

Waka Kotahi NZ Transport Agency Board Minutes	
Date & time	18 November 2020, 9.00am – 2.30pm
Location	Waka Kotahi NZ Transport Agency, Room 4.01 Kawakawa, AMP Centre, 29 Customs Street West, Auckland
Board members in attendance	Sir Brian Roche (Chair), Cassandra Crowley (Deputy Chair), Catherine Taylor, David Smol, John Bridgman, Ken Rintoul, Patrick Reynolds, Victoria Carter
NZTA staff in attendance	Nicole Rosie (Chief Executive) Robyn Fisher (Director Office of the Chief Executive) Matthew Walker (General Manager Corporate Support) Chris Lokum (General Manager People) Nicola Sutich (Senior Manager Enterprise Change) Howard Cattermole (Chief Financial Officer) Giles Southwell (General Manager Workplace & Technology) Karen Jones (General Manager Engagement & Partnerships) Richard May (Deputy General Manager Engagement & Partnerships) Nicholas Manukau (Senior Manager, Maori) Greg Lazzaro (General Manager Safety, Health & Environment) Kane Patena (General Manager Regulatory Services) Brett Gliddon (General Manager Transport Services) Anna Moodie (Group General Counsel & Senior Manager Risk & Assurance)
External attendees	Bryn Gandy, Ministry of Transport (item 6) Val Wheeler, PWC (item 8)
Apologies	Andrew Hagan, Treasury

Introduction and governance matters

1. Apologies, Minutes & Actions

The Board noted that in relation to item 2 of the 29 July 2020 Draft Minutes, Cassandra Crowley had advised that she was no longer a director of Makatu Foods, rather than Victoria Carter.

Resolutions	The Board confirmed the minutes of the Waka Kotahi board meetings of: <ul style="list-style-type: none"> 29 July 2020 (subject to the correction above) 30 July 2020 Strategy and Risk Workshops 20 August 2020 18 September 2020
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Actions Arising

The current actions list was noted.

2. Interests Register

The Board noted the interests register, including the new interests highlighted in red. The Chief Executive noted an additional interest. Her sister and brother-in-law's company Mace Asset Services Limited leases heavy machinery.

Resolutions	The Board noted the Interests Register.
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Strategic

3. Board and Chief Executive Only Session

A Board and Chief Executive Only Session was not held.

4. CE Report

s 9(2)(g)(i)



Resolutions	The Board noted the Chief Executive's report.
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Subsequent agenda items were dealt with in the order 8, 9, 11, 6, 7, 10, 5, 12-19.

8. Strategic Direction for Waka Kotahi

The General Manager Corporate Support, General Manager People, Director Office of the Chief Executive and Senior Manager Enterprise Change joined the meeting.

The General Manager People introduced the paper, speaking to slides summarising the proposed Waka Kotahi vision, purpose, goals, strategic outcomes, values and behaviours. She also spoke to the Te Ao Maori concepts and imagery that will support the values and the launch and rollout plan.

The Senior Manager Enterprise change discussed the target operating model work, which will look at what Waka Kotahi needs to do in order to deliver on its strategic outcomes.

The Board supported the new Waka Kotahi Compass and encouraged Management to be bold in the operating model thinking.

Resolutions	<p>The Board:</p> <ul style="list-style-type: none"> • Approved the organisational Strategic Direction for Waka Kotahi, provided in Attachment 1 of the paper • Approved Waka Kotahi values and behaviours, provided in Attachment 2 of the paper • Supported further development of: <ul style="list-style-type: none"> ○ targets for the organisational Strategic Direction, which will come back to the Board in February 2021 as part of developing the Waka Kotahi Statement of Intent 2021-25 and Statement of Performance Expectations 2021/22 ○ an approach and timeframes for the development of Waka Kotahi Target Operating Model (<i>exact title to be determined</i>) to give effect to the Waka Kotahi Strategic Direction, and • Noted that Management will continue to keep the Board informed as these develop.
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The General Manager People and the Senior Manager Enterprise Change left the meeting.

9. FAR Adjustments

The Chief Financial Officer joined the meeting and the General Manager Corporate Support introduced the paper. The Board was encouraged that people were willing to put their hand up after the error was identified.

Resolutions	<p>The Board:</p> <ul style="list-style-type: none"> • Approved adjusting the Funding Assistance Rates to apply to Approved Organisations for the 2018-21 and 2021-24 National Land Transport Programmes based on Option 3b as set out in the paper.
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	<ul style="list-style-type: none"> • Approved payments to Approved Organisations resulting from the retrospective 2018-21 FAR adjustments. • Noted the communication plan as set out in the paper.
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The General Manager Corporate Support and Chief Financial Officer left the meeting.

11. Digital Advisor to the Board

The General Manager Workplace and Technology joined the meeting and introduced the paper. Board Members were invited to meet with the adviser if they wished to do so.

