



**BOARD MEETING MINUTES**

<b>Meeting date &amp; time</b>	1 December 2011, 9am-12noon
<b>Meeting location</b>	NZTA Board Room, Level 2, 50 Victoria Street, Wellington
<b>Board members present</b>	Chris Moller (Chair), Adrienne Young-Cooper, Alick Shaw, Bryan Jackson, Gill Cox, Jerry Rickman, Patsy Reddy and Tony Lanigan
<b>Apologies received</b>	None
<b>NZTA staff in attendance</b>	Geoff Dangerfield (Chief Executive), Allan Frost (Organisational Support), Celia Patrick (Access & Use), Colin Crampton (State Highways), Dave Brash (Planning & Investment), Ernst Zöllner (Strategy & Performance) and Liz Huckerby (People & Capability)
<b>External invitees</b>	None

## Highlights from the meeting

At this final meeting for 2011, the NZTA Board:

- Approved the preferred scheme assessments for the *Peka Peka to Otaki and Mackays to Peka Peka Expressways*.
- Agreed to allow Auckland Transport until 30 June 2012 to complete the preparation of its Procurement Strategy; delegated authority to the Chief Executive to grant procurement approval to Auckland Transport; and requested that the final Auckland Transport Procurement Strategy will contain an effective framework to ensure long term sustained competition and innovation in both Auckland and the broader national and international context.
- Approved funding for the construction of *Auckland Transport's AMETI Package 1 – Panmure Phase 1*; and requested the Chief Executive to bring a proposal to the Board for how the existing NZTA-AT Partnership Charter is appropriately enhanced to provide effective long term governance of funding and procurement for the entire AMETI investment programme.
- Approved funding for an increase in total project cost for *Auckland Transport's Glenfield Road (Bentley to Sunset)* project.
- Endorsed the NZTA's Briefing to the incoming Minister of Transport (BIM).
- Accepted the transfer of most of the 'settlor roles' for the *Road Safety Trust* from the Minister of Transport to the NZTA Board.
- Agreed to an implementation date for the Northern Gateway Toll Road tariff adjustments.
- Endorsed the scope for (and approach to) the proposed 'integrated network strategy'.
- Requested the Minister of Transport to amend activity class funding ranges in the 2009/12 Government Policy Statement (GPS) and informally endorsed the proposed approach to the communication of the 2012/15 National Land Transport Programme (NLTP).
- Endorsed the results of the *Road Policing activity class review*.
- Supported a business case to adjust various administrative fees.
- Delegated traffic management powers and responsibilities to *Auckland Transport* (for the former Rodney District).

## 1. Introduction and governance matters

### 1.1 Apologies

All Board members attended the meeting.

### 1.2 Confirmation and overview of the agenda

The agenda was confirmed as circulated. In relation to Agenda item 5.2 (rail safety) Adrienne Young Cooper noted that she is on the Board of Auckland Waterfront, which contracts rail (tramway) services.

### 1.3 Declarations of conflicts of interest

The schedule of member interests was noted.

### 1.4 Draft minutes from the 4 November 2011 Board meeting

One change was made to the draft minutes, namely the deletion of the ‘requested action’ under item 1.9.

<b>Resolution 1</b>	<i>The amended minutes of its 4 November 2011 meeting are a true and accurate record of the meeting.</i>
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### 1.5 Progress on actions requested at previous meetings

The progress on all requested actions was noted, and an action that the Chief Executive considers how to improve driver behaviour in Christchurch was added.

### 1.6 Report from the 29 November Remuneration and HR Board Committee meeting

There were no recommendations from the Committee meeting to the Board, and Patsy Reddy (Committee Chair) provided a verbal report of the key items discussed at the meeting.

## 1.7 Report from the 30 November 2011 Investment & Operations Board Committee meeting

Alick Shaw (Committee Chair) introduced three agenda items from the Committee meeting that had recommendations for the Board to consider:

### ***(a) RoNS – Peka Peka to Otaki Expressway: preferred option approval***

Following scheme assessment, public consultation and feedback on the proposals, several changes to the Board approved option have been reviewed and supported by the Committee for endorsement by the Board:

