time a 24-hour Distress and Safety Radio Service is provided	100%	100%	100%
Health and Safety in Employment Activities			
Number of statutory notifications received regarding serious harm	New	New	75-85
Number of Health and Safety in Employment Act seminars conducted	New	New	8-12
Percentage of warranted health and safety inspectors that complete the annual Continual Professional Development programme	New	New	100%

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
Maritime Health and Safety in Employment Activities	2012/13	-	528	528	528	528

Rail - Waikato Network Funding (M72)*Scope of Appropriation*

This appropriation is limited to rail projects which improve the capacity and connections of rail freight in the Waikato region.

Expenses

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	3,824	3,824	1,591

Reasons for Change in Appropriation

The project had total funding of \$13 million and this varies year on year depending on the expenditure requirements. Funding will be exhausted in 2012/13.

Output Performance Measures and Standards

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Ensure funds are applied to the appropriate projects and represent value for money	100%	70.6%	100%

Road User Charges Collection (M72)*Scope of Appropriation*

This appropriation is limited to collecting road user charges.

Expenses

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	-	-	13,273

Reasons for Change in Appropriation

This appropriation was established for 2012/13 as part of a change to the management of the road user charge regime. Previously this activity was funded by a departmental appropriation that has been disestablished.

Output Performance Measures and Standards

	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Performance Measures			
Cost per RUC transaction	< \$5.70	< \$5.70	< \$5.13

Road User Charges Investigation and Enforcement (M72)*Scope of Appropriation*

This appropriation is limited to investigating evasion and enforcing of Road User Charges.

Expenses

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	-	-	3,779

Reasons for Change in Appropriation

This appropriation was established for 2012/13 as part of a change to the management of the road user charge regime. Previously this activity was funded by a departmental appropriation that has been disestablished.

Output Performance Measures and Standards

	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Performance Measures			
Number of products/services delivered or processes (investigation and audits). This includes both light and heavy vehicle RUC investigation and enforcement activities.	New	-	6,000-9,000

Road User Charges Refunds (M72)

Scope of Appropriation

This appropriation is limited to the processing of Road User Charge refunds.

Expenses

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	-	-	450

Reasons for Change in Appropriation

This appropriation was established for 2012/13 as part of a change to the management of the road user charge regime. Previously this activity was funded as part of a departmental appropriation that has been disestablished.

Output Performance Measures and Standards

	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Performance Measures			
Number of products/services delivered or processes (refunds applications processed)	New	-	4,800

Search and Rescue Activities (M72)

Scope of Appropriation

This appropriation is limited to the purchase of search and rescue activities and a search and rescue coordination service, including follow-up inquiries and reporting, associated with the searches and rescues undertaken.

Expenses

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	3,316	3,316	3,316

Output Performance Measures and Standards

	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Performance Measures			
Percentage of time the 24/7 uninterrupted co-ordination service is provided	100%	100%	100%

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Percentage of time a minimum of two fully trained SAR officers on duty 24/7	100%	100%	100%
Percentage of beacons data verified every two years (at 30 June)	65%	35%	65%

Search and Rescue and Recreational Boating Safety Activities PLA (M72)

Scope of Appropriation

The estimated amount to be spent in relation to search and rescue and recreational boating safety activities, as authorised under Section 9 (1) of the Land Transport Management Act 2003.

Expenses

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	4,473	4,473	4,473

Output Performance Measures and Standards

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Delivery of the national search and rescue support programme agreed by the NZ Search and Rescue Council with the providing bodies	100%	100%	100%
People who recall boating safety television advertising (as gauged by survey)	80%	85%	85%

SuperGold Card - Administration of the Public Transport Concessions Scheme (M72)

Scope of Appropriation

This appropriation is limited to the administration costs of the scheme to provide enhanced public transport concessions for SuperGold cardholders.

Expenses

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	95	95	95

Output Performance Measures and Standards

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Average number of working days taken to process and pay claims received from local authorities	15	15	15

Weather Forecasts and Warnings (M72)*Scope of Appropriation*

This appropriation is limited to severe-weather warnings and a level of weather forecast services for land, coastal waters and oceanic areas for which New Zealand has international responsibility.

