

**SECTION D:  
PROGRESS ON  
THE STATEMENT  
OF STRATEGIC  
INTENT**



## PROGRESS ON LONG TERM SECTOR IMPACTS

We track our progress towards our long-term goals or impacts through the following key result indicators. The following graphs show how the transport system performed in these areas over the 2011/12 year.


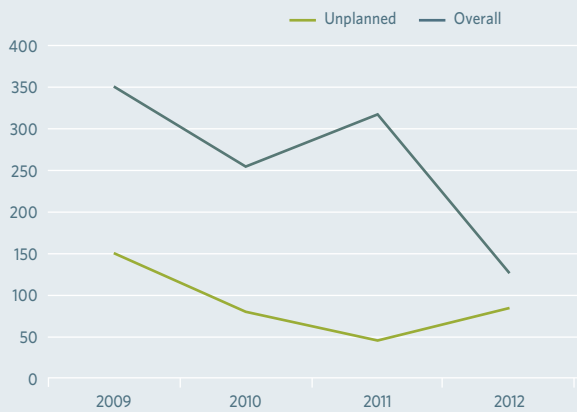



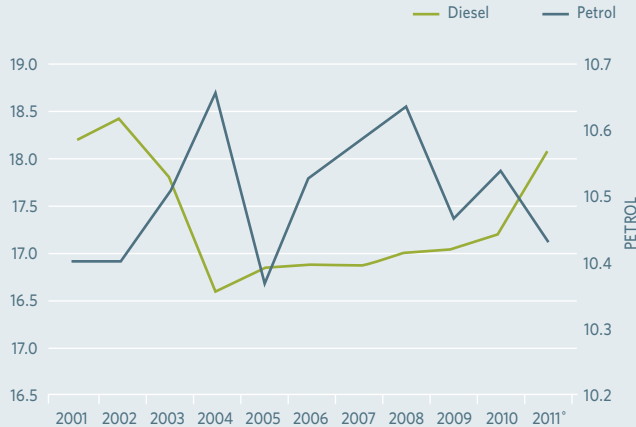
NZTA'S DESIRED LONG-TERM IMPACT INDICATORS	DESIRED TREND	2011/12 RESULTS IN THE CONTEXT OF PREVIOUS RESULTS
<p><b>Better use of existing transport capacity</b></p>	<p><b>Increase</b></p> 	<p>Number of vehicle kilometres travelled<sup>°</sup> per network kilometre</p>  <p><sup>°</sup>based on estimated vehicle kilometres travelled</p>
<p><b>More efficient freight supply chains</b></p>	<p><b>Increase</b></p> 	<p>Average daily measured weight of freight vehicles (tonnes)<sup>°</sup></p>  <p><sup>°</sup>the number of stations where weight of freight vehicles are measured increased in 2011</p>

**0.9% decrease**

in capacity utilisation reflects a 1.0% drop in vehicle kilometres travelled by all vehicles

**5.4% decrease**

in average daily measure weight of freight vehicles reflects the difficult conditions faced by transport operators in the prevailing economic climate

NZTA'S DESIRED LONG-TERM IMPACT INDICATORS	DESIRED TREND	2011/12 RESULTS IN THE CONTEXT OF PREVIOUS RESULTS
<p><b>A resilient and secure network</b></p>	<p><b>Decrease</b></p> 	<p>Number of resolved road closures with a duration of 12 hours or longer</p> 
<p><b>Easing of severe congestion</b></p>	<p><b>Decrease</b></p> 	<p>Number of seconds delay per kilometre during AM peak - Auckland</p> 
<p><b>More efficient vehicle fleets</b></p>	<p><b>Decrease</b></p> 	<p>Average diesel and petrol consumption (litres) per 100 vehicle kilometres travelled*</p>  <p><small>*2011 VKT by fuel type figures are provisional and subject to change</small></p>

**17% decrease**

in the overall number of road closures relates to a reduction in planned events. The number of unplanned road closures reflects historic norms and is largely the result of inclement weather incidents (including a huge slip on the Manawatu Gorge)

**8.4% decrease**





in congestion despite a 3.7% increase in travel demand can be attributed to the positive impact of newly completed works and investment in public transport services and infrastructure

