



## BOARD MEETING MINUTES

<b>Date &amp; time</b>	7 February 2012, 2.00 – 4.30pm
<b>Location</b>	NZTA Board Room, Level 2, 50 Victoria Street, Wellington
<b>Attendance</b>	Chris Moller (Chair), Adrienne Young-Cooper, Alick Shaw, Bryan Jackson, Gill Cox, Jerry Rickman, Patsy Reddy and Tony Lanigan
<b>Apologies</b>	None (all members were present)
<b>NZTA staff in attendance</b>	<p>Geoff Dangerfield (Chief Executive)</p> <p>Allan Frost (GM Organisational Support), Colin Crampton (GM State Highways), Dave Brash (GM Planning &amp; Investment), Ernst Zöllner (GM Strategy &amp; Performance), Jim Harland (Regional Director, Southern); Liz Huckerby (GM People &amp; Capability) and Stephen Town (Regional Director, Auckland and Northland).</p> <p>Bob Alkema (National Manager, Investment), Greg Campbell (Chief Advisor, Sector Direction), Jeremy Blake (Principal Advisor, Integrated Planning), Darren Baars (Principal Advisor, Organisational Direction), Diane de Dekker (National Manager, Engagement &amp; Communications), Kevin Reid (National Manager, Professional Services), Barry Wright (National Structures Manager) and Dougal List (Integrated Planning Manager).</p>
<b>External invitees</b>	None

## Highlights from the meeting

At its first meeting for 2012, the NZ Transport Agency Board:

- Received and discussed the Chief Executive and Quarterly Progress reports
- Endorsed the joint NZTA/MoT **land transport reform package** and taskforce approach, as recommended
- Agreed to a fundamental and comprehensive review of all **Funding Assistance Rates (FARs)** for implementation with the 2015/18 NLTP and a review process that builds on close collaboration with all stakeholders, including transport operators and user groups
- Noted with great interest the results from the **stocktake of regional transport plans and issues**
- Noted the approach taken to the use of **social media channels** by NZTA staff, and requested an update on the actual use of such social media by the NZTA
- Noted the approach taken to **health and safety management**, and requested further information on contract management
- Noted the update on the Auckland **South Western Airport Corridor** project
- Endorsed the approach taken to the management of fire risk in the **Homer tunnel**, and requested further work on how to fund such measures
- Endorsed the establishment of a Client Governance Group for the **Canterbury recovery funding**, as recommended
- Noted the progress and intended reporting dates on the **Road Maintenance Taskforce** and **Transport Planning Review**
- Noted and discussed the **regular media** and **integrated ticketing** progress updates.

## Introduction and governance matters

### 1.1 Apologies

All Board members attended the meeting.

### 1.2 Confirmation and overview of the agenda

The agenda was confirmed as circulated.

### 1.3 Declarations of conflicts of interest

The schedule of member interests was noted.

### 1.4 Draft minutes from the 1 December 2011 Board meeting

The minutes were confirmed as tabled.

<b>Resolution 1</b>	<i>The minutes of its 1 December 2011 meeting are a true and accurate record of the meeting.</i>
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### 1.5 Progress on actions requested at previous meetings

The Chief Executive confirmed that the actions from previous meetings are being progressed as requested.

## 2. Chief Executive's matters

### 2.1 Chief Executive's report

#### Board paper 12/02/0604

In this standing agenda item the Chief Executive updates the Board on matters relating to the management and operations of the NZ Transport Agency. The main topic of discussion at the meeting was how to best support the growth of Canterbury, and in particular the potential implications of the funding of the earthquake recovery on broader land transport planning and investment. Board members emphasised the need for re-development in Canterbury to be forward focussed. It is also critical that the central city recovery planning takes place within the context of broader metropolitan urban and transport planning. The Board noted that progress is being made on determining the appropriate level of service on the Christchurch western corridor.

