

SECTION E
ABOUT US



WHAT WE DO

Our purpose is to create transport solutions for a thriving New Zealand.

Our strategy in 2016/17 was about shaping the future to deliver on this purpose. We worked with others in the wider transport sector to agree what that future should look like. While our special focus is on the land transport system, we signed up with others across the transport sector to create transport solutions and work towards a transport system that is:

- **effective** – moves people and freight where they need to go in a timely manner
- **efficient** – delivers the right infrastructure and services to the right level at the best cost
- **safe and responsible** – reduces the harm from transport
- **resilient** – meets our future needs and endures shocks.

New Zealand thrives when the whole transport system – maritime, aviation and land transport – works together to achieve these enduring sector-wide transport outcomes.

We create transport solutions by:

- **integrating one effective and resilient network for our customers**

We take a one network approach to integrating land use and transport planning so that there are many ways to get around our towns and cities easily and safely – walking, cycling, driving or using public transport. Our experience has shown that by integrating planning and operating the transport network more efficiently we contribute to economic growth and social connectivity.

- **shaping smart transport choices that are safe, efficient and responsible**

We're working cooperatively with our customers, suppliers and partners to help people and business make good choices about their legal obligations, driving, vehicles and travel. We're making compliance easier and empowering people to take responsibility for their actions and how they interact with the licensing and transport network, making the existing network safer and more efficient.

- **delivering efficient, safe and responsible highway solutions for New Zealand road users**

We ensure that each road in the state highway network is playing its part in making New Zealand a more prosperous and safer place through an ongoing programme of renewal, maintenance and operational management. We're using the Safe System approach and One Network Road Classification to improve the experience that drivers have on the highway and recognise the different needs of freight, commuters, tourists, and business and leisure travellers.

- **maximising effective, efficient and strategic returns for New Zealand**

We make sound, independent investments in the national, regional, and local land transport system to achieve one network transport solutions that best meet the needs of communities both today and into the future. Every day, we ensure that each dollar we spend delivers good transport results for New Zealanders and is cost effective. Every time we allocate funds from the National Land Transport Fund and co-invest with our local government partners, we do the right things, at the right time, for the right price to achieve the results set out in the Government Policy Statement on Land Transport.

OUR BOARD

BOARD MEMBER PROFILES

The Transport Agency is a Crown entity governed by a board that is appointed by the Minister of Transport.

CHRIS MOLLER, CHAIR (WELLINGTON)

Chris is a non-executive director who chairs the boards of Meridian Energy Ltd and SKYCITY Entertainment Group Ltd. He is also a director of Westpac New Zealand Ltd.

He was previously chief executive of the New Zealand Rugby Union, deputy chief executive of Fonterra Co-Operative Group Ltd, and a director of a variety of joint venture and subsidiary organisations within the New Zealand dairy industry, both domestically and internationally.

Chris was named 2016 Chairperson of the Year in the Deloitte Top 200 Awards and is a Companion of the New Zealand Order of Merit.



He has significant experience across a number of sectors, including infrastructure, energy, agriculture, education, technology and automotive.

He is currently the Chair for The Lines Company, Primary ITO, Armstrong Motor Group and Signum Holdings and a director for Counties Manukau District Health Board, Motor Trade Association and Balle Bros Group.

Mark is based in Auckland and has family ties to the King Country and Bay of Plenty.

CHRIS ELLIS (AUCKLAND)

Chris's background spans the manufacturing, heavy construction and engineering sectors.

He chairs Energyworks Holdings Ltd and Highway Group Ltd and serves on the board of directors of WorkSafe New Zealand and Horizon Energy Ltd.

Chris has held chief executive roles with Brightwater Group and the Building Products Division of Fletcher Building Ltd.

Earlier, he held general management roles in Winstone Aggregates and Fletcher Construction.

Chris has a Bachelor of Engineering degree from the University of Canterbury and a master's degree in engineering science and management from Stanford University in California.



DAME FRAN WILDE, DEPUTY CHAIR (WELLINGTON)

Fran is a non-executive director who chairs the Remuneration Authority, the Wellington Lifelines Group and the National Military Heritage Trust. She is also deputy chair of the Capital Coast District Health Board and serves on a number of other boards.

Fran was previously a cabinet minister, mayor of Wellington and chair of the Greater Wellington Regional Council and chief executive of the NZ Trade Development Board.

She has chaired a number of companies (including Housing New Zealand, Wellington Waterfront and the New Zealand International Arts Festival) and has been a director of others, including ANZ, NGC Holdings and Humanware. Fran was the first regional category winner of the Westpac Women of Influence Awards and is a chartered fellow of the Institute of Directors in New Zealand.



LEO LONERGAN (WELLINGTON)

Leo is a retired senior executive from the energy industry who spent most of his career working internationally.

Leo returned to New Zealand in 2013 after a 36-year career with Caltex and Chevron Corporations, including executive assignments in North America, Europe, the Middle East and Asia. He was elected an officer of Chevron in 2005 and most recently led Chevron's worldwide procurement and supply chain organisations with a team of 5,000 people and global spend of NZ\$50 billion per year.

He is a chartered fellow of the Institute of Directors in New Zealand and is deputy chair of the Victoria University Foundation.



MARK DARROW (AUCKLAND)

Mark is an experienced businessperson and director, specialising in corporate governance. He holds a Bachelor of Business degree, is a member of the New Zealand Institute of Chartered Accountants and is a chartered member of the Institute of Directors in New Zealand.



NICK ROGERS (AUCKLAND)

Nick Rogers is a geotechnical specialist with expertise in land stability, foundation support and natural disaster assessment.



He has over 34 years' experience on major infrastructure projects and in conducting land damage assessments for the Earthquake Commission in New Zealand.

He has also worked on projects across the Asia-Pacific region. Nick has been a director for Tonkin and Taylor, and the international development consulting firm ANZDEC.

Nick was made a Companion of the Queen's Service Order for his services in natural disaster assessment throughout New Zealand and in the recovery work in Christchurch during and after the Canterbury earthquakes.

