

MINISTERIAL BRIEFING NOTE

Subject	Road Efficiency Group
Date	4 April 2024
Briefing number	BRI-3010

Contact(s) for telephone discussion (if required)				
Name	Position	Direct line	Cell phone	1 st contact
Steve Mutton	Director Regional Relationships (Northland/Auckland) Chair of Road Efficiency Group	s 9(2)(a)	s 9(2)(a)	✓

Action taken by Office of the Minister

- ☐ Noted
- ☐ Seen by Minister
- ☐ Agreed
- ☐ Feedback provided
- ☐ Forwarded to
- ☐ Needs change [please specify]
- ☐ Withdrawn
- ☐ Overtaken by events

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4 April 2024

Hon Simeon Brown – Minister of Transport

ROAD EFFICIENCY GROUP

Purpose

1. This briefing provides you with information on the Road Efficiency Group, Te Ringa Maimoa (REG) following an officials meeting held on 18 March 2024.
2. The briefing covers an overview of the REG and its current governance, key achievements to date, and next steps being taken to align its work programme with your direction in the draft Government Policy Statement on land transport 2024 (GPS).

Background

3. The REG is a collaborative initiative between Local Government NZ (LGNZ), NZ Transport Agency Waka Kotahi (NZTA), and all 69 Road Controlling Authorities (RCAs) all working towards business excellence in the transport sector.
4. The group was established in 2012 to implement recommendations of the Road Maintenance Task Force (RMTF) to drive value for money and seek opportunities to reduce costs for roading authorities in the areas of road maintenance, operations, and renewals.

Current Governance Structure

5. A governance group and leadership group currently oversee the REG programme. Three additional team members develop the tools and resources needed to support RCAs in maintaining their networks, and a group of regional champions support RCA staff.
6. The governance group is made up of the following members:
 - Three NZTA representatives (Steve Mutton (Chair), Howard Cattermole, Vanessa Browne)
 - One LGNZ representative (Scott Necklen, LGNZ Deputy CE)
 - Three local government representatives:
 - Auckland Transport (Murray Burt)
 - Hastings District Council (Craig Thew)
 - Queenstown Lakes District Council (Michael Theelen)

Key achievements to date

7. Since the REG was formed, it has supported RCAs and the wider sector in continuously improving investment decision-making based on robust activity planning and quality comparative data.
8. Key achievements for the REG include:
 - Transport Insights web portal monitoring and reporting RCA and transport performance.
 - Designing the national road network classification now implemented on all roads.

- Lifted asset data quality with 100% of RCAs assessed as meeting the expected standard.
- Improved asset management planning, with each RCA assessed as meeting the expected standard (from 50% in 2015).
- Commencing national condition data collection of the entire sealed local road network (~78,000/km/annum) on behalf of all RCAs.

9. An example of the RCA monitoring dashboard developed through the REG is enclosed. s 9(2)(ba)

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Draft Government Policy Statement on Land Transport 2024

10. On 4 March 2024, the draft GPS was released for public consultation. It includes direction from you that a refocused REG will be required, as part of a wider performance and efficiency plan, to drive better accountability, delivery, and value for money from transport investments.
11. Through GPS 2024, and the performance and efficiency plan, the REG will strengthen its focus on ensuring that all investment in maintaining and improving resilience on the state highway, local and rural road network is spent in the most efficient manner.
12. The REG is implementing a 90-day plan through to 30 June 2024 to respond to GPS 2024, review and update the REG 2024-27 programme business case, and integrate with NZTA's Performance and Efficiency Plan development.
13. You have also indicated your preference to appoint some independent members to the REG. As part of the 90-day plan we will be providing advice on how to achieve that.

Programme approach

14. The current (2021-24) REG programme has strong alignment to GPS 2024 focus areas. Existing data, tools, and reporting frameworks will be utilised to align to refocused key result areas through new or modified RCA performance and transport outcome measures.
15. The current focus on local authority RCAs will be expanded to include NZTA performance and the Network Outcome Contract areas.
16. Further, the REG has well established sector communication and engagement processes that can be leveraged to ensure sector activities and functions are aligned to driver better accountability, delivery, and value for money.

