



Board Meeting Minutes	
Date & time	10 October 2016, 8.30am – 4.00pm
Location	NZTA Boardroom, 50 Victoria Street, Wellington
Board Membership	Chris Moller (Chair), Fran Wilde (Deputy Chair), Adrienne Young–Cooper, Gill Cox, Mark Oldfield, Chris Ellis and Leo Lonergan.
Apologies	Nick Rogers
NZTA staff in attendance	Fergus Gammie (Chief Executive) Robert Brodnax (Acting GM Planning & Investment), Tommy Parker (GM Highways & Network Operations), Jenny Chetwynd (GM Strategy & Performance and Board Secretary), Ernst Zöllner (Regional Director Auckland and Northland), Allan Frost (GM Organisational Support), Paul Laplanche (Chief Financial Officer), Lisa Rossiter (National Manager Strategy), Douglas Robertson (Investment Framework Manager), Barbara Tebbs (National Manager, Information Monitoring and Public Transport) and Neil Cree (Acting National Manager Network Outcomes).
Guests	Brian Roche (Chair, Wellington Gateway Partnership), and David Low, Project Director for the Transmission Gully Public Private partnership update only.

1. Introduction and governance matters

1.1 Apologies

Nick Rogers was an apology.

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.

Draft minutes of the 12 August 2016, 24 August 2016 Board meetings and 19 September 2016 Special Board meeting.

Resolution 1	<i>The draft minutes of the 12 August 2016, 24 August 2016 Board meetings and 19 September 2016 Special Board meeting are true and accurate records of the meetings.</i>
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1.4 17 August 2016 Remuneration and Human Resources Committee report

Adrienne Young-Cooper provided feedback on the issues discussed at the Remuneration and Human Resources Committee meeting on 17 August 2016.

1.5 19 September 2016 Special Audit, Risk and Assurance Committee report

Gill Cox provided feedback on the issues discussed at the Special Audit, Risk and Assurance Committee meeting on 19 September 2016 relating to the Independent review of the Driver Licensing System and the Scrutiny Principle assurance options. He noted the Board had already received a report back on issues relating to the Transport Agency and NLTF Annual Reports for the year ended June 2016.

2. Chief Executive's Report

2.1 Chief Executive's Report

Fergus Gammie provided Board Members with an overview of the current issues facing the Transport Agency.

Members canvassed the purpose and core elements of a Long Term Strategic View of the land transport system, and the issues faced when prioritising transport investment on a national and regional basis.

Members canvassed the current situation with Uber, noting the legislative changes the Government is making to enable faster and cheaper processing for passenger endorsements. Members noted the existence of Zoomy, a ride sharing application, and requested additional advice on its purpose and how it fits with New Zealand's regulatory environment.

Resolution 2	<i>The NZ Transport Agency Board received the Chief Executive's Report.</i>
Requested Action	<i>Board Members are to receive advice on Zoomy, its purpose and how it fits with New Zealand's regulatory environment.</i>

4. Setting sector and organisation direction

4.1 10–30 year proposed land transport investment portfolio

Board paper 16/10/1071

Robert Brodnax provided an overview of the emerging thinking about the development of a Long Term Strategic View of the transport system that will signal future demands which are likely to shape issues and opportunities facing the land transport system, identify potential impacts and set out transport system responses.

He also summarised the emerging Investment Portfolio and a possible revenue and investment scenario for the National Land Transport Fund as it incorporates a number of upcoming significant investments around the country, whilst at the same time meeting base OPEX and core CAPEX requirements and delivering on existing commitments.

Members canvassed the role and purpose of a Long Term Strategic View. They noted the importance of being clear about the key justification and drivers for holding a long term view of the transport system, reflecting the transport system as a whole and not being limited to infrastructure interventions, grounding the view in realising economic growth and productivity outcomes, clearly articulating the underpinning population growth, land use and economic assumptions and the link to the Transport Agency's refreshed strategy.

Members also noted the importance of clearly articulating the lead thinking in New Zealand's strategic inter-regional transport story.

Finally, members canvassed the assumptions made in planning for New Zealand's ports and airports and how this is being incorporated into the Long Term Strategic View. Members requested more information on this at the next Board meeting.

Resolution 4	<i>The NZ Transport Agency Board received the discussion paper on the funding implications of the NZ Transport Agency’s proposed investment portfolio.</i>
Requested Action	<i>Board Members are to receive advice on the assumptions and planning undertaken for New Zealand’s port and airport development and how this is being considered in the Transport Agency’s Long Term Strategic View.</i>

4.2 Auckland Transport Alignment Project – recommended strategic approach and next steps

Board paper 16/10/1067

Ernst Zöllner outlined how the Auckland Transport Alignment Project recommendations are being received by Auckland Council (endorsed) and Cabinet (received) and the plan going forward for engaging with the new Auckland Council and Mayor on implementation of the recommendations.

Members discussed the good progress made. Members also discussed opportunities available to incentivise and promote ride sharing as part of demand management initiatives, noting the advice that a task force is being set up as part of the implementation programme which will address this opportunity.

