



Board Meeting Minutes	
Date & time	12 August 2016, 8.00am – 12.30pm Board Strategy Session 1.00pm – 2.30pm
Location	The Cobham Room, Novotel Hamilton Tainui, 7 Alma Street, Hamilton
Board Membership	Chris Moller (Chair), Fran Wilde (Deputy Chair), Adrienne Young-Cooper, Nick Rogers, Mark Oldfield, Chris Ellis and Leo Lonergan
Apologies	Gill Cox
NZTA staff in attendance	Fergus Gammie (Chief Executive) Robert Brodnax (Acting GM Planning & Investment), Ernst Zöllner (Regional Director Auckland & Northland), Tommy Parker (GM Highways & Network Operations), Leigh Mitchell (Acting GM Access & Use), and Jenny Chetwynd (GM Strategy & Performance and Board Secretary). Tony Fisher (Programme Director, Public Private Partnerships), Paul Laplanche (Chief Financial Officer); Peter Casey (Regional Manager Auckland and Northland).

1. Introduction and governance matters

1.1 Apologies

Apologies were accepted from Gill Cox.

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.

Nick Rogers declared his interest in Tonkin and Taylor.

1.4 Draft minutes from the 10 June 2016 Board meeting and 13 July 2016 Special Board meeting

The minutes were confirmed as tabled.

Resolution 1	<i>The draft minutes of the 10 June 2016 Board meeting and 13 July 2016 Special Board meeting are true and accurate record of the meetings.</i>
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1.5 Progress on actions requested at previous meetings

Progress on all the actions arising was noted.

2. Chief Executive's matters

2.1 Chief Executive's report

Board paper 16/08/1052

Fergus Gammie provided Board Members with an overview of the current issues facing the Transport Agency including an overview of recent stakeholder meetings and the current state of relationships.

Board Members received an update on progress made with the Transmission Gully programme and issues associated with the contract delivery and resource consent acquisition that are on the critical path. Members canvassed an appropriate date for Brian Roche to be invited to speak with the Board on progress.

Resolution 2	<i>The NZ Transport Agency Board received the Chief Executive's Report.</i>
Requested Action	<i>Board Members to receive an update on progress with Transmission Gully at the next Board meeting on 24 August 2016. Brian Roche to be invited to the Board meeting on 10 October 2016.</i>

3. Setting sector and organisational direction

3.1 Auckland Transport Alignment Project – Interim Report and Progress update

Board paper 16/08/1042

Ernst Zöllner provided an update on the emerging strategic approach for addressing Auckland's transport issues through ATAP. Members noted the recent Auckland Plan decisions relating to future areas of urban intensification and the alignment of these decisions with the ATAP work and outcomes being sought.

Members canvassed the role of behavioural incentives, particularly variable network pricing, in influencing travel demand patterns and improving network productivity. Members noted that network pricing has the best potential to influence travel patterns and stressed the urgency of this being implemented and realised.

Members discussed the need for a defined programme with clear accountabilities for progressing with network pricing options, together with broader behavioural incentives to influence travel demand and productivity in Auckland, and agreed that the NZ Transport Agency could take a lead role in progressing with this programme approach. Members also noted the importance of this programme receiving the appropriate support from partners.

Resolution 3	<p><i>The New Zealand Transport Agency Board:</i></p> <ul style="list-style-type: none">• Confirmed that it is encouraged by the emerging strategic approach for managing and addressing the demands on Auckland’s transport networks proposed in the Auckland Transport Alignment Project ‘Interim Report: Findings and Conclusions’.• Agreed that a defined programme with clear accountabilities for progressing with network pricing options, together with broader behavioural incentives to influence travel demand and productivity in Auckland needs to be developed as a matter of urgency for realisation within the next decade, and that the NZ Transport Agency could take a lead role in progressing with this programme approach.
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3.2 Greater Christchurch Urban Development Strategy update

Board paper 16/08/1046

Fergus Gammie highlighted the reasons behind the request for endorsement of the proposed Greater Christchurch Urban Development Strategy.

Members canvassed the nature of improvements in the relationship between Christchurch City Council and Environment Canterbury, noting the establishment of the Joint Public Transport Committee between these agencies.

Resolution 4	<i>The New Zealand Transport Agency Board endorsed the proposed Greater Christchurch Urban Development Strategy update.</i>
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4. Quality assurance of key organisational systems, policies and processes

4.1 Financial performance for 2015/16 financial year

Board paper 16/08/1045

Paul Laplanche outlined the financial results for the 2015/16 year.

