Land Transport Activity Management Plan 2024-27

STRATEGIC CASE

Like any national investment going forward, our transport network must begin to contribute, not just to physical assets, but also to environmental, social, human and cultural wellbeing aspects.

Increasing frequency and intensity of adverse natural events are significantly damaging the network. Emergency responses result in resource re-allocation, affecting delivery of planned business-as-usual activity, let alone any pro-active work.

MARLBOROUGH DISTRICT COUNCIL

WAKA KOTAHI NZ TRANSPORT AGENCY **Marlborough Roads**

Table of Contents

The Strategic Case should be read in conjunction with the Appendices, Book 1 – Strategic Case which provides further evidence and detail.

Welcome To Marlborough District

Marlborough is situated in the northeast corner of the South Island, accessible by ferry, train, air, or road. The local road network is administered by Marlborough Roads on behalf of MDC. It consists of 1,535 kilometres of formed road and is Council's largest infrastructure asset, with an optimum depreciated replacement value of $978 million excluding land (June 2022).

It is a great place to live, work and play. Visitors come here to experience the scenic beauty of the Marlborough Sounds, our vineyards, and sunshine. More people are choosing to move here to live for its lifestyle benefits: to work, raise their children, or enjoy their retirement.

Picton at the southern end of Queen Charlotte Sound is the major economic and tourist gateway to and from the South Island, with the Nationally Strategic State Highway One (south) leading from there to Christchurch and beyond. Picton hosts the Bluebridge ferry terminal and Kiwirail's Interislander ferry.

The South Island's Main trunk railway line originates from Picton with trains being carried on the Interislander ferries. Kiwirail is investing in two new larger ferries to replace the existing three. These will in turn carry larger trains, requiring upgrades to the port and surrounding facilities, including changes to the road network.

The Marlborough Sounds are home to aquaculture, most notably Mussel and Salmon farming. It is home to isolated communities and holiday homes and is a popular tourist and retreat destination.

Tourists can travel the scenic Queen Charlotte Drive route between Picton and Havelock. State Highway 6 and 63 connects Blenheim to Nelson and the West Coast, as well as providing a faster route to Picton using SH 62.

The Havelock and Rai townships service the local farming communities. Havelock is also a popular stopping point for tourists and has a marina.

Blenheim is the largest centre, having a population of 28,260 people out of a total population of just over 50,000 for the whole of the district. Blenheim is on a large flood plain (it used to be called Beavertown due to repetitive flooding), surrounded by vineyards. The free-draining soil and benign, sunny climate makes it New Zealand, and the world's premium Sauvignon Blanc and other varietals grape growing area.

Marlborough is experiencing the impacts of growth – both economic growth: reflected in increased freight movements and busier highways; as well as population growth: reflected in increased housing demand, new subdivisions, and pressure on existing/ demand for new urban infrastructure.

Commutes of 5-10 minutes within Blenheim at any time of day used to be the norm, congestion is starting to become an issue, to the point where a 'Blenheim bypass' has become a hot topic, and MDC has commissioned a study into traffic congestion on SH 1 through Blenheim. Traffic volumes on key urban arterials are constant throughout the day, and congestion is common especially at peak times.
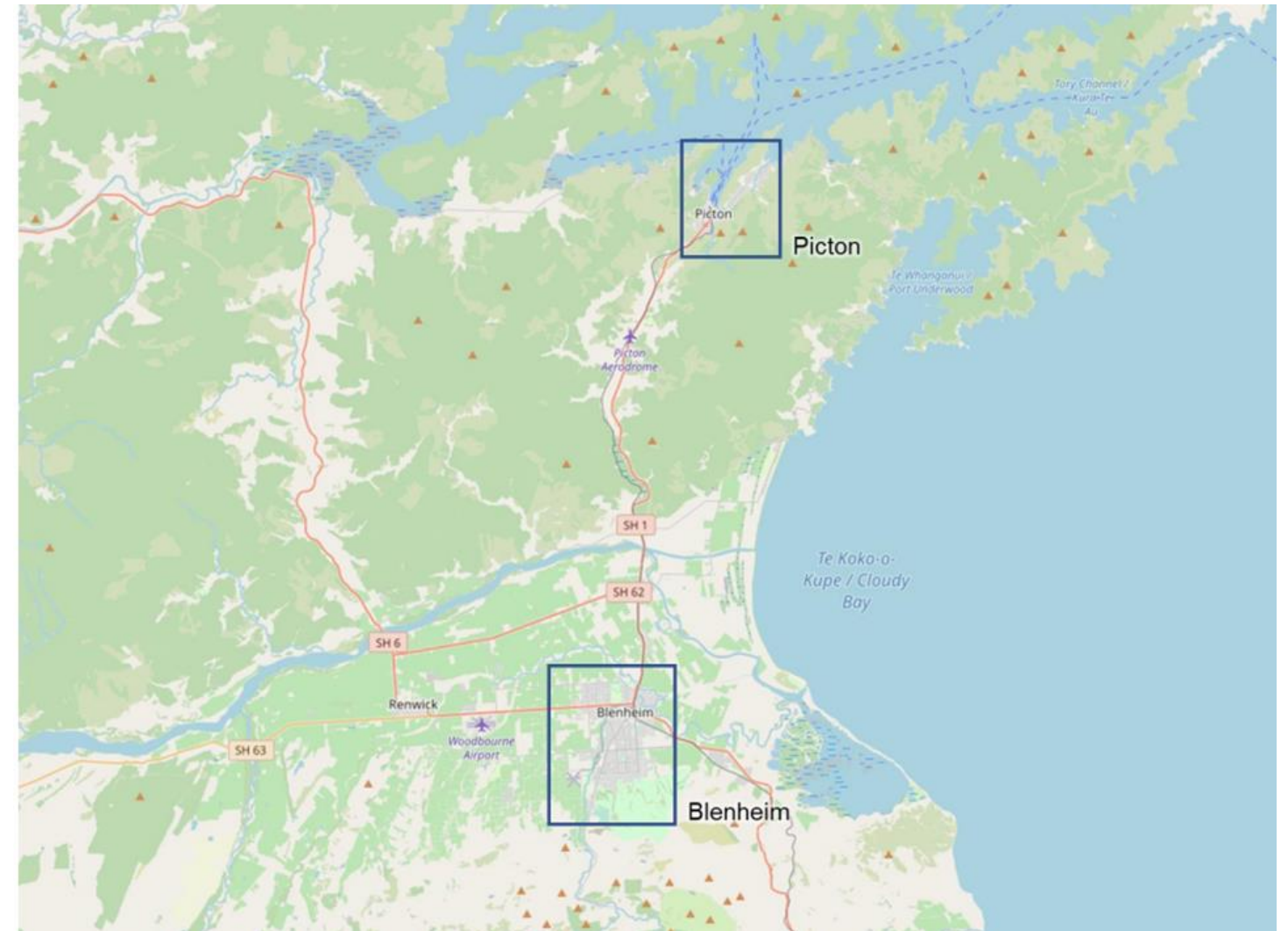
Marlborough Roads
(a unique set-up)

In the year 2000 a "local roads asset management agreement" (LRAMA) between the Marlborough District Council and Transit New Zealand (now the Waka Kotahi NZ Transport Agency) was established.

The purpose of the agreement is to create efficiencies in the management of the combined Marlborough local road and state highway road networks, with benefits to both. The agreement delegated the responsibility for managing Marlborough's local road network to the NZ Transport Agency. 'Marlborough Roads' was created, consisting of Transport Agency staff responsible for the management of both state highways and local roads.

'Marlborough Roads', run by Waka Kotahi / NZ Transport Agency effectively replaced MDC's 'Roading' team. Professional services, that might otherwise be procured through a professional services contract is provided for within the NOC (Network Outcomes Contract).

Marlborough Roads has a value statement "To deliver and maintain roading services in the most cost-effective manner". The value to Marlborough is intended to be in
• reduced maintenance costs, and
• a very efficient and cost-effective professional services contract

The LRAMA has been rolled over on a five-yearly basis with few changes made for the first three roll-overs. It is generally agreed that good efficiencies have been achieved, with Marlborough Council's expenditure comparing favorable with other Approved Organizations in its peer group.

Value provided through the creation of Marlborough Roads, includes reduced

includes reduced management costs due to no overhead charges to MDC or profit, a very efficient / low staff numbers operation compared to other authorities, and lower contractor rates than may have been achieved through running individual contracts.

Services Procured

Service of the asset is primarily delivered through ;
• A seven-year term Network Outcome Contract physical maintenance contract, which encompasses the whole of Marlborough, including both local roads and state highways,
• A five-year street lighting maintenance contract

A large component of the total physical work is included in the NOC contract, with a few other contracts required to complete delivery of all works required. These include the following
• Regulated parking management contract,
• Traffic count service contract,
• Various individual bridge replacement contracts,
• Various miscellaneous seal widening, seal extension, footpath resurfacing and rehabilitation contracts.
• Low-cost, Low-Risk Projects, both Improvements and Safety

In addition, services include Relationships management: regular liaison with
• key stakeholders & organizations,
• community groups,
• local industries,
• media and public

Joint Venture Network Outcome Contract (NOC)

Parking

Cycleways and Footpaths

Passenger Transport

Streetlighting

Resource Consent

Corridor Access Requests (CAR)

Regional Transport Committee Support

Strategic Planning

Asset Management
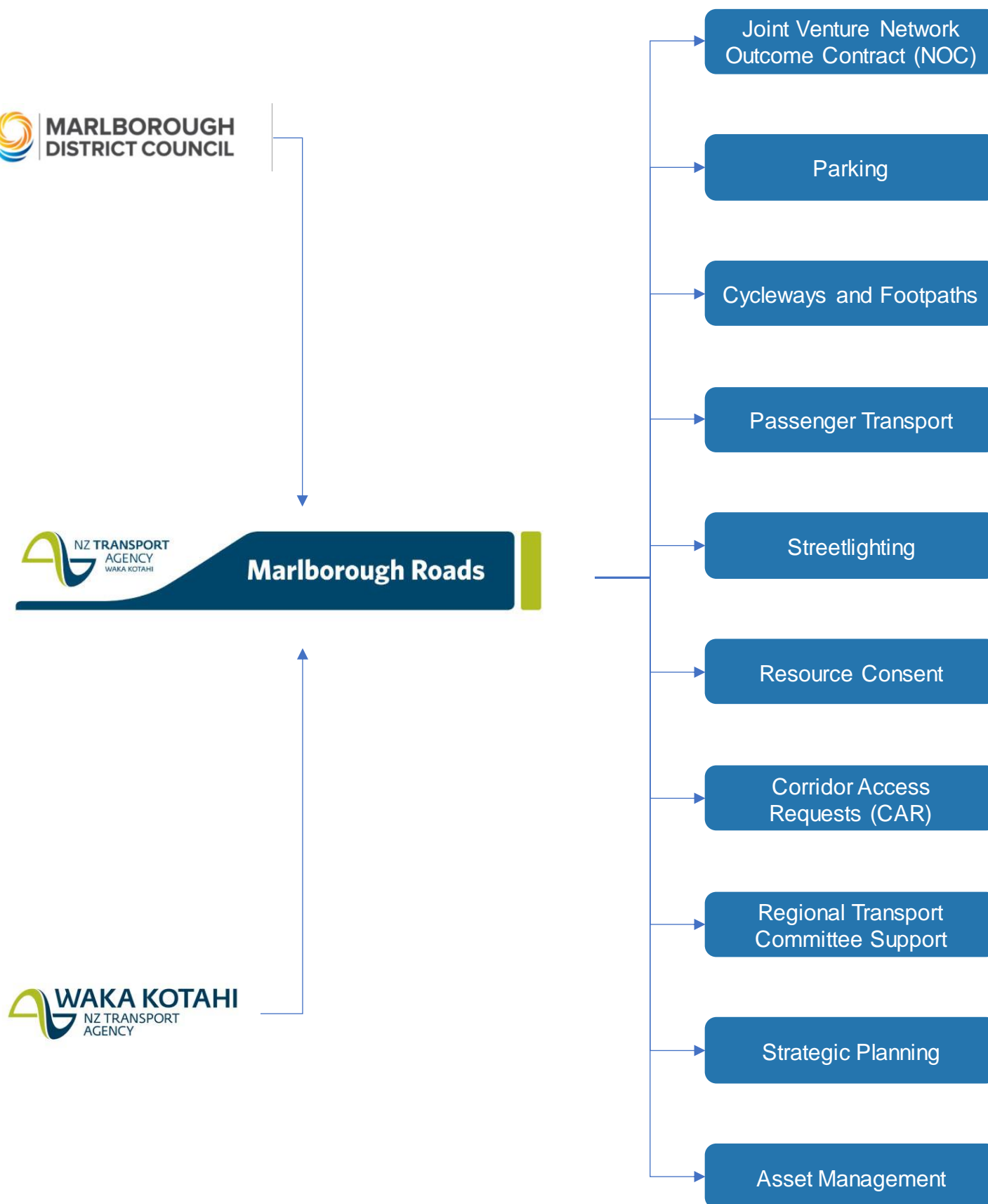
NOC

Marlborough Roads has a current NOC for road maintenance that includes Council's transport infrastructure road maintenance that includes Council's transport infrastructure which is due to expire on 31st March 2027 and can be extended for a further 2 years'

As part of the review of the revised NOC other service delivery contracts were considered to be rolled-up into the NOC. However, these were not considered to achieve best value as they are not core service (e. g. , street lighting) for the potential providers and these are to be retendered separately.