- The form and location of the interchanges north and south of Otaki have been improved to provide better access to and from the Expressway;
- North of Otaki, the project team have simplified the northbound access onto the expressway which removes one crossing of the North Island Main Trunk railway (NIMT);
- South of Otaki, the Expressway has been lowered to fit underneath a partial interchange, providing an improved layout that better incorporates the local terrain;
- At Mary Crest, the Expressway crosses over the railway and existing state highway and we have moved this overpass further south to avoid a regionally significant area of native bush and an area of cultural interest. The local road connections have been improved to the existing SH1 at Te Horo and at Old Hautere Rd;
- At Rahui Road, concern was expressed by the community and KCDC about the loss of the local road connection between East and West of Otaki. Management have proposed to retain the existing connection via an over-bridge linking the residential area (and the Otaki Maori Racing Club) with the main town centre; and
- Other minor changes have been to reduce the height of the Expressway to better align with the flood risk profile.

Overall the Committee and Board were satisfied that the above modifications to the scheme provide value for money, and reflect community/stakeholder expectations including that of KCDC, KiwiRail and the Otaki Community Board.

#### **Resolution 2**

*The Peka Peka to Otaki Expressway project will proceed on the alignment recommended by the Investment and Operations Committee*

***(b) RoNS – Mackays to Peka Peka: preferred option approval***

The Committee considered the alignment previously approved by the Board in the light of public consultation on the preferred further investigations and stakeholder engagement. The Committee supported the view that at Waikanae, the option west of the Maketu Tree (and traversing part of the registered wahi tapu) best reconciles environmental, social, cultural, and economic considerations of the Resource Management Act. Discussions with mandated iwi representatives, while not finalised, provide sufficient confidence to confirm adoption of the Western alignment.

At the northern end of the alignment at Peka Peka, retaining a partial interchange with north facing ramps remains the preference. This issue has attracted submissions seeking full interchanges or south facing ramp options, however construction cost considerations, and KCDC guidance over District Plan growth management requirements do not support these alternatives.

At the southern end, the option selected before consultation remains the preferred alignment, despite the greater property impact. Kapiti Coast District Council continues to support this alignment on environmental, urban form and community severance grounds, and Greater Wellington Regional Council has indicated support in terms of lessening public open space impacts on Queen Elizabeth Park (which they administer on behalf of the Department of Conservation).

<b>Resolution 3</b>	<i>The Mackays to Peka Peka Expressway Expressway project will proceed on the alignment recommended by the Investment and Operations Committee.</i>
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***(c) Procurement strategy extension: Auckland Transport***

Auckland Transport (AT) was previously granted an extension to 31 December 2011 to complete the preparation of its long term Procurement Strategy for activities funded through the national land transport programme and obtain NZTA endorsement. AT has now prepared an interim strategy to cover the period to 30 June 2012, which has been internally endorsed. In its deliberation, the Committee endorsed a further extension for AT to complete its procurement strategy, but added a request that the strategy contains an effective framework to ensure long term sustained competition and innovation in both Auckland and the broader national and international context.

<b>Resolution 4</b>	<i>Auckland Transport is granted an extension to 30 June 2012 to complete the preparation of its Procurement Strategy for activities funded through the NLTP and to obtain NZ Transport Agency endorsement.</i>
<b>Resolution 5</b>	<i>NZTA’s Chief Executive is delegated authority for six months to grant procurement approval to Auckland Transport, under s25 of the Land Transport Management Act 2003, to establish supplier panels and use a maximum term of eight years for a number of road maintenance operations and renewals contracts described in the Auckland Transport Procurement Strategy (Interim 2011-2012), once he is satisfied that the case for approval has been made.</i>
<b>Request 1</b>	<i>The final Auckland Transport Procurement Strategy should contain an effective framework to ensure long term sustained competition and innovation in both Auckland and the broader national and international context. [Report back required]</i>

***(d) Investment approval: AMETI Package 1 - Panmure***

The Auckland Manukau Eastern Transport Initiative (AMETI) is a key current Auckland flagship multi-modal transport programme that is now being implemented. It is a key area for Auckland to demonstrate progress in significantly enhancing the Auckland Transport system. The Committee supported the recommended NLTP funding for the project, but sought a stronger governance and procurements framework for this long term investment programme.