Expenses

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	18,574	18,574	18,574

Output Performance Measures and Standards

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Provision of agreed services	As per contract	As per contract	As per contract
Minimum percentage of forecasts of severe-weather events which successfully predicted the event (probability of detection)	75%	92%	87%
Maximum percentage of forecasts of severe-weather events which are subsequently found to be false alarms (false alarm ratio)	40%	20%	28%

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
Previous government						
MetService-Enhanced weather forecasting for severe weather events	2008/09	1,477	1,477	1,477	1,477	1,477
Public Good Weather Forecasting-renegotiate service level agreements	2007/08	2,301	2,301	2,301	2,301	2,301

Summary of Service Providers for Non-Departmental Outputs

Provider	2011/12 Budgeted \$000	2011/12 Estimated Actual \$000	2012/13 Budget \$000	Reporting Mechanism	Expiry of Funding Commitment
Civil Aviation Authority				Provider's annual report	
• Policy Advice and related Outputs - Civil Aviation MCOA.	-	-	2,219		
• Policy Advice - Civil Aviation.	2,219	2,219	-		
• Maritime Port Security.	145	145	145		
New Zealand Transport Agency				Provider's annual report	
• Crash Analysis.	-	-	775		
• Licensing Activities.	2,675	2,675	3,561		
• Ministerial Servicing by the New Zealand Transport Agency.	548	548	548		
• National Land Transport Programme PLA.	-	-	1,767,000		
• Road User Charges Collection.	-	-	13,273		
• Road User Charges Investigation and Enforcement.	-	-	3,779		
• Road User Charges Refunds.	-	-	450		
• SuperGold Card - Administration of the Public Transport Concessions Scheme.	95	95	95		
	-	-	-		
Maritime NZ				Provider's annual report	
• Policy Advice and Related Outputs - Maritime NCOA.	-	-	6,510		
• Policy Advice on Safety regulation and Monitoring - Maritime.	7,232	7,232	-		
• Search and Rescue Activities.	3,316	3,316	3,316		
Maritime NZ and others				Provider's annual report	
• Search and Rescue and Recreational Boating Safety Activities.	4,473	4,473	4,473		
NZ Railways Corporation				Provider's annual report	
• Rail - Waikato Network Funding.	3,824	3,824	1,591		

Provider	2011/12 Budgeted \$000	2011/12 Estimated Actual \$000	2012/13 Budget \$000	Reporting Mechanism	Expiry of Funding Commitment
Transport Accident Investigation Commission				Provider's annual report	
• Accident or Incident Investigation and Reporting.	3,865	3,865	3,865		
Non-government organisations					
Meteorological Service of New Zealand Ltd					
• Weather Forecast and Warnings.	18,574	18,574	18,574	Report under S32 PFA	30 June 2012

In the table above, an expiry date is only provided where one can be given with certainty ie, where a contract for service exists.

The above table summarises funding to be allocated through Vote Transport to non-departmental providers, along with an indication of the mechanism to be used for reporting actual performance and (where determined) the length of the funding commitment.

Part 5 - Details and Expected Results for Other Expenses

Part 5.2 - Non-Departmental Other Expenses

Intended Impacts, Outcomes and Objectives

Intended Impacts, Outcomes or Objectives of Appropriations	Appropriations
To grow the New Zealand Economy to deliver greater prosperity, security and opportunities for all New Zealanders.	Auckland Rail Development Bad Debt Provision - Motor Vehicle Registration/Licenses and Road User Charges NZ Membership of International Organisations Rail - Public Policy Projects Rail - Railway Safety SuperGold Card - Public Transport Concessions for Cardholders

Auckland Rail Development (M72)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
<i>Auckland Rail Development (M72)</i> This appropriation is limited to the renewal, upgrade, and electrification of the Auckland metropolitan rail network. Commences: 1 July 2009 Expires: 30 June 2014	Original Appropriation	663,875
	Adjustments to 2010/11	19,722
	Adjustments for 2011/12	(20,000)
	Adjusted Appropriation	663,597
	Actual to 2010/11 Year End	350,158
	Estimated Actual for 2011/12	133,686
	Estimated Actual for 2012/13	152,106
	Estimated Appropriation Remaining	27,647

Reasons for Change in Appropriation

Over the life of this appropriation, its funding has been rephased to reflect the progress of the project and the extension of its life by one year to 2014.