Other key matters raised and discussed with the Board included:

- Implementation of changes to driver licence testing;
- Progress on the joint regulatory reform project with the Ministry of Transport;
- Progress on opening the Manawatu Gorge to traffic; and
- The discussion between Auckland Council and the Government around urban planning.

<b>Resolution 2</b>	<i>The Chief Executive's Report for February 2012 is received.</i>
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## 2.2 Progress against the 2011-14 Statement of Intent: quarterly report for the period ending 31 December 2011

### Board paper 12/02/0609

The Chief Executive presented the NZTA's comprehensive performance report (against the 2011-14 Statement of Intent) for the quarter ending 31 December 2011.

Overall the NZTA is making very good progress against its targets and deliverables, and all the 'flags' in the report are positive or 'green'.

Board members sought clarification on the following aspects of the report:

- The performance (or reliability) of the revenue stream from the National Land Transport Fund (NLTF);
- The expected out-turn for the financial year-end; and
- The extent of the compliance issues in the taxi sector, as raised the report.

<b>Resolution 3</b>	<i>The progress report against the 2011-14 Statement of Intent for the quarter to 31 December 2011 is received.</i>
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### 3. Influencing sector direction

#### 3.1 Review of land transport regulations: scope and approach

**Board paper 12/02/0606**

This agenda item sought endorsement of the land transport reform package being undertaken by a joint NZTA/Ministry of Transport taskforce. The paper also set out an initial assessment of the opportunities and challenges of the review for transport users and the NZTA.

The Board fully endorsed the review and its objectives. In order to strengthen its focus, the Board requested that specific ‘savings’ targets to transport users be developed - against which the success of the review can be measured. Board members also suggested that the review team learn from similar regulatory reviews undertaken by Maritime NZ and others.

<b>Resolution 4</b>	<i>The joint NZ Transport Agency/Ministry of Transport land transport reform package and taskforce approach is endorsed.</i>
<b>Requested action</b>	<i>‘Reduction in compliance cost’ targets should be developed for the review and reported to the Board.</i>

## 4. Setting organisational direction

### 4.1 Investment & revenue strategy: approach to reviewing co-investment ratios for the 2015/18 NLTP

**Board paper 12/02/0610**

Following discussion, the Board agreed to the recommendation that the NZTA leads a comprehensive review of all Funding Assistance Rates (FARs) for the 2015/18 National Land Transport Programme (NLTP).

Board members stressed the importance of taking an investment approach to the review i.e. that the review is about ensuring the FAR system is best designed to give effect to the Government Policy Statement on Land Transport Funding and the Board’s Investment Strategy. Board members also asked that the review articulates the fundamental purpose of the FAR system.

The Board emphasised that stakeholders should be closely involved, and that this should, in addition to local government, include transport operators and other interest groups. It was agreed that one or two Board members would be part of the review leadership group.

<b>Resolution 5</b>	<i>NZTA will undertake a fundamental and comprehensive review of all Funding Assistance Rates (FARs) for implementation with the 2015/18 NLTP. One or two Board members will form part of the review leadership group.</i>
<b>Requested action</b>	<i>The FAR review should be undertaken in close collaboration with a wide range of stakeholders, including local government, transport user groups and other potentially affected parties. The review should also articulate the fundamental purpose of the FAR system.</i>

#### **4.2 2015/18 NLTP development progress update (including item 4.4 NLTP communications & engagement plan)**

Dave Brash provided a verbal update on the progress with the NLTP, with four key points of discussion:

- The NZTA is on track to deliver and have in place the 2012/15 NLTP by 31 August 2012;
- At this stage the indicative funding ranges for the various activity classes remain appropriate;
- During February the moderation of draft Regional Land Transport Programmes will continue, with the aim of informing responses to consultation; and
- Christchurch reinstatement costs have increased substantially and the use of additional Government funds is being clarified. Christchurch City are also running behind time and will probably need to put some generic placeholders into 2012/15 NLTP.