VANESSA VAN UDEN (QUEENSTOWN)

Vanessa van Uden completed one term as a councillor on the Queenstown Lakes District Council, before becoming mayor in 2010. At the time of the October 2016 election, she stood down to re-establish her company, Admin and Business Solutions, which provides business services to companies throughout the Queenstown area.



Vanessa has a Master of Business Administration and was awarded an Officer of the New Zealand Order of Merit in 2017 for services to local government. She has been a member of the St John Area Committee since 2008, a Trustee of the Queenstown Trails Trust, and a founding trustee of the Branches Charitable Trust and the Queenstown Lakes Baby Box Trust.

ADRIENNE YOUNG-COOPER (AUCKLAND)

Adrienne is a full-time professional director and a chartered fellow of the Institute of Directors in New Zealand.



She had a 30-year career in resource management and planning, specialising in spatial planning, metropolitan growth and management (including infrastructure planning and large projects).

Adrienne was the deputy chair of the Auckland Regional Transport Authority (replaced by Auckland Transport) and a board member of Maritime New Zealand until 2011. Her experience and contribution in transport governance is extensive. She also served as deputy chair of Waterfront Auckland.

She chairs the board of Housing New Zealand Corporation and is a director of Hobsonville Land Company Ltd and Wairaka Land Company Ltd. She also serves on several charitable trusts.

Adrienne is based in Auckland and Wellington and has family ties to Taranaki.

BOARD MEMBERS WHOSE TERMS ENDED IN 2016/17

GILL COX (CHRISTCHURCH)

Gill is a chartered accountant and non-executive director. He chairs MainPower NZ Ltd, Transwaste Canterbury Ltd and Ngāi Tahu Farming Ltd. He is also a director of privately held businesses involved in manufacturing, warehousing and distribution, infrastructure, property development, medical services, legal services and fishing.

Gill is a member of the Canterbury Earthquake Recovery Authority Community Forum in Christchurch and the Canterbury Earthquake Recovery Advisory Board.

MARK OLDFIELD (TIMARU)

Mark is a director of Brenchley Farms Ltd in South Canterbury. He has over 30 years' experience working with businesses and communities in the Canterbury region. He also has interests in Nelson/Tasman and Queenstown.

From 1997 to 2010, he was a member of the Canterbury Regional Council (including Regional Land Transport, Public Passenger Transport and Road Safety Committees). Mark has been a board member and vice president of the South Canterbury Chamber of Commerce, as well as a board member of the Energy Efficiency Conservation Authority from 2010 to 2014.

BOARD MEMBERSHIP COMPOSITION

The Minister of Transport appoints up to eight independent, non-executive members to the NZ Transport Agency Board. Board members are appointed for a period of up to three years, which can be extended. The Board selects the membership of its three committees.



BOARD FUNCTIONS AND OPERATIONS

Board functions

The Board performs five functions that direct the operations of the Transport Agency. It:

- sets sector and organisational direction and policy
- confirms service and financial performance targets
- assesses progress against the Transport Agency's strategy and plans
- assures the quality of key organisational systems, policies and processes
- directs significant planning, investment and operational matters.

The planning, investment and funding decisions the Board must make are set out in its significance policy. They include:

- approving annual budgets
- making significant funding decisions and awarding major contracts
- authorising changes to the organisational structure
- authorising significant changes to processes or procedures for the allocation of the National Land Transport Fund
- reviewing the performance and remuneration of the Chief Executive.

The board committees help the Board by:

- assuring compliance with policies and controls
- monitoring and advising on delegated investment, operational procedures and projects
- reviewing the performance of the Chief Executive annually.

The Audit, Risk and Assurance Board Committee has delegated authority to approve the Transport Agency's annual assurance programme.

The Board sets clear policies that define the individual and collective responsibilities connected to management, operating structure, lines of responsibility and the areas of authority extended to each. Operational responsibility is delegated to the Chief Executive through a formal delegated authority framework. Day-to-day operations are managed by senior managers led by the Chief Executive.

In summary, the Board is responsible for the success of the Transport Agency. The formal line of accountability to the Minister of Transport is through the Board's chair.

Board member remuneration

The rates of remuneration for board members are set by the Minister of Transport in line with government rates for members' fees.

Disclosure of interests

Board members must complete a declaration of interests each year. Any changes to board members' interests are tabled and reviewed at the opening of every board meeting. This process is considered a part of the overall external audit of the Transport Agency.

Code of conduct

The Board endorses the State Services Commission's code of conduct as being consistent with the expectations of board members set out in the Crown Entities Act 2004.

Declaration of interests is a standing item on the agendas for all board and board committee meetings. Board members' interests are listed on a register of declarations of interests maintained by the Board Secretariat. Board Secretariat staff review all draft board and board committee papers to check whether a conflict could arise. If a potential conflict of interest is identified, the Board member in question and Board Chair are notified, and the member and Chair agree whether there is an issue and, if so, how to manage it. For board decisions relating to potentially more contentious projects, any potential conflict issues are discussed with the probity advisor appointed to the project.

There is a Travel and Expense Policy and an Acceptance of Gifts and Invitations Policy for Board and Board committee members. Gifts and hospitality received by members with a value of \$100 or more must be registered on the Transport Agency Probity Register.

Induction

Induction training is provided to all new board members, with all board members welcome to attend. In 2016/17, written induction modules were prepared by the Transport Agency and workshops are now able to be delivered by the Transport Agency's senior managers.

Board performance reviews

At least every two years, the Board reviews its overall performance, in a process run by the Chair. Individual board member performance will be assessed as part of this process.

Governance statement

The Board operates according to its charter, which sets out the governance arrangements for the Transport Agency. The charter was developed with guidance from the State Services Commission, the Treasury and the Office of the Auditor-General.

Board activity in 2016/17

The Board held 10 scheduled and seven special meetings in 2016/17. The scheduled meetings were held in Wellington (seven), Auckland (one), Hamilton (one) and Waitangi (one).