Board Members noted that the final results for the year were consistent with forecasts and quarterly reporting for the year.

Board Members canvassed the financial treatment of the Auckland Integrated Ticketing Central System. Members noted that it had previously been held on the NZ Transport Agency's books as it was planned to be used as a national asset but is now recognised as part of the Auckland ticketing system and will be utilised within the National Ticketing Programme. This has resulted in the asset being removed from the Transport Agency accounts and charged as an operating expense.

Resolution 6	<p><i>The New Zealand Transport Agency Board:</i></p> <ul style="list-style-type: none"> • Approved the removal of the National Integrated Ticketing system asset from the Transport Agency's accounts. • Approved the carry forward of corporate capital expenditure funding of \$0.5m to 2016/17.
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4.2 Annual report – summary of unaudited performance for goal and priority milestones and financial information for the year ended 30 June 2016

Board paper 16/08/1055

Brandon Mainwaring provided an overview of the unaudited performance results for goal and priority milestones for the year ended 30 June 2016, and the next steps in the process through to the presentation of the NZ Transport Agency's Annual Report 2015/16 to the Minister for Transport.

Board Members noted the overall good performance and the key areas of performance strength in the delivery of the Roads of National Significance, accelerated regional packages. Members also noted the areas of non-achievement, noting that these had been identified and flagged during the course of the preceding year.

Members noted that the summary of unaudited performance would be provided to the Minister of Transport and the Ministry of Transport for discussion, and that Members would see the full audited report for consideration at its meeting on the 19 September 2016.

Resolution 7	<p><i>The New Zealand Transport Agency Board:</i></p> <ul style="list-style-type: none"> • Received the summary of the unaudited performance for goal and priority milestones and unaudited financial information for the New Zealand Transport Agency annual report for the year ended 30 June 2016.
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| | <ul style="list-style-type: none">• <i>Noted</i> that the summary of unaudited performance would be provided to the Minister of Transport and the Ministry of Transport for discussion, and that Members would see the full audited report for consideration at its meeting on 19 September 2016. |
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4.3 Value for Money Framework

Board paper 16/08/1051

Fergus Gammie outlined the proposals in the paper for how the NZ Transport Agency will demonstrate and report on achieving value for money across its activities. Board Members noted the importance of making value for money activities visible and focussed, particularly given the scale of the organisation's activity and expenditure.

Resolution 8	<i>The New Zealand Transport Agency Board endorsed the NZ Transport Agency's proposed approach to Value for Money reporting.</i>
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5. Significant planning, investment and operational matters

5.1 Delegations to agents and councils and extension of the AA driver licensing services agreement

Board paper 16/08/1044

Leigh Mitchell outlined the issues associated with the delegations of functions and powers to agents and councils, and the extension of the AA driver licensing services agreement.

Members canvassed the need for negotiation headroom for additional value to be secured via the contract negotiation. They noted the policy changes that will result from this contract extension will themselves lead to new requirements which will provide opportunities at a later point to pursue further customer value add.

Members also noted the requirement for approval from the Minister of Transport for the proposed delegations of powers in relation to motor vehicle registration and licensing, and driver licensing services to non-council agents.

Resolution 9	<p><i>Subject to the approval of the Minister of Transport, the New Zealand Transport Agency Board:</i></p> <ul style="list-style-type: none">• <i>Delegated</i> the functions and powers in relation to motor vehicle registration and licensing, driver licensing and road user charges to:<ul style="list-style-type: none">– Automobile Association– Vehicle Inspection New Zealand– Vehicle Testing New Zealand– Tasman District Council– Chatham Islands Council• <i>Delegated</i> functions and powers in relation to motor vehicle registration and licensing and road user charges to New Zealand Post.• <i>Delegated</i> functions and powers in relation to road user charges to BP Oil New Zealand Limited.• <i>Delegated</i> the power to execute an agreement for the extension of the driver licensing contract with the New Zealand Automobile Association (to expire 30 April 2018) to the NZ Transport Agency Chief Executive on the condition that if the proposed contract price increases by more than 2.5% from the current contract price, the matter will be referred back to the Board.• <i>Authorised</i> the Board Chair to sign the necessary instruments of delegation.
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5.2 SkyPath

Board paper 16/08/1053

Tommy Parker provided an overview of the issues associated with the SkyPath project.

Members noted that resource consents for SkyPath had been issued but had been appealed and were currently before the Environment Court for consideration with an expected outcome in September 2016.

Members canvassed more generally their concerns about the nature of the proposal as it had developed over recent months and the impacts on the Harbour Bridge.