The current street lighting contract expires on 30 June 2026. The local service provider is a monopoly provider arrangement so unless the services procured no longer meet Council's objectives under this Procurement Strategy, it is likely this will be negotiated for a further term.

Generally, all other contracts are minor term contracts or one-off supply contracts which are tendered individually in accordance with the relevant procurement manual requirements

Marlborough Roads NOC partners

The seven-year roading contract in Marlborough that was awarded as a 50/50 joint venture between Fulton Hogan and HEB Construction officially started on 1 April. While holding an event to mark the occasion was not possible due to COVID-19 restrictions, the essential work of this contract has moved ahead, ensuring the transport network was safely operating during this critical time.

NOC summary of services

This is a combined Lump Sum and Measure and Value Contract. In summary, the contract:
• Includes Network management functions

• Includes all physical work necessary to maintain approximately
   o 260km of Marlborough State Highways (SH) Network of the Principal's Region 10 Area,
   o 1477.6km of Marlborough Local Roads (LR), on the Marlborough District Council's (MDC) network. The MDC network will include sealed and unsealed pavement, bridges and town cleaning. There is 906.2km of sealed roads and 571.4km of unsealed roads.
   o 54.6km of unsealed road on D'Urville Island, due to the isolated nature of D'Urville Island the roads are maintained on a Principal directed, provisional sum basis.
   o At a future date 280km of Department of Conservation Roads (DOC) roads may be added to the contract. This will be treated as a variation if, or when, it occurs.

• Provides opportunities for financial and Contract Period rewards based on performance
• Provides mechanisms for financial and Contract Period reduction based on performance.

The core scope of work typically includes, but is not limited to, Maintenance and Operations and Renewals.

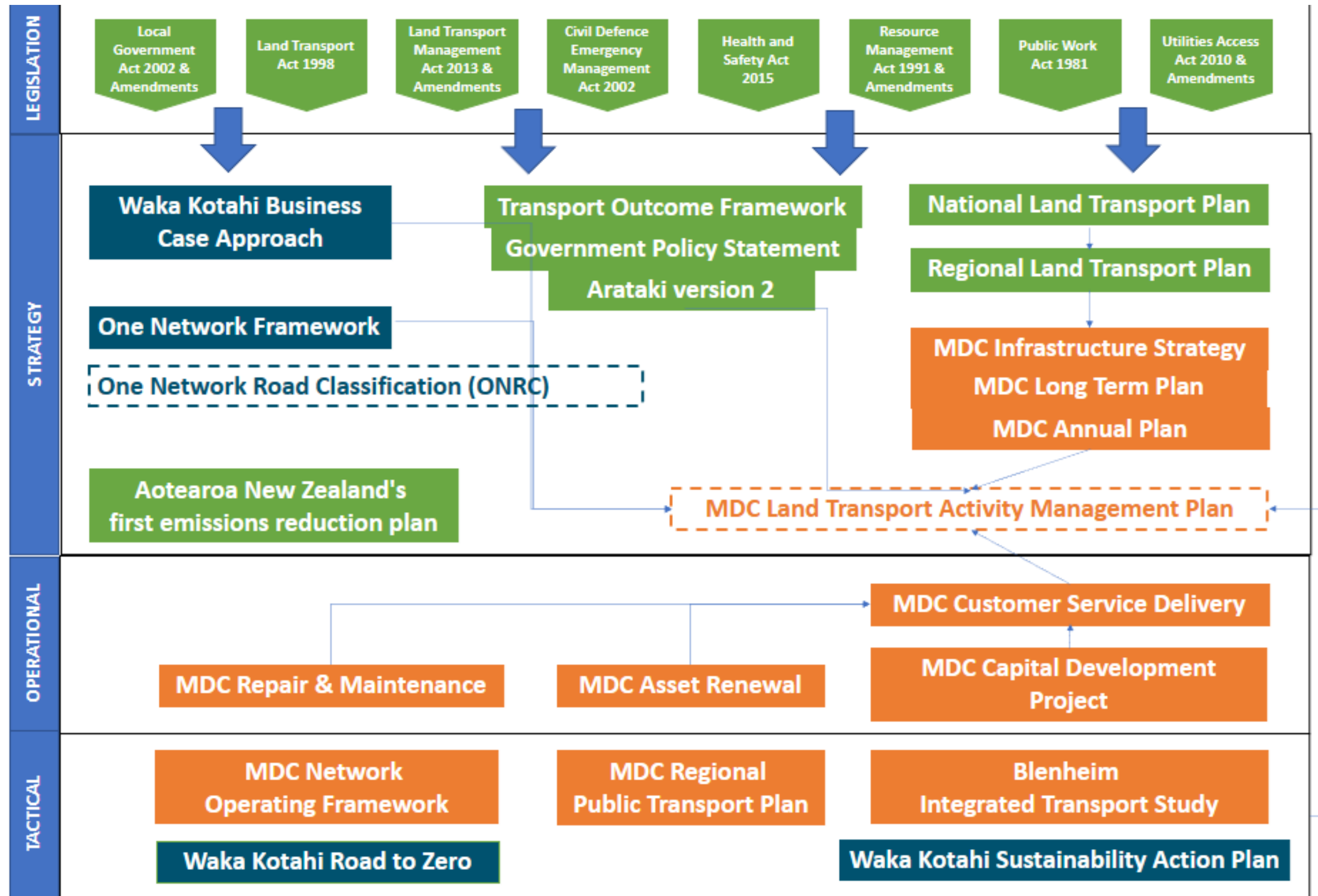The core scope of work typically excludes the following:
• Transport planning
• ITS maintenance and management
• Capital works
• Emergency works reinstatement
• Traffic Operation Centre
• State Highway bridge and other structures management and repairs

Strategic Context

The role of the MDC Land Transport Activity Management Plan in Council planning is shown opposite. The activity management plan provides a link between the National, Regional, local Council's strategic objectives and day to day operational activities related to providing the services.

Activity management is a continuous process because operational circumstances change minute by minute. Data is collected to inform short, medium and long term operational and maintenance decisions. The data is also analysed to identify where system improvements are required.

LEGISLATION

Local Government Act 2002 & Amendments

Land Transport Act 1998

Land Transport Management Act 2013 & Amendments

Civil Defence Emergency Management Act 2002

Health and Safety Act 2015

Resource Management Act 1991 & Amendments

Public Work Act 1981

Utilities Access Act 2010 & Amendments

STRATEGY

Waka Kotahi Business Case Approach

Transport Outcome Framework
Government Policy Statement
Arataki version 2

National Land Transport Plan

Regional Land Transport Plan

One Network Framework

MDC Infrastructure Strategy
MDC Long Term Plan
MDC Annual Plan

One Network Road Classification (ONRC)

Aotearoa New Zealand's first emissions reduction plan

MDC Land Transport Activity Management Plan

OPERATIONAL

MDC Customer Service Delivery

MDC Repair & Maintenance

MDC Asset Renewal

MDC Capital Development Project

TACTICAL

MDC Network Operating Framework

MDC Regional Public Transport Plan

Blenheim Integrated Transport Study

Waka Kotahi Road to Zero

Waka Kotahi Sustainability Action Plan

Strategic Alignment

The outer ring lists the four outcomes from the Transport Outcomes Framework (TOF). The second ring contains the six draft Marlborough Regional Land Transport Plan objectives (RLTP). In the third ring sit MDC's own Community Outcomes. This leaves the inner ring free for the Benefits from this LTAMP's investment logic process, which are intended to align with the local regional and national strategies.

The TOF guides in planning the activities and enables us make our network more liveable to our community through its five outcomes.

- Health and safe People
- Economic Prosperity
- Inclusive access
- Resilience and security
- Environmental Sustainability

The RLTP objectives helps us support our regional economy and improve regional connectivity.

- Economic prosperity
- Mode Choice
- Resilience
- Network Management
- Environmental Outcomes
- Safety

MDC's Community Outcomes (People. Economy, Living, Connectivity, Environment) ensure that our activities are planned to provide wellbeing to our customers.
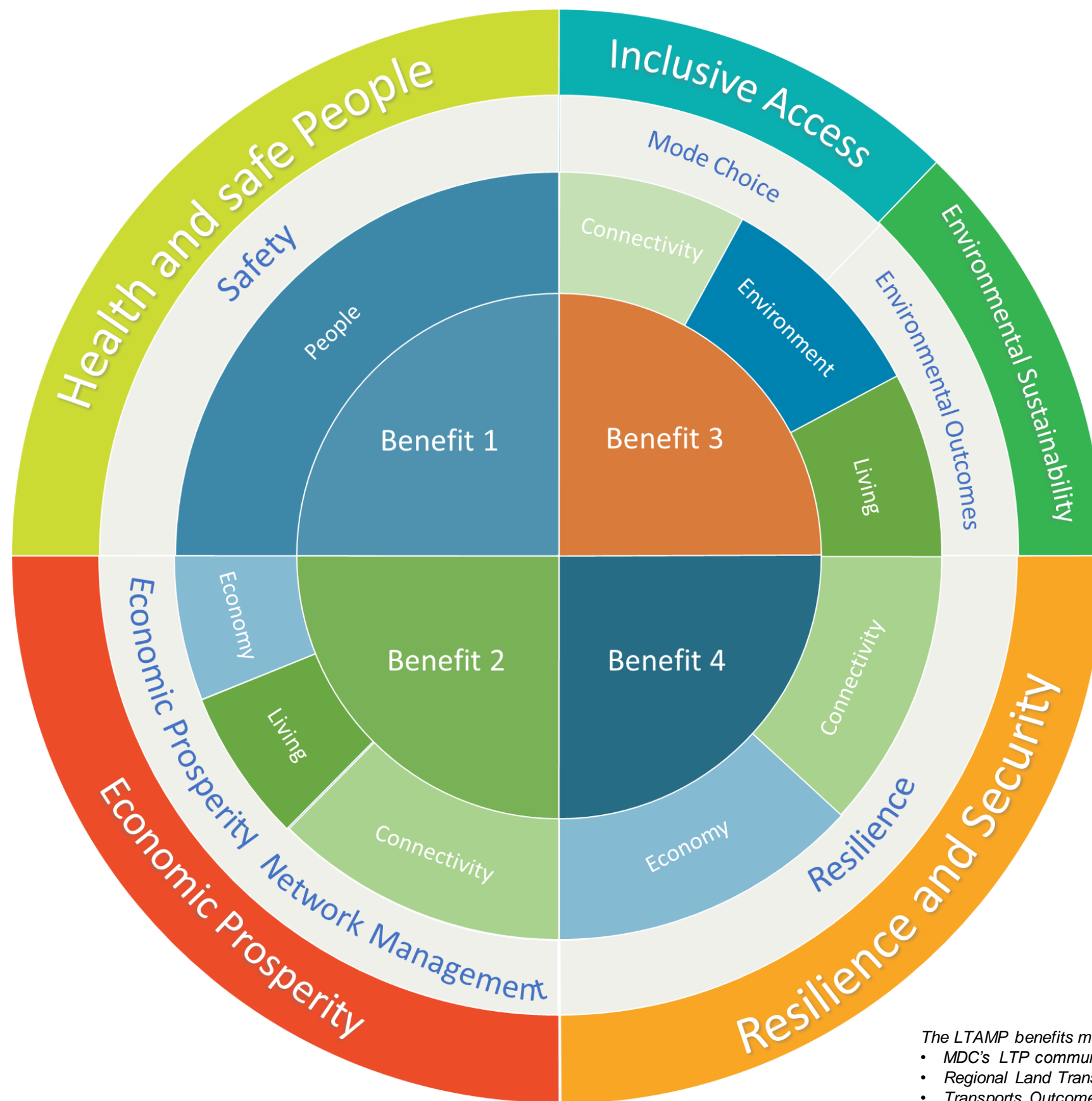
The LTAMP benefits must align with:
- *MDC's LTP community outcomes;*
- *Regional Land Transport Plan*
- *Transports Outcomes Framework, Ministry of Transport*

The Wellbeing Approach

The world that we live in is changing. Gone are the days when public sector investment only needed to demonstrate an economic return. Both central and local government are now required to achieve growth by considering economic, environmental and social drivers for a range of interconnected outcomes that improve lives – now and in the future. This is the Wellbeing Approach.

