



Board Meeting Minutes

Date & time	12 June 2012, 8.30am – 12.30pm
Location	NZTA Board Room, Level 2, 50 Victoria Street, Wellington
Attendance	Chris Moller (Chair), Alick Shaw, Bryan Jackson, Jerry Rickman, Patsy Reddy, Tony Lanigan, Gill Cox and Adrienne Young-Cooper
Apologies	None
NZTA staff in attendance	<p>Geoff Dangerfield (Chief Executive)</p> <p>Allan Frost (GM Organisational Support), Celia Patrick (GM Access & Use), Dave Brash (GM Planning & Investment), Colin Crampton (GM State Highways), Ernst Zöllner (GM Strategy & Performance & Board Secretary), Harry Wilson (Regional Director Waikato & Bay of Plenty) and Liz Huckerby (GM People & Capability).</p> <p>Brandon Mainwaring (Chief Advisor, Trends & Performance), Douglas Robertson (Manager Investment Framework), Bob Alkema (National Manager Investment), Jill Skinner (Road Policing Programme Advisor)</p>
External invitees from NZ Police	Peter Marshall (Commissioner), Nick Perry (Assistant Commissioner Operations), Kevin Kelly (GM Strategy, Policy & Performance), Jim Bole (GM Finance) and Rob Morgan (Acting Superintendent Road Policing)

Highlights from the meeting

At its fourth meeting for 2012 the NZ Transport Agency Board...

- Endorsed the indicative investment levels to the NZTA and approved organisations for transport planning, sector research and management of the funding allocation system activity classes
- Recommended the draft 2012/15 road policing programme to the Minister of Transport for approval
- Confirmed the strategic goals for the state highway and access and use functions
- Received an update on the Vehicle License Reform project
- Endorsed the findings of Transport Planning review
- Agreed that the Christchurch RoNs network strategy will be the basis for further engagement with key partners
- Agreed to the bridge alignment around the Basin Reserve as part of the Wellington Corridor RoNS
- Agreed to the scope modification for the Otaki to Levin section of the Wellington Northern Corridor RoNS programme
- Agreed to the State highway classification's provisional levels of service
- Noted progress on the Auckland transport procurement strategy, and authorised the Chief Executive to approve the strategy subject to conditions.

1. Introduction and governance matters

1.1 Apologies

All Board members attended the meeting.

1.2 Confirmation and overview of the agenda

The agenda was accepted as circulated, and the agenda order was changed to allow the Commissioner of Police and his team to join the meeting at 12 noon for Item 4.1.

1.3 Declarations of conflicts of interest

The schedule of Board members interests was noted as tabled.

1.4 Draft minutes from the 4 May 2012 Board meeting

The minutes were confirmed as tabled.

Resolution 1	<i>The draft minutes of the 4 May 2012 meeting are a true and accurate record of the meeting.</i>
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1.5 Progress on actions requested at previous meetings

An update on the resolution of data privacy and suitability of card-reading equipment issues was provided. Progress on other actions was noted.

1.6 2012/15 Statement of Intent: response to feedback

Board paper 12/06/0655

Board members noted the favourable feedback from the Minister of Transport, the Ministry of Transport and Audit NZ on the draft NZTA 2012-15 Statement of Intent, and in response agreed to a small number of changes to the Statement.

<p>Resolution 2</p>	<p><i>The following items will be added to the finalised NZTA 2012-15 Statement of Intent:</i></p> <ul style="list-style-type: none"> <i>(i) The final set of Roads of National Significance milestones</i> <i>(ii) Inclusion of Value for money indicators and key deliverables</i> <i>(iii) Inclusion of a ‘privacy policy’ in the Operational Policy section</i> <i>(iv) Insertion of a Statement of Responsibility.</i>
<p>Resolution 3</p>	<p><i>The Board Chair and Chair of the Audit Risk and Assurance Board Committee are authorised to sign the Statement of Responsibility for the 2012/15 Statement of Intent on behalf of the Board.</i></p>
<p>Requested action</p>	<p><i>The Chief Executive will arrange a Board workshop on the future approach to target setting in the Statement of Intent</i></p>

1.7 Road user charges collector delegations

Board paper 12/06/0649

The Board agreed to delegate the functions and powers of the RUC collector, as contained in the new Road User Charges Act 2012, from the Board of the NZ Transport Agency to the Chief Executive of the NZ Transport Agency (including consent for sub-delegations).

