



Board Meeting Minutes	
Date & time	1 March 2018, 1:00pm – 5:00pm
Location	NZ Transport Agency Boardroom, Level 2, 50 Victoria Street, Wellington
Board Membership	Dame Fran Wilde (Acting Board Chair), Adrienne Young–Cooper, Nick Rogers, Chris Ellis, Leo Lonergan, Mark Darrow and Vanessa van Uden
NZTA staff in attendance	<p>Fergus Gammie (Chief Executive)</p> <p>Raewyn Bleakley (General Manager Governance, Stakeholders & Communications and Board Secretary), Howard Cattermole (General Manager Investment & Finance), Jenny Chetwynd (General Manager Strategy, Policy & Planning), Barbara Harrison (General Manager People), Tommy Parker (General Manager System Design & Delivery), Charles Ronaldson (General Manager Customer Design & Delivery), Robert Brodnax (Director Transport Access Delivery), Harry Wilson (Director Safety & Environment) and Emma Speight (Director Regional Relationships Lower North Island)</p> <p>Richard Hurn (Senior Advisor – Business and Operating Models), Gavin Armstrong (Manager Organisational Performance), John Coulter (Senior Manager, Operational Policy, Planning and Performance), Scott Wickman (Principal Transport Planner)</p>

External attendees	Sir Brian Roche (Chair, Gateway Partnership) and Louise Marsden (Deputy Chair, Gateway Partnership) Virginia Welch (Director – NZ Road Safety Partnership (NZ Police)) Paul Reynolds (independent PIF Reviewer) and Helen Moody (State Services Commission)
Apologies	Giles Southwell (General Manager Corporate Services) and Keith Turner (independent PIF Reviewer)

1. Introduction and governance matters

1.1 Apologies and welcome

The Acting Board Chair welcomed Board Members to the meeting.

1.2 Confirmation and overview of the agenda

The agenda was accepted as circulated.

1.3 Declarations of conflicts of interests of Board Members

The schedule of Board Members' interests was noted as tabled.

Nick Rogers noted his standing interest in Tonkin and Taylor.

Board Members discussed the nature and extent of the interests that they should declare (and which form the Register of Interests) in order to identify conflicts of interests. Management is to review the legal requirements in this regard and come back with advice for the Board by email.

1.4 Declarations of conflicts of interests of Senior Leadership Team Members

The schedule of Senior Leadership Team Members' interests was noted as tabled.

1.5 Draft minutes of the 8 December 2017 Board meeting and 9 February 2018 Special Board meeting

Resolution 1	<p><i>The NZ Transport Agency Board confirmed the draft Minutes of the following meetings as true and accurate records of those meetings:</i></p> <ul style="list-style-type: none"><i>• 8 December 2017 Board meeting; and</i><i>• 9 February 2018 Special Board meeting.</i>
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1.6 1 March 2018 Audit, Risk and Assurance (ARA) Board Committee Report and Draft Minutes of the 8 February 2018 Special ARA Board Committee meeting

Mark Darrow outlined the matters considered by the ARA Board Committee meeting on 1 March 2018. This included the receipt and endorsement of both KPMG’s NZ Transport Agency Audit Plan for 2017–18 Financial Year, and the summary financial statements for the Transport Agency and National Land Transport Fund for the six months ended 31 December 2017.

1.7 1 March 2018 Investment and Operations (I&O) Board Committee Report and Draft Minutes of the 10 November 2018 I&O Board Committee meeting

Nick Rogers provided an overview of the matters considered by the I&O Board Committee meeting on 1 March 2018. This included noting three things – the review of the cost benefit analysis methodology used to assess benefits for the road network from investment in mass transit; the Regulatory Management Framework and Compliance Model being developed, and the further investigation of the implications of emerging vehicle technology for the Transport Agency’s wider investment programme.

1.8 13 February 2018 Remuneration and Human Resources (Rem & HR) Board Committee Report: Draft Minutes of the 13 February 2018 Rem & HR Board Committee meeting

A summary of the issues considered by the Rem & HR Board Committee at its meeting on 13 February 2018 was provided by Adrienne Young-Cooper.

Board Members noted the next Rem & HR Board Committee meeting is scheduled for 6 August 2018.