<p><b>Resolution 6</b></p>	<p><i>Funding is approved for the construction of Auckland Transport’s AMETI Package 1 – Panmure Phase 1 project at an estimated cost of \$182.66 million (\$212.18 million less \$13.52 million for the already funded Mountain Rd bridge component less \$16.0 million for the Panmure Interchange) at a funding assistance rate of 54.33% (NZTA share \$99.24 million), with the NZTA share being available commencing in 2012/13.</i></p>
<p><b>Request 2</b></p>	<p><i>The NZTA-Auckland Transport Partnership Charter should be appropriately enhanced to provide effective long term governance of funding and procurement for the entire AMETI investment programme. [Report back required]</i></p>

***(e) Investment proposal: Auckland Transport Glenfield (Bentley-Sunset)***

The primary objectives of the Glenfield Road (Bentley to Sunset) project are to relieve congestion and improve travel times and trip reliability along a heavily congested two kilometre section of road. The project was initially approved by the Land Transport NZ Board in January 2005 at a total forecast cost of \$10.7 million at a funding assistance rate of 53%. However, costs have been adjusted upwards significantly since that estimate was made. In its deliberation, the Committee considered the importance of the project for this part of the Auckland network, its high cost-benefit ratio and the complex range of reasons for the significant cost increase.

<b>Resolution 7</b>	<i>The project cost adjustment from \$21.38 million to \$37.13 million for the construction phase of Auckland Transport’s Glenfield Road (Bentley to Sunset) is approved at a funding assistance rate of 53% (NZTA share \$8.34 million from N funds), with the NZTA share being available over two years in equal instalments of \$4.17 million commencing in 2013/14.</i>
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**1.8 Report from the 30 November Audit Risk & Assurance Board Committee meeting**

There were no recommendations from the Committee meeting to the Board, and Jerry Rickman (Committee Chair) provided a verbal report of the key items discussed at the meeting.



## 2. Chief Executive's matters

### 2.1 Chief Executive's report

#### Board paper 11/12/0598

This regular agenda item is used to highlight key matters relating to the management and operations of the NZTA with the Board. At this meeting the matters raised included the planned increase of speed cameras through the road policing programme; updates on key public transport issues in Christchurch and Wellington; updates on the key state highway projects; progress on the Auckland Plan; and the business delivery reform programme and related initiatives.

The Board focussed most of its discussion on the alignment and level of service issues around the western corridor component of the Christchurch roads of national significance. Members discussed the issues raised (and options put forward) by Christchurch City Council and Christchurch International Airport Limited, and the implications of delays to the project should these issues not be resolved. It was agreed that the Chair and Chief Executive will discuss the matter further with key parties and report progress to the Board.

In terms of commuter rail in Wellington, Board members enquired about the apparent slow progress on the new operator contract in Wellington, and sought to better understand the issues and challenges that the parties are facing. Board members sought advice on what practical actions the NZTA could take to support the parties and ensure that the project progresses without further delay. Board members also sought advice on how the findings and lessons from the positive benchmarking result for the Wellington network with Australia could be shared with Auckland Transport.

The Board also discussed progress on the review to identify measures that would further reduce the risk posed by fire in the Homer tunnel. It was noted that the residual risks relate mainly to how the tunnel is operated and used (e.g. the quality of vehicles using the tunnel) and not to the structures. Members noted that more than 40 potential operational improvements have been identified, and

sought assurance that these would be progressed and implemented as soon as possible and practical, and that the NZTA is actively managing risks over the summer holiday period. A full report will be presented to the Board at its next meeting in February 2012, and the Chief Executive will provide regular updates to the Board via email in the interim.

Other topics raised by Board members with the Chief Executive include the next steps in the Performance Improvement Framework (PIF) review, progress on health and safety policy development, the level of activity in the civil construction industry, and the communication of progress on the Mount Victoria tunnel upgrade. In conclusion, the Board recorded its appreciation and congratulations to the Tauranga Eastern Motorway project team for their supreme engineering award.

<b>Resolution 8</b>	<i>The Chief Executive's Report for December 2011 is received.</i>
<b>Request 3</b>	<i>Progress and updates on the measures planned and to be undertaken in the Homer tunnel to reduce the risk of fire should be reported to the Board on a regular basis at future meetings and through email updates. [Report back required]</i>

## 2.2 Finance report

### Board paper 11/12/0592

The Chief Executive presented the financial results for the first four months of the financial year. The Board noted that at the end of October spending against the NLTP was 10% under budget while spending against the NZTA operating finances were just under budget. The Board focussed its discussion on the additional \$90 million borrowing facility that cabinet approved in September, and noted with satisfaction that due to careful financial management, the facility was in the end not required. In terms of specific line items, Board members sought explanations for the overspend to date on professional services and in the public transport activity class.

