

BOARD MEETING MINUTES

Date & time	20 September 2019, 8:30am – 12:00pm
Location	NZ Transport Agency Boardroom, Level 2, 50 Victoria Street, Wellington
Board membership	Sir Brian Roche (Board Chair), Mark Darrow, Vanessa van Uden, David Smol, Sheridan Broadbent
Apologies	None
NZTA staff in attendance	Mark Ratcliffe (Interim Chief Executive), via audio conference Howard Cattermole (Chief Financial Officer), Chris Lokum (General Manager, People)
External attendee(s)	None

1. Board and Chief Executive Only Session

No Board and Chief Executive session was held.

2. Introduction and governance matters

2.1 Apologies and welcome

The Chair of the Board welcomed Board Members and attendees to the meeting.

The Chair acknowledged that this was the final Board meeting for Mark Darrow, Vanessa van Uden and Sheridan Broadbent, and that Nick Rogers and Leo Lonergan had completed their terms. The Chair recognised the significant work that all of the departing Board Members had put into their role on the Board, and thanked them for both their work and their professionalism.

2.2 Confirmation and overview of the agenda

The agenda was accepted as circulated.

2.3 Declarations of conflicts of interests of Board Members

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



In terms of matters arising under the agenda, the following was noted:

- Sir Brian Roche noted his role connected to the Transmission Gully project. While the claim from Wellington Gateway Partnerships is noted in the Annual Report, Sir Brian Roche has not participated in any discussion relating to the claim or assessment of the claim.

2.4 Declarations of conflicts of interests of Executive Leadership Team Members

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

2.5 Draft minutes of the 23 August 2019 Board meeting and Ratification of Board Decisions by circulation

The Board discussed the minutes and requested that the minutes be amended to:

- Include a note that there was discussion by the Board relating to the risk of rapidly growing the regulatory team.
- Include a note that there was discussion by the Board relating to need to account for betterment when providing funding to KiwiRail.

The Board also requested that Management ensure that the actions are progressed in relation to:

- Investigating tools and approaches for keeping employees (in particular sole workers) safe in the field;
- Ensuring that a regulatory strategic plan is considered by February 2020, and ensure that a regulatory workshop is on the workplan.

Resolution	<p><i>Subject to the additions, deletions and/or amendments set out below being made, the NZ Transport Agency Board confirmed the draft minutes of the 23 August 2019 Board meeting as a true and accurate record of the meeting:</i></p> <p style="margin-left: 40px;"><i>a) Include a note that there was discussion by the Board relating to the risk of rapidly growing the regulatory team; and</i></p> <p style="margin-left: 40px;"><i>b) Include a note that there was discussion by the Board relating to need to account for betterment when providing funding to KiwiRail.</i></p>
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2.6 Audit, Risk and Assurance (ARA) Board Committee Report: 17 September 2019 ARA Board Committee meeting

Mark Darrow outlined the matters considered at the ARA Board Committee meeting on 17 September 2019. In particular, the meeting covered the Annual Reports for the NZ Transport Agency and the National Land Transport Fund. Mr Darrow provided the Board with a copy of a letter summarising the ARA Board Committees assurance for the Annual Reports. He noted that:

- The ARA Board Committee had worked with Management and the auditors throughout the year;

- The ARA Board Committee had received the audit report and associated documents, and that the audit was a clean audit;
- There had been no issues with State Highway valuations this year, in part due to the early engagement with the Office of the Auditor General;
- The control weaknesses noted in the audit report were of concern, and that there would be Management responses to these issues in due course;
- The Board Committee had noted that the audit report stated that calculations were not in line with IPSAS 17, and KPMG confirmed that this was not material; and
- The ARA Board Committee had gone through the Annual Reports and made some changes.

2.7 Progress on actions requested at previous meetings

Progress on all actions arising was noted.