1.9 13 February 2018 Health and Safety (H&S) Board Sub Committee Report: Draft Minutes of the 5 December 2017 and 13 February 2018 H&S Board Sub Committee meetings

Chris Ellis provided an overview of the matters considered by the H&S Board Sub Committee meeting on 13 February 2018. This included consideration of facilitators to undertake a Board review.

On the recommendation of the H&S Board Sub Committee, Board Members agreed to use Cosman Parkes and Associates to complete a Board review – taking into account cost, scope and experience.

Post completion of this review, a decision will need to be made regarding whether to retain and make permanent the H&S Board Sub Committee with its own Terms of Reference, or dissolve it and have the papers and reporting presented to the Board.

Board Members noted the next H&S Board Sub Committee meeting is scheduled for 17 April 2018.

1.10 Health and Safety update

Board paper 2018/03/1226

Chris Ellis noted his interest in WorkSafe NZ as a Director.

Barbara Harrison spoke to the update noting the traffic management work and the increase in sprains and trips up. Tommy Parker also spoke to this point.

Board Members noted that, in terms of the Dashboards, the response rate is lower internally than

expected and this needs to be investigated.

Barbara Harrison then explained the proposed Safety interaction programme, which will allow Board Members independent inquiry.

Resolution 4	<i>The NZ Transport Agency Board notes the health and safety performance update.</i>
Resolution 5	<i>The NZ Transport Agency Board accepts the proposal to establish a Board Member safety interaction schedule for 2018.</i>

1.1.1 Progress on actions requested at previous meetings

Progress on all actions arising was noted.

There was a request from the Board for information on revenue collected and where spent. This will be added to the Progress on Actions Arising document for action.

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 NZ Transport Agency. This included updates regarding the development of the Government Policy Statement on Land Transport; Transmission Gully progress (involving Sir Brian Roche (Chair, Gateway Partnership) and Louise Marsden (Deputy Chair, Gateway Partnership)); priorities in terms of mass transit in Auckland; and damage to the land transport network caused by ex-cyclones Fehi and Gita.

Resolution 6	<i>The NZ Transport Agency Board received the Chief Executive’s Report.</i>
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3. Setting sector and organisational direction

3.1 Performance Improvement Framework (PIF) – Review Report and the NZ Transport Agency Response

Board paper 2018/03/1213

The Board received comments regarding the NZ Transport Agency’s Performance Improvement Framework (PIF) Review Report from the members of the PIF Review team.

Following the related discussion, the PIF Review team members left the meeting.

Board Members consider the report reflects a generally good review. The PIF Reviewers commentary regarding the Chief Executive being on track and heading in the right direction was noted. The importance of the follow up review was mentioned.

The discussion also covered the usefulness of the recommendations in providing a basis to move forward on certain matters – including updating the regulatory system and underlying support systems.

Resolution 7	<i>The NZ Transport Agency Board endorses the proposed response to the Four Year Excellence Horizon, to be included in the Performance Improvement Framework (PIF) Review report.</i>
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3.2 Statement of Intent 2018- 2022 and Statement of Performance Expectations 2018- 2019

Board paper 2018/03/1214

Jenny Chetwynd introduced the paper, which deals with three components – the development of the Transport Agency’s Statement of Intent (SOI) and Statement of Performance Expectations (SPE);

approval of non-financial performance information to be provided to Ministry of Transport (MoT) and Treasury; and endorsement of the assumptions/principles to be used for developing the financial elements of the SOI/SPE.

Howard Cattermole spoke to specific financial aspects of the paper.

This section of the Minutes of the 1 March 2018 Board Meeting is withheld under section 9(2)(g)(i) of the Official Information

Act 1982, as there is a need to maintain the effective conduct of public affairs through the free and frank expression of opinions by or between or to members of an organisation or officers and employees of any Department or organisation in the course of their duty. The NZ Transport Agency has determined that the interests being maintained outweigh any public interest in making the information available.

Howard Cattermole

also noted that the budget will be contingent on the new Government Policy Statement on Land Transport (GPS).

The Board noted the timetable linked to the development of the SOI and SPE has changed to accommodate the finalisation of the GPS and Letter of Expectations.

