



Board Meeting Minutes	
Date & time	13 December 2012, 1.30pm – 5.00pm
Location	NZTA Board Room, Level 2, 50 Victoria Street, Wellington
Attendance	Chris Moller (Chair), Alick Shaw, Patsy Reddy, Tony Lanigan, Jerry Rickman, 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), Colin Crampton (GM State Highways), Dave Brash (GM Planning & Investment), Liz Huckerby (GM People & Capability), Ernst Zöllner (GM Strategy & Performance & Board Secretary) and Jim Harland (Regional Director, Southern)</p> <p>Bob Alkema (National Manager Investment), Martin Laurs (Senior Advisor Capability & Design), Peter Davies (Chief Information Officer), Garry Butler (Chief of Assurance & Risk) and Greg Campbell (Chief Advisor Sector Direction)</p>

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.

1.3 Declarations of conflicts of interest

The schedule of Board members' interests was noted as tabled. Tony Lanigan requested a minor amendment to his individual schedule, which was not relevant to the agenda items below.

1.4 Draft minutes from the 25 & 26 October 2012 Board meeting

The minutes were confirmed as tabled.

Resolution 1	<i>The draft minutes of the 25 & 26 October 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

Progress on all actions was noted.

1.6 Report-back from the Investment & Operations Board Committee meeting held on 13 December 2012

Alick Shaw summarised the key items that were discussed at the **Investment & Operations Board Committee** meeting on 13 December and moved the following three resolutions, which were accepted by the Board.

Airport to Mt Victoria tunnel scheme assessment approval

Committee Paper 12/12/093

Resolution 2	<p><i>The scope of the Airport to Mt Victoria Tunnel Scheme will be:</i></p> <ul style="list-style-type: none"><i>a) A duplicate 655m tunnel located to the immediate north of the existing Mt Victoria Tunnel, with a cross section including two eastbound lanes and a fully enclosed pedestrian/cyclist facility; and</i><i>b) Paterson St (north) widened to provide two eastbound lanes and a pedestrian/cycle path that will connect with the Basin Bridge; and</i><i>c) Ruahine St widened to the west, with a reduced impact on the Town Belt of up to 10m; and</i><i>d) Signalised intersections at Ruahine St/Wellington Rd; Goa St/moxham Ave, and Goa/Ruahine St); and</i><i>e) A service lane on the eastern side of Ruahine St to provide controlled vehicle access to selected properties and accommodate pedestrians and cyclists; and</i><i>f) Wellington Rd widened to the south, and a service lane located on the northern end; and</i><i>g) Moxham Ave/Wellington Rd and Walmer St/Wellington Rd intersections closed.</i>
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Waikato Expressway: Rangiriri section construction approval

Committee Paper 12/12/094

Resolution 3	<i>The Board approves \$90 million of NLTP funding for the main construction associated with the Rangiriri Section of the NZTA's (SH1) Waikato Expressway Road of National Significance.</i>
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Waikato Expressway: Tamahere-Cambridge section construction approval

Committee Paper 12/12/095

Resolution 4	<i>The Board approves \$259 million in NLTP funding for the detailed design and construction associated with the Tamahere-Cambridge Section of the NZTA's (SH1) Waikato Expressway Road of National Significance.</i>
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Alick Shaw reported that, in addition to the above items, the Committee received an update on the Planning and Investment Relationship Framework (PIRF), the implementation of the HNO Maintenance and Operations recommendations, and on progress with the Transmission Gully PPP business case development.

1.7 Report-back from the Audit, Risk & Assurance Board Committee meeting held on 13 December 2012

Jerry Rickman verbally reported on the key highlights from the **Audit, Risk & Assurance (ARA) Board Committee** meeting on 13 December. The Committee reviewed the bad debts for the National Land Transport Fund totalling \$2.051m. The Board endorsed a request for write off for the Secretary for Transport's approval.

Jerry furthermore reported that Audit NZ tabled the final management letter at the Committee meeting, and that it highlighted no new findings. Audit NZ will discuss their areas of audit emphasis for 2012/13 at the next Committee meeting. The Group Manager Access and Use discussion on risk management; the Board and management approach to risk management; the internal audit results and tracking of audit findings; the annual insurance renewal; and the monthly update on the IS programme of work were all also discussed and noted by the Committee.

1.8 Report back from the Remuneration and Human Resources Board Committee

Patsy Reddy verbally reported on the key highlights from the **Remuneration and Human Resources Board Committee** discussions held via email on 30 November 2012. The committee had noted that the annual performance and remuneration round for June 2012 was achieved within the budget, and noted the HR metrics reported.

1.9 Delegation of Registrar's Functions and Powers to Chief Executive and Amendment to General Instrument of Board Delegation

Board paper 12/12/0696

The Board approved an Instrument of Delegation of the Registrar of Motor Vehicle's functions and powers to the Chief Executive, and an amendment to the Board's General Instrument of Delegation.