#### **4.3 Having regard to regional strategy: a stocktake of regional transport plans and issues**

**Board paper 12/02/0607**

The agenda item introduced the National Transport Planning stocktake report to the Board, and how it will be used to inform the upcoming NLTP moderation process and development of the Integrated Network Strategy. Board members found the stocktake very informative, and requested that it be used in the upcoming NLTP moderation and other opportunities where a national perspective of regional issues will benefit decision-making.



## 5. Quality assurance of key organisational systems, policies and processes

### 5.1 Communication & engagement: the use of social media channels

Board paper 12/02/0608

This assurance paper summarised for the Board the guidelines that are in place at the NZTA for the effective use of social media channels. Board members sought assurance that the same disciplines that relate to media management (e.g. the use of designated media spokespersons) also apply to social media.

Furthermore, in order to better understand how effective these guidelines are in practice, the Board sought examples of current and planned use of social media in NZTA communications.

<b>Requested action</b>	<i>Examples of how social media are currently used by the NZTA in its communications, or is intended to be used, should be provided to the Board at its next meeting.</i>
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## 5.2 Health & safety: our role as a principal to contract

### Board paper 12/02/0603

The assurance paper provided an overview of the Health and Safety in Employment Act (HSE) as it is implemented in the state highway function, and the NZTA's obligations under the Act as principal in the contracting for services and products.

The feedback from the Board was that the paper set out a satisfactory approach, and it was noted that in terms of organisational culture 'zero' should be the only acceptable target in relation to health and safety.

Board members also sought further information on how health and safety performance is incentivised in procurement and contract management, and assurance that the NZTA is working closely in this area with KiwiRail and local authorities.

<b>Requested action</b>	<i>The increased quarterly reporting on health and safety should be further strengthened over time.</i>
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## 6. Significant planning, investment and operational matters

### 6.1 Auckland south western airport multi-modal corridor project

Board paper 12/02/0611

The agenda item provided an update to the Board on the South Western Airport Multi Modal Corridor project. While the importance of the project and progress was noted, the point was made during discussion that the airport precinct is becoming a major employment and activity centre in Auckland. The transport need or task is therefore arguably increasingly about getting workers to their place of employment and shoppers to retail activity, rather than simply about transporting airline passengers and supporters. The importance of taking such an urban planning and management perspective was emphasised.

### 6.2 Homer tunnel risk assessment and mitigation

Board paper 12/02/0602

Following discussion, the Board endorsed the approach to reducing the residual risk in the Homer tunnel, as recommended and set out in the Board paper. Board members sought information on how the new safety measures were received by bus operators, and on how the changes have been communicated. In terms of future development, the Board asked for further investigation into the options of constructing new tunnels, and how these and other improvements could be funded.

<b>Resolution 6</b>	<i>The approach taken to manage the risk of fire in the Homer tunnel is endorsed.</i>
<b>Requested action</b>	<i>Funding options for the current and possible future tunnel improvements should be explored and reported to the Board.</i>

### 6.3 Canterbury Earthquake recovery: proposed governance framework and funding update

Board paper 12/02/0601

Given its earlier focus in the meeting on Canterbury recovery and future growth, the Board endorsed the recommended governance arrangements for the Canterbury earthquake recovery funding without further discussion.

<b>Resolution 7</b>	<i>The establishment of a new Client Governance Group to replace the envisaged Funding Board, with NZTA, CERA and CCC as the core members is endorsed.</i>
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## 7. Updates and general business

### 7.1 Operational and communication updates

#### Board paper 12/02/0605

Board members noted the media engagement round-up for the month, and in particular commented on the effectiveness of a proactive approach to telling the NZTA story (such as the opinion article on road safety by the Chief Executive that was published in the NZ Herald). Feedback was that more should be made of such opportunities. With regard to the regular integrated ticketing project update, Board members sought further information on the emerging issues around data privacy and the suitability of card reading equipment.

<b>Requested action</b>	<i>An update on the resolution data privacy and suitability of card-reading equipment issues should be provided to the Board before its next meeting.</i>
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