



Board Meeting Minutes	
Date & time	1 April 2016, 8.00am – 11.30am
Location	Emerald Quality Hotel, 13 Gladstone Road, Gisborne
Board Membership	Chris Moller (Chair), Dame Patsy Reddy (Deputy Chair), Adrienne Young-Cooper, Gill Cox, Nick Rogers and Mark Oldfield
Apologies	None
NZTA staff in attendance	Fergus Gammie (Chief Executive) Dave Brash (Group Manager Planning and Investment), Tommy Parker (Group Manager Highways and Network Operations), Allan Frost (Group Manager Organisational Support), Ernst Zöllner (Regional Director Auckland/Northland), and Jenny Chetwynd (Group Manager, Strategy, Communications and Performance)

1. Introduction and governance matters

1.1 Apologies and welcome

The Chair welcomed Board Members to the meeting,

1.2 Confirmation and overview of the agenda

The agenda items were accepted as circulated.

1.3 Declarations of conflict of interest

Chris Moller noted his standing interest in Westpac New Zealand Limited, particularly with respect to the development of the Payment Card Industry Data Security Standard.

Nick Rogers noted his standing interest in Tonkin and Taylor, particularly in respect of Item 5.4 Puhoi to Warkworth Public Private Partnership. The Chair noted to all Board Members that Nick Rogers had not had access to the Board paper for Item 5.4 Puhoi to Warkworth Public Private Partnership, and would not be present for any discussion on that item.

Gill Cox noted his interest as a Board Member on Anderson Lloyd, also in respect of Item 5.4 Puhoi to Warkworth Public Private Partnership. Mr Cox noted this disclosure had been provided previously to the NZ Transport Agency. He noted specifically that Anderson Lloyd is managing any potential conflict of interest as it has taken responsibility for ensuring Mr Cox does not see any information in relation to Anderson Lloyd's interest in the Puhoi to Warkworth Public Private Partnership initiative.

1.4 Draft minutes from the 3 March 2016 Board meeting

Resolution 1	<i>The draft minutes of the 3 March 2016 Board 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 the actions was noted.

2. Chief Executive's report

2.1 Chief Executive's report

Board paper 16/04/0997

Fergus Gammie first drew Member's attention to the change in approach to the Chief Executive's report format and then outlined the key issues. Board Members specifically focused on:

- Recent initiatives put in place to ensure the Minister for Transport and Associate Minister of Transport are informed about and engaged in key NZ Transport Agency activities and decision-making.
- The role of the NZ Transport Agency's Regional Director as a non-voting Director of Auckland Transport, noting the importance of taking appropriate steps to manage any real or perceived conflict of interests.
- The draft Letter of Expectation from the Minister of Transport for 2016/17, noting particularly the Minister's expectation of engagement between himself and the Board.
- A recent Police investigation into driver licence fraud, noting the commissioning of internal and external (KPMG) reviews into the integrity of the driver licencing system. Members requested that this external audit by KPMG be added to the Agency's Total Assurance Programme and be overseen by the Audit, Risk and Assurance Committee.

Resolution 2	<i>The New Zealand Transport Agency Board received the Chief Executive’s report.</i>
Requested Actions	The KPGM audit into the Transport Agency’s driver licencing system is added to the Transport Agency’s Total Assurance Programme and overseen by the Audit, Risk and Assurance Committee.

3. Setting sector and organisational direction

3.1 Inter- regional routes

Board paper 16/04/0998

Dave Brash provided an update on recent discussions with the Minister on emerging priorities for inter-regional routes, and outlined the next steps for development of options around these routes.

Members noted the work being done in response to the Government’s focus on regional development. The Members’ discussion focussed on ensuring the investment made in these inter-regional routes is targeted well, how these routes are identified and prioritised in the wider context, and the evaluative tools used in project selection. Members requested additional information on this at a subsequent Board meeting.