Resolutions	The Board noted the role that the independent Digital Advisor will play in providing independent input and advice to the Chief Executive and Board.
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The General Manager Workplace and Technology left the meeting.

The Board took a short break.

6. MoT Session

The Board resumed. Bryn Gandy from the Ministry of Transport was present and was welcomed by the Chair.

s 9(2)(g)(i)



Resolutions	The Board noted the discussion.
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Mr Gandy left the meeting.

7. Post-election Update

The General Manager Engagement & Partnerships, and the Deputy General Manager Engagement & Partnerships, joined the meeting and provided an overview of the paper.

Resolutions	The Board noted the paper.
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Actions	Invite the Minister to meet with the Board.
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The General Manager Engagement & Partnerships and the Deputy General Manager Engagement & Partnerships left the meeting.

10. Te Ara Kotahi – Our Māori Strategy

The Director of the Office of the Chief Executive and Senior Manager Maori joined the meeting and introduced the paper.

The Board discussed existing relationships with iwi and hapū. They also discussed the level of understanding of Maori and mana whenua within Waka Kotahi. The Board encouraged Management to continue with upskilling staff on Te Ao Maori and Te Reo, and asked that they be included in any development opportunities when they arose.

Resolutions	The Board noted the paper.
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The Board stopped for lunch.

5. Road to Zero Update

The General Manager Safety, Health & Environment, General Manager Regulatory, and the General Manager Transport Services joined the meeting. They introduced the item and discussed and highlighted that Road to Zero was an ambitious and challenging strategy that required a multi-team approach within Waka Kotahi and a multi-agency approach to achieve outcomes.

The Board and Management discussed, amongst other things:

- That there is no one organisation that can achieve the desired change alone., Identifying the available levers and who holds them will be important. Change will also require influencing societal attitudes.
- Regardless of funding, the scale and complexity of the infrastructure and speed limit changes means that achieving the desired transformation will be challenging. For example, there are legislative constraints that make speed limit changes slow to achieve and retrofitting safety measures on existing roads is complex. The Minister should be aware of the policy changes required to achieve a reduction in deaths and serious injuries.
- The need to maintain a lens on the potential socio-economic impact of any change.

- The impact of Waka Kotahi taking over management of speed cameras, noting the trade-offs against other priorities.

Resolutions	<p>The Board:</p> <ul style="list-style-type: none"> • Noted the strategic direction of the Infrastructure and Speed Management programme business case, the Road Safety Partnership Programme and Tackling Unsafe Speeds programme business case are consistent with the Road to Zero Strategy and other Cabinet decisions. • Noted the interdependencies across the three programmes which collectively will contribute to the 40% reduction in deaths and serious injuries by 2030. • Noted that anticipated funding constraints for the 2021-24 National Land Transport Programme mean additional funding will be required in this period and/or increased funding allocations in the 2024-27 and 2027-2030 periods needed to achieve the 40% reduction in deaths and serious injuries by 2030. • Noted key issues identified in the paper.
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Actions	Draft a briefing to the Minister on the legislative impediments to achieving Road to Zero.
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The General Manager Regulatory and the General Manager Transport Services left the meeting.

Culture

12. Safety, Health & Environment Update

The General Manager Safety, Health & Environment introduced the paper.

The Board discussed a recent incident in which a temporary traffic management worker was deliberately struck by a vehicle. Waka Kotahi has been supporting the contractor.

Work is underway to update the Code of Practice for Temporary Traffic Management, which is a key tool for supporting contractors to keep their people safe while working on transport projects. While there is broad support for the proposed changes from the large contractors, consultation with other parties is more challenging. Given the importance of the proposed changes from a safety perspective, the Board asked Management to accelerate finalisation and rollout of the updated Code. While some parties may be unhappy, safety needs to be prioritised, and the Code can be regularly updated and improved over time if necessary.

Resolutions	The Board noted the update..
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13. Review of Health & Safety Policy

The General Manager Safety, Health & Environment introduced the paper and provided an overview of the updated policy.

The Board requested that wellbeing, as well as health and safety, be emphasised in the policy. They also asked that other diversity dimensions, beyond tikanga, be recognised.

Resolutions	The Board reviewed and approved the policy, subject to the minor changes discussed.
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14. Q1 People Dashboard

The General Manager People re-joined the meeting and the Board discussed the dashboard.

Resolutions	The Board noted the Quarterly People Dashboard.
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The General Manager People left the meeting.

Risk & Assurance

15. Risk & Assurance Committee Report Back

The Risk & Assurance Committee Chair provided an overview of the Committee discussions and recommendations, noting that most of the Board was in attendance at the Committee meeting.

