



As governments proceed along the pathway, they may decide at any time whether to continue on the pathway, and whether to ultimately participate in the reformed system.

Pathway ahead: Heavy Vehicle Road Reform



(Given the complexity of the reform, these dates are indicative only)

(A cascading roll-out, not concurrent commencement)

The four pillars:

<p>1 National Service Level Standards for roads</p> 	<p>▶ Finalise the framework (road categories, customer values, metrics), including specific reference to heavy vehicle application</p>	<p>Allocate roads to service level standard categories; begin collecting data on service levels</p>	<p>▶ Negotiate then set level of ambition for standards; establish ongoing governance arrangements for reviewing and updating standards; (continue to collect data on service levels)</p>	<p>Use service level standards framework to help identify road investment priorities; prepare for ongoing review of service level standards</p>
<p>2 Independent determination of what expenditure is recoverable through heavy vehicle charges</p> 	<p>Agree a governance model for expenditure review; identify expenditure review body/ies</p>	<p>Agree principles for expenditure review on which legislative drafting will be based; scope responsibilities and roles of expenditure review body/ies</p>	<p>▶ Start to draft legislation; agree national expenditure review guidelines; begin staffing investment review body/ies, who begin engaging with road agencies</p>	<p>Investment review body/ies to determine cost-effective expenditure that is [reasonably] consistent with service level standards, providing guidance and feedback to road agencies on requirements</p>
<p>3 Independent setting of heavy vehicle charges</p> 	<p>Identify independent price regulator; agree high-level principles for charge setting and revenue implications</p>	<p>▶ Decide key settings for a forward-looking cost base (FLCB); agree a transitional path for charges/revenue</p>	<p>Start to draft legislation for independent price regulator; begin staffing independent price regulator; develop guidelines for charge setting</p>	<p>▶ Independent price regulator begins charge-setting process in line with agreed transition arrangements</p>
<p>4 Hypothecation</p> 	<p>Provide Ministers visibility of current funding arrangements, to compare to proposed reform</p>	<p>▶ Detail hypothecation arrangements</p>	<p>Finalise implications for existing infrastructure commitments; consider reflecting reforms in LTIP National Partnership Agreement</p>	<p>Hypothecation of charges revenue begins</p>

▶ = Proposed public consultation point