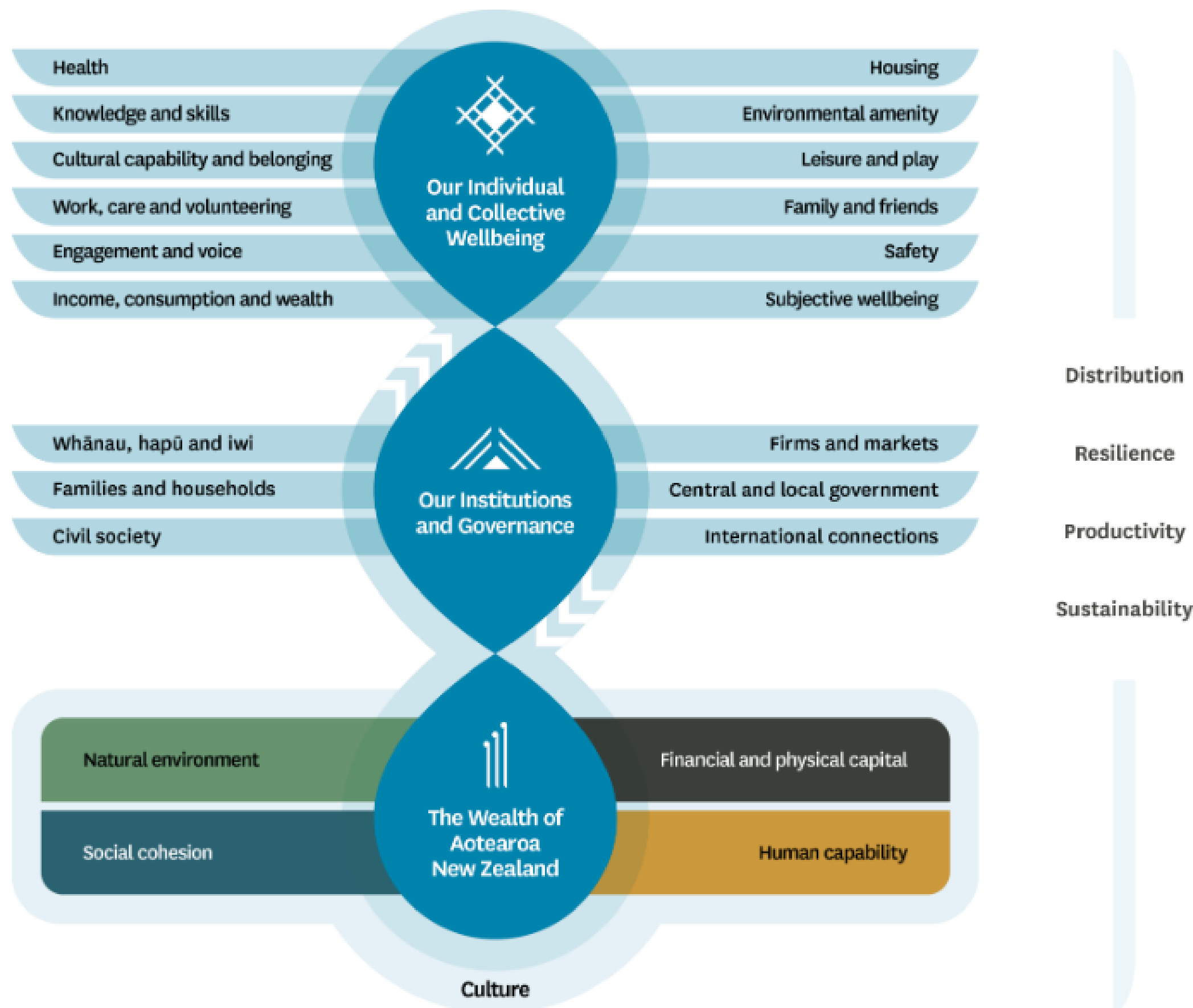As part of the national transport grid, MDC's network has important roles to play, to:
- Support, mobilise and enable:
- Individual and collective wellbeing.
- Whānau, hāpu, iwi, families, households and civil society; and
- Contribute to the wealth of Aotearoa NZ.

The Local Government Act 2002 requires local councils to promote the social, economic, environmental and cultural wellbeing of their communities in the present and for the future.

The NZ Treasury's 2021 Living Standards Framework (LSF) Is shown opposite. This supports the Local Government Act 2002 and provides a simplified approach to how we can consider our demand drivers.

This LTAMP will respond to the requirement to contribute to all aspects of The Wealth of Aotearoa New Zealand by considering them as demand drivers, consolidated as follows:
- Driver 1: Natural Environment
- Driver 2: Financial and physical capital
- Drivers 3-5: Social Cohesion, Human Capability and Culture.

Our Individual and Collective Wellbeing

Health	Housing
Knowledge and skills	Environmental amenity
Cultural capability and belonging	Leisure and play
Work, care and volunteering	Family and friends
Engagement and voice	Safety
Income, consumption and wealth	Subjective wellbeing

Our Institutions and Governance

Whānau, hapū and iwi	Firms and markets
Families and households	Central and local government
Civil society	International connections

The Wealth of Aotearoa New Zealand

Natural environment	Financial and physical capital
Social cohesion	Human capability

Culture

Distribution

Resilience

Productivity

Sustainability

Earthquakes

Marlborough's East Coast is cross hatched with fault lines. The region sits on a set of major faults: the Wairau, Awatere, Clarence and Hope faults; and has recorded a number of significant quakes over time.

The large earthquakes of 2013 and 2016 saw a record number of faults ruptured. The events saw wide disruption and damage of the roading network and has taken many years to recover.

Damage experienced was structure damage, cracking and settlement of pavements and considerable damage to culverts and stormwater drains. Some of the damage to culverts has only surfaced recently with the major storm events. Culvert pipes have been broken, cracked or moved out of alignment by the seismic forces.

Storm Events

Marlborough has suffered multiple high intensity rainfall events over the last two years which have caused significant damage to the Marlborough Transport network. The largest event, in August 2022, caused over 2,750 faults and affected more than 500km of road.

The reinstatement of the network is a huge task and will take time.

A Programme Business Case (PBC) has been completed and submitted to Waka Kotahi for the rebuild of the network, improvements in resilience to the Network, and ultimately a Hazard Adaption Pathway (HAP). The HAP is to be implemented when reinstating the roads is no longer economically viable.

An outcome of these storm events has been a rethink on the Levels of Service across the Sounds network. The PBC has identified the area where Council should build back stronger (improve the resilience) as well as areas which will have Levels of Service lower than existing.

Unpredictable demand from natural events

Clockwise from top: The lower Wairau, near Grovetown, in flood; Extraordinary amount of emergency work required in 2022; Extraordinary cost of pavement rehabilitation required; Cracked roading in the region.

The total cost of sealed pavement rehabilitation undertaken over the selected Financial Year

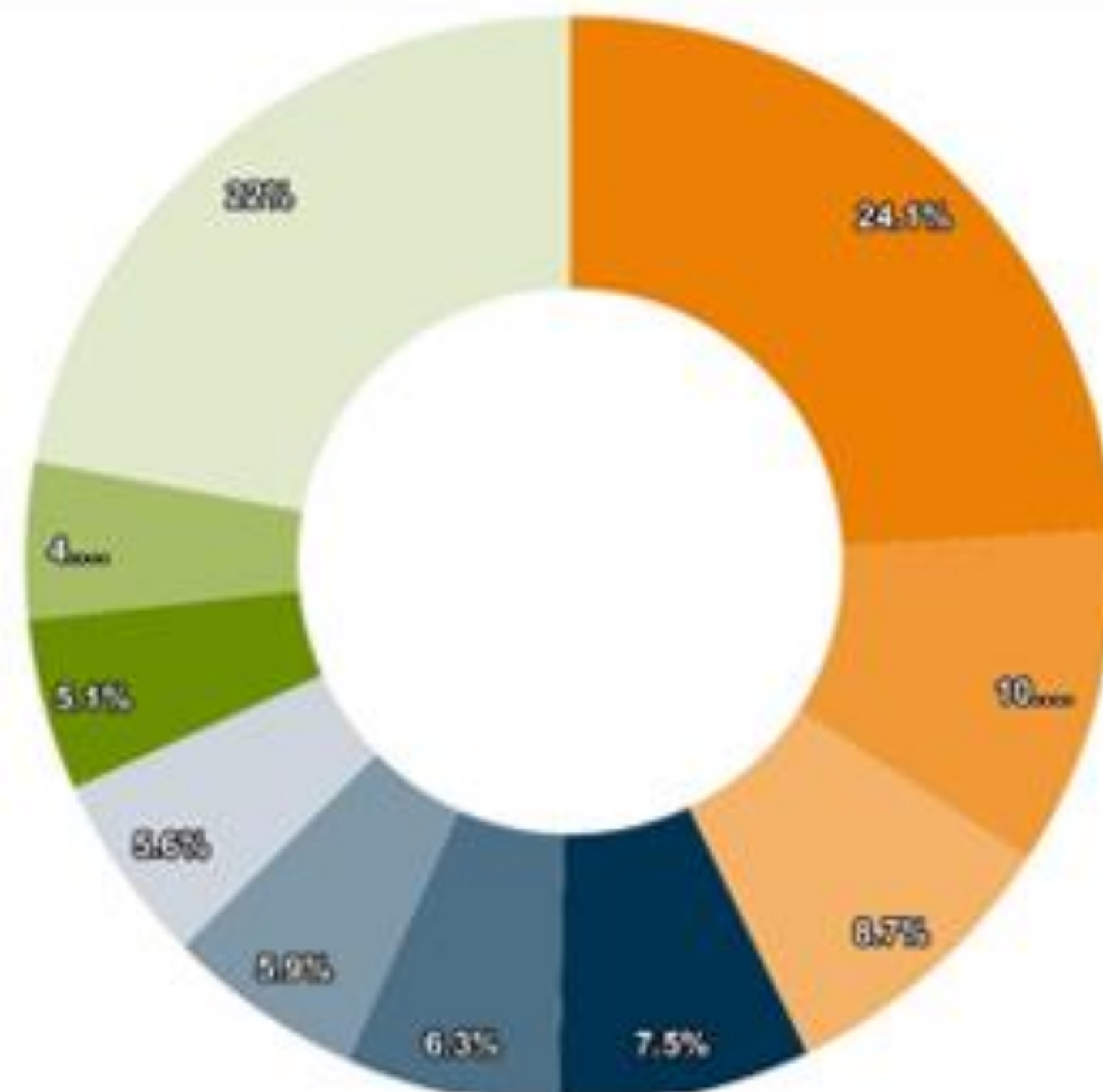Road maintenance, operations and renewals

We recognise the important role that local roads have in connecting communities, businesses and markets and that our transport network enables economic growth for the region in our primary and secondary sectors.