Resolutions	<p>The Board:</p> <p><i>Q1 Performance Report</i></p> <ul style="list-style-type: none"> • Noted the draft Waka Kotahi quarter 1 2020/21 performance report. • Approved the quarter 1 2020/21 performance report and, subject to the Committee’s feedback, covering letter to go to the Minister of Transport, and following the Minister’s receipt, for the report to published on the Waka Kotahi website. <p><i>Digital Risk Update</i></p> <ul style="list-style-type: none"> • Noted the update on the Waka Kotahi digital risk environment, impacts and associated mitigation plans/actions. <p><i>Te Hau Ora (Digital) Update</i></p> <ul style="list-style-type: none"> • Noted that Te Hau Ora has been established and is now focusing on recruitment of a permanent team.
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	<ul style="list-style-type: none"> • Noted that work is being undertaken to develop a rolling three-year programme of work, including funding envelopes. <p>Protective Security Work Programme & Target Maturity Level</p> <ul style="list-style-type: none"> • Noted the Committee endorsed the PSR work programme and our targeted levels of security maturity at Waka Kotahi. <p>Strategic Risk Update</p> <ul style="list-style-type: none"> • Noted the September 2020 update of key risks. • Approved the rearticulated risk and appetite statements for the Health & Safety, Regulatory, and Funding significant risks included in the Q1 report. • Noted the update on work undertaken following the Board risk workshop held on 30 July 2020. • Noted the summary of incident management & business continuity activity. • Noted the update on the annual legislative compliance survey. <p>Internal Audit Plan</p> <ul style="list-style-type: none"> • Noted the Internal Audit Plan for November 2020-October 2021. • Noted the Committee approved the individual audits scheduled to commence between November 2020 and February 2021. <p>Audit Fee Increase</p> <ul style="list-style-type: none"> • Approved the additional audit fee in relation to the 2019/20 financial year. <p>Insurance Update</p> <ul style="list-style-type: none"> • Noted the: <ul style="list-style-type: none"> ○ Update on the 2021/22 proposed Insurance Renewal Strategy. ○ Update on the Critical Assets Stage One Review. <p style="color: red; font-size: small;">s 9(2)(b)(ii)</p> <p>Other</p> <ul style="list-style-type: none"> • Noted the following papers supplied to the Committee on 17 November 2020: <ul style="list-style-type: none"> ○ GM Overview ○ Assurance Programme Update ○ Litigation & Open Investigations Report.
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Operational

16. Investment & Delivery Committee Report Back

The Board formally approved John Bridgman’s appointment as Chair of the Investment and Delivery Committee.

The Committee Chair provided an overview of the Committee discussions and recommendations, noting that most of the Board was in attendance at the Committee meeting.

Resolutions	<p>The Board:</p> <p>Agreed to appoint John Bridgman as Chair of the Investment & Delivery Committee, effective from 17 November 2020.</p> <p><i>NZ Upgrade Programme Update</i></p> <ul style="list-style-type: none"> • Noted the contents of the paper. • Approved the updated NZ Upgrade Programme Governance Group Terms of Reference set out in the Resource Centre. <p><i>Baypark to Bayfair Price Level Adjustment</i></p> <ul style="list-style-type: none"> • Noted the significant time and cost impact of changes to design and the realisation of risks around ground improvements, giving rise to the need for a Price Level Adjustment (PLA) for the Baylink Project. • Noted that Management proposes continuing with a lump sum Design and Construct (D&C) with increased scope to include the underpass. • s 9(2)(b)(ii) • s 9(2)(b)(ii) • Delegated to the Chief Executive authority to approve the terms of the amended contract and the resolution of the historic claims within the key parameters set out in the paper. <p><i>RAMA Reporting for PPPs</i></p> <ul style="list-style-type: none"> • Noted the contents of the paper and the attached Transmission Gully and Ara Tūhono Pūhoi to Warkworth RAMA reports. • Authorised the Chief Executive to execute the Master RAMA Report and Annual Compliance Certificate on the Transmission Gully and Ara Tūhono Pūhoi to Warkworth projects.
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	<p><i>Other</i></p> <ul style="list-style-type: none"> • Noted the papers below supplied to the Investment & Delivery Committee on 17 November 2020: <ul style="list-style-type: none"> ○ GM Overview & Transport Services Update ○ Transport Property Acquisition and Disposal ○ Deep Dive: Road Maintenance & Renewals ○ Transmission Gully Internal Review ○ Auckland Southern Corridor Improvements Project Inform Paper.
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17. Financial Update

Following the financial update at the Risk & Assurance Committee as part of the Q1 report, the Board noted the paper.

Resolutions	<p>The Board:</p> <ul style="list-style-type: none"> • Noted the financial performance summary for Waka Kotahi NZ Transport Agency and the National Land Transport Fund for the three months ended 30 September 2020. • Noted a re-forecast of the likely year-end position will be reported to the December 2020 Board meeting.
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General Business

18. Board Correspondence

The Board **noted** the correspondence.

19. General Business

The Board noted that there was a review underway of the Let's Get Wellington Moving programme, with recommendations expected shortly.

The meeting concluded at 2.30pm

Minutes approved by the Board Chair



Brian Roche 21/12/2020