During 2011/12, the appropriation was reduced by \$20 million as the funding was transferred to the Auckland Electric Multiple Unit Package.

Expected Results

	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
The Auckland rail network "below track" infrastructure is renewed and upgraded in accordance with the programme	100%	100%	100%

Bad Debt Provision - Motor Vehicle Registration/Licenses and Road User Charges (M72)*Scope of Appropriation*

This appropriation is limited to provision for bad debts that arise from non payment of motor vehicle registrations and road user charges.

Expenses

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	7,000	7,000	6,000

Reasons for Change in Appropriation

The appropriation increased in 2011/12 due to higher than usual bad debt write-offs.

Expected Results

	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Size of the bad debt provision can be seen more clearly and the expense is appropriated	100%	100%	100%

Membership of International Organisations (M72)*Scope of Appropriation*

This appropriation is limited to non-discretionary payments to international transport related organisations.

Expenses

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	743	743	743

Expected Results

	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Membership allows the Transport entities to participate in international fora	100%	100%	100%
Membership assists the Transport entities to fulfil New Zealand's international obligations	100%	100%	100%

Rail - Public Policy Projects (M72)*Scope of Appropriation*

This appropriation is limited to public policy rail initiatives.
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Expenses

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	3,270	3,270	3,270

Expected Results

	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
The public policy projects are carried out in line with the programme	100%	100%	100%

The appropriation is paid to KiwiRail for work that would not be justifiable on commercial grounds, such as sponsorship, work on rail corridor appearance and support of heritage rail.

Rail - Railway Safety (M72)*Scope of Appropriation*

This appropriation is limited to public safety works.

Expenses

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	500	500	500

Expected Results

	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
A safer railway system	Achieved	Achieved	Achieved

SuperGold Card - public transport concessions for cardholders (M72)*Scope of Appropriation*

This appropriation is limited to providing enhanced public transport concessions for SuperGold cardholders.

Expenses

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	22,905	22,905	21,605

Reasons for Change in Appropriation

The appropriation has decreased in line with expected expenditure.

Expected Results

	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Regional councils will implement enhanced public transport concessions for SuperGold Cardholders	100%	100%	100%

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
Current government						
Increase to meet demand	2012/13	-	3,700	-	-	-
Increase to meet demand	2010/11	5,605	-	-	-	-
Previous government						
Enhanced public transport concessions for SuperGold Cardholders	2008/09	18,000	18,000	18,000	18,000	18,000

Reporting Mechanisms

Appropriation	Reporting Mechanism
Auckland Rail Development	New Zealand Railways Corporation's annual report
Bad Debt Provision - Motor Vehicle Registration/Licenses and Road User Charges	New Zealand Transport Agency's annual report
Membership of International Organisations	Annual reports of the transport bodies that have international obligations
Rail - Metro Rail Rolling Stock and Infrastructure (Wellington)	Greater Wellington Regional Council's annual report
Rail - Public Policy Projects	New Zealand Railways Corporation's annual report
Rail - Railway Safety	New Zealand Railways Corporation's annual report
Rail Network and Rolling Stock Upgrade	New Zealand Railways Corporation's annual report
SuperGold Card - Public Transport Concessions for Cardholders	New Zealand Transport Agency's annual report

The above table indicates the mechanisms to be used for reporting actual performance for each non-departmental other expenses appropriation.