Resolution 3	<i>The New Zealand Transport Agency Board noted recent advice to the Minister on emerging inter-regional routes, and the next steps for development of these routes and engagement with Ministers.</i>
Requested Action	A paper to be provided to Board Members at a subsequent meeting, outlining the strategic story and prioritisation for the inter-regional routes, including an explanation of what has not been identified as an inter-regional route, and the

	reasons for this.
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3.2 Auckland Transport Alignment Project – Foundation report and progress update

Board paper 16/04/0999

Ernst Zöllner summarised the progress to date on the Auckland Transport Alignment Project and outlined the current work, which responds to the key identified challenges.

Members noted and discussed the emergence of the three scenarios and the key risk around the integration of Auckland’s Unitary Plan with this work. Members also discussed the need to ensure a customer-centric view was being taken, which focussed on improving journeys for people and received assurance that this was being addressed through the development of real personal journeys, which would be shared with Board Members.

Resolution 4	<i>The New Zealand Transport Agency Board received the Foundation Report on the Auckland Transport Alignment Project (ATAP) and noted progress towards finding more effective approaches to manage and address Auckland’s very significant transport demands.</i>
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4. Quality assurance of key organisational systems, policies and processes

4.1 Financial reports for the Transport Agency and NLTF to the end of February 2016, covering seven months of 2016/16

Board paper 16/04/1001

Allan Frost updated Board Members on the finances of the Transport Agency and the National Land Transport Fund (NLTF) for the eight months ended 29 February 2016.

Board Members noted the need to keep a watching brief on progress with the Business Initiatives programme.

Members also noted the underspend risk in the Regional Improvements activity class and sought and received confidence that these projects can be delivered on time over the planned 3 year period. Members discussed the importance of communication around these regional improvements, highlighting that year one in this programme involves the acquisition of consents and authorisations, and years 2 and 3 will be the delivery years.

Resolution 6	<i>The New Zealand Transport Agency Board noted the financial performance of the Transport Agency and the National land Transport Fund for the eight months ended 29 February 2016.</i>
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5. Significant planning, investment and operational matters

5.1 Implementation of the strategy for key journeys between Auckland- Hamilton- Tauranga

Dave Brash outlined the approach to staged implementation of the Agency's strategy for key journeys in the upper North Island.

Members noted the lessons learned around the importance of State Highway 27 as a freight route, and the drivers of route choice for freight operators. Members also noted the importance of getting value for money in the investment already made in State Highway 1.

Resolution 7	<p><i>The New Zealand Transport Agency Board:</i></p> <p>a. Confirmed that the strategy for key journeys in the Upper North Island (UNI) should remain focussed on:</p> <ul style="list-style-type: none">i. travel time and safety improvements on SH1/29 between South Auckland and Tauranga via Hamiltonii. providing safety improvements and predictable journey times for SH2 between South Auckland and the Coromandel, and Waihi and Tauranga. <p>b. Noted that the Transport Agency is developing business cases as the basis for staged implementation of the agreed strategy for the UNI network journey area.</p>
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5.2 SH2 Waihi to Tauranga – Programme Business Case

Board paper 16/04/1003

Dave Brash outlined the recommended programme for SH2 Waihi to Tauranga, including measures to improve safety across the whole corridor from Waihi to Tauranga.

Members canvassed the wider strategic context for this work and questioned its prioritisation and funding within the current National Land Transport Programme. Members requested additional information be provided covering these issues before making a decision. Members also sought and received assurance that appropriate engagement had been undertaken with tangata whenua.

Resolution 8	<p><i>The New Zealand Transport Agency Board deferred this item for consideration at its next meeting on the 15 April 2016.</i></p>
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Requested Action	The accompanying Board Paper supporting the Board’s consideration of SH2 Waihi to Tauranga – Programme Business case on the 15 April 2016, is to provide additional detail on the wider strategic context for this work, and to identify how this work is prioritised and funded within the National Land Transport Programme.
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5.3 Investment for SH2 Pokeno to Mangatarata improvements programme

Board paper 16/04/1004

Tommy Parker summarised the case for safety and capacity improvements on SH2 Pokeno to Mangatarata.

Members noted that the main objective of the improvements are benefits in safety and reliability outcomes but, as this route has seasonal use fluctuations, time improvement benefits will also likely be achieved during holiday time periods.

