

MINUTES OF THE NZ TRANSPORT AGENCY BOARD MEETING

HELD ON THURSDAY 30 JUNE 2011 AT 9.30AM

NZTA Board Room, Level 2, Chews Lane Building, 50 Victoria Street, Wellington

Approved by the Chair	_____
Date	____/____/____

PRESENT:

Chris Moller	<i>(By telephone)</i>
Garry Moore	<i>Acting Chair</i>
Alick Shaw	
Bryan Jackson	
Jerry Rickman	
Patsy Reddy	
Tony Lanigan	

APOLOGIES: Christine Caughey

IN ATTENDANCE:

Geoff Dangerfield	<i>Chief Executive</i>
Ernst Zöllner (Items 1-10)	<i>Board Secretary & GM Strategy & Performance</i>
Allan Frost (1-3)	<i>GM Organisational Support</i>
Colin Crampton (1-5)	<i>GM Highways & Network Operations</i>
Dave Brash (1-10)	<i>GM Planning & Investment</i>
Dave Whiteridge (1-3)	<i>Acting GM People & Capability</i>
Ian Gordon (1-3)	<i>GM Access & Use</i>
Stephen Town (1-10)	<i>Regional Director, Auckland and Northland</i>
Andy Knackstedt (8)	<i>Media Manager</i>

INVITEES: None

The formal meeting commenced at 10:30am.

1 Chairman's introduction

a. Apologies

Garry Moore chaired the meeting as Chris Moller attended the meeting by telephone from Hong Kong. The meeting also noted the apologies from Christine Caughey, who is working overseas.

b. Agenda

Garry Moore provided an overview of the meeting agenda and timetable. It was agreed that Item 9 (State highway asset management) would be considered following the Investment & Operations Board Committee workshop on the 2011 State Highway Asset Management Plan.

c. Departing Board members

The Board membership terms of Garry Moore and Christine Caughey ended on 30 June 2011. The Board formally acknowledged Garry and Christine's significant contributions to the New Zealand transport sector as members of the NZTA Board and Garry Moore's contribution to the predecessor organisations Transit NZ and Land Transport NZ. A function was held at the conclusion of the Board meeting held to thank and farewell Garry Moore.

d. Board Committee membership

Chris Moller nominated Jerry Rickman as the replacement Chair for the Audit Risk and Assurance Board Sub-Committee.

Resolved:

That from 1 July 2011 Jerry Rickman Chairs the Audit Risk and Assurance Board Committee.

e. Declarations of interest

The updated Schedule of Board Member Interests was tabled and noted. In relation to Item 2 (Roads of National Significance) Chris Moller reminded the meeting of his governance roles with NZ Cricket Inc. and the Wellington Regional Stadium Trust.

f **Confirmation of the 2 June 2011 Board meeting minutes**

There were no questions or issues raised regarding the minutes. 'Requested action no 5' on page 6 was deleted as it repeats an identical earlier point.

Resolved:

That the NZ Transport Agency Board confirms the amended minutes from its 2 June 2011 meeting.

g. **Confirmation of the 20 June 2011 Board teleconference meeting minutes**

There were no questions or issues raised regarding the minutes.

Resolved:

That the NZ Transport Agency Board confirms the minutes from its 20 June 2011 teleconference meeting.

h. **Progress on matters arising from previous meetings**

The progress on all requested actions was noted.

2-3 Chief Executive items

Board papers 11/06/0542, 11/06/0535

Key topics raised by Board members for discussion on the **Chief Executive's report** for June included progress on the Western Ring Route and Wellington inner city RoNS; recovery and rebuilding in Christchurch; Route K in Tauranga; and the recent good result on road safety in New Zealand. The Board raised no additional matters with the Chief Executive.

[Chris Moller took no part in the discussion in relation to Wellington Inner City RoNS given his roles at NZ Cricket Inc and the Wellington Regional Stadium Trust].

The Board noted the **eleven-month finance report**. The Board noted the progress against the 2009/12 National Land Transport Programme and the recent use of the temporary facility.

Resolved:

That the NZ Transport Agency Board receives:

- a. *the Chief Executive's report for June 2011; and*
- b. *the financial result for the eleven months to 31 May 2011.*

Requested action:

1. *That future monthly financial or quarterly reports include a section on progress on property disposal against plan and budget.*

Setting organisational direction

- 4 **State Highway Network and Network Access and Use draft strategies for engagement**
[Board paper 11/06/0537](#)

Ernst Zöllner outlined the planned approach to engagement around the proposed new strategic direction. Board members favoured a targeted approach to engagement. Members also requested that the goals of the two strategies be made as clear as possible, and that thought is given to how levels of service on national and local networks can be integrated.

Resolved:

That the NZ Transport Agency Board:

- a. endorses for the purpose of external engagement the key concepts and strategic responses in the draft State Highway Network Strategy;*
- b. endorses for the purposes of external engagement the key concepts and strategic responses in the draft Network Access and Use Strategy; and*
- c. agrees that Alick Shaw review the external engagement material around the proposed strategies on behalf of the Board.*

Requested action:

- 2. That the State highway network strategy and Networks access and use strategy contain tangible goals and targets against key performance indicators.*

Other decision items

- 5 **Christchurch RoNS western corridor and long term plan including CIAL access**
[Board paper 11/06/0538](#)

The Board reviewed the progress over the last nine months to resolve the level of service issues on the Western Corridor and the access arrangement to Christchurch International Airport. Colin Crampton (GM Highways & Network Operations) outlined options to resolve the remaining issues around access.

Resolved:

That the NZ Transport Agency Board endorses the resumption of the development of the Christchurch Western Corridor Road of National Significance following further engagement with key stakeholders.