BOARD FUNCTION	HIGHLIGHTS
Setting sector and organisational direction	<p>Overseeing and approving the <i>NZ Transport Agency statement of intent 2017-21</i>.</p> <p>Maintaining oversight of the Transport Agency's strategy refresh and transformation.</p> <p>Considering the basis and rationale for the Transport Agency's Long-Term Strategic View of the land transport system.</p>
Confirming service and financial performance targets	<p>Overseeing and approving the <i>NZ Transport Agency statement of performance expectations 2017/18</i>.</p>
Assessing progress against our strategy and plans	<p>Approving the financial results for 2015/16 and the 2015/16 Transport Agency and National Land Transport Fund annual reports.</p> <p>Receiving quarterly progress reports, including financial reports.</p>
Quality assurance of key organisational systems, processes and policies	<p>Maintaining oversight of the roll-out of network outcome contracts for state highway maintenance and operations.</p>
Significant planning investment and operational matters	<p>Approving funding for:</p> <ul style="list-style-type: none"> • Northland Bridges programme and Loop Road to Smeatons Hill • Christchurch Northern Corridor (part of the Christchurch Motorways programme) • Auckland's Northern Corridor improvements • Auckland Transport's Lincoln Road Corridor improvements. <p>Entering into the Pūhoi to Warkworth Public-Private Partnership Joint Venture.</p> <p>Maintaining oversight of:</p> <ul style="list-style-type: none"> • the delivery of the 2015-18 state highway programme • Kaikōura Earthquake Recovery to reinstate State Highway 1 through Marlborough and North Canterbury.
Governance matters	<p>Amending the Board charter to incorporate the Board Disclosure and Management of Interests Policy.</p> <p>Preparing induction modules for new Board members</p>

BOARD AND BOARD COMMITTEE ATTENDANCE

MEMBER	BOARD COMMITTEE MEETINGS			BOARD MEETINGS
	INVESTMENT AND OPERATIONS BOARD COMMITTEE	AUDIT, RISK AND ASSURANCE BOARD COMMITTEE	REMUNERATION AND HUMAN RESOURCES BOARD COMMITTEE	
Chris Moller (Chair)		6/6		17/17
Dame Fran Wilde (Deputy Chair)	3/3			16/17
Mark Darrow		1/6		1/17
Chris Ellis	3/3		3/3	16/17
Leo Lonergan		5/6		15/17
Nick Rogers	3/3			13/17
Vanessa van Uden	1/3			2/17
Adrienne Young-Cooper			3/3	17/17
FORMER BOARD MEMBERS 2017				
Gill Cox		5/6		12/17
Mark Oldfield	2/3			14/17

INVESTMENT AND OPERATIONS COMMITTEE

The Investment and Operations Committee is the steward for the Transport Agency's investment decisions in the transport network. It oversees the performance of the Transport Agency's business operations, including its legislative and regulatory responsibilities and the state highway business. The committee provides advice to the Board by making recommendations on funding applications, investment decisions and procurement proposals across all modes of transport within delegations reserved for the Board.

The Committee comprises four serving board members. It provides business stewardship and guidance on matters including:

- delivery of the National Land Transport Programme by approved organisations and adjustments to programmes to achieve longer-term goals
- recommendations on procurement, tendering and commencement of state highway projects or other projects approved for funding
- property management and tendering processes, leases and contracts
- development of tolling operations, integrated ticketing systems, registry operations and the delivery of legislative compliance and regulated safety regimes
- establishment of appropriate regulatory governance and monitoring arrangements
- development and implementation of asset management strategies, risk assessment, environmental audit and performance monitoring of state highways.

The committee met three times during 2016/17.

AUDIT, RISK AND ASSURANCE COMMITTEE

The Audit, Risk and Assurance Committee is made up of three serving board members.

The committee is served by the Chief of Assurance and Risk and the Chief Executive. The Group Manager, Organisational Support and Chief Financial Officer also attend meetings. The Ministry of Transport's Chief Executive was appointed by the Board as a committee member to facilitate his responsibilities under section 101 of the Land Transport Management Act 2003.

The committee's responsibilities include:

- achieving and maintaining confidence that the Transport Agency has suitable risk management practices⁷
- monitoring and reviewing significant financial, reporting and other risks
- reviewing and approving the internal audit programme
- achieving and maintaining confidence that the internal audit process is independent, objective and effective
- monitoring and reviewing significant findings arising from internal audits
- reviewing the audit programme and monitoring the effectiveness of the external auditor
- receiving reports from the external auditor
- reporting an overview of the committee's activities to the Board.

The committee met six times during 2016/17.

REMUNERATION AND HUMAN RESOURCES COMMITTEE

The Remuneration and Human Resources Committee, along with the Chief Executive, provides strategic governance over human resources capability, remuneration, employment relations and key human resources strategies. The committee also helps the Board fulfil its responsibilities for the remuneration of the Chief Executive and senior management.

To meet its strategic governance responsibilities, the committee:

- maintains awareness of human resources trends, benchmarks, issues and risks, including employee turnover and engagement, internal capability and succession requirements
- provides advice and guidance for human resource strategies, frameworks and policies, workforce and succession planning, performance management, remuneration, retention and engagement, employment relations, code of conduct and behavioural expectations, and development of human resources delegations
- recommends staff remuneration strategies and overall market position to the Board
- oversees organisational compliance with legal obligations.

To meet its responsibility for the Chief Executive's employment relationship and remuneration, the committee:

- establishes the annual key performance objectives for the Chief Executive and reviews the Chief Executive's annual performance against those objectives
- maintains an overview of trends and best practice in executive employment conditions and remuneration
- makes recommendations about the Chief Executive's performance assessment and remuneration and consults with the State Services Commission about any proposed changes
- establishes and manages the process for Chief Executive recruitment and appointment, if needed.

The committee met three times during 2016/17.

⁷ The Transport Agency has adopted enterprise risk management, substantially incorporating the elements of the Joint Australian New Zealand International Standard AS/NZS ISO 31000:2009 *Risk management: principles and guidelines*. Enterprise risk management is an integrated and systematic approach to managing an organisation's risks, including strategic, tactical and operational risks.

OUR STRUCTURE

The NZ Transport Agency was built around three functional business groups and three support groups in 2016/17.