Resolution 5	<p><i>a. The Chief Executive is delegated all functions and powers of the Registrar of Motor Vehicles contained in Part 17 of the Land Transport Act 1998 including any regulations made under that Part; and</i></p> <p><i>b. The Chief Executive is delegated the power to revoke all existing delegations or authorisations of the Registrar's functions or powers made by the Board as Registrar of Motor Vehicles; and</i></p> <p><i>c. The Chief Executive may sub-delegate the functions and powers delegated (with conditions considered appropriate):</i></p>
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	<ul style="list-style-type: none"> <i>i. To any person employed by the New Zealand Transport Agency; or</i> <i>ii. To any person or persons approved by the New Zealand Transport Agency’s responsible Minister; or</i> <i>iii. To any person that the New Zealand Transport Agency is entitled to delegate to under the provisions of any enactment.</i> <i>d. The delegation whereby any delegation of functions, duties and powers to persons outside the NZTA, including to territorial authorities in respect of the maintenance and control of any State highway or portion of State highway is reserved to the Board, is revoked.</i> <i>e. The Chief Executive is delegated the approval of all procurement decisions under sections 25 and 26 of the Land Transport Management Act 2003 to the Chief Executive.</i> <i>f. The proposed minor amendments to the procurement delegations set out in Board paper 12/12/0696 are agreed.</i> <i>g. The Chair is authorised to sign the revised instruments where required.</i>
<p>Requested action</p>	<p><i>The Chief Executive should undertake a ‘fit for purpose’ and ‘terms used’ review of the NZTA Instrument of Board Delegation for a Board review at the 4 May 2013 meeting.</i></p>

2. Chief Executive’s matters

2.1 Chief Executive’s report

Board paper 12/12/0703

In his regular briefing to the Board Geoff Dangerfield focussed on a number of key milestones as well as issues and risks that are being addressed and mitigated. The discussion with the Board focussed on Christchurch rebuild funding, planning issues (refer agenda item 3.3 below) and progress on joint transport operations with the City Council. Another theme to the discussion was the partnership with

local government around investment, and in particular progress with the sector-wide initiatives to achieve greater value for money initiatives on road maintenance.

Geoff outlined emerging new sector direction in the areas of road safety and freight, and in particular on the second *Safer Journeys* action plan as well as the recent Productivity Commission Inquiry into International Freight Services. Board members also discussed the proposed changes to the warrant of fitness system and progress on shared services with other transport entities. In closing, the Chair commended the registry migration team whose very hard and highly successful work was recognised in winning the ‘New Zealand IT project of the year’ award.

Resolution 6	<i>The Chief Executive’s Report is received.</i>
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3. Setting sector and organisational direction

3.1 Sector legislative and policy development update

Board paper 12/12/0699

The Board received the six-monthly update on significant policy and legislative changes.

Resolution 7	<i>The update on policy and legislative changes is received and the participation of NZTA staff in the development of the future direction for the transport sector noted.</i>
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3.2 Transport expenditure scenario for the next 30 years

Board paper 12/12/0694

The Board paper presented results of the analysis on long-term land transport funding requirements and the possible strategic implications arising from it.

Resolution 8	<i>The results of the 30-year investment analysis are received.</i>
Requested action	<i>Regularly update the 30 year transport expenditure scenario and develop further scenarios that test some core around assumptions around travel demand and costs to present these to the Board at least once a year.</i>
Requested action	<i>Test the impact of the Auckland Integrated Transport Plan investment scenarios on the national 30 year transport investment scenario, and report back to the Board in May 2013.</i>

3.3 Greater Christchurch Transport Statement

Board paper 12/12/0697

The paper sought the Board’s endorsement of the Greater Christchurch Transport Statement (the Statement). Jim Harland explained that the Statement is a non-statutory document and does not direct funding but provides an overarching framework to enable a consistent, integrated approach to planning, prioritising, implementing and managing the transport network and services in the Greater Christchurch area. In response to questions, Jim clarified that Board’s approval of the Statement means that NZTA will use its best endeavours to give effect to its intended direction, and provide its support to the key work streams will stem from the Statement. The Chair in turn expressed a

preference that the Board endorse the full and precise text of the preamble of the document, as set out in the resolution below.