**4.8% increase**

in diesel consumption per 100 vehicle kilometres travelled reflects a decline in vehicle kilometres travelled (VKT) by an increasingly larger number of diesel powered light passenger vehicles and a resulting shortening of average trip lengths

**1% decrease**

in petrol consumption per 100 vehicle kilometres travelled reflects changes in transport user behaviour in response to a tightening of household finances

NZTA'S DESIRED LONG-TERM IMPACT INDICATORS	DESIRED TREND	2011/12 RESULTS IN THE CONTEXT OF PREVIOUS RESULTS
<p><b>Reduction in deaths and serious injury</b></p>	<p><b>Decrease</b></p> 	<p>Number of road deaths and serious injuries per million vehicle kilometres travelled*</p>  <p>° Death and serious injuries results as at 30 March 2012 and year end VKT estimate</p>
<p><b>More transport mode choices</b></p>	<p><b>Increase</b></p> 	<p>% of survey respondents that consider public transport as a good option for taking all of their work or study trips in Auckland**</p>  <p>° Provisional results from Auckland Regional Council Personal Transport Choices Survey</p>

**5.7%**  
decrease<sup>°</sup>

in road deaths and serious injuries reflects the impact of lower vehicle kilometres travelled and ongoing improvements of the safety system (focusing on speed, vehicles, transport users as well as roads and roadsides)

**15.4%**  
decrease

in the percentage of respondents that consider public transport as a good option for all work and study trips in Auckland. Contributing factors include an increase in occasional public transport users and those not using public transport for work or study trips.

\* based on calendar year end results

\*\* based on Auckland Council's two-yearly Community Perceptions of Personal Transport Choices Survey

- 15 of 78 local councils' vehicle kilometres travelled results were estimated based on historic data. This affects year-end results of the following local authorities: Hamilton City, Invercargill City, Hutt City, Tauranga City, Ashburton District, Mackenzie District, Marlborough District, Masterton District, Ruapehu District, Taupo District, Timaru District, Waikato District, Waipa District, Waitaki District and Whangarei District

## PROGRESS ON OUR STRATEGIC DIRECTION

### THE ROADS OF NATIONAL SIGNIFICANCE (RoNS) PROGRAMME IS RIGHT ON TARGET

*Towards more efficient freight, greater network resilience and security, less congestion and safer roads*

The RoNS programme has had an excellent year, with full achievement of all project milestones. The Victoria Park Tunnel opened ahead of schedule and on budget, construction of the Western Ring Route road tunnels has commenced and we are on schedule across all other RoNS.

LINK TO GOVERNMENT PRIORITIES FOR TRANSPORT		
Investment in infrastructure		
KEY RESULT INDICATOR	BASELINE 2009/10	2011/12
Percentage of RoNS activities that are delivered to agreed performance standards and timeframes	100%	<b>100%</b>

MILESTONES FOR 2011/12	OUR RESULTS	WHAT WE DID
<b>Puhoi to Wellsford</b> Complete scheme assessment report	<b>Achieved</b>	The scheme assessment report was completed and finalised. A planning alliance proposal for Puhoi to Warkworth is being negotiated with the proposed alliance partners and is expected to be finalised by September 2012.
<b>Western Ring Route</b> Complete tender process for SH20 tunnels Commence construction on the SH20 tunnels	<b>Achieved</b>	A supplier was awarded the SH20 tunnel contract and construction has commenced. The SH16 causeway competitive alliance procurement process is underway, and the trial embankment contractor has commenced the stone columns and mass soil mixing platform for the main trial embankment.
<b>Victoria Park Tunnel</b> Construction complete	<b>Completed</b>	The Victoria Park Tunnel was successfully completed and opened within budget and ahead of schedule.
<b>Waikato Expressway</b> Commence construction of Ngaruawahia section	<b>On schedule</b>	The construction of the Ngaruawahia and Te Rapa sections of the Waikato Expressway are on schedule. The Waikato Regional Council is progressing the resource consents applications for these sections.
<b>Tauranga Eastern Link</b> Construction continues	<b>On schedule</b>	Construction work continues steadily at a number of locations along the route and remains firmly on schedule. A number of successful media and family days have been held this year which have received very positive feedback.
<b>Wellington Northern Corridor</b> Commence national consenting process for MacKays to Peka Peka and Transmission Gully projects	<b>Achieved</b>	The consenting applications for both the Mackays to Peka Peka and Transmission Gully projects were lodged with the Environmental Protection Agency. Transmission Gully has been approved.