Part 6 - Details and Expected Results for Capital Expenditure

Part 6.1 - Departmental Capital Expenditure

Intended Impacts, Outcomes and Objectives

Intended Impacts, Outcomes or Objectives of Appropriations	Appropriations
To grow the New Zealand Economy to deliver greater prosperity, security and opportunities for all New Zealanders	Ministry of Transport - Capital Expenditure

Ministry of Transport - Capital Expenditure PLA (M72)

Scope of Appropriation

This appropriation is limited to the purchase or development of assets by and for the use of the Ministry of Transport, as authorised by section 24(1) of the Public Finance Act 1989.

Capital Expenditure

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Forests/Agricultural	-	-	-
Land	-	-	-
Property, Plant and Equipment	144	144	50
Intangibles	159	159	450
Other	-	-	-
Total Appropriation	303	303	500

Reasons for Change in Appropriation

Funding varies depending on planned expenditure.

Expected Results

	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Software projects	144	144	450
Milford aerodrome	-	-	-
Computer equipment	159	159	50
Other property, plant and equipment	-	-	-
Total	303	303	500

Part 6.2 - Non-Departmental Capital Expenditure

Intended Impacts, Outcomes and Objectives

Intended Impacts, Outcomes or Objectives of Appropriations	Appropriations
To grow the New Zealand Economy to deliver greater prosperity, security and opportunities for all New Zealanders.	Joint Venture Airports - Crown Contribution National Land Transport Programme - New Infrastructure for and Renewal of State Highways PLA NLTF Borrowing Facility for Short-Term Advances Rail - KiwiRail Turnaround Plan Funding Rail - Loan for Auckland Metro Rail Electric Multiple Unit Package Tauranga Eastern Link Loan Wellington Metro Rail Network Upgrade

Joint Venture Airports - Crown Contribution (M72)

Scope of Appropriation and Capital Expenditure

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
<i>Joint Venture Airports - Crown Contribution (M72)</i>	Original Appropriation	2,000
This appropriation is limited to enhancements to joint venture airport terminals and runways and the Crown's share of operating losses.	Adjustments to 2010/11	-
	Adjustments for 2011/12	101
Commences: 1 July 2011	Adjusted Appropriation	2,101
Expires: 30 June 2015	Actual to 2010/11 Year End	-
	Estimated Actual for 2011/12	601
	Estimated Actual for 2012/13	500
	Estimated Appropriation Remaining	1,000

Reasons for Change in Appropriation

This appropriation was established from 1 July 2011 to replace an appropriation that had expired. Funding varies each year depending on the requirements of the airports.

Expected Results

	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Percentage of compliance with the joint venture agreements with the airports	100%	100%	100%

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
Continued support for joint venture airports	2011/12	500	500	500	500	-

National Land Transport Programme - New Infrastructure for and Renewal of State Highways PLA (M72)

Scope of Appropriation

The estimated amount to be spent on capital works for new infrastructure and renewal of State Highways, as authorised by Section 9 (3) and (4) of the Land Transport Management Act 2003.

Capital Expenditure

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	625,661	625,661	804,529

Reasons for Change in Appropriation

The appropriation has increased in line with the forecast tax revenue available and the proposed expenditure on the different elements of the National Land Transport Programme.

As with the National Land Transport Programme operating expense appropriation, the final level of expenditure in this appropriation will be determined when the National Land Transport Programme 2012/13 - 2014/15 is published. The Government Policy Statement on Land Transport Funding 2012/13 - 2021/22 contains a range of expenditure of \$875 - \$1,150 million for this activity class in 2012/13.

Expected Results

	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Percentage of State highway programme completed (construction phase)	> 90%	> 90%	> 90%
Percentage of activities that are delivered to agreed standards and timeframes	> 90%	> 90%	> 90%

NLTF Borrowing Facility for Short-Term Advances (M72)

Scope of Appropriation

This appropriation is limited to short-term advances to the New Zealand Transport Agency to manage variations between cash outlays from and flows of hypothecated revenue into the National Land Transport Fund, with the maximum amount of such advances at any one time not exceeding \$250 million.