<b>Resolution 9</b>	<i>The NZTA's financial result for the four months to 31 October 2011 are received.</i>
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## 2.3 Briefing to the Incoming Minister of Transport

### Board paper 11/12/0599

The purpose of the item was to seek Board feedback and endorsement to the proposed briefing for the Incoming Minister of Transport. NZTA had been working with the Ministry of Transport and other agencies with an interest in infrastructure to prepare our briefing to the incoming Minister of Transport and to ensure alignment of key messages in our respective BIMs (where appropriate). NZTA also provided material to the Department of the Prime Minister and Cabinet (DPMC) for inclusion in their BIM for the incoming Prime Minister. The Board reviewed the proposed briefing and requested a number minor changes in emphasis and the inclusion of an upfront highlights section. At the time of the meeting it was not known who the new Minister of Transport would be, and it was agreed that the briefing would be finalised after that announcement had been made.

<b>Resolution 10</b>	<i>The draft Briefing to the Incoming Minister (BIM) is endorsed, and the final Briefing (incorporating suggested changes from the Board) will signed-off by the Chair and the Chief Executive on behalf of the Board.</i>
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## 2.4 Road Safety Trust – Transfer of role of Settlor

### Board paper 11/12/0594

The purpose of this item was to seek the agreement from the Board to proposed changes in how the Road Safety Trust is governed. The Trust was established as a charitable trust by a trust deed dated 6 March 1990 by the then Minister of Transport. The original trustees incorporated as a Trust Board in accordance with the provisions of the Charitable Trusts Act 1957 under the name of the Road Safety Trust on the 24th of April 1990. Following a review, the Minister of Transport and Trustees had agreed in prior months that in order to simplify governance arrangements, certain responsibilities of Settlor should be transferred from the Minister to the Board of the New Zealand Transport Agency.

<b>Resolution 11</b>	<i>The following Settlor functions for the Road Safety Trust will transfer to the NZTA Board: the power to nominate trustees, power to appoint trustees, receiving six monthly and annual reports, right to attend and speak at meetings of the Trust, consenting to Trust Deed amendment, and approving the application of funds on winding up.</i>
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### 3. Influencing sector direction

#### 3.1 Development and operation of toll roads in NZ

**Board paper 11/12/0595**

The purpose of this item was to seek the agreement of the Board to the implementation date of the adjusted toll tariffs for the Northern Gateway Toll Road (NGTR). The road opened in January 2009 using a loan of \$160m, and three relevant principles were agreed at the time: that it will be a standalone operation i.e. that there will be no subsidies; that debt will be repaid within 35 years; and that tariffs will be adjusted to allow for inflation. The Board agreed to raise the toll tariffs at their March 2011 meeting (refer Board Paper 11/03/0463) but decided to defer its application for users of the NGTR until early 2012.

<b>Resolution 12</b>	<i>The Northern Gateway Toll Road toll tariffs will be adjusted from 1 March 2012 to: Cars \$2.20 (was \$2.00); Motorcycles \$2.20 (\$2.00) and Heavy Commercial Vehicles \$4.40 (\$4.00).</i>
<b>Request 4</b>	<i>The Chief Executive should assess the future of the kiosks on the Northern Gateway Toll Road, develop a pathway for moving Northern Gateway Toll Road to a fully electronic toll collection system, and consider possible future outsourcing options. [Report back required]</i>

## 4. Setting organisational direction

### 4.1 Integrated network strategy – scope and approach

#### Board paper 11/12/0596

This agenda item sought the endorsement of the Board for the development of a strategy that would clarify the goals of and inter-relationships between the NZTA and its key stakeholders such as KiwiRail as we jointly contribute to the development of an integrated national transport network. Board members were very supportive of the project based on the understanding that it would follow a similar collaborative, interactive and value add approach to that used in the development of the Upper North Island Freight Plan. Board members identified an integration of investment planning between rail, roads and ports as a specific gap that they want the strategy to address. Another area of emphasis should be on the development of key national tourism and freight routes, which will also highlight the role of transport infrastructure and services as enablers of economic growth and development.