Resolution 9	<p><i>The New Zealand Transport Agency Board:</i></p> <p>a. Noted that the project is consistent with the strategic direction for key upper North Island journeys between Auckland and Tauranga and has been assessed as high strategic fit, medium effectiveness and a cost benefit appraisal of 1.3 (priority order 4).</p> <p>b. Approved funding for implementation of the SH2 Pokeno to Mangatarata improvements programme at an estimated cost of \$278 million, from the Regional Improvements activity class over the next 11 years, to be spread across the 2015-2030 NLTPs.</p>
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6. Other updates and general business

6.1 Other updates

Board paper 16/04/1007

Jenny Chetwynd provided Members with an overview of other matters relating to the management and operations of the Transport Agency.

Members noted the Health and Safety at Work Act 2015 and its supporting regulations come into effect on 4 April, and noted the upcoming paper and conversation on this topic at its meeting in May 2016.

Resolution 12	The New Zealand Transport Agency Board noted the update on other matters relating to the management and operations of the Transport Agency.
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6.2 Draft agendas for 12 April 2016 special ARA meeting, 15 April 2016 special Board meeting, and 6 May ARA, I&O and Board meetings

Board members noted the draft agendas for the 12 April 2016 Special ARA meeting, 15 April 2016 Special Board meeting, and 6 May ARA, I&O and Board meetings. Members also requested clarification on the rationale behind why some business cases go to the Board and some to the Investment and Operations Committee.

6.3 Board Member induction programme – draft for discussion

Board paper 16/04/0995

Jenny Chetwynd provided Board Members with an overview of the proposed induction programme for new Board members.

Members canvassed the framework and agreed it was appropriate for new Board Members. Members requested that the section outlining organisational risks also include an outline of the current operational risks facing the organisation.

Resolution 13	<i>The New Zealand Transport Agency Board noted the draft induction programme for new Board Members.</i>
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6.4 General business

The Chair recapped the process and considerations for the appointment of three new Board Members to the NZ Transport Agency Board. He advised Members of the new Board Members, and briefly outlined their background.

The Chair indicated that in light of the arrival of three new Members, he intended to review the membership of the Board's three Committees (Audit, Risk and Assurance, Investment and Operations, and Remuneration and HR), and that he will have separate discussion with Board Members on this topic. The Chair also advised Board Members that the Minister and Associate Minister of Transport will be invited to meet with the full Board, and separate dates will be determined for this to occur.

Site visits and stakeholder meetings - Gisborne

The Chair expressed his thanks, on behalf of the Board, to Raewyn Bleakley, Regional Director Central Region, and the NZ Transport Agency team for the informative visits and insights into Gisborne region's transport issues and challenges, and requested letters of thanks be sent to key stakeholders.

Members discussed their observations and key lessons learned from their site visits the previous day. Members canvassed the benefits of the Tairāwhiti Roads venture and discussed the benefits of the business model for collaboration with local government on transport planning and delivery that are being adopted to respond to local circumstances. Members requested advice on the Transport Agency's guiding principles and approach to collaboration with local government on transport planning and delivery.

Members discussed the five key requests made by the Chief Executive of the Gisborne District Council at the meeting with the Mayor and Councillors. Members requested a letter outlining the Board's responses to these questions be prepared for their consideration at the next Board meeting on 6 May 2016.

Finally, Members congratulated Dame Patsy Reddy on her appointment as Governor-General elect.

Requested Actions	A letter of thanks to be provided to express the Board's appreciation of their time and insights to: <ul style="list-style-type: none">• the Mayor of Gisborne, Meng Foon (copied to Judy Campbell, Chief Executive, Gisborne District Council)• Sam Aberahama, Police Area Commander• Andrew Gaddum, General Manager Ports, Eastland Group• Dave Hadfield, General Manager Tairāwhiti Roads.
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	<p>A letter outlining the Board’s responses to the five key requests presented by the Chief Executive of the Gisborne District Council, is to be prepared for Board Members’ consideration at the next Board meeting on 6 May 2016.</p> <p>A paper is to be provided to the Investment and Operations Committee at its meeting on 6 May 2016 outlining the Transport Agency’s approach to collaborating with local government on shared services.</p>
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7. Board only session

A Board members only session was held.

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