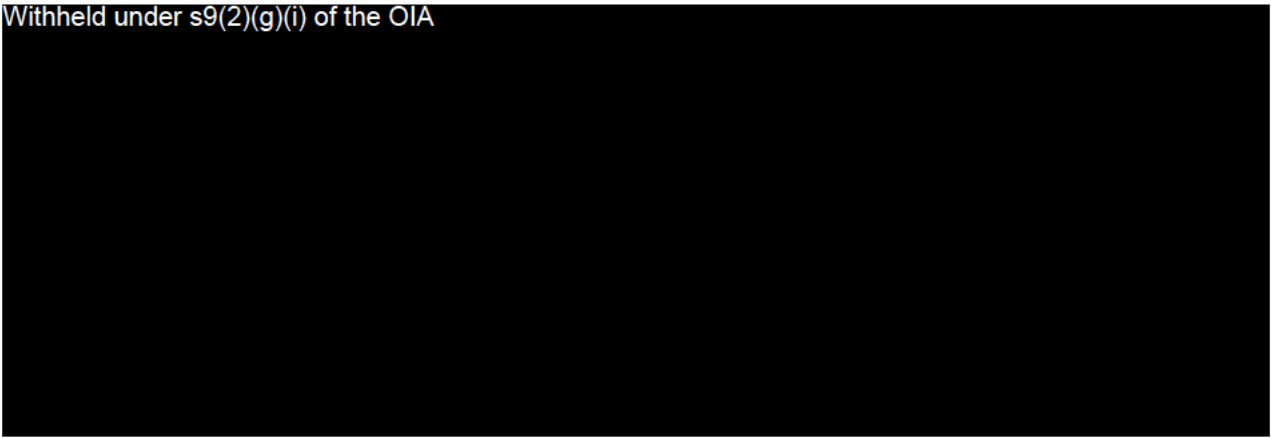
The Board requested that the Interim Chief Executive and Board Secretariat review the actions and close any items that were no longer required. The Board requested that every action has a due date.

3. Chief Executive's Report

3.1 Chief Executive's Report

The Interim Chief Executive provided a verbal update, noting in particular that:

Withheld under s9(2)(g)(i) of the OIA



4. Confirming service and financial performance targets

4.1 Annual Reports for the NZ Transport Agency and National Land Transport Fund (NLTF) for the year ended 30 June 2019

Board paper 2019/04/1439

The Board noted the update provided by the Chair of the ARA Board Committee under item 2.6, including the letter providing a summary of the Board Committee's assurance on the Annual Reports. The Board confirmed that the audit report was clean, with an emphasis of matter in relation to State Highway valuations.

The Board noted the progress by Management on changes to the Annual Report requested by the ARA Board Committee, and that the Board was comfortable that the appropriate changes had been made. Management noted that some further work was underway to verify the remuneration information in the Annual Reports.

Withheld under s9(2)(g)(i) of the OIA

The Board asked that in future years Management consider simplifying what is measured in the Statement of Performance Expectations, and to include the source of information used for measuring progress.

It was recommended that some minor changes be made to the Chair's forward, with a focus on the future ambition of the NZ Transport Agency, acknowledging the four fatalities of Higgins' staff and acknowledging former Board members.

The Board confirmed the financial statements and statement of performance of the NLTF for the year ended 30 June 2019 and the application of the scrutiny principle. The Board agreed to adopt the annual reports for the NZ Transport Agency and National Land Transport Fund for the year ended 30 June 2019, subject to minor editorial changes.

The Board discussed the complexity of having the Chair of the ARA Board Committee sign the representation letters and annual reports, given that his term was ending on 22 September 2019. The Board agreed to delegate to the Board Chair and Chair of the ARA Board Committee the signing of the representation letters and annual reports, subject to advice from the Board Secretariat as to whether there were any procedural issues with the Chair of the ARA Committee signing the documents. If procedural issues arose, the Board agreed to delegate to the Board Chair and another Board Member the signing of the representation letters and annual reports.

Resolution	<p><i>The NZ Transport Agency Board resolved to:</i></p> <ul style="list-style-type: none"> a) Note the summary of the Audit, Risk and Assurance Board Committee's assurance on the annual reports for the NZ Transport Agency and National Land Transport Fund for the year ended 30 June 2019 provided to the Board by the Chair of the ARA Board committee. b) Adopt the annual reports for the NZ Transport Agency and National Land Transport Fund for the year ended 30 June 2019. c) Delegate the signing of the Transport Agency Board's letters of representation in relation to the NZ Transport Agency, the scrutiny principle and the National Land Transport Fund to the Board Chair and another Member of the Board. d) Delegate the signing of the annual reports for the NZ Transport Agency and the National Land Transport Fund to the Board Chair and another Member of the Board. e) Delegate to the Board Chair approval of minor and editorial changes to the annual reports for the NZ Transport Agency and National Land Transport Fund, prior to publication.
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5. General business

5.1 Draft agenda for 10 October 2019 Board meeting

Resolution	<i>The NZ Transport Agency Board noted the draft agenda for the 10 October 2019 Board meeting.</i>
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5.2 General business

The following items of general business were raised or discussed:

- **Cost per kilometre of safety barriers**
The information provided on the cost per kilometre was noted.

6. Board only session

A Board only session was not held.

7. Additional Information

7.1 Road Safety, Health, Safety and Wellness Update – September 2019

The Board noted the update.

The Board Meeting closed at 12.00pm

Minutes approved by the Chair	
Date	<u>31</u> / <u>10</u> 2019