Resolution 5	<p><i>The NZ Transport Agency Board:</i></p> <ul style="list-style-type: none"> • <i>Supports the recommended strategic approach for the development of Auckland’s transport system over the next 30 years, as set out in the Auckland Transport Alignment Project final report.</i>
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	<ul style="list-style-type: none"> • Agreed that the recommended strategic approach should be reflected in the Transport Agency’s future strategy, organisational priorities, investment decision-making and work programme.
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4.3 Transport for Future Urban Growth, Auckland – programme business case

Board paper 16/10/1074

Robert Brodnax outlined the key components of the Transport for Future Urban Growth, Auckland Programme Business Case, noting the collaboration with Auckland Transport in bringing this business case together.

Board Members discussed the alignment of the programme business case with recent decisions on the Auckland Unitary Plan and the recommendations in the Auckland Transport Alignment Project. Members also discussed the importance of future transport route protection and how this was provided for in the programme, given that a lot of the main transport corridors are now active planning zones for higher urban intensification under the Auckland Unitary Plan.

Resolution 6	<p><i>The NZ Transport Agency Board:</i></p> <ul style="list-style-type: none"> • Supports the Transport for Future Urban Growth, Auckland Programme Business Case because the programme is: <ul style="list-style-type: none"> ➤ of high strategic fit and medium effectiveness with a cost-benefit appraisal of between 3.4 – 4.8 at an estimated cost of implementation of \$7.6 – 9.8 billion; ➤ a top priority and is included in all 10-year revenue and investment scenarios;
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and should, therefore, proceed to the next stages of business case development, public engagement and route protection.

- ***Noted** that ‘support’ indicates a commitment to develop the programmes to a stage where they can be implemented, but does not commit the NZ Transport Agency to fund that implementation.*
- ***Approved** the allocation of:*
 - *\$38.26 million of National Land Transport Fund funding to the NZ Transport Agency elements of the Transport for Future Urban Growth programme;*
 - *\$38.04 million of National Land Transport Fund funding to the Auckland Transport elements of the programme (with the total cost of those elements being estimated at \$74.58 million and the funding assistance rate being 51%);*

to fund the next stages of business case development and to secure designations for final preferred options (\$76.30 million of National Land Transport Fund funding in total).

- ***Agreed** to include those next stages of the Transport for Future Urban Growth programme in the 2015-18 National Land Transport Programme, subject to their inclusion in Auckland’s Regional Land Transport Plan.*
- ***Delegated** to the Transport Agency Chief Executive the ability to approve funding for individual activities in the next stages of the Transport for Future Urban Growth programme through the normal Transport Agency approvals processes.*

4.4 Portfolio of inter-regional business cases (North Island)

Board paper 16/10/1075

Tommy Parker provided an overview of the long term strategic view of investment in inter-regional journeys, and the associated eight programme inter-regional business cases.

Board Members noted that these inter-regional journeys are critical for the movement of goods and people between main urban areas, key centres of production, freight hubs and key tourist attractions. Members also noted the Upper North Island, including the connection to Northland as the key area of investment focus in in the next decade and the drivers for this.

Members also noted the importance of clearly communicating the issues, pressures and responses that provide the context and justification for where various investments will, and won't be made, and their timings.

Resolution 7	<i>The NZ Transport Agency Board:</i> <ul style="list-style-type: none">• Supports the following eight programme business cases, all of which are of high strategic fit, high effectiveness, with cost-benefit ratio ranges shown in the table below:
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Programme	Benefit & cost appraisal (Cost-benefit ratio range)	Rough estimate implementation cost (\$m)
SH1 Auckland – Whangarei	0.6 – 1.0	880 – 1,400
SH29 Piarere – Tauriko	0.8 – 1.4	330 – 530
Tauriko (Tauranga) Network Plan	1.4 – 2.2	330 – 650
SH1 Piarere – Taupo	0.5 - 1.5	730 – 1,050
SH1 Taupo – Waiouru	0.5 - 0.8	700 – 900
SH2 Te Marua – Masterton	1.6 – 2.5	180 – 220
SH2 Te Marua – Ngauranga	0.9 – 2.0	1,400 – 2,100
Wellington’s port access	1.0 – 3.0	27 – 33

- ***Noted*** that ‘support’ indicates a commitment to develop the programmes to a stage where they can be implemented but does not commit the NZ Transport Agency to fund that implementation.
- ***Approved*** the allocation of \$18 million to fund next stages of the following business cases (including undertaking public engagement on route selection):
 - *SH1 Auckland to Whangarei – SH1 Northport to Te Hana and SH1 Whangarei to Northport, indicative and detailed business cases;*
 - *SH29 Piarere to Tauriko – SH29 Piarere to Te Poi, SH29 Te Poi to Summit and SH29 – Summit to Tauriko, indicative and detailed business cases;*
 - *Tauriko (Tauranga) network – SH29 Tauriko Network Plan, indicative and detailed business case;*

	<p>➤ <i>Wellington’s port access programme business case.</i></p> <ul style="list-style-type: none">• <i>Agreed to include those next stages in the 2015-18 National Land Transport Programme, subject to their inclusion in the relevant regional land transport plans.</i>• <i>Delegated to the Transport Agency Chief Executive the ability to approve funding for individual activities in those next stages through the normal Transport Agency approvals processes.</i>
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5. Significant planning, investment and operational matters

5.1 Warkworth to Wellsford – indicative route for consultation

Board paper 16/10/1070

Tommy Parker provided a summary of the background to the development of the Warkworth to Wellsford project, highlighting the need to commence community engagement to confirm and move to route protection of the final alignment.