MILESTONES FOR 2011/12	OUR RESULTS	WHAT WE DID
<b>Christchurch Motorways</b>	<b>On schedule</b>	Christchurch Southern Motorway Stage 1 is progressing well and is on target for completion in 2013.
Construction of Southern Motorway Stage 1 continues		We continue to work proactively with our Urban Development Strategy partners to reach agreement on RoNS proposals and to agree what changes will be required to the development strategy as a consequence of loss of the CBD after the February 2011 earthquake.
Devise and implement the recovery plan		Construction work on the Western Corridor from Yaldhurst Road to Pyne Gould Stream is almost complete and Waterloo Road to Yaldhurst Road is progressing well. The Western Belfast Bypass is now in the detailed design phase.
Progress Christchurch Western Corridor		

## ROAD TRANSPORT HAS BECOME SAFER, WITH MORE TO COME

### *Towards further reducing deaths and serious injuries from road crashes*

The road safety priority work area had a very successful year with the achievement of lower road trauma for young people (its key result indicator) and full achievement of all the NZTA's key deliverable milestones against the Safer Journeys action plan.

LINK TO GOVERNMENT PRIORITIES FOR TRANSPORT		
Road safety		
KEY RESULT INDICATOR	BASELINE 2009/10	2011/12
Number of young drivers killed per 100,000 15–24 year olds (population)	8.9	<b>6.3</b>
KEY DELIVERABLES FOR 2011/12	OUR RESULTS	WHAT WE DID
Complete development of Safe System demonstration project	<b>Completed</b>	Stage one of the Maramarua demonstration project, an interim revision of the speed limit on this high-risk route is complete. Stage two, comprising investigation of Safe System infrastructure treatments, will commence in late 2012.
Commence safe speed awareness campaign	<b>Completed</b>	We launched an advertising campaign targeting everyday drivers and their passengers to tell the Safe System story about speed. It's a change in the road safety conversation that highlights our bodies' vulnerability to crash forces.
Driver Licensing Rule signed	<b>Completed</b>	The rule was signed in August 2011 making multiple changes to the driver licensing regime for both novice drivers and motorcyclists to help mitigate their lack of experience. For more information on the changes go to <a href="http://www.nzta.govt.nz/traffic/around-nz/road-user-rule.html">www.nzta.govt.nz/traffic/around-nz/road-user-rule.html</a>
Introduced revised licence tests for novice drivers and motorcyclists	<b>Completed</b>	The new restricted driving licence test recognises that novice drivers are at highest risk of error, and is designed to encourage 120 hours of supervised practice. The test was launched on 27 February 2012, with motorcycling provisions due to come into force in October 2012.
<i>High-risk intersection guide</i> released	<b>Completed</b>	The draft <i>High-risk intersection guide</i> was released for consultation in March 2012 and describes and promotes Safe System intersection treatments. When applied the guide will improve the effectiveness of intersection safety investments.
Give Way Rule signed	<b>Completed</b>	The rule, designed to improve intersection safety, was signed on 29 August 2011, with implementation on 25 March 2012. The rule change has been extremely smooth with no serious crashes attributed to the changes to date. Public understanding of the rule changes is high at approximately 90%.
Revised road policing investment approach implemented through 2012–2015 Road Policing Programme	<b>Completed</b>	The NZTA worked closely with New Zealand Police to prepare the 2012–15 Road Policing Programme, in line with the increased road policing investment focus on value for money. The programme was adopted by the Minister of Transport in the first quarter of 2012/13.
Regional road safety advertising and education programmes reviewed	<b>Completed</b>	The National Advertising Review has been completed and learnings will be applied to regional programmes as applicable.

## WE ARE IMPROVING CUSTOMER SERVICE AND WORKING TO REDUCE COMPLIANCE COSTS

### *Towards better public service and regulation*

The customer service priority work area achieved its annual target for migration of customers to online channels, with an increase of 24.9% over the previous year, and progress continues with partners across both the investment and streamlining initiatives.