<b>Resolution 13</b>	<i>The NZTA's Integrated Network Strategy will be developed through a process that builds its mandate to lead over time; develops a shared evidence base with stakeholders; leverages opportunities for influencing stakeholders by developing new advocacy and influencing tools; and works through existing forums/relationships.</i>
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## **4.2 NZTA's external engagement and communications – setting the context**

### **Board paper 11/12/0597**

This agenda item outlined the importance of building and maintaining the NZTA's reputation and presented initial findings from a survey on how well transport users understand the role of the NZTA. The agenda paper also presented a high level framework for our external engagement and communications. In its response to the agenda paper, the Board stressed the need for proactive media and communications management that would use every opportunity (e.g. signage, advertising, letters, transactions) to link services, projects and messaging to the Government's goals and policies, and to the related purpose and key aims of the NZTA.

Such an approach would require consistent forward engagement and communication planning by managers, and active support by media and communication advisors to ensure that the 'NZTA story' is adequately presented (and if required) defended. Board members would like the NZTA to over time develop a stronger presence in local and regional debates around transport options, and to ensure that transport users and stakeholders are aware of the benefits brought by NLTF investments, especially in currently low profile areas (for the fund) such as public transport services. In summary, while the Board is satisfied with the NZTA's current external and communication activity, it wants the proposed strategy to signal a more assertive and bold approach to positioning the NZTA in all its operational and investment activities.

## **4.3 Upper North Island freight plan**

### **Board paper 11/12/0590**

The purpose of this item was to brief the Board on progress with the Upper North Island Freight Plan. The agenda paper outlined the feedback provided to staff as they prepared the five-page plan. Board members strongly support this initiative and the planned next implementation stages.

#### **4.4 Progress on the development of the 2012-15 National Land Transport Programme (NLTP) &**

#### **4.5 Communications planning for the 2012-15 NLTP**

Dave Brash provided a verbal progress update on the good progress being made. In the subsequent discussion Board members explored where the emerging key issues are, both in terms of demand significantly exceeding available investment funds but also in terms of high stakeholder expectations that will not be met. The Board confirmed that the 2012/15 NLTP will focus on achieving maximum value for money in all activity classes, and that the national priorities set by the 2012/22 Government Policy Statement (GPS) will be the prime driver for all decision-making. The Board will further explore at its planned NLTP workshop in February on how (in this context) national and regional priorities can be reconciled and balanced.

#### **4.6 Road policing activity class (RPAC) review**

**Board paper 11/12/0587**

The purpose of this agenda item was to provide a final report on the Road Policing Activity Class (RPAC) review, and to seek endorsement for the actions being implemented. The RPAC is used to invest in the Road Policing Programme (RPP). The Minister of Transport invests in road policing through the National Land Transport Fund (NLTF) because efficient and effective delivery of the RPP helps prevent and reduce deaths and serious injuries and has economic benefits. An investment of \$300m was provided for the 2011/12 RPP, and between \$870 – 900m is currently available for the 2012-15 RPP.

In 2009, the Minister of Transport sought the review of some National Land Transport Programme (NLTP) Activity Classes, which included the RPAC, to help ensure value for money was being achieved with these investments. The NZTA was also concerned about the increasing cost of the RPP compared to other Activity Classes, in the context of a fully subscribed NLTP and economic slow down which impacts on land transport revenue. In conjunction with the Ministry of Transport (Ministry) and New Zealand Police (Police), the NZTA has led and undertaken a review of the RPAC. The review sought to



improve value for money from the RPAC investment; improve Police resource efficiency and effectiveness; align the RPAC investment to government direction; and improve the performance monitoring of the RPAC investment and the RPP.

Board members noted that the findings of the review have been piloted in the 2011/12 RPP variation, and expressed their satisfaction that better value for money from the investment is already being achieved. Board members stressed the importance of international benchmarking as a key that would imbed ongoing gains in value for money. The use of other incentives to encourage ongoing improvements in the efficiency and effectiveness of service delivery were also discussed.