Geo Spatial information Systems are used to map economic activity with maintenance and renewals. Heat mapping allows us to understand where to focus priorities and undertake roading improvements across various activities at the same time to minimise disruption.

Other important facts to note are as follows:
- Economic growth in Marlborough Region averaged 2.5%pa over the last 10 years compared with an average of 3.0%pa in the national economy.
- Growth in the region reached a high of 11.0% in 2003 and a low of -1.5% in 2010.
- Marlborough Region accounted for 1.0% of national GDP in 2022.

A transport network that enables economic growth

ECONOMY AT A GLANCE

GDP, 2022		
LEVEL	REGIONAL GROWTH	NATIONAL GROWTH
$3,708	5.1%	5.3%
million in 2022 prices	Marlborough Region	New Zealand

All GDP estimates are measured in constant 2022 prices.

Legend:
- Manufacturing
- Agriculture, Forestry and Fishing
- Owner-Occupied Property Operation
- Unallocated
- Construction
- Rental, Hiring and Real Estate Services
- Electricity, Gas, Water and Waste Servic...
- Retail Trade
- Health Care and Social Assistance
- All others

Source https://ecoprofile.infometrics.co.nz/Marlborough%2BRegion/PDFProfile

Demand Driver 2: Financial And Physical Capital

Viticulture

Marlborough manufactures over 25 varieties, across 25,000 hectares, of wine with the most popular being Sauvignon Blanc, Pinot Noir, Pinot Gris, Chardonnay and Riesling.

Total export value reached $1.95 billion, with the average value of packaged exports increasing 6% in 2021.

Salt Manufacturing

The salt works at Lake Grassmere on the coast south of Seddon manufactures 60,000 to 70,000 tonnes of salt per year predominately for the domestic markets. The total value of exported salt is approximately $22 million and is increasing each year. Most of the harvested salt is transported to Picton for shipping.

Forestry

Forestry continues to see significant growth. The movement of logs is heavily dependent on road transport. The forestry sector in the region has reached a sustainable yield of 1,500,000 cubic meters of raw product per annum (requiring transporting over the Council's Roading Network), which is likely to continue for the foreseeable future.

Aquaculture

The Marlborough Sounds has a significant mussel and salmon farming industry with farms located throughout the Sounds and manufacturing and distribution facilities located around the region. Marlborough currently produces more than 60% of New Zealand's green shell mussel exports. Salmon farming is also well established within the Sounds with current production around 6,500 tonnes a year it is expected to continue to grow.

Agriculture

The requirement for land for vineyard development has seen a significant reduction in both pastoral and horticultural land use within Marlborough. Most remaining orchard and cropping land is located within the lower Wairau Valley.

Dairy farming is mainly located within the Kaituna and Rai Valley areas whilst sheep and deer farming is generally confined to the upper Wairau Valley, upper Awatere Valley and south of Seddon. No growth in dairy farming is expected and some conversion to viticulture use may occur.

Owner Occupied Property Operation

The demand for additional office space is growing in the region, especially in Blenheim. Initiatives being considered to help meet this demand include the Small Business Incubator and Community and Small Business Support Centre. The Incubator initiative is to incubate and grow local start-up and home-based businesses, whilst the Business Centre focuses on time-share use by Marlborough small businesses, local community groups, after school tutoring, and visiting public and private advice agencies.

Source https://ecoprofile.infometrics.co.nz/Marlborough%2BRegion/PDFProfile

Rental, Hiring and Retail Services

People relocating to the area, as a function of the primary industry growth, retirement and tourism is increasing demand for rental, hiring and retail services.

Aviation

The Top of the South is home to Air Nelson, HNZ Global and the NZ Defence Force facility at Marlborough Airport. Aviation makes a considerable contribution to the Top of the South's economy, with a combined contribution to the Top of the South's GDP of $98 million in 2012. Both airports are served by SH6 and the adjoining local road network which are identified as key journey routes.

Electricity, Gas, Water and Waste Services

The Council provides Marlborough's urban areas and main townships with the essential utility services of sewerage reticulation and treatment, water supply and stormwater disposal. The levels of service provided depend on the size of the urban population and the cost of servicing the particular area. Generally, standards are being improved throughout the district. However, urban growth is creating some funding challenges.

Healthcare and Social Assistance

A comprehensive range of health services is available in the region including a hospital in Blenheim. Community organisations and services are available in the region, provided by both smaller local groups and larger national organisations such as the Plunket Society to support children's development and a hospice which provides for those with life-limiting illness.

Construction

The construction sector is largely driven by the primary industries in the region. The Marlborough economy is strong, creating hundreds of new jobs which is attracting more people to the region, consequently putting pressure on housing demand. There are about 2200 construction workers in Marlborough at present, another 500 could be needed. Building companies reported being fully booked for up to 18 months in advance, and many companies are struggling to find skilled workers to meet demand.

Retail Trade

Consumer confidence is high and new businesses to Marlborough are "coming in and trying new things". An influx of new residents to the region has had a positive effect to the revival of new businesses.

Source https://ecoprofile.infometrics.co.nz/Marlborough%2BRegion/PDFProfile

After receiving an initial boost of domestic tourism in the first year after Covid-19 hit, domestic tourism had fallen away with spending below pre-pandemic levels.

Since then, tourism has experienced a significant rebound. The return of cruise ships to the region has injected a much-needed boost into the Marlborough tourism economy, marking a substantial recovery following a two-year hiatus due to the pandemic.

Wellington – Picton Ferry

As the ferry transit point for Wellington and entrance to the Marlborough Sounds, Picton is geared for tourism. Port Marlborough, in the Marlborough Sounds, is the main portal for freight and tourists travelling between the North and South Islands.

Marlborough Sounds

The Marlborough region, in particular the Marlborough Sounds, is renowned as an area of natural beauty in New Zealand. The Sounds are approximately 20% of New Zealand's total coastline length with numerous bays and waterways.

Tourism
Contribution to GDP
$139m   3.7%
share of total 2022

Cruise Ships

Picton is expecting a good cruise ship season this summer with the knock-on economic effects benefiting the entire region.

A total of 55 ships are booked to visit the port between October and April 2024. Last summer, 47 docked after the country opened its maritime borders for the first time in two-and-a-half-years following their closure at the start of the pandemic.

Other Activities

Other tourism related activities include high profile rural accommodation and access to the Nelson Lakes National Park for fishing, skiing, hunting and other alpine pursuits.

Tourism is predicted to continue as a growth industry, the marine farming industry may expand with legislative change, forest harvests are predicted to increase, although the timing of this increase will be influenced by wider external economic factors, and although grape growing in conjunction with wine production has experienced challenges in the past years it is at this stage predicted to continue to grow.

Source https://ecoprofile.infometrics.co.nz/Marlborough%2BRegion/PDFProfile

Current Demographic

The resident population of the Marlborough region are in the larger towns and serviced settlements with the balance in un-serviced settlements and rural areas.

The main population of Marlborough is centered in the town of Blenheim, followed by Picton, which is 25km north of Blenheim. The following chart shows the demographic composition of Marlborough District. One feature of this comparison is the increase in those aged 60 and above.

The district's population is expected to increase over the next ten years because of the employment opportunities created primarily in the viticulture, forestry and tourism industries. This increase will impact on the roading network both in demands for increased levels of service and network capacity (e.g. increased seal width).

It is anticipated that approximately 75% of new development will be in and around the existing towns and the balance in rural areas and small un-serviced villages. There is increasing pressure for development of commercial complexes in the district that is placing pressure on the development rules under the existing District Plan. This is affecting urban fringe areas and can have an impact on the roading infrastructure as demand in these areas can alter significantly in a relatively short period of time.

Population Growth

The above population projection graph shows high medium and low forecasts out to 2048. The current perception is that high growth will continue to increase into the future over the short to medium term.

Marlborough District Council has developed a number of strategies and studies for the future development of the Region including;
- Marlborough Townships and Small Settlements Growth Study, July 2007
- Blenheim Urban Strategy
- Northern Marlborough Growth Strategy
- Southern Marlborough Growth Strategy
- Parking studies
- Network Accessibility Plans
- Blenheim Integrated Transport Study

The existing road network in the study area is generally in reasonable condition both from a safety and capacity perspective. There are however significant actions and opportunities that can assist in achieving a sustainable transport system into the future.

The One Network Framework is critical to the successful future transport system. Further details on the framework are provided later in the levels of service section.
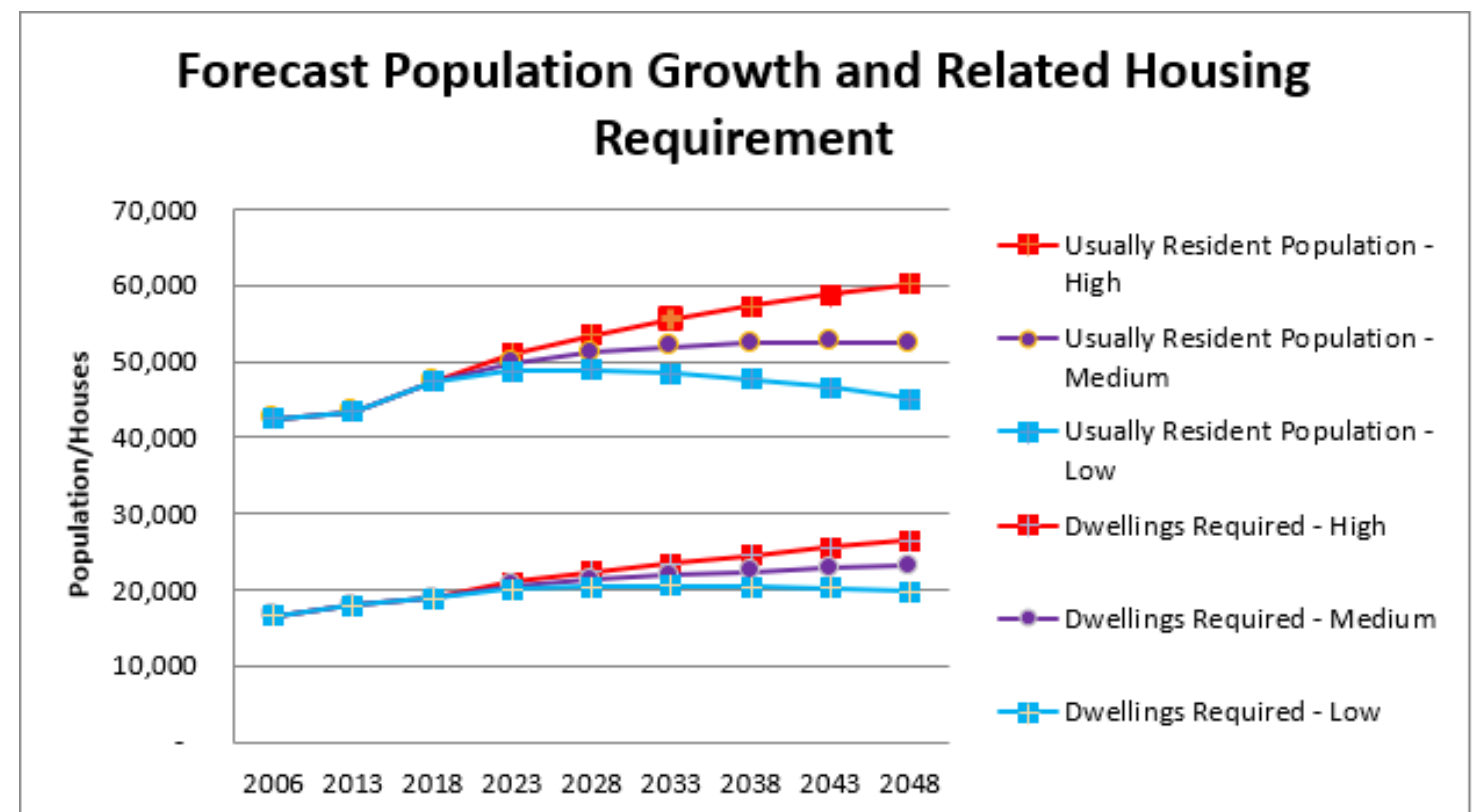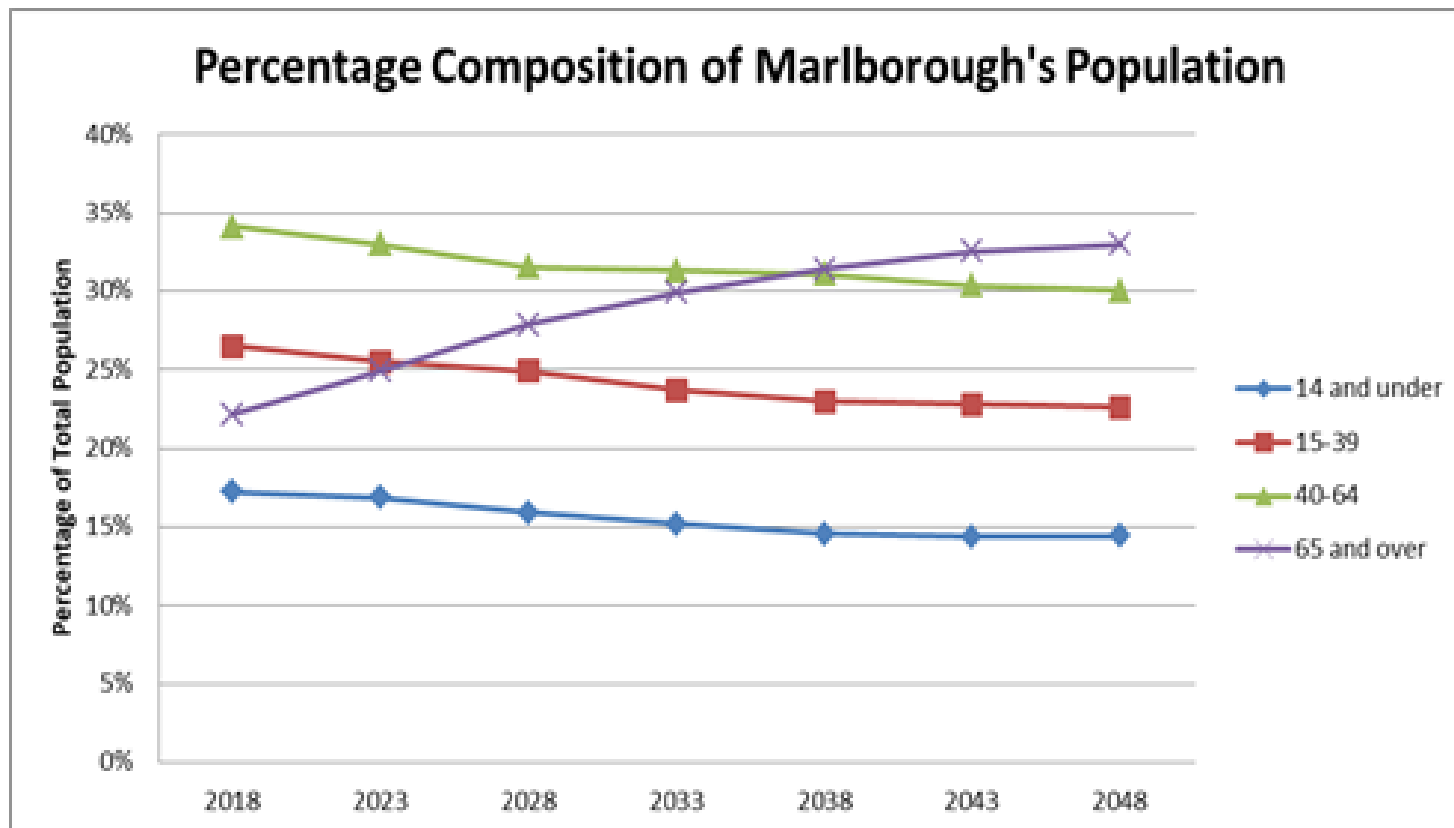
Levels Of Service

