



Board Meeting Minutes	
Date & time	6 May 2016, 1.00 – 3.30pm
Location	NZTA Boardroom, 50 Victoria Street, Wellington
Board Membership	Chris Moller (Chair), Fran Wilde (Deputy Chair), Adrienne Young-Cooper, Gill Cox, Nick Rogers, Mark Oldfield, Leo Lonergan and Chris Ellis
Apologies	None
NZTA staff in attendance	Fergus Gammie (Chief Executive) Dave Brash (Group Manager Planning & Investment), Celia Patrick (Group manager Access and Use), Tommy Parker (Group Manager Highways and Network Operations), Allan Frost (Group Manager Organisational Support) and Jenny Chetwynd (Group Manager, Strategy, Communications and Performance). Brandon Mainwaring (National Manager Accountability & Performance), Martin McMullan (Manager Zero Harm) and Peter Casey (Regional Manager Auckland/Northland, National Manager Investment Development)
External invitees	David Warburton (Chief Executive, Auckland Transport) and Peter Clark (Chief of Strategy, Auckland Transport)

1. Introduction and governance matters

1.1 Apologies and welcome

The Chair welcomed Board members to the meeting, in particular the new Board members Fran Wilde (Deputy Chair), Chris Ellis and Leo Lonergan.

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.

Chris Ellis noted his interest in the Highway Group (Chairman) and in Energy Works, both of which may participate in the delivery of State Highway Projects.

Members requested that the full schedule of member's declarations of interest is to be included in all future Board papers.

Requested Action	<i>That the full schedule of member's declarations of interest is to be included in all future Board papers.</i>
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1.4 Draft minutes from the 1 April 2016 Board meeting

Resolution 1	<i>The draft minutes of the 1 April 2016 Board meeting is a true and accurate record</i>
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	<i>of the meeting.</i>
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1.5 Draft minutes from the 15 April 2016 Special Board meeting

Resolution 2	<i>The draft minutes of the 15 April 2016 Special Board meeting is a true and accurate record of the meeting.</i>
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1.6 Progress on actions requested at previous meetings

Progress on all the actions was noted. No issues were raised.

1.7 7 April 2016 Remuneration and Human Resources Committee report

Chris Moller provided feedback on the issues discussed at the Remuneration and Human Resources Committee meeting on 7 April. He drew Members' attention to the provisional budget of 2.25 percent for the 2015/16 remuneration review. He also advised Members that the Remuneration and Human Resources Committee had requested some analysis of the Agency's current FTE position.

1.8 6 May 2016 Investment and Operations Committee report

Adrienne Young-Cooper provided an overview of the issues discussed at the Investment and Operation Committee meeting. She noted the progress in delivering the Urban Cycleways programme and the work being done to manage the delivery risks in Wellington and Dunedin. She also noted the actions requested on the Transport Agency's strategic approach to route protection and property purchase, on the quantum of land being released into the Ministry of Business, Innovation and Employment's property programme, and on the request for additional advice on the Waterview Tunnels operating system.

1.9 6 May 2016 Audit, Risk and Assurance Committee report

Gill Cox provided an overview of the issues discussed at the Audit, Risk and Assurance Committee meeting. He reminded members of the upcoming workshop on risk, privacy and cyber security.

He highlighted the Committee's satisfaction with the amendments made to the Transport Agency's delegation framework and that the Committee endorsed it to the Board for the Board's approval.

Resolution 3	<i>The NZ Transport Agency Board approved the implementation of the revised NZ Transport Agency delegations framework.</i>
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He also highlighted the Committee's comfort with the reasons provided for closing the Crash Analysis System Replacement Project and the consequential write-off of existing capitalised costs, and recommended that the Transport Agency Board agrees to this write off.

Resolution 4	<i>The NZ Transport Agency Board agreed to the write off of \$2.0m of capitalised project costs as part of the closure of the Crash Analysis System (CAS) Replacement Project in accordance with current Board delegations.</i>
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1.10 19 April 2016 New Zealand Transport Ticketing Limited Board report

Gill Cox (Chair) outlined the key issues discussed at the meeting of the NZ Transport Ticketing Limited Board.

2. Chief Executive’s report & progress against plan

2.1 Chief Executive’s report

Board paper 16/05/1010

Fergus Gammie provided Board members with an overview of the current issues facing the Transport Agency. Members specifically discussed current issues associated with the Auckland Transport Alignment Project and the Agency’s approach to speed management, requesting further information on this to be provided at the June 2016 Board meeting.