Members noted that many issues associated with the risks of funding, delivery and operation of the walking/cycling link across the Harbour Bridge still needed to be addressed, and that further discussions with Auckland Council on options needed to occur. Members sought further advice on these options and clarification of the combined benefit cost ratio for both SeaPath and SkyPath.

Resolution 10	<i>The NZ Transport Agency Board agreed that the NZ Transport Agency will continue to engage with Auckland Council to consider alternative options for funding, delivery and operation of a walking/cycling link across the Auckland Harbour Bridge to address the risks with the currently-proposed hybrid Public Private Partnerships model and to better manage the allocation of risk for both the NZ Transport Agency and Auckland Council.</i>
Requested Action	<i>Board Members are to be provided with additional information on the options for funding, delivery and operation of the walking/cycling link across the Auckland Harbour Bridge, including clarification of the combined benefit cost ratio for both SeaPath and SkyPath.</i>

5.3 Basin Reserve Bridge

Board paper 16/08/1043

Board Members canvassed the key issues in the report on the Basin Bridge project.

Resolution 11	<i>The New Zealand Transport Agency Board received the report on the Basin Bridge project.</i>
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5.4 Northland Bridges and Loop Road – proposed package and funding proposal

Board paper 16/08/1054

Robert Brodnax provided an overview of the issues associated with the Northland Bridges and Loop Road proposed package and funding proposal.

Members discussed the importance of this package in unlocking economic opportunities for Northland and reinforcing the importance of transport as an enabler for economic growth and social well-being in the region.

Members also discussed the need for more assurance on the description and quantification of non-monetised benefits such as tourism and economic development, and on the level of risk of precedent in progressing with this package, noting the need to focus primarily on the five regions where Government is prioritising its economic development activities.

Resolution 12	<i>The New Zealand Transport Agency Board noted the issues associated with the Northland Bridges and Loop Road proposed package and funding proposal.</i>
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<i>Requested Actions</i>	<i>Board Members are to be provided with additional assurance around the description and quantification of non-monetised benefits, and on precedent risk. Advice on the approach to this request is to be received at the Board meeting on 24 August.</i>
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6. Other updates and general business

6.1 Draft agenda for 24 August 2016 Special Board meeting

Jenny Chetwynd noted the current draft agenda for the meeting on 24 August 2016. The Chair drew Members' attention to the meeting with the Minister of Transport on that day and the NZTA Board induction session for new Board Members in the afternoon.

6.2 Schedule of Board Correspondence and Official Information Act requests for Board papers

Board paper 16/08/1050

Members noted the correspondence addressed to the Board Chair, and the Board papers that have been released under the Official Information Act, since the last Board meeting.

The Chair drew Members' attention to the letter received from Hon Simon Bridges, Minister for Transport relating to the NZ Transport Agency's assistance on the City Rail Link Joint Business Plan, noting that the NZ Transport Agency had nominated two members of staff to participate in the gateway review for this initiative.

6.3 General business

Board members noted the upcoming NZ Transport Agency's Crown Funding Information System submissions (CFIS), and agreed to delegate authority to members of the Audit, Risk and Assurance Committee to sign off the NZ Transport Agency's submission on behalf of the Board.

Members canvassed the issues raised at their site visits on 11 August 2016, and requested letters to be sent to Mayor Allan Sanson, Moko Tauriki and James Smith thanking them for their contribution. Members also conveyed their thanks to NZ Transport Agency staff for organising the site visits and the stakeholder function.

Members' attention was drawn to the annual commitment to a national NZ Transport Agency stakeholder event, and noted that further details for this will be provided at an upcoming meeting.

Resolution 15	<i>The NZ Transport Agency Board delegated to any two of the Board Chair, the NZ Transport Agency Audit Risk and Assurance Board Committee Chair, and Leo Lonergan, the power to sign-off Crown Funding Information System submissions on behalf of the NZ Transport Agency.</i>
Requested Actions	<p><i>Board Members are to receive a briefing on Wellington's Smart Motorways initiative.</i></p> <p><i>Letter expressing the Board's thanks are to be prepared and sent to Moko Tauriki, James Smith and Mayor Allan Sanson.</i></p>

7. Board Only Session

A Board only session was held.

8. Board Strategy Workshop

Fergus Gammie led a workshop session on the refresh of the NZ Transport Agency's strategy. Members canvassed changes in the wider transport context to which the NZ Transport Agency needs

to be well positioned in order to respond, considered a strategic framework that will guide the development of the refreshed strategy, and received advice on the timeframe for the completion of the strategy.

Meeting closed at 2.30pm

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