Resolution 4	<i>The Chief Executive is delegated to exercise the functions and powers of the RUC collector, as contained in the new Road User Charges Act 2012, to the Chief Executive of the NZ Transport Agency and consents to the functions and powers being sub-delegated to staff and agents as appropriate.</i>
Resolution 5	<i>The NZTA Board Chair is authorised to execute the instrument of delegation for the Board as attached to Board paper 12/06/0649.</i>

1.8 Report-back from the Board Committee meetings held on 11 June

Jerry Rickman verbally reported on the key highlights from the **Audit, Risk & Assurance Board committee** meeting on 11 June. On behalf of the Committee Jerry had one recommendation for the Board.

Resolution 6	Seven historic debts totalling almost \$3.72m that have been fully provided for in previous financial years will be written off.
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Alick Shaw summarised the key items that were discussed at the **Investment & Operations Board committee** meeting on 11 June. On behalf of the Committee Alick moved the following resolutions to the Board.

Christchurch RoNS network strategy

Resolution 7	<i>The Draft Christchurch RoNS Network Plan will be the basis for NZTA’s engagement with the Christchurch City Council on the Christchurch Transport Plan.</i>
Resolution 8	<i>The Chief Executive is authorised to approve the business case to support the Western Corridor Cost Scope adjustment.</i>

State highway classification: provisional levels of service

Resolution 9	<i>The provisional levels of service for each category of state highway classification as attached to Board paper 12/06/078 will form the basis for the next version of the State Highway Asset Management Plan in 2013/14.</i>
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Basin Reserve Scheme Assessment approval

Resolution 10	<i><u>Option A: Westbound traffic</u> is the preferred bridge option for the Basin Reserve Transport Improvements project. In option A the bridge will pass approximately 20 metres north of the Basin Reserve gates on a bridge over Kent and Cambridge Terraces, be approximately 380 metres long, a minimum of 12 metres wide and a maximum of eight metres above the ground.</i>
Requested action	<i>The Chief Executive is to present the project scope and scheme assessment for Board approval at the July Board meeting.</i>

Wellington Northern Corridor RoNS programme: scope modification

Resolution 11	<i>The existing alignment of the Otaki to Levin section of the Wellington Northern Corridor Roads of National Significance (RoNS) programme will progressively be upgraded to create a combination of 2+1 and 4 lane sections with intersection and safety improvements that will achieve the RoNS objectives of delivering a suitable level of travel time, safety and capacity improvement appropriate to future demands of this section of the Wellington RoNS corridor.</i>
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Auckland transport procurement strategy 12/06/081

Resolution 12	<i>The Chief Executive is authorised to endorse Auckland Transport’s Procurement Strategy for the period July 2012 to June 2015, once it has been formally adopted by Auckland Transport, and he is satisfied that it meets the requirements for endorsement set out in the NZ Transport Agency’s Procurement manual.</i>
Resolution 13	<i>The Chief Executive is authorised to approve under S.25 of the Land Transport Management Act 2003, the procurement procedure advanced components and variations to NZ Transport Agency Procurement manual rules proposed by Auckland Transport’s Procurement Strategy for the period July 2012 to June 2015, once he is satisfied that the procurement procedure approval tests, set out in the Act, have been met.</i>
Requested action	<i>The Chief Executive to update the Board at its July meeting on progress and how the required degree of competition will be realised through the strategy and its procedures.</i>

2. Chief Executive's matters

2.1 Chief Executive's report

Board paper 12/06/0652

In this standing agenda item the Chief Executive updated the Board on matters relating to the management and operations of the NZ Transport Agency. The main topics of discussion were funding of the 2012/15 NLTP, including progress on resolving funding for the Christchurch local roads restoration, and the work of the Road Maintenance Taskforce

Resolution 14	<i>The Chief Executive's Report for June 2012 is received.</i>
Requested action	<i>The Chief Executive is to arrange a Board workshop on long term borrowing options, including PPP procurement options.</i>

3. Setting sector and organisational direction

3.1 Confirming the strategic direction for the state highway and access & use functions

Board paper 12/06/0648

The Board confirmed the organisational direction for the State Highways and Access and Use functions.

Resolution 15	<i>The respective long term goals for the NZTA’s State Highway and Access & Use functions are: (i) Delivering highway solutions for customers; and (ii) Shaping smart choices.</i>
Requested action	<i>The precise wording of the supporting ‘strategic responses’ for each goal will be finalised through the development of the 2013/16 Statement of Intent.</i>

3.2 Transport planning review: findings and next steps

Board paper 12/06/0651

The Board noted the findings and key recommendations arising from the Transport Planning and Project Development reviews. Board members in particular explored the proposed ‘one network planning’ approach, and what that means in practice.