Our commitment to service excellence is encapsulated in our Levels of Service (LoS) statement, a blueprint derived from our Asset Management Plan (AMP) outcomes. This statement serves as the cornerstone of our pledge to deliver exceptional services to our network customers in a manner that optimally justifies their investment.

The LoS statement is a guiding beacon, not only informing our internal strategies but also resonating with external stakeholders such as the council, transport authorities, and governance agencies. It is instrumental in maintaining a strategic focus on our investments, aligning them with the core tenets of planning, prioritisation, and investment in network assets.
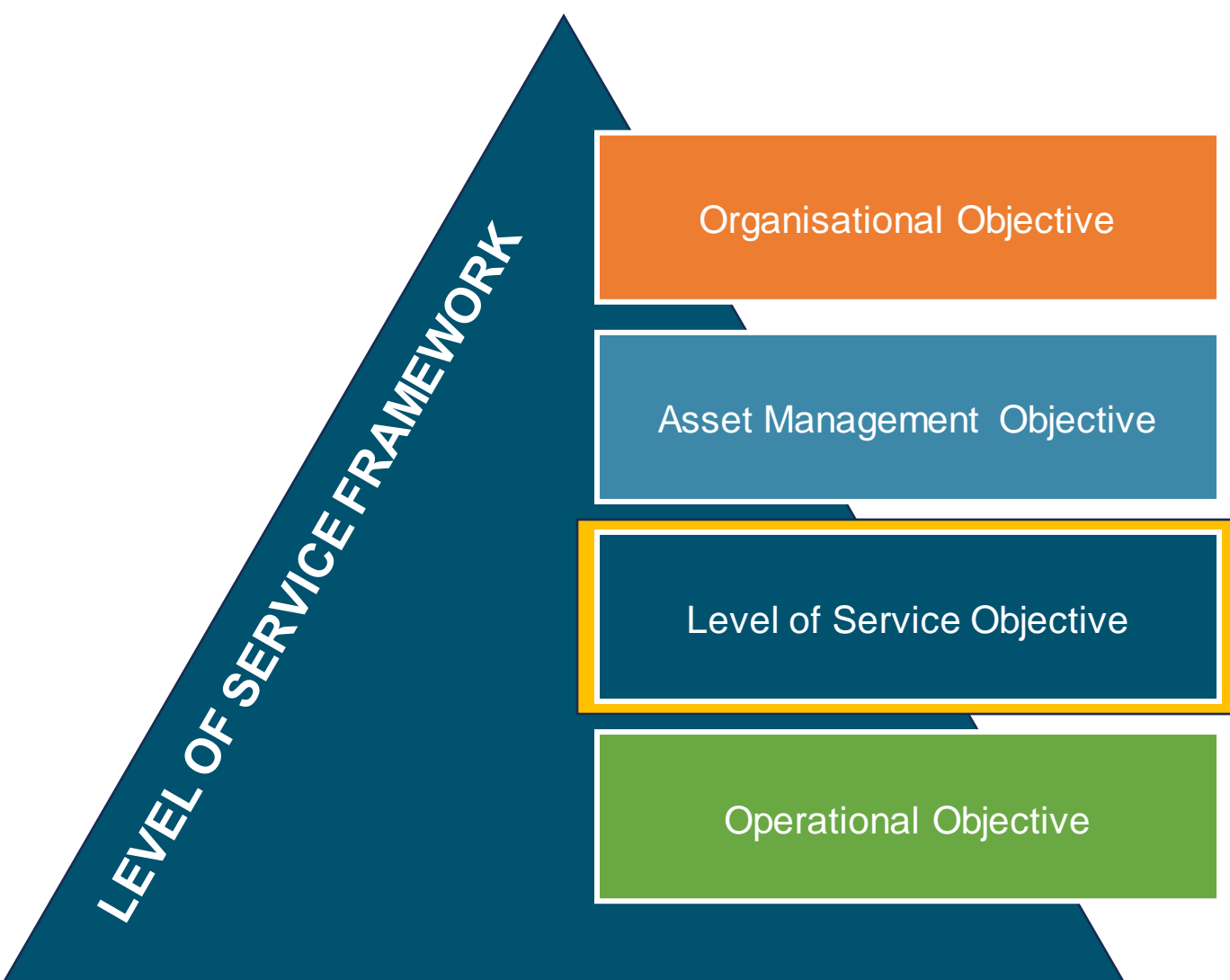
Current Performance

The performance results highlighted below are drawn from the ONRC data collected across the network. Key results have been highlighted on the following page. The detailed results and performance chart from the Te Ringa Maimoa Transport insights portal can be found in the appendices.

Performance Target

The performance target indicates what we want to achieve in the future through continuous investment in our assets. The performance targets are developed based on the performance measure and do not reflect on an overarching result that we want to achieve. Details on our investments and our plan to achieve them are discussed in the Programme Case.

LEVEL OF SERVICE FRAMEWORK
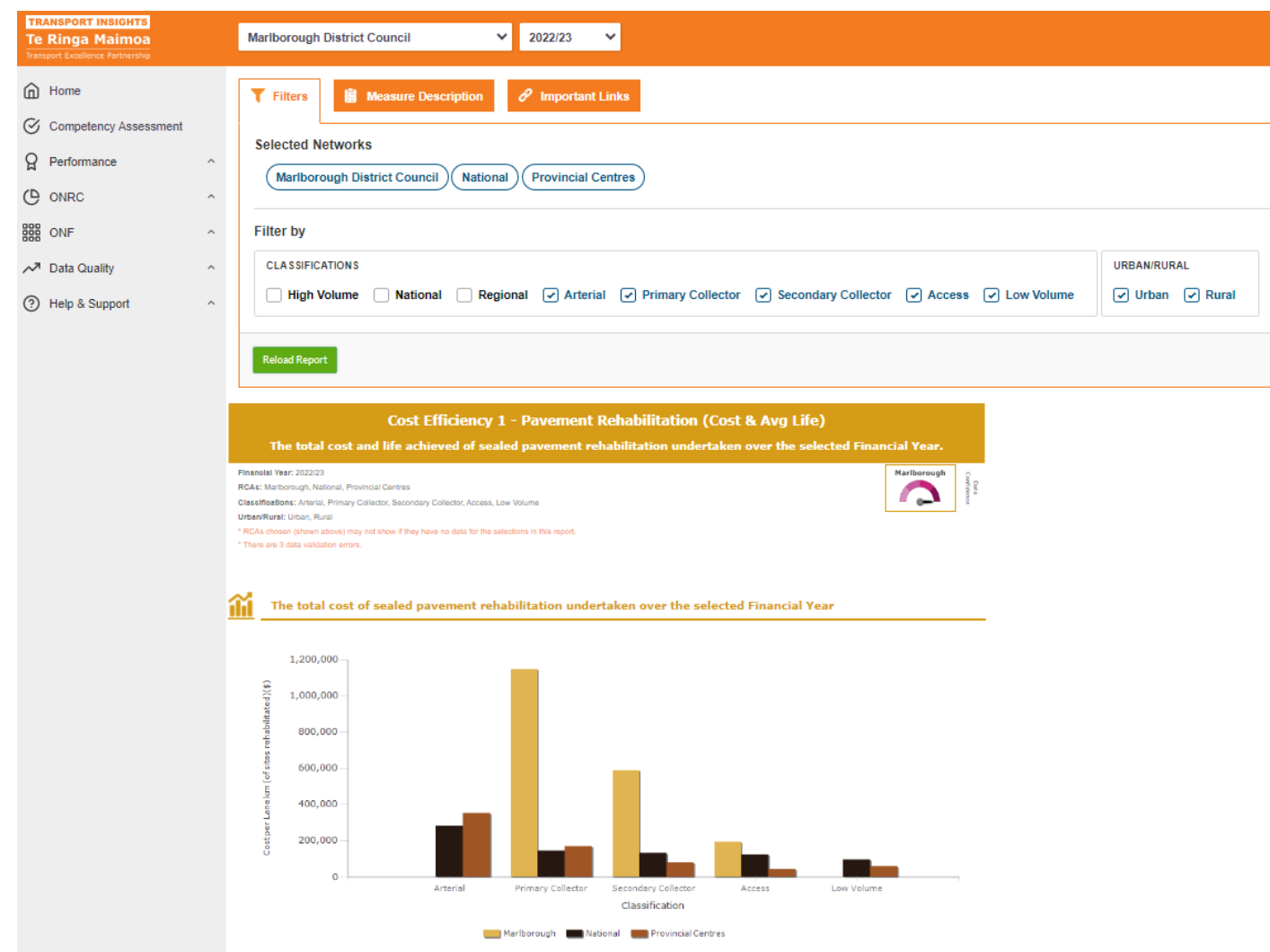
- Organisational Objective
- Asset Management Objective
- Level of Service Objective
- Operational Objective

Department of Internal Affairs Measures

This section highlights our commitment to monitoring performance and maintaining service standards, aligning with Department of Internal Affairs (DIA) regulations concerning our local road network. Mandated by the Local Government Act 2002, these measures are integral to our reporting framework, ensuring precise specification of our service levels.