BUSINESS GROUPS

The Access and Use group provides users with access to the transport system (such as driver licences and motor vehicle registration), sets standards for vehicles and drivers, and regulates transport operators and rail.

The Highways and Network Operations group is responsible for moving people and freight around the state highway network and for improving the state highway network to maintain its condition, improve travel-time reliability and reduce the risk of death or serious injury to road users.

The Planning and Investment group develops regional and national partnerships that enable us to influence land-use planning and make the most of our investment in integrated transport solutions. The group manages how the National Land Transport Fund is invested to deliver integrated transport solutions. It does this by assessing and prioritising activities put forward by approved organisations and the Transport Agency for state highways.

CORPORATE SUPPORT GROUPS

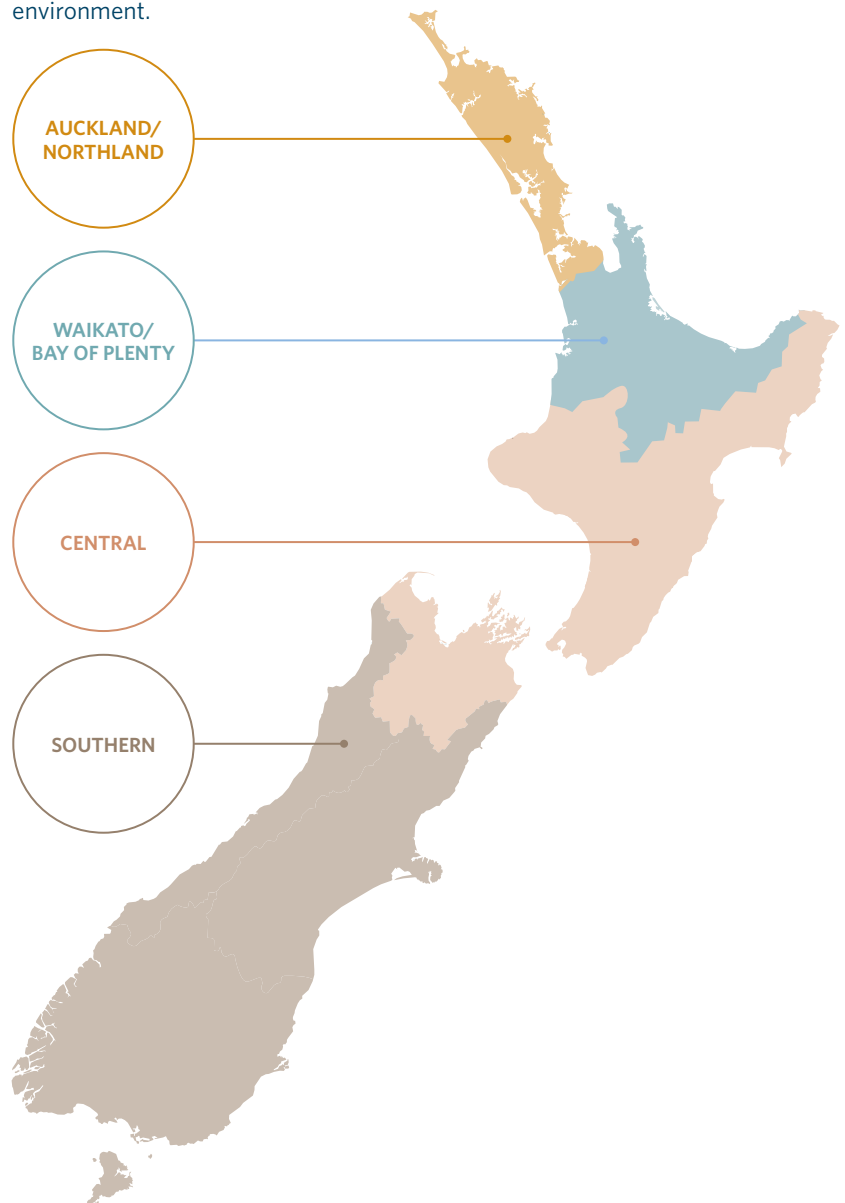
The Strategy and Performance group translates government and sector direction into organisational direction and then communicates this direction and our performance against it to staff and stakeholders.

The Organisational Support group ensures the Transport Agency has corporate strategies, policies and systems to support organisational health and capability.

The People and Capability group ensures the Transport Agency can deliver on its organisational direction through its people capability.

NZ TRANSPORT AGENCY REGIONS

In 2016/17, we had four regional areas that support a regionally focused planning environment.



CHANGES TO OUR STRATEGY, DNA, OPERATING MODEL AND STRUCTURE FOR 2017/18

In 2016, the Transport Agency undertook a Performance Improvement Framework self-review to determine how well we were placed to meet future opportunities and challenges and where we needed to improve.

The review concluded that a change to how we think, act and organise was necessary if we were to provide a fit-for-purpose transport system that meets the needs of customers and supports a productive New Zealand. A change programme was started, focusing on three elements critical to our transformation: our strategy; our culture (DNA); our operating model and structure. These refreshed elements are outlined below and described in more detail in the *NZ Transport Agency statement of intent 2017-21*.

Our new strategy and operating model came into effect on 3 July 2017.

OUR REFRESHED STRATEGY

Our refreshed strategy identifies three strategic responses to the opportunities and challenges we are facing as part of the transport revolution.

One connected transport system

Transform land transport system performance by integrating digital technology with physical infrastructure to create a safe, connected system that works for everyone.

People-centred services

Simplify our customers' lives and our partners' work with innovative services and experiences that make it easy for them to do what they need to.

Partnerships for prosperity

Unlock social and economic opportunities for customers, business and communities through targeted partnerships.

OUR DNA

Our DNA is our shared set of beliefs and values that drive the way we deliver on the promises we make to New Zealand in our strategy. It is both who we are now and who we aspire to be. Our three DNA attributes are:

- customer focus to deliver value
- collaborate to achieve as one
- curious to cultivate innovation.

OUR NEW OPERATING MODEL AND STRUCTURE

The three core elements of our new operating model that shape how we organise ourselves and our work are:

- plan the system
- build the system
- operate services.