**Resolution 14**

*Future Road Policing Programmes will:*

- a. Align with the three year National Land Transport Programme*
- b. Apply an outcome model and prioritise investment to road policing activities that are targeted to risk (localities, communities, people, routes and times)*
- c. Illustrate the linkages to the desired investment outcomes*
- d. Apply pertinent delivery performance measures*
- e. Enable comparisons to be made between the performance of NZ Police and Police in other jurisdictions through the use of benchmarking information.*

## 5. Quality assurance of key organisational systems, policies and processes

### 5.1 State highway networks project life cycle management

#### Board paper 11/12/0588

In 2011/12 \$0.9 billion will be invested in state highway improvements; this assurance paper informed the Board how NZTA manages improvement projects through their development lifecycle. NZTA provides the expertise to develop and deliver these improvement projects in accordance with the State Highway Plan (SHP) and Investment and Revenue Strategy (IRS). There are a range of processes and skills in place in NZTA to ensure that these projects are delivered to the required quality, achieve their objectives and are value for money. Board members found the update helpful and satisfactory, but questioned whether there was sufficient sharing of best practice between the NZTA and other road controlling authorities in New Zealand. The Board encouraged staff to explore whether more could be done to transfer knowledge and skills. Board members also expressed a keen interest in the progress and findings from the related ‘value for money’ reviews of road maintenance and project development.

<b>Request 5</b>	<i>Progress on the business improvements projects around asset maintenance and project development should be reported to the Board.</i>
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## 5.2 Rail safety regulation and promotion

### Board paper 11/12/0593

The purpose of this assurance paper was to inform the Board of the rail licensing practices of the NZTA in an environment of co-regulation. Board members noted the evolution of this activity and the planned future direction, and in particular sought further information on how the performance of operators is monitored. NZTA contracts an auditor to assess each licence holder every year, and all accidents are also monitored and at times investigated. In addition, the NZTA now requires the submission of annual safety performance reports.

Board members discussed how this arrangement compares to that used in state highways and other sectors such as mining. The Board identified the urgent need to the review of charging or fee setting processes (and the actual level of fees) given that this activity is not currently fully funded by rail operators. Board members in particular noted that registration fees charged seemed to have no relationship to the actual cost of the registration process. The Board also sought information around the NZTA's ability to prosecute operators who fail to comply with safety regulations or standards, and the response was that our preference is to work closely with operators in a 'continuous improvement' approach. Finally, Board members identified the need for the role of the NZTA versus that of Transport Accident Investigation Commission to be clarified (and communicated to).

<b>Request 6</b>	<i>The Chief Executive should review the fee schedule and fee setting process for the rail safety regulation and promotion activity to identify ways in which the fees charged better reflect the actual cost of services provided to the sector. [Report back required]</i>
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## 6. Significant planning, investment and operational matters

### 6.1 Amending the 2009 GPS funding ranges for road policing and sector training research activity classes

Board paper 11/12/0589

The 2009 Government Policy Statement on Land Transport Funding (GPS) provides funding ranges for each activity class, within which we are required to allocate funding during the National Land Transport Programme (NLTP). The purpose of this item was to seek Board agreement to request the Minister of Transport to amend the Government Policy Statement on Land Transport Funding 2009/10 – 2018/19 (2009 GPS) by reducing the lower 2009 GPS funding range for the Road policing and Sector training and research activity classes to align with the projected expenditure in the 2009-12 National Land Transport Programme.

The GPS states that actual expenditure must be within the funding ranges. As the 2009/12 NLTP heads towards its completion in 30 June 2012, activity class forecast expenditure appears to be within the funding ranges and the overall NLTP expenditure is forecast to be comfortably within the NLTP minimum/maximum range. There are however two exceptions, namely road policing (which is technically outside the NLTP but still relevant) and sector training and research. Actual expenditure will slightly undershoot the GPS funding range for two activity classes, and the Board supported the view that in order to comply with the legislative requirements a request should now be made to the Minister to amend the GPS by reducing the lower funding range for each of these activity classes.

<b>Resolution 15</b>	<i>NZTA will request the Minister of Transport to reduce the lower funding ranges for the Road policing and Sector training and research activity classes in the 2009/19 Government Policy Statement on Land Transport Funding (GPS).</i>
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## 6.2 Business case for MVR and RUC administration fees

### Board paper 11/12/0600

The Agency is responsible for the administration of the Motor Vehicle Register (MVR), collection of Road User Charges (RUC) and refund of Fuel Excise Duty (FED). The cost of administration is intended to be fully funded by administration fees and third party revenue the Agency receives from the Accident Compensation Corporation (ACC) for collecting revenue on its behalf. Administration fee revenue is currently paid into the Crown bank account and used to fund three appropriations to the Agency. Administration fee revenue is also used to fund an appropriation to the Ministry for land transport revenue forecasting and strategy work.