Resolution 5	<i>The NZ Transport Agency Board received the Chief Executive’s Report for May 2016.</i>
Requested Action	<i>A paper outlining the Transport Agency’s approach to speed limit management is to be provided at the June 2016 Board meeting.</i>

2.2 Quarterly Results and Assurance Report for the period ending 31 March 2016

Board paper 16/05/1012

Fergus Gammie presented the Transport Agency’s Quarterly Results and Assurance report for the period ending 31 March 2016.

Members noted the good progress on the majority of the milestones, particularly the freight productivity achievements. Members canvassed the areas where the milestones will not be met.

Members requested a number of format changes to the report document to ensure readability and greater clarity of data.

Resolution 6	<i>The NZ Transport Agency Board received and noted the Quarterly Results and Assurance report for the period ending 31 March 2016.</i>
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3. Setting sector and organisational direction

3.1 Gisborne District Council – follow up

Board paper 16/05/1011

Jenny Chetwynd presented a draft response to the requests made by the Gisborne District Council at the Board's meeting in April 2016. Members discussed and confirmed the key points that needed to be made in this correspondence.

Resolution 7	<i>The NZ Transport Agency Board: a. Agreed in principle to the high level response to Gisborne District Council; and b. Delegated responsibility to the Chair for communicating the response to the Gisborne District Council, including responsibility for subsequent amendments.</i>
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4. Quality assurance of key organisational systems, policies and processes

4.1 Zero Harm – Officers Due Diligence framework

Board paper 16/05/1014

Martin McMullan presented the Transport Agency’s Zero Harm: Officer’s Due Diligence framework, noting that the framework is designed to enable Board members to meet their obligations under the Health and Safety in Employment Act.

The Chair congratulated the Transport Agency on the receipt of the Civil Contractor’s award for the safety reporting application, noting that it had been made available, free of charge, to over 400 businesses in New Zealand.

Members emphasised the importance of ensuring that the Board has a demonstrable plan and proactive approach to making the workplace as safe as it can be, noting that this needs to be a regular Board conversation. Board members also sought more information on the critical risks that a Person Conducting a Business or Undertaking (PCBU) needs to manage under the Agency’s Due Diligence Framework.

Resolution 8	<i>The NZ Transport Agency Board: a. Adopted the Zero Harm: Officer’s Due Diligence framework; and b. Directed the Board Secretary to ensure the Board regularly and proactively assures itself that it has a demonstrable plan and proactive approach to making the workplace as safe as it can be.</i>
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Requested Action	<i>All Board members are to be provided with more detail on the Person Conducting a Business or Undertaking (PCBU) critical risks under the Transport Agency's Zero Harm Officers Due Diligence Framework.</i>
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4.2 Investor Confidence Implementation

Board paper 16/05/1013

Allan Frost provided the Board with an update on the Transport Agency's response to the Treasury Investor Confidence Rating findings.

Members canvassed the good performance in project delivery, asset performance and organisational change management maturity. Members also noted the key areas for improvement in the improvement plan, being better identification and reporting of long term benefit realisation, more effective long term (10 year plus) resource planning and a more formal use of programmes of work, and appropriate governance at that level.

Members canvassed the costs and benefits of moving from a strong B to an A rating.

Resolution 9	<i>The NZ Transport Agency Board noted the Investor Confidence Rating improvement plan.</i>
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4.3 Annual Administrative and Support Services Benchmarking results for 2014/15

Board paper 16/05/1015

Allan Frost provided the Board with a high level summary of the 2014/15 Benchmarking Administrative & Support Services (BASS) results. Members canvassed the recommended focus areas for improvement.

Resolution 10

*The NZ Transport Agency Board **noted** the BASS 2014/2015 commentary and the areas for improvement.*

5. Significant planning, investment and operational matters

5.1 Auckland Central Access Plan – Programme Business Case

Board paper 16/05/1016

Fergus Gammie provided Board members with an overview of the issues associated with Auckland's Central Access Plan.

The Chair welcomed Dr David Warburton, Chief Executive of Auckland Transport, and Peter Clark, Chief of Strategy for Auckland Transport to the meeting.

Dr Warburton outlined the importance of the integration of transport and city planning and of the work being undertaken within the Auckland Transport Alignment Project. He noted the current population growth in Auckland is putting significant pressure on the transport network as population growth brings increased activity and demand for movement across and within the city. Finally he noted the importance of making decision in an informed manner but timely manner.

Members canvassed the links of this work on the Auckland Central Access Plan to the Auckland Transport Alignment Project, and noted that while they agreed with the basic approach outlined in the programme business case, members sought to consider these initiatives in the context of the findings of the Auckland Transport Alignment Project, which will provide overall direction on priorities.