These elements guide the 11 groups that form our new structure. Together, the new model and structure will enable us to break down existing functional silos to support and drive integrated system thinking, position us to deliver the Transport Agency's new strategy through a stronger focus on delivering integrated outcomes, become more fully customer and citizen focused, and enable innovation and leverage new technology.

By the end of June 2017, we had firmly set the foundations for an organisational transformation through a programme of work to engage and guide the whole organisation. This included reorganising our functions and leadership roles to align with the new operating model and strategy, reviewing and aligning business processes and delegations, and introducing a new approach to business planning.

OUR LEADERSHIP TEAM

CHIEF EXECUTIVE

FERGUS GAMMIE

*Bachelor of Arts,
Certificate in Management*



The Transport Agency's Chief Executive, Fergus Gammie, is passionate about technology, innovation and delivering results for customers. Fergus stepped into his new role in March 2016. He is a former chief executive of Auckland Regional Transport Authority, chief operating officer of Auckland Transport, as well as both deputy director general Transport Services and deputy secretary Infrastructure and Services at Transport for New South Wales.

SENIOR LEADERSHIP TEAM

RAEWYN BLEAKLEY REGIONAL DIRECTOR CENTRAL

*Bachelor in Human Nutrition,
Postgraduate Diploma of Science*



Raewyn joined the Transport Agency in October 2014.

Raewyn was previously chief executive of Business Central (incorporating the Wellington Chamber of Commerce) in Wellington, after almost five years leading the Bus and Coach Association and Rental Vehicle Association. Before that Raewyn was national operations manager for the Hospitality Association of New Zealand.

Raewyn has an extensive background in fostering collaboration and advocating for continued improvement across the transport, tourism, business and local government sectors.

ROBERT BRODNAX ACTING GROUP MANAGER PLANNING AND INVESTMENT

Master of Science (Hons)



Robert has been with the Transport Agency since 2009.

Previously, he held a variety of roles at Waikato Regional Council, including three years as group manager Policy and Strategy. He has worked in a wide variety of fields from waste and contaminated land management to spatial planning and environmental policy development.

He has also held a variety of governance roles for not-for-profit trusts such as the Agrecovery Foundation, the Product Stewardship Foundation and the Maungatautari Ecological Island Trust. He is an experienced policy manager with a particular focus on leading collaborative processes at the interface between business, communities and public sector agencies.

JENNY CHETWYND GROUP MANAGER STRATEGY AND PERFORMANCE

*Bachelor of Regional Planning
(Hons), Masters of Business
Administration*



Jenny joined the Transport Agency in 2008, and was previously the manager of Environmental Strategy for Transpower. Jenny has more than 20 years' experience working with local government and business in relationship management, public engagement, policy development and project delivery fields.

ALLAN FROST GROUP MANAGER ORGANISATIONAL SUPPORT

*Bachelor of Business Studies,
Chartered Accountant, Fellow
Certified Public Accountant*



Allan joined the Transport Agency in October 2008. Allan has extensive experience in financial and information management executive roles and has worked for more than 20 years in senior leadership roles, focusing on getting the best from people, information, technology and finance. Allan left the Transport Agency to pursue other opportunities in June 2017.

JIM HARLAND REGIONAL DIRECTOR SOUTHERN

*Bachelor of Arts, Diploma in Town
Planning, Masters in Town Planning
(Hons), Member NZ Planning
Institute, Member Institute of Directors
NZ, Fellow NZ Institute
of Management*



Before taking this position in January 2011, Jim was chief executive of the Dunedin City Council for 11 years. He has held a variety of senior roles in local government and the private sector, specialising in strategic thinking and change management. Jim also worked as a tourism consultant for several years and initiated a tourism planning course at the University of Auckland.

BARBARA HARRISON
GROUP MANAGER PEOPLE AND CAPABILITY

Bachelor of Business (Management), Wharton Business School's Advanced Management Program



Barbara joined the Transport Agency in August 2016 after working for Northpower for 11 years. Barbara has significant human resources, safety and management experience, bringing extensive experience in leading people and capability teams. Barbara's career spans leadership roles in infrastructure and industrial environments in New Zealand and Australia.

PAREKAWHIA MCLEAN
REGIONAL DIRECTOR WAIKATO/ BAY OF PLENTY

Parekawhia has been with the Transport Agency since September 2016 and has more than 15 years' public policy and public sector management experience, including being an advisor to three prime ministers during her time at the Department of the Prime Minister and Cabinet.

Parekawhia has masters' degrees in social sciences from the University of Waikato and in public administration and development policy from the University of Wisconsin. She received a Distinguished Alumni Award from the University of Waikato in 2014 and she was a finalist in the Board and Management category for the Westpac-Fairfax Women of Influence Awards in 2016.



MARTIN MCMULLAN
CONNECTED JOURNEY SOLUTIONS DIRECTOR

Since July 2016, Martin has led the Transport Agency's approach to innovation and new technology.

Martin joined the Transport Agency in 2014 as Zero Harm manager. Working with industry partners, Martin led the introduction of new technology and data analytics to support the government's objective to reduce workplace fatalities and serious harm by 25 percent.

Martin has more than 15 years' experience in the engineering and construction industry and has established two technology start-up businesses. He sits on the Construction Safety Council Board of Directors and holds an executive role with the Australian Driverless Vehicle Initiative. Martin is also a registered member of the Institute of Directors in New Zealand.



TOMMY PARKER
GROUP MANAGER HIGHWAYS AND NETWORK OPERATIONS

Bachelor of Arts (Hons in Urban Planning), Diploma (Urban Planning Implementation), Masters of Science (Transportation Planning and Engineering)



Tommy has been with Transit and the Transport Agency for more than 10 years. He has held various roles including highways manager for Auckland and Northland. Tommy has more than 20 years' experience in transport planning in the public sector and private consultancy.