Resolution 8	<p><i>The NZ Transport Agency Board:</i></p> <ul style="list-style-type: none">a) Received an update on the process for developing the NZ Transport Agency’s Statement of Intent 2018-2022 and Statement of Performance Expectations 2018-2019.b) Received the draft outlines and design concept for the NZ Transport Agency’s Statement of Intent and Statement of Performance Expectations.c) Approved the Transport Agency’s non-financial performance information to be provided to the Ministry of Transport for the Estimates for Vote Transport.d) Endorses the assumptions/principles to be used for developing the financial elements of the Transport Agency’s Statement of Intent 2018-2022 and Statement of Performance Expectations 2018-2019.
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3.3 Revised Timeline for Board Engagement during the Development of the National Land Transport Programme 2018- 2021

Board paper 2018/03/1215

Board Members acknowledged the changes being undertaken to the Investment Assessment Framework and the revision of the timeline for the development of the National Land Transport Programme 2018–2021, due to the shift in priorities in the new Government Policy Statement on Land Transport 2018.

Resolution 9	<p><i>The NZ Transport Agency Board</i></p> <ul style="list-style-type: none">a) Noted that the draft Investment Assessment Framework is being revised to reflect the updated priorities being set out in the new Government Policy Statement on Land Transport 2018.b) Noted that a draft Investment Assessment Framework will be provided to the NZ Transport Agency Board in mid-March 2018 for feedback ahead of providing the draft framework to the Transport Agency’s investment partners for consultation.c) Notes the revised timeline for Board decisions during the development of the National Land Transport Programme 2018-2021.
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4. Quality assurance of key organisational systems, policies and processes

4.1 Financial Progress Report for the seven months to the end of January 2018

Board paper 2018/03/1216

Howard Cattermole and John Coulter spoke to the paper.

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Resolution 10	<i>The NZ Transport Agency Board received the report on the financial performance of the NZ Transport Agency (including the National Land Transport Fund) for the seven months ended 31 January 2018.</i>
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5. Significant planning, investment and operational matters

5.1 East West Link – Options Review

Board paper 2018/03/1217

Tommy Parker and Scott Wickman were available to respond to Board Members questions regarding this paper and the approach outlined. Board Members discussed the general approach that could be taken; but noted this had to be considered in light of the new Government Policy Statement on Land Transport 2018 (once this document has been finalised).

The need for more work to be done was acknowledged.

Resolution 11	<i>The NZ Transport Agency Board supports further development of the emerging approach for progressing the East West Link.</i>
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5.2 State Highway 3: Manawatu Gorge – Preferred Option

Board paper 2018/03/1218

Tommy Parker introduced the paper, outlined the additional information gathered and steps taken since the December 2017 Board meeting. He also noted that the Manawatu Gorge is still moving and there is an expectation of collapse.

Emma Speight spoke to the engagement with key stakeholders, particularly the local and regional councils impacted by the closure of the Manawatu Gorge. She noted that while the Transport Agency has worked really closely with them and taken them through geotechnical aspects and so forth, no agreement has been reached with them regarding the shortlisted options. All support the urgency required to make a decision, especially for economic reasons.

It was noted that the Transport Agency will not go public regarding any decision made in respect of the preferred option without talking to key stakeholders, particularly the local and regional councils. Option 3 provides the necessary level of service and is the preferred option as outlined in the paper.

Resolution 12	<p><i>The NZ Transport Agency Board:</i></p> <ul style="list-style-type: none">a) Approves Option 3, a new State Highway alignment to the north of Manawatu Gorge, as the preferred long term option for the State Highway 3 Manawatu Gorge projectb) Notes that the preferred long term option supports the development of the Regional Freight Ring Route to the same extent as the other options availablec) Endorses in principle the draft Regional Freight Ring Route and associated programme of works as outlined, to be further developed and confirmed in consultation with the public as a variation to the draft Regional Land Transport Pland) Approves delegating funding authority to the Chief Executive for progressing the State Highway 3 Manawatu Gorge project to the pre-implementation phasee) Notes the intention to publicly announce the preferred option for the State Highway 3 Manawatu Gorge project by the end of March 2018 on the preferred option and the draft programme of network improvements to achieve the Regional Freight Ring Route
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5.3 Peka Peka to Otaki Cycleway – Approval for Scope Change and Increase in Project Funding for Shared Path

Board paper 2018/03/1219

The paper outlining the scope change and increase in funding required for this project was taken as read.