Key result areas

17. As part of the 90-day plan to update the programme approach, the REG will ensure it has a specific focus on helping to address keys result areas such as:
 - a. Finding efficiency in road maintenance spend
 - b. Effective maintenance outcomes
 - c. Reducing expenditure on Temporary Traffic Management
 - d. Maintenance protocols and processes
 - e. Sector capability and capacity
 - f. Asset management and effective delivery practices

18. Key result areas identified above will include workstreams to:

a) Finding efficiency in road maintenance spend

- Promote existing Transport Insights monitoring and reporting of national and RCA transport outcomes and performance against the national road classification framework.
- Develop new state highway and local road reporting measures for network maintenance delivery and funding trends.
- Expand benchmarking of RCA and NZTA performance against national, regional, and peer group performance, creating competition and scrutiny to deliver more effective outcomes.

b) Effective maintenance outcomes

- Engage with NZTA to align with contracting models.
- Expand existing REG performance monitoring and assessments to include maintenance outcomes, focusing on resealing, rehabilitation, and response times to faults (e.g. potholes).

c) Reducing expenditure on Temporary Traffic Management

- Align and supporting the role of the guidance on TTM as part of existing structures.
- Leveraging existing channels to engage with and seek input / feedback from the 69 RCAs.
- Monitor and report TTM productivity and expenditure on behalf of RCAs.

d) Maintenance protocols and processes

- REG Consistent Condition Data Collection (CCDC) project will provide nationally consistent condition data for 100% of sealed local roads from 2025 onward.
- Provide guidance and competency frameworks to improve sector performance and confidence in forward work programmes.

e) Sector capability and capacity

- Mandate use of existing assessment programme to benchmark and monitor RCA performance, providing a pathway toward more efficient and effective planning and delivery.
- Broaden the existing learning and development programme, to further increase NZTA and RCAs to apply good customer-focused practice delivering value for money.

f) Asset management and effective delivery practices

- Providing independent assessment and scrutiny of Asset and Activity Management Planning, in the context of REG best-practice guidance.
- Greater integration and alignment with NZTA investment advisors, and the guidance and tools provided through the NZTA Planning and Investment Knowledge Base (PIKB).

Structure

19. The REG will optimise the governance and delivery structure, retaining the successful partnership approach between local government and NZTA. This will be achieved through:
- **Enhanced Governance Group:** providing direction, oversight, and monitoring. Made up of (2) NZTA, (2) LGNZ and (3) independent members.
 - **Refocused Leadership Group:** accountable for REG programme delivery and sector engagement. Made up of appropriate NZTA and RCA management.
 - **Strengthened Delivery Groups:** focused on delivery and achieving agreed outcomes. Made up of volunteer RCA roading sector representatives and subject matter experts.

Reporting

20. The REG will enhance the existing dashboard reporting (Transport Insights) to provide RCA and transport outcome performance monitoring and insights.
21. Further work will also be undertaken to expand RCA dashboards with improved benchmarking and organisational performance measures. Additional publication of performance reporting to the sector and decision makers will also be undertaken.

Reporting to the Minister

22. NZTA and the REG will ensure you are kept informed on progress of the programme by providing a quarterly report on delivery against agreed Key Result Areas. Additional information will also be provided against individualised RCA delivery performance.

Next Steps

23. As previously mentioned, the REG is implementing a 90-day plan through to 30 June 2024 to respond to GPS 2024, review and update the REG 2024-27 programme business case, and integrate with NZTA's Performance and Efficiency Plan development.

It is recommended that you:

1. **Note** the contents of this briefing



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Steve Mutton

Director Regional Relationships (Northland/Auckland)

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Hon Simeon Brown, Minister of Transport

Date: 2024

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