CELIA PATRICK
GROUP MANAGER ACCESS AND USE; DIRECTOR OF RAIL SAFETY

Graduate Diploma (Business), Masters of Business Administration



Celia joined the Transport Agency in October 2011. She has more than 20 years' experience working in the financial services sector, including various executive roles with the Bank of New Zealand. Before joining the Transport Agency, Celia worked for Housing New Zealand Corporation as director of operations for Auckland. Celia left the Transport Agency to pursue other opportunities in May 2017.

HARRY WILSON
ROAD SAFETY DIRECTOR

Harry has 30 years' professional leadership experience in central and local government. He was the chief executive of Environment Waikato (now Waikato Regional Council) before joining the Transport Agency as regional director Waikato/Bay of Plenty in November 2008. In September 2016, Harry took up the position of Road Safety Director in the Transport Agency.



ERNST ZÖLLNER
REGIONAL DIRECTOR AUCKLAND/ NORTHLAND

Bachelor of Commerce (Hons in Economics), Masters in City & Regional Planning



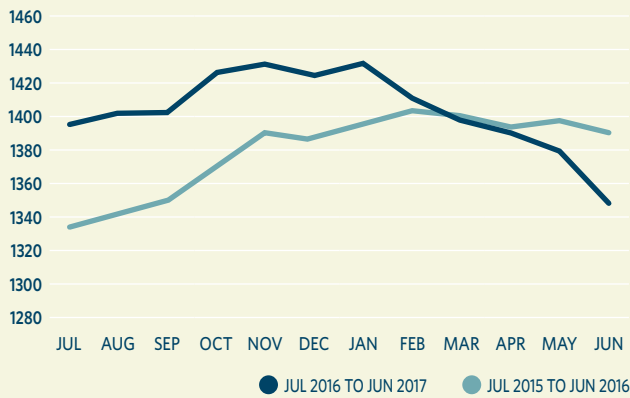
Ernst has worked for 20 years as a consultant in academia and for local and central governments, focusing on economic and strategic development, as well as infrastructure and urban planning. Before joining the Transport Agency in October 2008, Ernst was the director of Urban Development and Transport at Wellington City Council. Ernst left the Transport Agency to pursue other opportunities in June 2017.

OUR WORKPLACE

WORKPLACE PROFILE

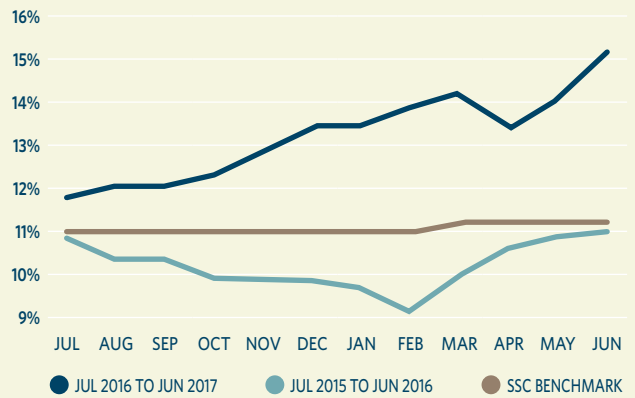
Our people mean a lot to us. In fact, they're everything. It's their effort and commitment that enables us to do what we do. Our diverse workforce is located in 21 locations, from Whāngārei to Dunedin.

FULL-TIME EQUIVALENT (FTE) EMPLOYEES



Our FTE count at 30 June 2017 was 1,352.5. The 2016/17 year saw a decrease of 2.8 percent from 30 June 2016. This was attributable to attrition prior to moving to our new organisational structure in July 2017. The number of permanent FTEs is expected to return to approximately 1,430 as vacancies are filled.

ANNUAL TURNOVER



Our unplanned turnover at the end of June 2017 was 15.3 percent, which is higher than 12 months ago when it was 11 percent. Unplanned turnover of those with less than two years' service to the end of June 2017 was 18.7 percent, which is also higher than 12 months ago, when it was 11.3 percent.

ETHNIC PROFILE

Ethnic groups (self-identified)

Asian	7.8%
Māori	6.3%
Middle Eastern/Latin American/African	0.7%
New Zealand European	69.7%
Pacific peoples	1.7%
Other ethnicity	1.8%
Not stated	12.0%

AGE PROFILE

The average age of our employees (at 30 June 2017) is 44.5 years, with 14.4 percent aged less than 30 years and 20.5 percent aged more than 55 years.

The average age of our workforce has increased slightly in the past five years and is consistent with the average age of the New Zealand public sector workforce.

AVERAGE AGE (YEARS)

YEAR (AT 30 JUNE)	TRANSPORT AGENCY	NZ PUBLIC SECTOR
2012	43.7	44.6
2017	44.5	44.8

DISABILITY

Our workforce profile does not include people with disabilities as this information is not currently recorded. However, we are committed to valuing diversity and difference.

We recognise, respect and value differences and are committed to equal employment opportunities for all, this includes making reasonable accommodation for those with disabilities.

PAY PROFILE BY GENDER

For the entire Transport Agency, the average position of an employee in their salary band's range is 2.6 percent higher for male employees than that for female employees, while the median difference is 2 percent.

Higher remuneration bands have a higher proportion of male employees, while the lower bands have a higher proportion of female employees.

Median salary	\$87,794
Average salary	\$94,220
Gender pay gap	28%

GENDER PROFILE

We have slightly more female employees than male employees (52 percent to 48 percent). This is more balanced than the New Zealand public sector, which is 61 percent female and 39 percent male. Of our senior management roles, 42 percent are filled by females. The average female representation in senior management within the public service was 45 percent in June 2016.

BEING A GOOD EMPLOYER

We are committed to being a good employer. We recognise, respect and value differences and are committed to providing equal employment opportunities for all. This ensures better outcomes for both our people, who are more satisfied with their employment, and the people we are ultimately here for – the people of New Zealand.

We are focusing on creating a strategy-led, people-centred organisation that is fit for the future, where our people are proud to be part of creating a better New Zealand. We are committed to being fair, open and transparent and having a workplace where our people are energised and able to perform at their best.

We strive to address barriers to diversity and inclusion in our organisation. We actively engage with our people and their unions when we develop people policies and initiate change programmes, including when we continuously improve our practices as a good employer.⁸

The following table demonstrates the alignment between our key people policies and practices and the seven elements of being a good employer.