Resolution 13	<p><i>The NZ Transport Agency Board:</i></p> <ul style="list-style-type: none">a) Approves a material change in scope to the Peka Peka to Otaki RoNS project to add a Shared Path on the preferred route.b) Approves an increase in the project cost of \$18.9 million, bringing the total approved project cost to \$388.52 million.
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5.4 Waikato Expressway: Hamilton Section – Scope Change

Board paper 2018/03/1220

The paper outlining the scope change for this project was taken as read.

Resolution 14	<p><i>The NZ Transport Agency Board:</i></p> <ul style="list-style-type: none">a) Approves a material change in scope to include the construction of south-facing ramps at Resolution Drive Interchange on the Hamilton Section of the Waikato Expressway.b) Approves an increase in the project cost of \$1.65 million for the construction
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	<p><i>of south-facing ramps at Resolution Drive Interchange on the Hamilton Section of the Waikato Expressway.</i></p> <p>c) Approves a material change in scope to include the construction of an additional south bound lane on Cambridge Road from the southern interchange to Riverlea, as part of the Hamilton Section of the Waikato Expressway.</p> <p>d) Approves an increase in the project cost of \$8.9 million for the construction of an additional south bound lane on Cambridge Road.</p>
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5.5 Kapiti Expressway Operational Noise – Additional Mitigation Measures

Board paper 2018/03/1221

Tommy Parker and Fergus Gammie spoke to the paper.

Discussion of what the precedent impact is – in the event there is agreement to go ahead with the additional mitigation measures. This approach incorporated a change of noise levels rather than actual level. On balance, go ahead.

Resolution 15	<p><i>The NZ Transport Agency Board:</i></p> <p>a) Received the update on operational noise issues related to the Mackays to Peka Peka section of the Kapiti Expressway (the Expressway).</p> <p>b) Approves a change in project activity scope to deliver compliance with operational noise statutory approvals and provide a reasonable noise outcome for the Kapiti Coast community.</p> <p>c) Approves an increase in project activity funding of \$3.6 million to deliver</p>
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	<p><i>compliance with operational noise statutory approvals and provide a reasonable noise outcome for the Kapiti Coast community.</i></p> <p>d) Approves the Transport Agency notifying the Kapiti Coast community of the Board’s decision, prior to ratification and publication of the Board minutes.</p>
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5.6 Acquisition of 9, 11 and 13 Arrenway Drive, Rosedale for Northern Corridor Improvements Project

[Board paper 2018/03/1222](#)

Board Members discussed the purchase and the risks and benefits of going ahead with the transaction.

Parts of the land are required for the Northern Corridor Improvements (NCI) (that is, they fall within the NCI designation approved by the Board of Inquiry) – as well as the Rosedale Bus Station and associated parking facility. Although at this stage Auckland Transport is preparing to establish a bus station without a Park and Ride facility, the three pieces of land being purchased cover off a situation where it later becomes apparent that additional parking space is required by Auckland Transport. It is noted that any land remaining unused, following completion of both projects, will be sold.

The purchase price has been reached after following due Public Works Act 1981 process to assess the value of the properties – and is supported by independent valuation advice.

Resolution 16	<p><i>The NZ Transport Agency Board:</i></p> <p>a) Approve the acquisition, by the NZ Transport Agency, of the freehold properties at 9, 11 and 13 Arrenway Drive, Rosedale, Auckland from Venue Properties Limited for the Northern Corridor Improvements Project for</p>
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	<p><i>\$25,000,000 plus GST (if any) together with other statutory compensation entitlements.</i></p> <p><i>b) Confirm (in accordance with Land Information NZ requirements) that the NZ Transport Agency has allocated funding to meet the purchase price and other payments specified in the purchase agreements and, where applicable, will meet all non-monetary undertakings specified in the acquisition agreement.</i></p> <p><i>c) Retain this paper ‘in committee’ until the property acquisitions have been completed, due to commercially sensitive and confidential information within the paper.</i></p> <p><i>d) Agree to take this paper ‘out of Committee’ when the property acquisitions have been completed.</i></p>
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5.7 Appointment of Attorneys

Board paper 2019/03/1223

Board Members agreed to the course of action outlined regarding the powers of attorney.