Additionally, led by the Te Ringa Maimoa (formerly the Road Efficiency Group), the detailed development of the One Network Road Classification (ONRC) aims to standardize road performance nationwide. This initiative seeks to rectify historical disparities and promote economic growth through a uniform approach in monitoring and measuring roads. Achieving consistency across all Road Controlling Authorities (RCAs) is crucial to the ONRC's success, guiding us toward a more unified and improved road network.

Levels of Service 2022-23: Roads and Footpaths

Performance Targets

Level of Service	Key performance indicator	2021-22 Actual	2022-23 Target	2022-23 Actual	How did we do?
Road maintenance Provide a sustainable land transport infrastructure.	% of sealed road network that is resurfaced annually. Average chipseal life is 13.5 years.	4.2%	≥ 5%	4.1%	▭
	Comment: Still a lot of roads under recovery following storm events so a number of reseals have been deferred.				
Footpaths Provide footpaths that meet the needs of an ageing community.	% of footpaths that meets the Asset Management Plan rating of better than 4 (1="Excellent" 2="Good" 3="Average" 4="Poor" 5="Very Poor')	97.4%	≥ 95%	97.4%	✔
Respond to services requests	% of customer services requests relating to roads and footpaths to which the territorial authority responds within 15 days.	100%	≥ 93%	100%	✔

Levels of Service 2022-23: Roads and Footpaths

Performance Targets

Level of Service	Key performance indicator	2021-22 Actual	2022-23 Target	2022-23 Actual	How did we do?
Provide an overall level of service that meets or exceeds residents' expectations.	Resident satisfaction with this service as measured by survey (10 = service delivered extremely well).	5.6	≥ 6.2	5.5	▭
	Comment: Satisfaction continues to be low following recent storm events.				
Road Safety Provide a safe transport infrastructure.	The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network, expressed as a number.	2	≤ -1	-10	✔
Road condition Provide a quality transport infrastructure.	Average quality of ride on a local road sealed network measured by Smooth Travel Exposure[1] and classified using ONRC[2] hierarchy.				
	Arterial	84.1%	≥ 86%	86.3%	✔
	Primary Collector	90.1%	≥ 89%	91.4%	✔
	Secondary Collector	92.8%	≥ 87%	92.4%	✔
	Access	90.2%	≥ 88%	89.9%	✔
	Low Volume	90.7%	≥ 88%	89.2%	✔
	85% average road roughness classified using ONRC hierarchy				
	Arterial	112	≤ 112	113	▭
	Primary Collector	109	≤ 115	116	▭
	Secondary Collector	118	≤ 120	118	✔
	Access	130	≤ 130	129	✔
	Low Volume	138	≤ 135	134	✔

NB: a newly sealed road has an average roughness of 50 – 70. A very rough gravel rough will have a roughness value higher than 300.

Comment: Average road roughness is on target across the majority of roading classifications. Roughness is just outside of the target on Arterial and Primary Collector Roads.

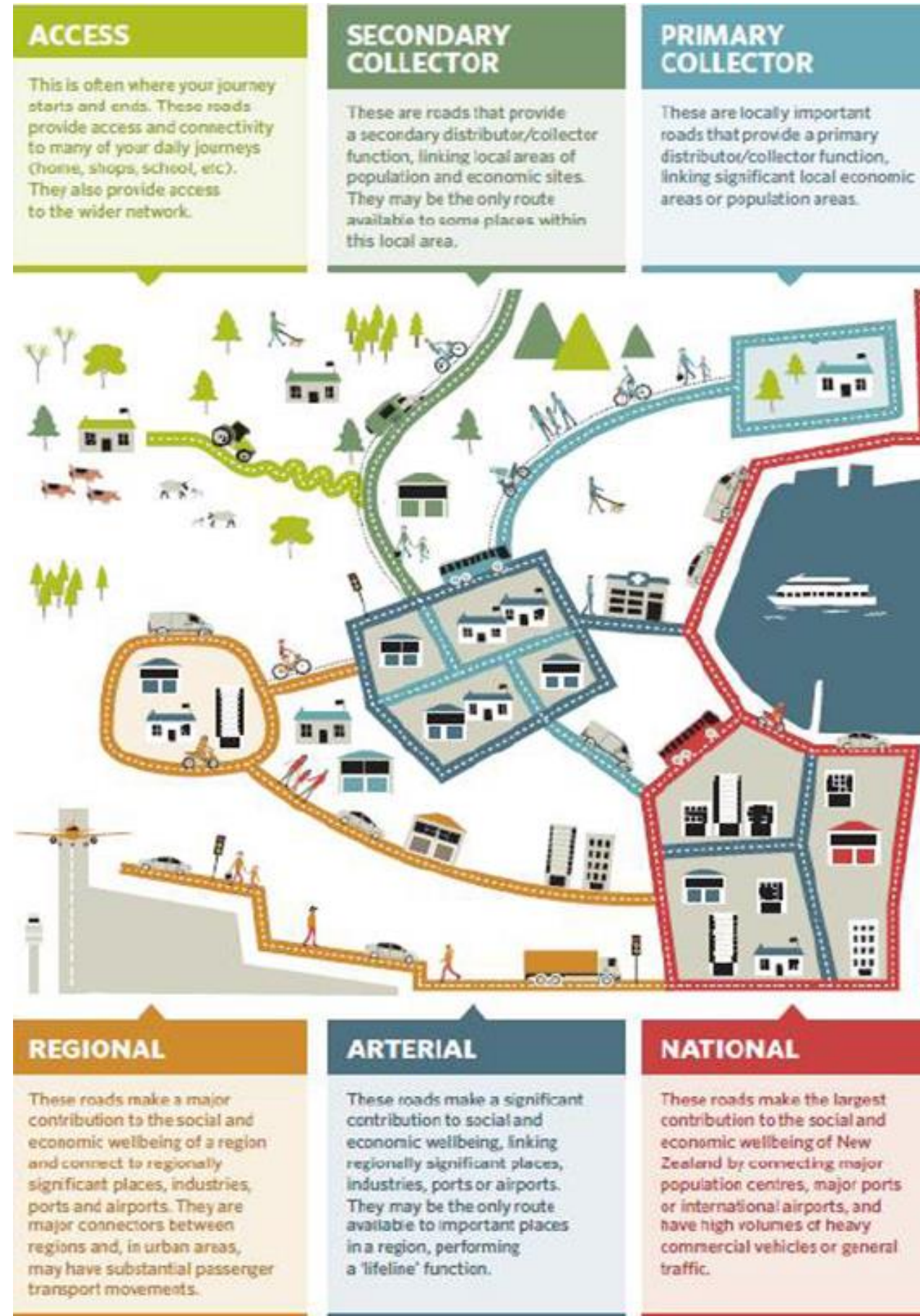# Levels Of Service

One Network Road Classification

The One Network Road Classification (ONRC) was a major shift in the road management framework at national and regional levels. It divided New Zealand's roads into six categories (shown opposite) based on how busy they are, whether they connect to important destinations, or are the only route available.

The most important concept behind the ONRC was that it placed the customer at the heart of every investment decision. Consequentially, once a road has been classified under the ONRC, it should be maintained to the Customer Level of Service (CLoS) for roads of its type.

Marlborough District Roads Levels of Service are currently measured using the ONRC framework and has aligned its KPI's measures to the following:

• Safety – Customer Outcome Performance
• Safety – Technical Output
• Resilience – Customer Outcome
• Amenity – Customer Outcome
• Amenity – Technical Output
• Accessibility – Customer Outcome
• Accessibility – Technical Output
• Travel Time reliability – Customer Outcome
• Cost Efficiency Performance

The ONRC is being replaced by the One Network Framework (ONF) which takes more consideration of the adjacent land use around our roads. ONF assists in more complex urban environments, where there are several competing demands on limited road and street space, and a range of modes to be accommodated. ONF was introduced in April 2021. Road classification has been established but there is still work to do to transition to the new framework.

ACCESS
This is often where your journey starts and ends. These roads provide access and connectivity to many of your daily journeys (home, shops, school, etc). They also provide access to the wider network.

SECONDARY COLLECTOR
These are roads that provide a secondary distributor/collector function, linking local areas of population and economic sites. They may be the only route available to some places within this local area.

PRIMARY COLLECTOR
These are locally important roads that provide a primary distributor/collector function, linking significant local economic areas or population areas.

REGIONAL
These roads make a major contribution to the social and economic wellbeing of a region and connect to regionally significant places, industries, ports and airports. They are major connectors between regions and, in urban areas, may have substantial passenger transport movements.

ARTERIAL
These roads make a significant contribution to social and economic wellbeing, linking regionally significant places, industries, ports or airports. They may be the only route available to important places in a region, performing a 'lifeline' function.

NATIONAL
These roads make the largest contribution to the social and economic wellbeing of New Zealand by connecting major population centres, major ports or international airports, and have high volumes of heavy commercial vehicles or general traffic.

One Network Framework

The ONF is a shift in how we think about, plan and invest in our roads and streets by putting people, and the diverse ways we use our roads and streets, at the heart of how we plan. It recognises that roads and streets are places for people as well as transport corridors, and they contribute to vibrant and liveable towns and cities. It provides an easy-to-understand common language that everyone in the transport system can use, from planning through to delivery.

To date the network operating frameworks have been developed with an aim of supporting Marlborough district council, Marlborough roads and Waka Kotahi NZ transport agency and stakeholders to planning multi-modal transport networks focused in the urban areas of Blenheim and Picton. Rural is yet to be started.

The Differential Levels of Service (DLoS) project is a Te Ringa Maimoa foundation initiative that responds to one of the original Road Maintenance Task Force outcomes. The DLoS Framework builds on work done by early adopters of the One Network Framework (ONF) at Waikato District Council, and consultation and optioneering done by Wairoa District Council.

The DLoS Framework aims to provide:
• better evidence for transport investment decision makers
• a consistent way of describing transport levels of service across the sector
• alignment of community outcomes through to performance measures
• streamlined optioneering and consistent differentiation using ONF
• robust links between service, cost and risk.

Marlborough District Council are committed to adopting the DLos principles and is actively working with Te Ringa Maimoa.

Levels Of Service

The ONF classifies the transport network into street categories which bring together movement and place elements of a road or street.

There are two street families – urban and rural. Differentiating between urban and rural recognises that the level of people and goods movement as well as the factors that determine place are different in each context.

How We Are Performing

Levels of Service	Current Performance	Performance Target
Safety **To ensure the safety of all road users within the network, including drivers, pedestrians, and cyclists, by Minimizing accidents and promoting a safe transportation environment.** KPI [Safety – Customer Outcome Performance Measures] [Safety – Technical Output Performance Measures]	• DSI incident has shown an increasing trend, with a peak of 14 cases in 2021/22. • Except for arterial roads, the collective risk of MDC is in line or below the National and provincial peers. • The personal risk is significantly lower for primary collector, secondary collector, access and low-volume roads. Arterial Roads are also lower compared to National and provincial peers.	• Aim to reduce the road deaths to zero by 2030 and meet the road-to-zero target. • Regular programme to promote road safety across the network. • Identify and monitor road safety issues.