Capital Expenditure

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	750,000	300,000	750,000

Reasons for Change in Appropriation

The size of this appropriation is based on gross loan draw downs, excluding any repayments that the New Zealand Transport Agency may make during the year. The facility assumes that the Agency will draw down money and repay it as its cash flow allows.

The outstanding loan balance at any time may not exceed \$250 million.

Expected Results

	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
The loan will be drawn down for the purposes and on the terms agreed between New Zealand Transport Agency and the Minister of Transport	100%	100%	100%

Rail - KiwiRail Turnaround Plan Funding (M72)

Scope of Appropriation

This appropriation is limited to approved capital expenditure that contributes to the KiwiRail Turnaround Plan outcomes.

Capital Expenditure

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	250,000	250,000	250,000

Expected Results

	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Progress is made towards the success factors identified by the Minister of Transport and KiwiRail as key to the Turnaround Strategy	100%	100%	100%

Conditions on Use of Appropriation

Reference	Conditions
Cabinet decision	The drawdown of capital injections into KiwiRail Group will be contingent on joint Ministerial approval of specific business cases
Cabinet decision	The KiwiRail Group Board will be required to provide a detailed 3-year investment CAPEX profile
Cabinet decision	Ministers will report back to Cabinet on a quarterly basis on progress with the KiwiRail Group Turnaround Plan

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
Current government						
KiwiRail Turnaround Strategy - year 3	2012/13		250,000			
KiwiRail Turnaround Strategy - year 2	2011/12	250,000	-	-	-	-

Rail - Loan for Auckland Metro Rail Electric Multiple Unit Package (M72)*Scope of Appropriation*

This appropriation is limited to a loan for the Auckland metro rail electric multiple unit package.

Capital Expenditure

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	200,000	96,000	100,000

Reasons for Change in Appropriation

This appropriation was established in 2011/12 and varies year on year, depending on the requirements of the project.

Expected Results

	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
All loan draw downs and payments are made in accordance with the documentation and process outlined in the loan agreement between the Crown and Auckland Council	100%	100%	100%

Tauranga Eastern Link Loan (M72)*Scope of Appropriation*

This appropriation is limited to the government provision of a loan to the New Zealand Transport Agency to contribute towards the costs of the construction and tolling operations for the Tauranga Eastern Link Roading Project.

Capital Expenditure

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	-	-	20,000

Reasons for Change in Appropriation

2012/13 is the first year of funding for this appropriation.

Expected Results

	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
The loan will be drawn down for the purposes and on the terms agreed between New Zealand Transport Agency and the Minister of Transport	-	-	100%

Wellington Metro Rail Network Upgrade (M72)*Scope of Appropriation*

The appropriation is limited to catch up investment in the Wellington metro rail network which will enable sustainable operation of the network through the Metro Rail Operating model.

Capital Expenditure

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	11,713	11,713	13,897

Reasons for Change in Appropriation

This appropriation provides \$88.400 million over the 8 years from 2011/12 to 2018/19. Funding each year varies, depending on the planned activities and changes were made to the outyear forecasts during 2011/12 so outyears are now different from the original initiative shown below.

Expected Results

	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Work is carried out as per the agreed programme	100%	137%	100%

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
Funding for Wellington metro rail investment	2011/12	8,552	17,393	11,203	12,813	8,975

Reporting Mechanisms

Appropriation	Reporting Mechanism
Joint Venture Airports - Crown Contribution	Joint venture airports annual reports
National Land Transport Programme - New Infrastructure for and Renewal of State Highways PLA	New Zealand Transport Agency's annual report
NLTF Borrowing Facility for Short-term Advances	New Zealand Transport Agency's annual report
Rail - KiwiRail Turnaround Plan Funding	NZ Railways Corporation's annual report
Rail - Loan for Auckland Metro Rail Electric Multiple Unit Package	Section 32A of the Public Finance Act
Tauranga Eastern Link Loan	New Zealand Transport Agency's annual report
Wellington Metro Rail Network Upgrade	NZ Railways Corporation's annual report

The above table indicates the mechanisms to be used for reporting actual results for each non-departmental capital expenditure appropriation.