GOOD EMPLOYER ELEMENTS	OUR KEY PEOPLE POLICIES AND PRACTICES
Leadership, accountability and culture	<ul style="list-style-type: none"> ▪ Our Leadership Expectations provide clear direction for our leaders. Through these expectations our leaders are encouraged to embrace diversity, be inclusive, openly share knowledge and information, encourage curiosity and seek out different points of view. ▪ We have created a collaborative flexible ‘team of teams’ environment, where we work together to unlock diverse thinking so that we deliver customer focused solutions. ▪ Our Chief Executive’s <i>The Way We Move</i> newsletter and regular video/audio calls provide strong leadership and ensure everyone in the Transport Agency has access to the same information. Calls can be listened to or watched live or viewed at a later time. ▪ Senior Leader Forums are held regularly to provide leaders with the opportunity to work collaboratively together and contribute to organisational thinking and decision making. This was particularly important during 2016/17 as we undertook a major programme of transformational change. ▪ Our DNA is our shared set of beliefs and values that support the way we work together. The three DNA attributes are: customer focus to deliver value, collaborate to achieve as one, and curious to cultivate innovation. ▪ We have introduced Workplace by Facebook as a tool to allow everyone in the Transport Agency to collaborate together and to contribution to workplace conversations. ▪ We have engaged extensively with our people as part of our organisational change process, including nationwide road shows in all our offices, input labs and opportunities of contribute online. Feedback from our people helped to shape all aspects of our transformational change, including our refreshed strategy, DNA and operating model. ▪ We hold people accountable through robust performance and development planning.

⁸ Human Rights Commission *Good employer advice*. www.hrc.co.nz/your-rights/employment-opportunities/our-work/reporting-crown-entities-good-employers/

Recruitment, selection and induction	<ul style="list-style-type: none"> • In the past year, we established a recruitment centre of excellence, providing a dedicated recruitment function to further improve the robustness of our recruitment and selection processes. • Our recruitment and selection processes support our commitment to diversity and inclusion, the elimination of conscious and unconscious bias, and equal employment opportunities. • Videos and profiles on our career website and recruitment collateral feature employees from diverse backgrounds, and we use inclusive language in our external careers pages. • We are an accredited employer with the New Zealand Immigration Service. • Progression within the Transport Agency is based on merit rather than service and is built around competencies and skills. • All new people are invited to attend the organisation-wide induction to the Transport Agency. • Our development tools for managers who are recruiting include training on recognising and addressing unconscious bias towards applicants. • We actively recruit multi-lingual people for some of our customer-facing roles.
Employee development, promotion and exit	<ul style="list-style-type: none"> • We promote a culture of learning and continued development at all levels. • Development opportunities include project work, acting in other roles, secondment, mentoring and coaching, online learning, as well as face-to-face learning programmes offered through our centralised learning calendar. • We encourage 'teaming' and for people to work collaboratively. • An ongoing process of feedback and two-way communication is valued. • Capability mapping, talent management, succession planning and progression frameworks are in place. • We are an accredited Institute of Professional Engineers New Zealand professional development partner. • We use our LinkedIn page to stay connected with our people, including current employees, former employees and prospective candidates. • We provide access to career planning tools and advice.
Flexibility and work design	<ul style="list-style-type: none"> • We promote balanced work-life responsibilities through flexible working. • Our people can request changes to their working arrangements, including job sharing, compressed weeks, reduced hours, working from home and leave during school holidays. • We encourage people to take annual leave in the year it is accrued and manage their hours to maintain wellbeing.
Remuneration, recognition and conditions	<ul style="list-style-type: none"> • Our remuneration policies and frameworks are based on the principle that pay reflects the market and performance – not tenure, cost of living or other personal circumstances. • We conduct an annual remuneration review, including comparing our remuneration ranges to public sector and other organisations' market data. • We endeavour to ensure our job evaluation and remuneration practices are transparent, equitable and gender-neutral. • Recognition is encouraged using a variety of ways to celebrate success and recognise people publicly and privately.
Harassment and bullying prevention	<ul style="list-style-type: none"> • We are committed to maintaining a safe working environment for all our people where we experience mutual respect, trust, dignity and security. Ensuring physiological safety is paramount to this. • We have worked collaboratively with unions to better understand harassment and provide tools and support for our people working through these issues. • Our focus on both physical and mental wellbeing is an important part of our Zero Harm Strategy 2014-2020.

Safe and healthy environment

- Our Zero Harm Strategy 2014–2020 supports our belief that everyone who comes to work at the Transport Agency should go home healthy and safe.
- The code of conduct and relevant health and safety and harassment policies are readily accessible.
- Our strong focus on employee health, safety and wellbeing is supported through the provision of support services such as:
 - the employee assistance programme for all staff
 - additional services in the event of heightened stress, such as critical event debrief, onsite employee assistance programme presence, change process support and resilience training
 - ergonomic workstation assessments
 - annual free flu vaccination available for all our people.
- We have tertiary ACC accreditation for our workplace safety management practices.

Reviewing policies and procedures

We involve unions in the development and implementation of policies and procedures and consult with our people before making any significant changes. To ensure our policies and procedures remain relevant, we review them on a two-yearly cycle or more often if necessary. We are receptive to feedback on our policies at any time.