<p>Resolution 9</p>	<p><i>The New Zealand Transport Agency will make its best endeavours to give effect to the intended direction of the Greater Christchurch Transport Statement.</i></p> <p><i>The NZTA is committed to delivering the best possible transport solutions for the people and business of Greater Christchurch. While there are many issues to respond to, there are also unique opportunities to integrate land-use planning with transport solutions for a better Canterbury. Working in close partnership the NZTA recognises (with the fellow signatories) that post-earthquake recovery in the Greater Christchurch area will be more speedily and efficiently achieved by adopting a ‘one network’ approach.</i></p> <p><i>This endorsement does not imply any commitment that individual activities will be funded in future, and the strategy assessment will not materially alter the current strategic fit assessments of any improvement projects or operational programmes. Any future decision to fund a particular package or project will be prioritised through normal processes and will depend upon the value for money of the business case, relative priority of the activity compared to others and cashflow.</i></p>
<p>Requested action</p>	<p><i>The Chief Executive should forward to the Christchurch team the Board’s appreciation for their progress with the recovery effort and in particular with the development of the Christchurch Transport Statement.</i></p>

4. Quality assurance of key organisational systems, policies and processes

4.1 Health and safety: current practice and continuous improvement

Board paper 12/12/0700

The aim of the agenda item was to assure the Board that the current practice for health and safety at the NZTA is based on sound management systems and procedures and current best practice theory.

The paper outlines the scene for continuous improvement at NZTA both in its role as an employer of staff and as principal to contract given the likely “step-up” outcomes of the Independent Taskforce on Workplace Health and Safety (and the recommendations of the Royal Commission’s Report on Pike River). The Board discussed the implications of the planned NZTA direction to develop our vision and scope a document that gives a clear statement of intent to our employees, our suppliers and the government on how we intend to drive better safety outcomes in our industry.

Resolution 10	<i>The update on current health and safety practices at NZTA is received and the progress being made and future reporting to the Board on key risks noted.</i>
Requested action	<i>Provide advice to the Board at its May 2013 meeting on how the NZTA’s current practice on Health & Safety could be extended to include members of the public that access and use the NZTA’s assets and services</i>
Requested action	<i>Provide advice to the Board at its May 2013 meeting on whether the NZTA should take a stronger leadership (more proactive) role in relation to some of its Health & Safety practices, as well as advice on whether a Health & Safety Board Committee should be established</i>
Requested action	<i>Health & Safety reporting should be further highlighted in quarterly and annual reporting</i>

4.2 Workplace health and safety – emerging sector direction

Board paper 12/12/0701

This item formed part of the previous discussion, and provided a link between the NZTA initiatives and the initiatives underway within the sector as well as nationally.

Resolution 11	<i>The likely significant impact from the Royal Commission on the Pike River Tragedy and the Independent Taskforce on Workplace Health and Safety reports on health</i>
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	<i>and safety practices at New Zealand workplaces is noted, and the assurance that the NZTA is well positioned and committed to implement required and desired improvements is received.</i>
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4.3 Organisational capability and succession planning

Board paper 12/12/0702

Resolution 12	<i>The update on organisational capability and succession planning is received, and the progress being made against the desired future state noted.</i>
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4.4 Information technology security

Board paper 12/12/0693

As requested, the Board received a report on internal audit on information technology security and privacy management within the NZTA. The Board was pleased with the finding that general level of security is high, and explored through discussion the areas where improvements can still be made.

Resolution 13	<i>The update on information technology security is received, and the progress being made in reducing security risks and enhancing the NZTA's general IT security environment is noted.</i>
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4.5 Privacy policies, processes, culture and practices

Board paper 12/12/0695

This item formed part of the previous discussion.

Resolution 14	<i>The internal audit conclusion that NZTA is appropriately managing the risks around security of personal information in compliance with relevant privacy legislation is noted, as are the outline of further improvements that are being made.</i>
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5. Other updates and general business

5.1 Operational and communication updates

Board received an update on the following operational matters:

- Media and communications update
- Fatality on SH94, Milford Road
- Milford Road and Homer Tunnel operation/management.

The Board noted the significance of the rock fall risk at the western Homer tunnel entrance, and that it is an issue that the Board must be very closely involved in until the risk is mitigated sufficiently.

Resolution 15	<i>A special board ad hoc Committee consisting of Jerry Rickman (Chair), Adrienne Young Cooper, Gill Cox and Tony Lanigan will support the Chief Executive with managing the operational issues around the Homer tunnel, monitor progress and changes in level of risk, and advise the Board accordingly.</i>
Requested action	<i>The Chief Executive should prepare an update on the Milford Road rock fall management for the Board to consider at a special meeting on 15 December</i>
Requested	<i>The newly established Board Sub-Committee on Milford Road and Homer tunnel</i>

action	<i>should be regularly informed on progress with risk mitigation</i>
Requested action	<i>Summaries of the external reports on the contractor fatality on SH94 on Milford Road should be provided to Board members via the Resource Centre as and when available</i>
Requested action	<i>The Chief Executive should forward to Craig and the broader NZTA IS team the Board’s congratulations and appreciation for winning the NZIS project of the year award</i>

Minutes approved by the Chair	_____
Date	_____/_____/_____