Members requested a comprehensive briefing on the transport issues facing Auckland, including the future of the rapid transit route to the Airport and an opportunity for site visits to key parts of the network and to the Joint Transport Operating Centre in Auckland.

<p>Resolution 11</p>	<p><i>The NZ Transport Agency Board:</i></p> <ul style="list-style-type: none"> <i>a) Agreed with the approach taken in the Programme Business Case to addressing the need for increased capacity in public transport into the Auckland central city;</i> <i>b) Agreed that before a final decision is taken, further work needs to be done on the rapid transit corridors as an input to the Auckland Transport Alignment Project process to determine the overall transport priorities for Auckland; and</i> <i>c) Noted that the NZ Transport Agency will work closely with Auckland Transport, Auckland Council, the Ministry of Transport and the Treasury in preparing the advice to the Auckland Transport Alignment Project.</i>
<p>Requested Action</p>	<p><i>At the next Board meeting in June 2016, Board members are to be provided with background and context on the transport issues facing Auckland City, including upcoming decisions to be taken.</i></p> <p><i>Board members are to be provided with advice on the future of the rapid transit route from the City to the Airport at its next meeting in June 2016.</i></p> <p><i>Board members are to be provided with an opportunity, in the near future, for a comprehensive site visit to experience Auckland’s key transport network issues, and to visit the Joint Transport Operating Centre in Auckland.</i></p>

5.2 Review of the operating model for tolling

Board paper 16/05/1017

Celia Patrick provided a summary of the key findings from the independent review of the Tolling Operating System.

Members received assurance that the review of the Tolling System was fit for purpose, as it was undertaken on the basis of the tolling services currently provided by the Transport Agency. Members also noted and supported the preliminary discussions that are underway with Roads and Maritime Services (RMS) to explore potential outsourcing in whole or in part, of the Tolling support operation.

Resolution 12	<p><i>The NZ Transport Agency Board:</i></p> <ul style="list-style-type: none"><i>a. Noted the findings of the Tolling System Review by Martin Jenkins/Nous Group;</i><i>b. Noted that the Tolling System Review has been shared with the Ministry of Transport, who will include key findings of the review in their report back to the Cabinet Economic Growth and Infrastructure Committee; and</i><i>c. Noted preliminary discussions with RMS are underway, with the intention of “testing the market” for outsourced tolling services.</i>
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6. Other updates and general business

6.1 Other updates

Board paper 16/05/1018

Jenny Chetwynd provided Board members with updates on regional economic development, SuperGold Card, Manawhenua engagement and post implementation monitoring of the Urban Cycleways Programme.

6.2 Media update

Board paper 16/05/1019

Jenny Chetwynd provided Board members with the regular update on media events.

Members canvassed the need for this agenda item in light of new initiatives to keep Board members up to date, agreeing it was no longer required.

Requested Action	<i>The item and associated regular Board paper providing the Board members with media update is to be removed permanently from the Board's agenda.</i>
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6.3 2017 and 2018 Board and Committee Schedule – draft for discussion

Board paper 16/05/1020

Jenny Chetwynd outlined the draft Board meeting schedule for 2017 and 2018. Members reviewed the schedule, requested minor amendments and additional locational information and requested the schedules to be recirculated.

Resolution 13	<i>The New Zealand Transport Agency noted the 2017 and 2018 Board meeting schedules, subject to minor changes.</i>
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6.4 Draft agenda for 10 June 2016 Board meeting

Jenny Chetwynd presented the draft agenda for the 10 June 2016 Board meeting. Members noted the additional papers requested during the course of the current meeting to be included in the June agenda.

Resolution 14	<i>The New Zealand Transport Agency noted the draft June 2016 Board agenda.</i>
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6.5 General business

The Chair confirmed the following NZ Transport Agency Board Committee memberships.

Audit, Risk and Assurance Committee: Gill Cox (Chair), Leo Lonergan, Chris Moller, and Martin Matthews.

Investment and Operations Committee: Nick Rogers (Chair), Mark Oldfield, Fran Wilde and Chris Ellis.

Remuneration and Human Resources Committee: Adrienne Young-Cooper (Chair) and Chris Moller.

Members canvassed their concerns with the scale of the impact on the operation of the Auckland inner city transport network arising from the construction of the City Rail Link. Members requested a

briefing on the operating plan in place to address these issues and for Auckland Transport to be a partner in this briefing.

Requested Action	<i>Board members are to be advised of the operating plan in place to address the transport access difficulties created in Auckland centre by the City Rail Link construction currently underway and that this briefing is delivered in partnership with Auckland Transport.</i>
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7. Board only session

A session was held for Board members only.

The meeting ended at 3.30pm.

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