Environmental and Social Opportunities
 	
Minimizing environmental impact and maximizing the potential for social development within the communities by enhancing accessibility and connectivity,
 	
KPI [Travel Time Reliability – Customer Outcome Performance Measures] [Accessibility – Customer Outcome Performance Measures]
	• ONRC – Travel Time Reliability & Accessibility
	   • Data is not currently being collected.
	   • Initiative planned and included in the improvement plan.
	• Transport Emission
	   • Data is not currently being collected.
	   • Initiative planned and included in the improvement plan.
		• Lower traffic wait time and congestion on arterial routes, especially in the key urban areas of Marlborough District.
		• 80% of the network is made accessible to accessible to Class 1 Heavy Vehicles and 50MAX Vehicles.
		• Minimise transport emissions and promote the use of active and public transport.

Resilience
 	
To improve the resilience of the road network, ensuring its capacity to withstand and recover from natural disasters, extreme weather events, and other disruptions while minimising disruptions to communities and the economy.
 	
KPI [Resilience – Customer Outcome Performance Measures] [Accessibility – Technical Output Performance Measures] [Amenity – Technical Output Performance Measures]
	• ONRC – Resilience & Accessibility
	   • Data is not currently being collected.
	   • Initiative planned and included in the improvement plan.
	• The peak roughness of Low-volume, access and secondary collector are below or inline. While arterial and primary collectors are slightly above National and provincial peers.
		• Minimise the number of annual unplanned road closures. Ensure Customer Informed at least ten days in advance of any closure event.
		• Ensure people can safely reach home during natural events.
		• Road signs are fit for purpose at all times.
		• Monitor the deterioration of pavements and maintain roughness

Economic Sustainability **To maximize long-term economic benefits while efficiently meeting transportation needs.** KPI [Amenity – Customer Outcome Performance Measures] [Cost Efficiency Performance]	• There has been a significant roughness increase across all road classifications in the last five years. • We are spending a significantly high cost for rehab and chip-seal re-surfacing (Arterial), while we are falling behind the renewals rate.	• Priotise works to bring the STE of the roads to >95% smoother on all classifications. • Plan to prioritise the renewal rate and meet the DIA performance target of >5.25% of the network. • Monitor and control the investment to make it more sustainable and affordable.

Engagement Process And Outcomes

Stakeholder Consultation Process

The customers, road users, are important to the Council. They take a proactive approach in engaging with them and regularly attend regional and local work group meetings. The Council has a hotline for any reactive incidents that need resolving so that they can respond quickly and efficiently in the event of unforeseen activities occurring on the network.

Marlborough Roads have consulted with the following key stakeholders over the past three years:

- Road Transport Association
- Top of South Freight Forum
- Police
- Forestry Liaison Group
- D'urville Island Roading committee
- Access and Mobility Forum
- French Pass Roading Committee
- Flaxbourne settlers
- Rural Advisory Group
- Port Underwood Roading Committee
- Picton Regional Forum
- Wairau valley Community Group
- Ports of Marlborough
- Sounds Advisory Group
- Cissy Bay Roading Committee
- Picton business association
- AA
- Tennyson Inlet /Duncan Bay Rate Payers Association
- Renwick Smart and Connected.
- Kenepuru and Central Sounds Ratepayers Association
- Various rate payer groups
- Marlborough District Council Staff
- Wine Marlborough
- Awatere Valley Roading Committee

Stakeholder Outcomes

The outcomes from the consultation processes are regularly reviewed and improvements made throughout the year accordingly.

In summary public satisfaction with sealed roads over the past three years have declined. Over one third of the comments were in relation to potholes and substandard repairs.

In contrast, public sentiment towards unsealed roads, footpaths, and street lighting has remained relatively stable over the same period. The satisfaction scores for unsealed roads have remained consistent while footpaths and street lighting saw a slight decrease but generally stayed around the same levels, indicating a level of maintenance in public perception regarding these services.
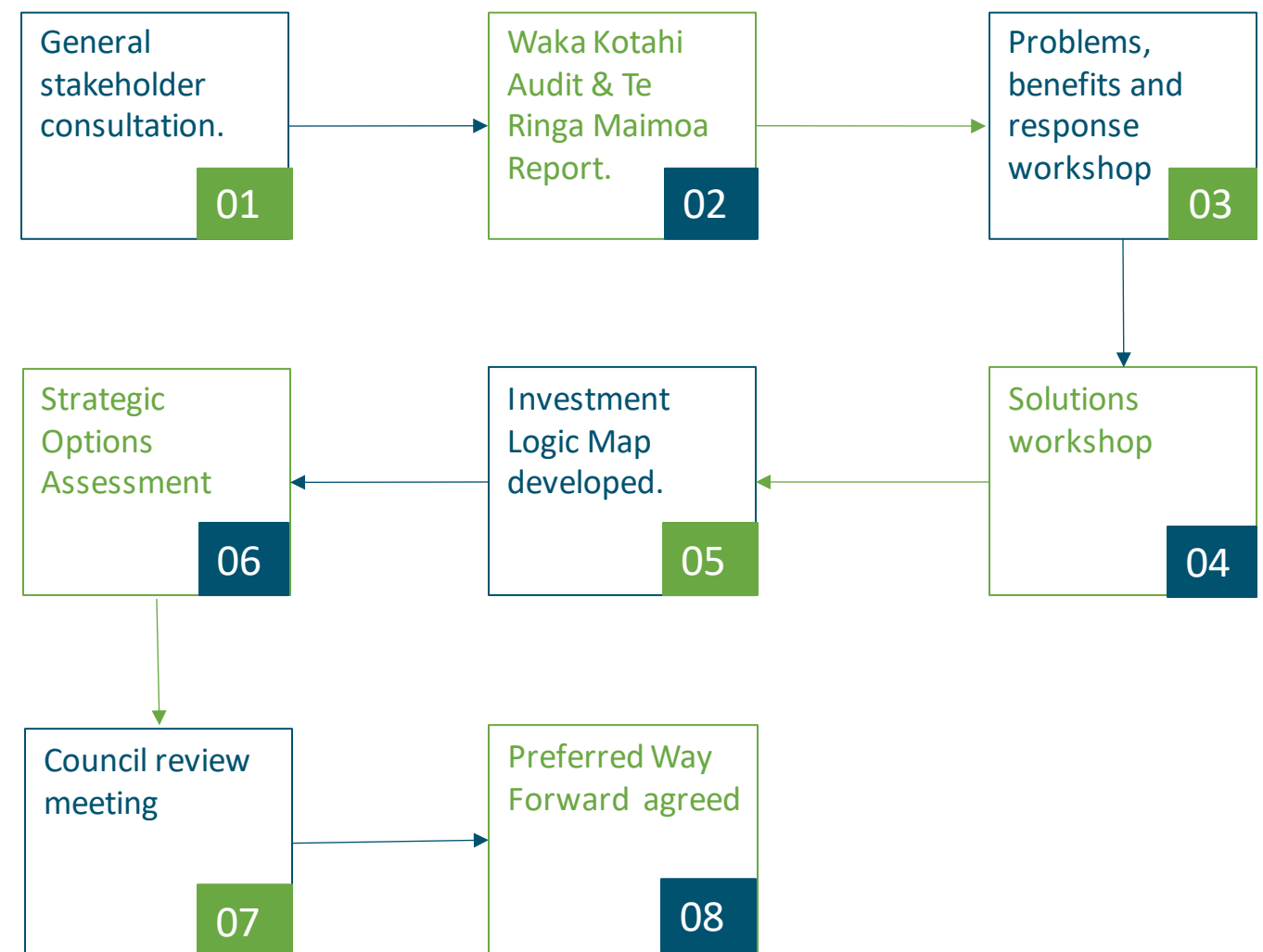
We have also experienced a demographic split in satisfaction. Younger residents' satisfaction ratings with roads, footpaths, and street lighting were lower than older residents, those aged 65 and above, suggesting a generational difference in expectations or perceptions of these public services.

Investment Review Process

In the preparation of this LTAMP, MDC ran an engagement process using Investment Logic Mapping (ILM). This ILM involved a series of facilitated workshops, attended by key stakeholders, where the following topics were investigated:

- The problems with the current state of the transport network, and the consequences that impact on stakeholders' activities;

- The desired benefits that could be achieved if the problems were effectively addressed;

- The strategic responses that are required to address the problems and achieve the benefits;

- Exploration of possible solutions considering people, technology and infrastructure Initiatives;

- Strategic Options identification to rationalise how the interventions can be packaged to deliver the expected benefits and responses; and

- Strategic Options Assessment Workshop to determine the preferred way forward.

General stakeholder consultation. **01**	→	Waka Kotahi Audit & Te Ringa Maimoa Report. **02**	→	Problems, benefits and response workshop **03**
Strategic Options Assessment **06**	←	Investment Logic Map developed. **05**	←	Solutions workshop **04**
Council review meeting **07**	→	Preferred Way Forward agreed **08**		

Problems Identified

The transport problems being experienced by MDC include; network damage from significant natural events, constrained workforce, raising construction costs, and the inability to achieve multi modal transport within the existing corridors.

Percentages in the boxes indicate the weighting of importance. These should add up to 100%.

Adverse natural events are further damaging below-par assets, making the road network unsafe.

30%

Rapidly raising construction costs and inflation results in a reduced LTAMP programme of work.

40%

Emergency response to natural events result in the re-allocation of resources, affecting delivery of planned LTAMP activity.

15%

Existing roading infrastructure design does not promote safe multi modal transport options.

15%

Benefits Defined

The benefits defined during the ILM process demonstrates the desire for the Marlborough region community to have access to a safe transport system that is resilient. These are priority following the challenges with recent storm and earthquake events.

It is also recognised that the transport system can support economic and environmental sustainability with increased social and economic opportunities for people in the region. Providing better transport choices around the region is crucial to achieving these benefits.

Benefits will be tracked using the ONRC performance measures as KPI's. These are highlighted in the small boxes within each benefit. Reduced emissions will also be tracked.

Percentages in the boxes indicate the weighting of importance. These should add up to 100%.

Communities have a safe and accessible transport system.

35%

Increased ONRC Accessibility Measures	Increased ONRC Safety Measures

Increased environmental and social opportunities for people in the region.

10%

	Reduced Emissions
Improved ONRC Travel Reliability Measures	Improved ONRC Accessibility Measures

Improved Economic Sustainability.

20%

Improved ONRC Cost Efficiency Measures	Increased ONRC Amenity Measures

Improved Resilience.

35%

	Increased ONRC Resilience Measures
Increased ONRC Accessibility Measures	Increased ONRC Amenity Measures

Communities have a safe and accessible transport system.

Increased environmental and social opportunities for people in the region

Improved Economic Sustainability.