Requested action:

- 3. That the Chair and Chief Executive discuss the Western Corridor update with the relevant key stakeholders.*
- 4. That the Chair and Board members Bryan Jackson, Jerry Rickman, with the Chief Executive and GM Highways & Network Operations, meet with the Board and*

Management of Christchurch International Airport Limited to determine a way forward.

6 **Auckland Metro Rail Electric Multiple Unit (EMU) update**

Board paper 11/06/0539

Stephen Town (Regional Director Auckland & Northland) provided the Board with an update on the procurement strategy and investment arrangements. Board members noted the progress and supported the approach taken.

Resolved:

That the NZ Transport Agency Board delegates to a committee comprising the Chair, the Chair of the Investments and Operations Committee and the Chief Executive the powers to consider and decide on investment requirements for the procurement of electric multiple units for the Auckland Metro rail system, including the construction of the associated depot.

7 **Funding Assistance Base Rates for Territorial Authorities for the 2012/15 NLTP**

Board paper 11/06/0541

Board members noted that this update of the Base Funding Assistance Rate is a requirement of the existing policy. In response to questions from Board members, Dave Brash (GM Planning & Investment) outlined options for how the changes could be phased in to reduce the impact on smaller local authorities.

Resolved:

That the NZ Transport Agency Board:

- a. approves following the funding assistance base rates for territorial authorities for the 2012 National Land Transport Programme:*

Local authority	Rate	Local authority	Rate
Far North Dist	55	Carterton Dist	53
Kaipara Dist	59	Kapiti Coast Dist	43
Whangarei Dist	51	Hutt City	48
Hamilton City	45	Masterton Dist	54
Hauraki Dist	53	Porirua City	44
Matamata-Piako Dist	48	South Wairarapa Dist	49
Otorohanga Dist	52	Upper Hutt City	46
South Waikato Dist	50	Wellington City	44
Taupo Dist	43	Marlborough Dist	46
Thames-Coromandel	43	Nelson City	43
Waikato Dist	53	Tasman Dist	49
Waipa Dist	49	Kaikoura Dist	44
Waitomo Dist	59	Ashburton Dist	46
Kawerau Dist	63	Christchurch City	44
Opotiki Dist	50	Hurunui Dist	50
Rotorua Dist	47	MacKenzie Dist	53
Tauranga Dist	43	Selwyn Dist	47
Western BoP Dist	46	Timaru Dist	53
Whakatane Dist	49	Waimakariri Dist	50
Gisborne Dist	58	Waimate Dist	51
Central Hawkes Bay	58	Buller Dist	58
Hastings Dist	51	Grey Dist	60
Napier City	48	Westland Dist	58
Wairoa Dist	65	Central Otago Dist	50
New Plymouth Dist	50	Clutha Dist	59
South Taranaki Dist	51	Dunedin City	56
Stratford Dist	52	Queenstown-Lakes	46
Horowhenua Dist	47	Waitaki Dist	56
Manawatu Dist	53	Gore Dist	55
Palmerston North City	47	Invercargill City	59
Rangitikei Dist	58	Southland Dist	53
Ruapehu Dist	60	Chatham Islands County	90
Tararua Dist	59	Wanganui Dist	62

- b. agrees that base rate changes of $\pm 2\%$ or more be phased in over the 2012 NLTP as follows:*

Territorial Authority	Current base FAR	Recommended policy adjustment	Recommended base FAR		
			2012/13	2013/14	2014/15
Whakatane	45	+4	47 (+2)	48 (+1)	49 (+1)
Queenstown Lakes	43	+3	44 (+1)	45 (+1)	46 (+1)
Chatham Islands	87	+3	88 (+1)	89 (+1)	90 (+1)
Ruapehu	62	-2	61 (-1)	60 (-1)	60
Buller	60	-2	59 (-1)	58 (-1)	58
Grey	62	-2	61 (-1)	60 (-1)	60
Kaikoura	47	-3	46 (-1)	45 (-1)	44 (-1)
Kawerau	67	-4	66 (-1)	65 (-1)	63 (-2)

- c. *approves a funding assistance base rate of 43% for Auckland Transport for the 2012 National Land Transport Programme; and*
- d. *delegates authority to the Chief Executive to negotiate appropriate phasing arrangements over the three year period, where the impact of the change has a significant impact on a council's local share.*

Quality assurance of key organisational systems, policies and targets

8 NZTA media engagement

Board paper 11/06/0536

The Board noted the paper, which members found very helpful. The discussion explored what the ongoing media management challenges are for the NZ Transport Agency. Board members also noted from the media analysis that some of NZTA's key messages (eg around our role in road safety and RoNS) receive more prominence or success than others (eg public transport and freight). Overall the Board wishes management to take a proactive approach to media management, including building relationships with media outlets. The key will be to define and agree the key national messages for the NZTA.

Requested action:

5. *That the Chief Executive develops a National Communications and Media Plan for the NZTA that identifies the key messages, challenges in delivering these messages, and the required actions in response.*

9 State Highway Asset Management planning

Board paper 11/06/0540

The Board noted the paper. Board members sought further assurance around the strategy that will be used to appropriately manage the customer levels of service across the various parts of the networks when there are no annual increases in investment levels.

Other updates and general business

10 General business for June 2011

Board paper 11/06/0534

Board members discussed the likely impact of the Regulatory Standards Bill; the very positive results for the NZTA from the benchmarking against Australian states; progress on integrated ticketing; and the positive increase in staff engagement levels as recorded in the recent survey.

Requested action:

6. *That the very positive levels of customer satisfaction with the New Zealand State highway network (compared to Australian States) be noted in all relevant NZTA communications.*
7. *The Board members receive further information on how NZTA staff engagement levels compare to other New Zealand public sector agencies that use the Gallup survey.*