Resolution 16	<i>The findings and actions from the Transport Planning and Project Development reviews are endorsed.</i>
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3.3 Update on the Vehicle Licensing Reform

Board paper 12/06/0650

Board members received an update on progress to date in the joint NZ Transport Agency/Ministry of Transport vehicle licensing reform project. The Board paper set out the proposed review objectives for annual vehicle licensing, warrants and certificates of fitness, and transport service licensing. Board members sought clarity on the overall goal of the project, and in particular on how safety and compliance costs benefits will be balanced in the development of review options.

Requested action	<i>Prior to public consultation the draft review options should be presented to the Board.</i>
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4. Confirming service and financial performance targets: 2012/15 National Land Transport & Road Policing Programmes

4.1 Proposed 2012-15 Road Policing Programme

Board paper 12/06/0653

The Board had discussed progress on the 2012-15 Road Policing Programme at each of its previous meetings in 2012, and at this meeting considered suitability of the final draft to be recommended to the Minister of Transport for approval. The Police Commissioner and his senior road safety management team joined the Board meeting to outline the NZ Police's 2012/15 funding situation and challenges. The commitment to deliver strongly against the Government's *Safer Journeys* strategy was strongly reiterated. The key topic for discussion was the lack of progress to date on developing cost benchmarking measures for various road policing activities, and how progress over the next three years on these and other business improvements can be guaranteed.

Resolution 17	<p><i>A total allocation of \$900m will be made to the 2012-15 Road Policing Activity Class:</i></p> <ul style="list-style-type: none"> <i>\$890m is allocated to the 2012-15 Road Policing Programme, \$20m of which is conditional on prior delivery of the agreed business improvement programme; and</i> <i>\$10m will be held in reserve for delivery of new speed cameras.</i>
Resolution 18	<p><i>The 2012-15 Road Policing Programme is recommended to the Minister of Transport for approval, noting that it aligns with the objectives and priorities in the Road Policing Investment Framework and that sufficient mechanisms are in place to improve value for money over the investment period.</i></p>
Resolution 19	<p><i>The Chair and Chief Executive are authorised to finalise 2012-15 Road Policing Programme following feedback from the Minister of Transport and Police, on the understanding that significant issues will be referred back to the Board.</i></p>
Requested action	<p><i>The speed camera programme should be set out in some detail in the 2012-15 Road Policing Programme, and this should be reported back to the Board.</i></p>

4.2 2012/15 National Land Transport Programme: further indicative allocations

Board paper 12/06/0654

Following discussion the Board endorsed the expenditure forecast to apply to the 2012-15 NLTP and of the indicative investment levels for transport planning, road safety promotion, sector research and management of the funding allocations system activity classes. A key issue debated by the Board was the most appropriate approach to take towards the NLTF revenue forecasts, with support for both a ‘conservative’ and ‘risk taking’ approaches.

Following discussion the Board settled on the current approach which attempts to strike a careful balance between a programme based around revenue certainty and an ambitious pace of delivery.

<p>Resolution 20</p>	<p><i>The 2012/15 NLTP will be based on a ‘medium’ approach to expenditure lines which is based on Ministry of Transport’s April 2012 revenue forecast but adjusted to reflect the NZTA investment risk.</i></p>									
<p>Resolution 21</p>	<p><i>The indicative investment levels to the NZTA and approved organisations for transport planning, road safety promotion, sector research and management of the funding allocation system activity classes to be communicated to stakeholders is:</i></p> <table border="1" data-bbox="651 494 2085 778"> <tr> <td data-bbox="651 494 1525 564"><i>Road safety promotion</i></td> <td data-bbox="1525 494 2085 564"><i>\$97m</i></td> </tr> <tr> <td data-bbox="651 564 1525 635"><i>Transport planning</i></td> <td data-bbox="1525 564 2085 635"><i>\$50m</i></td> </tr> <tr> <td data-bbox="651 635 1525 705"><i>Sector research</i></td> <td data-bbox="1525 635 2085 705"><i>\$15m</i></td> </tr> <tr> <td data-bbox="651 705 1525 775"><i>Management of the funding allocation system</i></td> <td data-bbox="1525 705 2085 775"><i>\$90m</i></td> </tr> </table>		<i>Road safety promotion</i>	<i>\$97m</i>	<i>Transport planning</i>	<i>\$50m</i>	<i>Sector research</i>	<i>\$15m</i>	<i>Management of the funding allocation system</i>	<i>\$90m</i>
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<p>Resolution 22</p>	<p><i>The period for R funds expenditure is extended to 30 June 2018.</i></p>									

5. Other updates and general business

5.1 Media and communication update

Board paper 12/06/0647

The Board noted the update on media and communications.

Minutes approved by the Chair	<hr/>
Date	----/----/----