Cabinet agreed in November 2010 that a review of MVR administration fees should be completed by 30 June 2011 with the results from that review implemented by the end of 2011. Cabinet also agreed at that time that RUC administration fees should be reviewed by end of 2011 and implemented by 1 July 2012 which was consistent with timing of the implementation of the new RUC system. A delay to the review of the MVR administration fees was further agreed in September 2011 with a revised implementation timetable consistent with the implementation of the new RUC system.

The agenda paper sought the Board's endorsement of the outcome of these reviews, which proposes changes to the administrative fees for MVR and RUC. Board members sought explanations for the more significant fee increases, and this discussion highlighted the underlying principle that fees have to match the long run average costs of the various services provided by the NZTA. In short, the NZTA must endeavour not to 'over' or 'under' recover cost in any of the fee or service categories. The Board noted that the new RUC system (through its simplification of process and charging) results in cost savings to the NZTA which will be passed on to transport users through the reduction in fees, as proposed.

NZ Transport Agency Board meeting – Thursday 1 December 2011

<b>Resolution 16</b>	<i>The following schedule of fees will be recommended to the Minister of Transport for introduction on 1 July 2012 or with the new Road User Charges system.</i>		
<b>Category of Fees</b>	<b>Existing Fee (excl GST)</b>	<b>Proposed Fee (excl GST)<sup>2</sup></b>	<b>% Change</b>
MV Administration Fees			
Counter Agent/TRC	6.40	6.26	-2.2%
Industry Agent		2.43	-62.0%
Internet		3.57	-44.2%
Registration	-	6.43	NEW
Registration Reversal	50.00	50.00	0.0%
Change of Ownership (Buyer)	8.18	7.83	-4.3%
Change of Ownership (Dealers)	2.00	0.78	-61.0%
Labels	0.22	0.17	-22.7%
Duplicate Certificates	8.18	7.91	-3.3%
Request for Information MR31	13.04	13.04	0.0%
Request for Information MR32	10.00	13.04	30.4%
Plates - Replacement		4.09	NEW
Plates - Personalised/Duplicate/Supplementary		1.91	NEW
Trade Plates		28.09	NEW
Cancellation of registration		7.91	NEW
Exemptions - Agent		4.78	NEW
- TRC		9.04	NEW
- Internet		0.00 <sup>i</sup>	NEW
Administration Replacement Label		3.65	NEW
RUC Administration Fees			
Agent (Counter)	8.50	6.78	-20.2%
Agent (Industry)	3.00	1.83	-39.0%
Agent (BP)	4.50	5.39	19.8%
Agent (Direct Connect)	3.00	1.83	-39.0%
Agent (eRUC)	3.00	1.83	-39.0%
Internet	8.50	4.17	-50.9%
TRC (Phone/Fax)	6.20	5.13	-17.3%
Administration Replacement Label	-	3.57	NEW
Assessment Invoices	-	6.09	NEW
Application for exemption for light vehicles	-	89.04	NEW
Application to change RUC vehicle type	-	43.91	NEW

## 7. Updates and general business

### 7.1 Operational and communication updates

#### Board paper 11/12/0591

The general business agenda item included the regular media engagement, integrated ticketing, and the delegation of certain powers and responsibilities to Auckland Transport. In September 2003, the former Rodney District Council was delegated certain responsibilities on the state highways with speed limits 70km/hr or less in that district, around parking restrictions, street furniture and roadside activities. These delegations rolled over on the formation of the Auckland Council, but will lapse on 31st December 2011 if not renewed.

For the NZTA's part, we are working with Auckland Transport to develop a comprehensive delegation agreement covering the whole of the Auckland Council area. No other former councils had similar delegated powers. The delegation is a mutually beneficial way to manage these peripheral activities on state highways and we would wish to see it continue in Rodney until the new delegation agreement comes into force. The length of this delegation is restricted to one year to fit that purpose. The Board has retained the delegation powers and thus needs to agree this delegation.

<b>Resolution 17</b>	<i>Auckland Transport is delegated the responsibilities, powers and duties as set out in the Instrument of Delegation</i>
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## 7.2 Draft agendas for 7 February Board meeting, 8 February Board strategy workshop and the 2012 Board forward programme

The draft agendas were noted. Board members requested an additional item on health and safety reporting for the 7 February Board meeting, and stressed the importance of value for money as a key objective for the 8 February Board workshop on the 2012-15 NLTP.

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

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