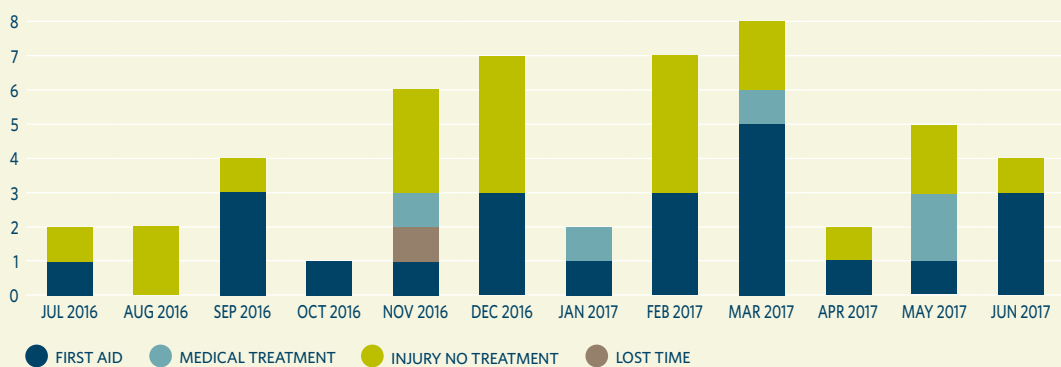
HEALTH AND SAFETY OF OUR PEOPLE

Health and safety performance: NZ Transport Agency employees

Our employees reported 54 incidents that resulted in injury. The most common cause of injury was burns in kitchens. The graph below provides a breakdown of the severity of these injuries. The number of injuries that required time off work, medical or first aid treatment decreased slightly from 29 to 31.

The Zero Harm team have completed the roll out and training of an upgraded version of NZ Transport Agency’s health and safety reporting tool towards the end of the year. The changes to the reporting tool and increased capability of employees to report incidents will continue to improve the reporting culture and quality of health and safety metrics.

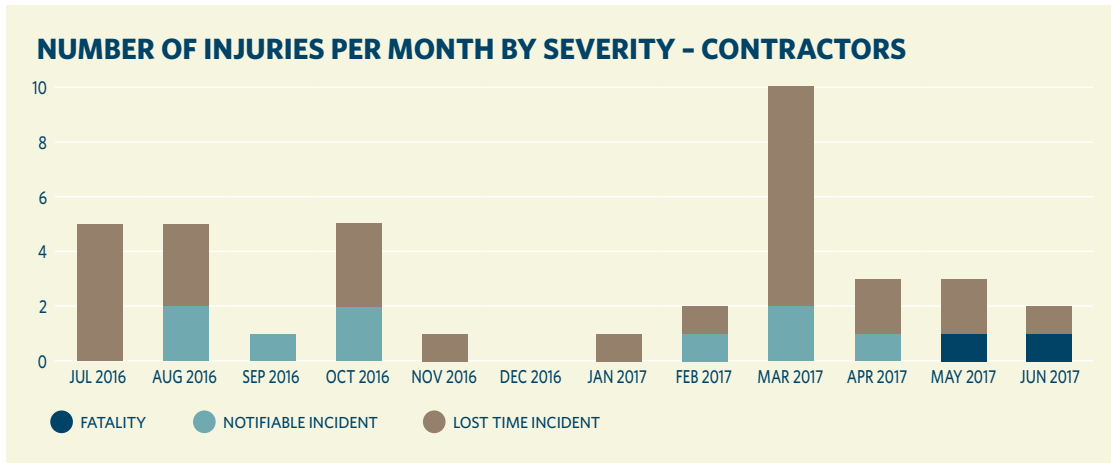
NUMBER OF INJURIES PER MONTH BY TYPE - TRANSPORT AGENCY EMPLOYEES



Health and safety performance: NZ Transport Agency contractors

Our contractors engaged to complete construction and maintenance projects did not achieve the health and safety performance we require to achieve our goal of all workers return home safe, without exception. There were two fatalities and 30 incidents that resulted in injuries that required first aid, medical treatment or time off work.

The fatalities were related to work in and around temporary traffic management areas on maintenance contract activities. A number of initiatives were commenced across the Transport Agency to address the risks to both workers and customers caused by temporary traffic management set ups. These include the investigation of point to point speed enforcement, deployment of ‘Safe Speed’ tool on Safe Roads projects to enable traffic controllers to obtain real time information about the effectiveness of traffic management in reducing speed through worksites. Other corrective actions and improvements identified through incident investigation will continue to be progressed in conjunction with our suppliers and partners as a priority.



Working towards zero harm

Our Zero Harm Strategy 2014–20 has a clear objective: to ensure that by 2020, or sooner, all our workers, regardless of employer will go home safe and healthy, every day, without exception.

We have initiated a number of activities and programs over the past year as part of achieving this objective.

Health and safety management system

The framework and draft content of an organisational wide health and safety management system was developed. This comprises policies, procedures and information to enable our people to understand the nature of risks and how to ensure appropriate controls are in place. The management system contains elements that detail how Transport Agency should seek to measure and improve performance through audit, oversight and analysis of performance metrics.

Critical risks

Review and consolidation of existing risk registers had enabled us to identify and understand the critical health and safety risks. The critical risks inform the scope of our audit and inspection processes.

Contractor oversight and audits

Audits were undertaken on our major construction projects, in conjunction with our Tier 1 suppliers in line with published schedule. Findings and improvement opportunities have been developed into subsequent projects, for example an industry wide approach to understanding and controlling the risks caused by fatigue.

Partnership and industry collaboration

We continued to lead and facilitate the Zero Harm leadership and industry groups, which met throughout the year. The industry group provided input to revised minimum standards and commenced a program develop standard approaches to workplace health monitoring, fatigue management and worker wellbeing.

The third annual Knowledge forum was run, with 130 attendees from across our supply chain. The forum focussed on exploring future challenges for health and safety in transport infrastructure including competency and capability of the supply chain.

Sustaining the journey towards zero harm

Many of the initiatives and improvement programs will be continued through the upcoming year. Particular focus will be given to progressing actions to implement sustained improvements around roadworks and temporary traffic management environments and reduction of risks posed by worker fatigue.

Greater oversight and involvement in our construction and maintenance activities will be continued to be conducted with our project management teams. We aim to build capability and knowledge within our own teams and ensure that our due diligence obligations continue to be met.

We will continue to improve our ability to capture and use accurate performance data to develop interventions and improvements throughout our operations. Specific focus will be applied to better understanding and sharing information about good practices developed on capital and maintenance projects and undertaken reviews to assess the track the uptake of these good practices across our projects.

Our health and safety management system will continue to be developed and implemented in ways that enable our workers to access health and safety information in an intuitive and effective way through our On Ramp intranet.