Board Members sought and received clarification on the fit of this project in the wider Auckland to Whangarei programme business case, noting that the Auckland to Whangarei programme business case will be presented to the Board at a subsequent meeting.

Board Members discussed the potential timing for project construction, noting the importance of communicating this to the community during the next engagement phase in order to manage expectations.

Resolution 8	<p><i>The NZ Transport Agency Board:</i></p> <ul style="list-style-type: none">• <i>Supports</i> the NZ Transport Agency’s indicative route for the Warkworth to Wellsford project.• <i>Agreed</i> to the Transport Agency publicly consulting on that indicative route.
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6. Quality assurance of key organisational systems, policies and processes

6.1 Financial progress report for the two months to the end of August 2016

Board paper 16/10/1072

Allan Frost provided an overview of the Transport Agency’s financial performance for the two months ended 31 August 2016. Board Members noted the current underspend in the NLTP regional improvements and local roads activity class and the overspend in the NLTP in the urban cycleway programme and the cycleway activity class. Members also noted the upcoming yearly and three yearly NLTP financial forecasts.

Resolution 9	<p><i>The New Zealand Transport Agency Board received the report on the financial performance of the NZ Transport Agency (including the National Land Transport Fund) for the two months ended 31 August 2016.</i></p>
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7. Other updates and general business

7.1 Draft agenda 4 November 2016 Board meeting

Board Members discussed and noted the draft agenda for the Board meeting on 4 November 2016.

Resolution 11	<i>The NZ Transport Agency Board noted the draft 4 November 2016 Board meeting agenda.</i>
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7.2 Schedule of Board Correspondence and Official Information Act requests for Board papers

Board paper 16/10/1068

Members noted the correspondence and Official Information Act requests.

Resolution 12	<p><i>The NZ Transport Agency Board received the October 2016 report on:</i></p> <ul style="list-style-type: none"> <i>• Recent correspondence received by the NZ Transport Agency Board Chair;</i> <i>• Transport Agency Board papers released under the Official Information Act 1982.</i>
Requested Action	<i>Members requested copies of replies to this correspondence be included on Boardbooks for all future Board meetings.</i>

7.3 General Business

Board Members discussed the membership of the Audit, Risk and Assurance Committee in light of the departure of Mr Martin Matthews from the Committee. Members canvassed the need to retain an independent member on the Committee, agreeing that this was not currently necessary as it was well served by existing Board Member competencies.

Board Members discussed the upcoming Annual Stakeholder Events around the country in November 2016, noting the importance of having both a local Board Member and a Board Member from a different location present at each event.

<p>Resolution 14</p>	<p><i>The New Zealand Transport Agency Board agreed that:</i></p> <ul style="list-style-type: none"> • <i>From 10 October 2016 the membership of the Audit, Risk and Assurance Board Committee will be Gill Cox (Chair), Chris Moller and Leo Lonergan and the quorum for that Committee will be two Committee members.</i> • <i>The Audit Risk and Assurance Committee Charter is to be updated to reflect that quorum and the revised Committee membership.</i> • <i>The Board Chair will write to Martin Matthews thanking him for his service to the Audit, Risk and Assurance Board Committee.</i>
<p>Requested Action</p>	<p><i>Board Members are to be invited to identify which of the Annual Stakeholder events they wish to attend in November and these dates and locations are to be confirmed with Board Members as soon as possible.</i></p>

8. Transport Agency strategy refresh

8.1 Refreshing the NZ Transport Agency's Strategy – Customer Value Statement and Strategic Responses

Board paper 16/10/1069

Jenny Chetwynd provided an overview of the progress made in the development of the Transport Agency's refreshed strategy.

Board Members noted the good progress being made. They canvassed the draft value statement and strategic responses, noting their increased emphasis on the customer. Members requested that in addition, consideration be given to citizen, partner and owner perspectives in this statement and to how economic efficiency, economic stewardship and transport system stewardship can be made more visible.

Members discussed how an increased emphasis on social outcomes, particularly in the draft strategic responses might flow into investment frameworks and requested that consideration be given to the system change requirements outside the NZ Transport Agency's control, that might be necessary to support the realisation of the draft Strategic Responses.

Members also discussed the links between the Transport Agency's refreshed strategy and the Long Term Strategic View of the land transport system.

Resolution 15	<i>The New Zealand Transport Agency Board noted the progress made with the development of the Transport Agency's new strategic direction.</i>
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9. Board Only Session

A Board only session was held.

The Board Meeting closed at 2.15pm.

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