Improved Resilience.
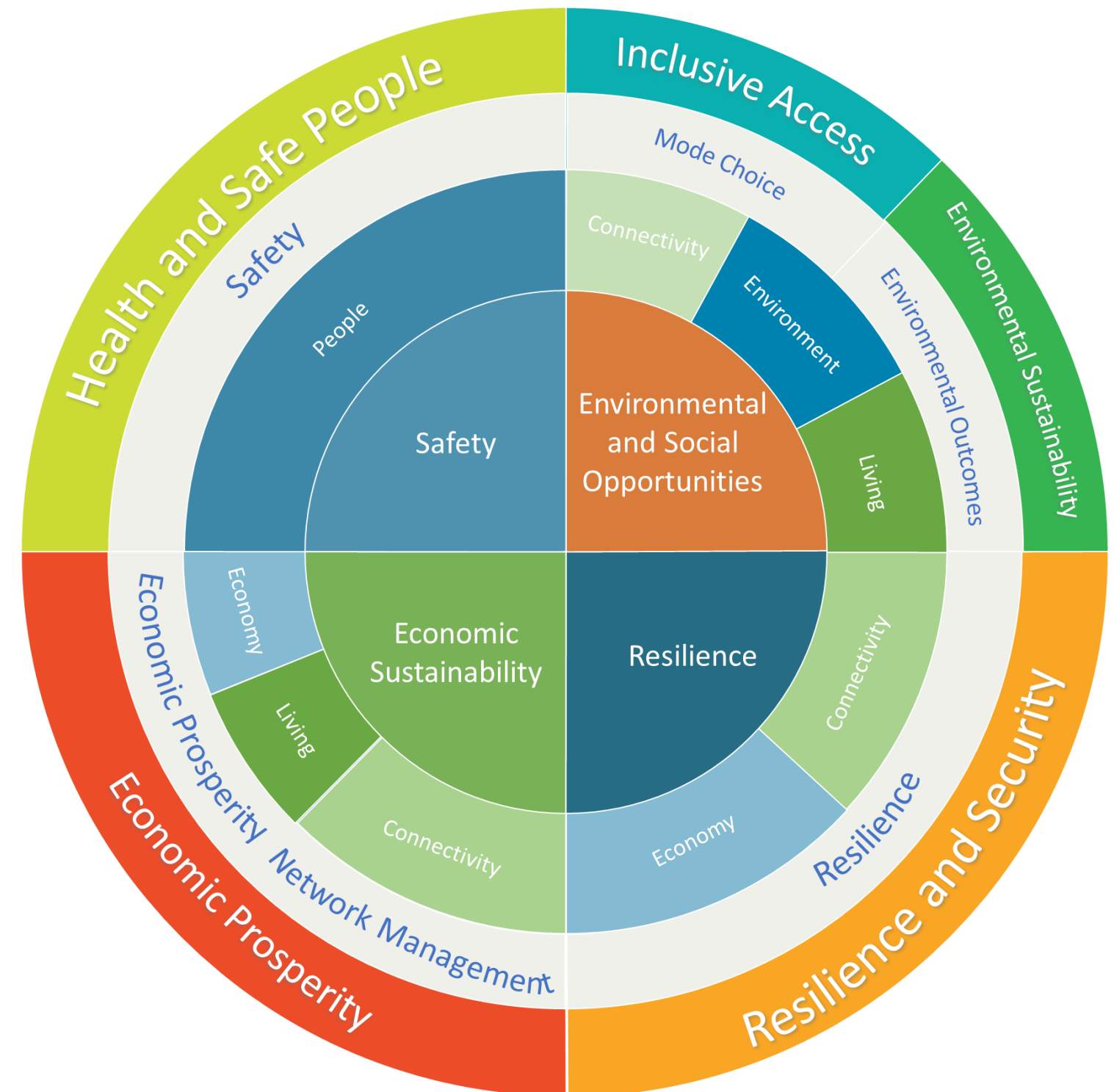
Strategic Responses Developed

A wide range of strategic responses were assessed and refined through the ILM and stakeholder engagement workshops. These were then tested against previous work completed and feedback from the wider teams.

The strategic responses were developed to identify the high-level focus that any potential solution would need to deliver on, and to ensure strategic options were assessed against their ability to deliver the defined benefits and address the problems identified. The strategic responses are shown in the diagram. Their relationship and fit with the identified benefits can be seen in the ILM model in the appendices.

The strategic responses clearly show where prioritisation needs to occur. The focus must be to improve safety and resilience of transport assets across the region.

It also shows that building delivery capability and capacity, combined with better decision making will enable a long tern sustainable and affordable transport system to be built.

Percentages in the boxes indicate the weighting of importance. These should add up to 100%.

Increase delivery capability and capacity across the region. **35%**	**Improve safety and resilience of transport assets.** **40%**
Build a sustainable transport system that is affordable. **15%**	**Implement the One Network Framework to support strategic and informed decision-making.** **10%**

How do we maintain ongoing operation and build a future sustainable network?

Balancing the Priorities

During the 2021-24 LTAMP cycle, MDC's focus was on recovering the network impacted by storm events. Since then, a major capital improvement business case has been developed to address the shortfall in funding to complete the work.

As part of the LTAMP review process we have reflected on our priorities. The ILM process has enabled us to get clear on where we are at, what lies ahead, and what the priorities are.

We must improve the safety and resilience of our transport assets to meet the unpredictable damage caused as a result of climate change. This requires people and our small team is committed to sorting this out. However, we do recognise this is going to take time and our approach going forward requires a longer-term focus rather than the typical three-year horizon

An unintended consequence however due to the reallocation of staff means that we continue to fall short of meeting national / local demands and expectations associated with levels of service and embedding new ways of working to enable better decisions to be made. This is further compounded by rapidly rising construction costs, resulting in us getting less than we had planned for.

To respond to these challenges, we need to continue to put our focus in to the recovery, renewal / maintenance work and address the strategic priorities. We have therefore developed this LTAMP to reflect two programmes of work:
- Strategic and Major Capital Improvements
- Renewals and Maintenance

We recognise the need to make better decisions to enable more effective re-prioritisation of our available funding. Embedding the ONF and improving our asset management practices will enable us to do that.

To do this we need to build capability and capacity and intend to undertake a full strategic review of our resources and the impact on operating costs. The outcome will enable us to understand how we best increase resources to build capability and capacity in the short term. If we can secure these resources, then we can develop and implement both programme of works.

The Programme Case considers the investment level across several options. Risk, levels of service and benefits are assessed for each. It details the assessment framework that we have adopted. Options are then explained and assessed.
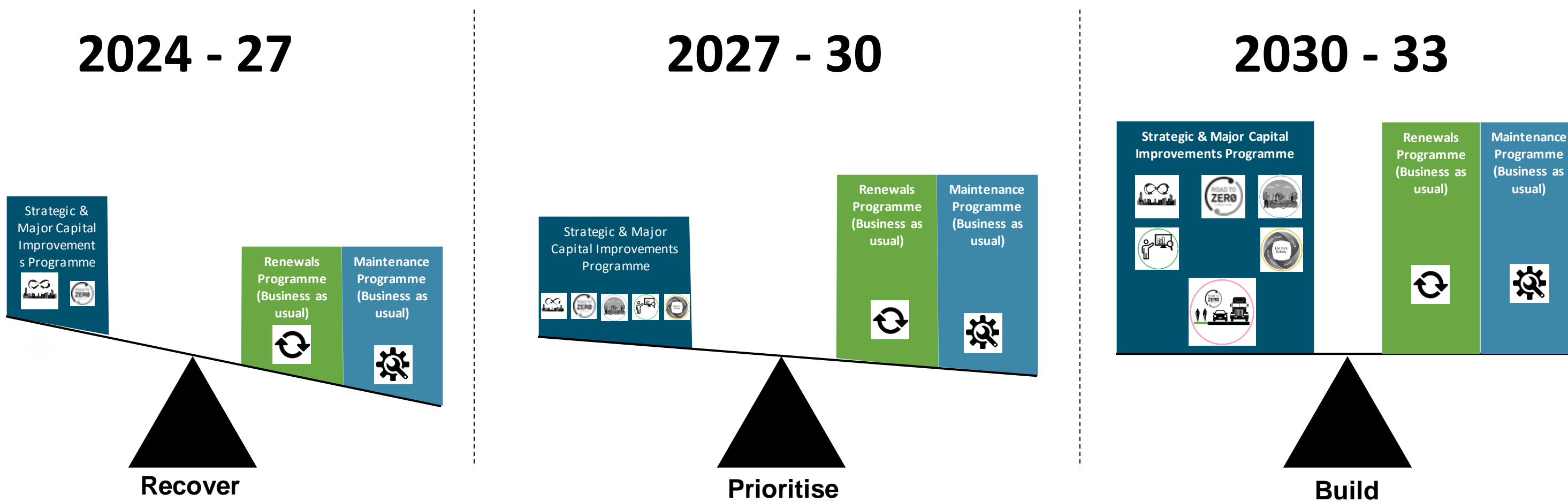
Like any national investment going forward, our transport network must begin to contribute, not just to physical assets, but also to environmental, social, human and cultural wellbeing aspects.

Increasing frequency and intensity of adverse natural events are significantly damaging the network. Emergency responses result in staff re-allocation, affecting delivery of planned business-as-usual activity, let alone any pro-active work.

Resolving the conflict

To respond to these two, seemingly conflicting, challenges, we have developed a realistic and affordable outline approach that will still move us forward over time.

Our priority is to improve the safety and resilience of our network and continue to maintain the network to the current levels of service. This is the focus for our 2024-2027 LTAMP period.

Our priority in the 2027-2031 LTAMP will be to build delivery capability and capacity and implement best practice asset management principles and the ONF so that we can understand how to fund and prioritise expenditure across the transport assets from a wellbeing perspective.

The final priority will be to use the intelligence developed in the previous LTAMP period to seek the required funding to build a sustainable transport system. The work will commence in the 2031-2034 LTAMP period.

By taking this long-term approach we can resolve the problems that are currently being experienced and achieve the benefits desired.

2024-2027

Improve safety and resilience of transport assets.

2027-2031
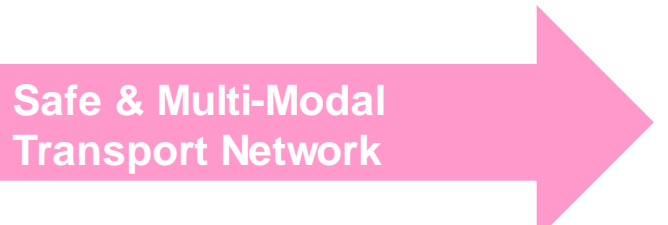
Increase delivery capability and capacity across the region.

Implement the ONF to support strategic and informed decision-making.

2031 - 2034

Build a sustainable transport system that is affordable.

Aligning Solutions to Benefits Over Time

Phase	Solution	Communities have a safe and accessible transport system.	Improved Resilience.	Improved Economic Sustainability.	Increased environmental and social opportunities for people in the region.
2024 - 27 RECOVER *Recovery and ongoing operations*	**Recover Network & Build Safety & Resilience**				
	Storm Recovery	PARTIAL	PARTIAL	NONE	NONE
	Network Improvements	PARTIAL	PARTIAL	PARTIAL	PARTIAL
	Speed Management	PARTIAL	NONE	PARTIAL	PARTIAL
2027 - 30 PRIORITISE *Understanding how to deliver the benefits and ongoing operations*	**Increase Capability & Capacity**	PARTIAL	PARTIAL	PARTIAL	PARTIAL
	Asset Management Maturity & Practices	PARTIAL	PARTIAL	PARTIAL	PARTIAL
	Land use change & ONF Implementation	PARTIAL	NONE	PARTIAL	PARTIAL
2030 - 33 BUILD *Deliver the benefits and ongoing operations*	**Safe & Multi-Modal Transport Network**	PARTIAL	ACHIEVED	ACHIEVED	ACHIEVED

Long Term Investment Solutions Implemented Over a Decade

Strategic & Major Capital Improvements Programme

Tranche 1.1 — 2024 – 27

Recover Network & Build Safety & Resilience

- Develop Emergency Works Storm Response Business Case (Alternative Funding).
- Rebuild damaged assets in accordance with Emergency Works Business Case (Alternative Funding).
- Invest in network improvements.
- Invest in speed management improvements.

Tranche 1.2 — 2027 – 30

Increase Capability & Capacity

- Develop capability and capacity strategy.
- Develop internal recruitment and training strategy and plan.
- Build internal team capability and capacity.
- Review private sector delivery procurement strategy.

Tranche 1.3 — 2027 – 30

Asset Management Maturity & Practices

- Implement a digital LTAMP approach to streamline operations.
- Develop prioritised safety and resilience strategy and plan.
- Develop a prioritised affordable sealed pavement renewals programme.
- Upgrade prioritized work for all the network assets.

Tranche 1.4 — 2027 – 30

Land use change & ONF Implementation

- Develop and implement integrated transport studies for Blenheim and Picton.
- Develop Marlborough Integrated Transport Business Case to secure funding.
- Embed One Network Framework Levels of Service and Performance measures.

Tranche 1.5 — 2030 – 33

Safe & Multi-Modal Transport Network

- Implement and build assets that support a safe and integrated transport network.

Maintenance & Renewals Programme

Tranche 2 — 2024 – 33

Renewals Programme

Vested Assets + Minor Improvements + Sealed Road Resurfacing + Structures Component Replacement + Pavement Rehabilitation + Traffic Services + Unsealed Road Metalling + Environment + Cycle Paths + Drainage + Footpaths + Bridges + Wharves & Jetties

Tranche 3 — 2024 – 33

Maintenance Programme

Asset Management Planning + Concrete footpaths + Cycle paths + Emergency reinstatement + Environmental + Level crossing warning devices + Minor Events + Operational Traffic Management + Network and Asset Management + Regional Land Transport Planning + Routine Drainage + Road Safety Programmes + Sealed footpaths + Sealed pavement + Structure + Traffic services + Unsealed pavements