Resolution 17	<p><i>The NZ Transport Agency Board:</i></p> <p><i>a) Revokes the power of attorney recently issued generally to the General Manager Corporate Services;</i></p> <p><i>b) Appoints Giles Southwell, General Manager Corporate Services, in person, to be one of the NZ Transport Agency’s attorneys;</i></p> <p><i>c) Appoints Howard Cattermole, General Manager Investment and Finance, in</i></p>
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	<p><i>person, as an additional NZ Transport Agency attorney, to undertake the duties of attorney in the event Fergus Gammie or Giles Southwell are absent, or it is otherwise desirable for another attorney to act; and</i></p> <p><i>d) Authorises two Members of the Board to sign the deeds of appointment that put into effect, where the Board resolves to revoke and appoint as outlined in the resolutions above, the revocation and appointments.</i></p>
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5.8 2017 Road Policing Programme Review – Findings and Recommendations

Board paper 2018/03/1224

Harry Wilson provided an update on the paper and the funding model process.

Virginia Welch, Director – NZ Road Safety Partnership, NZ Police joined the meeting for this Agenda item, and spoke about the huge amount of momentum being generated. Work is underway to identify key areas to make progress early, by mobilising an effective response to these areas across the system in collaboration with key partners. Speed is one.

Board Members discussed the paper, the progress made to date and the work underway. They noted the importance of constructive conversations and the consistency of messaging from NZ Police and across organisations involved.

Resolution 18	<p><i>The NZ Transport Agency Board:</i></p> <p><i>a) Endorses the preferred operating model connected with the Road Policing Programme, which moves towards a strength based partnership involving the NZ Transport Agency with New Zealand Police and Ministry of Transport.</i></p> <p><i>b) Notes the establishment of the co-led and co-located team (joint team) with</i></p>
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	<p><i>staff from the NZ Transport Agency and New Zealand Police and progress to date towards a strengths based partnership.</i></p> <p>c) Agrees to the next steps outlined in terms of work connected with the Road Policing Programme, in particular, building an assurance regime; completing analysis; and investigating possible delivery model changes.</p> <p>d) Agrees, in principle, to the approach outlined regarding ongoing communications and engagement, subject to agreement (as and when required) by the NZ Transport Agency Chief Executive.</p> <p>e) Notes upcoming Board engagement related to a three-year funding envelope and a one-year work programme in the 2018-2021 Road Policing Programme, with a variation before the end of 2018 to include the work programme for 2019/20 and 2020/21, taking into account the Road Policing Programme Review findings.</p>
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6. Other updates and general business

6.1 Other updates

Board paper 2018/03/1225

The Kaikoura Earthquake Recovery and Reinstatement update noted the re-opening in December 2017 and the measures in place to manage the vulnerability to closure while work progresses. Board Members noted the focus outlined on safety and resilience. To reinforce the importance of resilience and the stability issues of various sites, some aerial photographs taken during the Kaikoura visit undertaken by Adrienne Young-Cooper and Nick Rogers were tabled.

The remainder of the updates were noted.

Resolution 19	<i>The NZ Transport Agency Board received the 1 March 2018 other updates.</i>
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6.2 Draft agendas for 17 April 2018 Special Audit, Risk and Assurance Board Committee meeting and 20 April 2018 Board meeting

Resolution 20	<i>The NZ Transport Agency Board noted the draft agendas for the 17 April 2018 Special Audit, Risk and Assurance Board Committee meeting and 20 April 2018 Board meeting.</i>
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6.3 Schedule of Board Correspondence and requests for Board paper

Board paper 2018/03/1227

Resolution 21	<p><i>The NZ Transport Agency Board received the 1 March 2018 report on:</i></p> <ul style="list-style-type: none"> <i>a) Recent correspondence received, and sent, by the NZ Transport Agency Board Chair</i> <i>b) Transport Agency Board papers requested and released under the Official Information Act 1982</i> <i>c) Transport Agency Board document released to as part of a response to Select Committee written questions, prior to the NZ Transport Agency hearing date for Annual Review purposes</i>
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6.4 General business

Board Members expressed thanks to Tommy Parker, General Manager System Design and Delivery, recognising the way he has undertaken his role and responsibilities – a superstar and great from the Board’s point of view. Tommy Parker’s start date of 23 April 2018 with Fletcher Challenge was noted.

7. Board only session

A Board only session was held.

The Board Meeting closed at 4:52pm.

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