LINK TO GOVERNMENT PRIORITIES FOR TRANSPORT		
Better regulation, better public services		
KEY RESULT INDICATOR	BASELINE 2009/10	2011/12
% increase in number of transactions completed online	New	<b>24.9%</b>
KEY DELIVERABLES FOR 2011/12	OUR RESULTS	WHAT WE DID
Establish a customer service task force	<b>Completed</b>	<p>A customer service task force has been established to ensure we are providing transport solutions in the most effective and efficient manner. This will be enabled by:</p> <ul style="list-style-type: none"> <li>› customer insight</li> <li>› a strong customer ethos and culture</li> <li>› customer centric solution design.</li> </ul> <p>A work programme has been developed to address these three drivers with clear milestones established for the coming year.</p>
Negotiate with our investment partners unambiguous terms for the NZTA's investment	<b>Partially completed</b>	<p>The NZTA's transition from being an allocator of funds to an investor in transport outcomes continues to progress with work underway to improve the quality of investment decisions in this round of the National Land Transport Programme. The new investment monitoring framework, based around delivering transport outcomes, will go live in July 2012. A successful pilot on post-implementation reviews has been run to ensure benefits from past investments are captured.</p>
Auckland Transport and the NZTA's Highways and Network Operations group achieve advanced star status as part of streamlining	<b>Good progress, with some delay against programme</b>	<p>We have continued to work collaboratively with Auckland Transport to progress a range of business improvement approaches. This includes introducing a staged process for the delegated funding authority for the NZTA to Auckland Transport for approved capital works of up to \$5 million.</p>



## WE ARE WORKING TO IMPROVE THE EFFECTIVENESS OF PUBLIC TRANSPORT

*Towards better use of existing transport capacity, congestion relief and more transport mode choice*

The public transport priority work area did not achieve its cost effectiveness target for 2011/12, but three of our four key deliverables were successfully completed.

LINK TO GOVERNMENT PRIORITIES FOR TRANSPORT		
Better regulation, better public services		
KEY RESULT INDICATOR	BASELINE 2009/10	2011/12
Public transport boardings per dollar from the National Land Transport Fund that is invested in public transport services	0.67 <sup>2</sup>	0.59 <sup>3</sup>
KEY DELIVERABLES FOR 2011/12	OUR RESULTS	WHAT WE DID
Complete stage one implementation of a new public transport operating model to improve confidence in costs and the commerciality of operations	<b>Completed</b>	The public transport operating model (PTOM) was approved by Cabinet in October 2011. We have worked closely with the Ministry of Transport to provide input into the drafting of supporting legislation, and have now taken the lead on its implementation. The process of developing operational policy is underway and we are supporting regions to implement the new model, with significant support being provided to Auckland Transport following a full review of its public transport network.
Establish New Zealand Transport Ticketing Limited	<b>Completed</b>	New Zealand Transport Ticketing Limited (NZTTL) has been established as a wholly-owned Crown entity subsidiary of the NZTA. An interim board sub-committee has been established and a full board will be appointed at an appropriate point prior to the central system assets being transferred from Auckland Transport.
Establish national standard for automated fare collection systems	<b>Completed</b>	The national standard for automated fare collection systems has been established, providing economies of scale and interoperability by allowing reuse of parts of the national integrated ticketing system design. The first version has been ratified for use in Auckland. A second version will be developed for future use in other regions.
Develop a national public transport information initiative to meet priority information needs in the sector	<b>In progress, but some delay against programme</b>	The data definitions for public transport performance measurement have been clarified. A planned approach for working with regions to improve public transport data collection has been developed and will be implemented over the next year.

<sup>2</sup> Revised 2009/10 baseline from the NZTA's 2011-14 *Statement of intent*.

<sup>3</sup> For nine months ended March 2012.

## FOUNDATIONS ARE BEING SET FOR FUTURE FREIGHT MOVEMENT EFFICIENCY GAINS

*Towards more efficient freight supply chains, better use of existing transport capacity and further reductions in deaths and serious injuries from road crashes*

Due to the low level of economic activity in several regions, the freight priority work area did not achieve its cost effectiveness target for 2011/12, but we successfully completed all four of our key deliverables.

LINK TO GOVERNMENT PRIORITIES FOR TRANSPORT		
Better regulation, better public services		
KEY RESULT INDICATOR	BASELINE 2009/10	2011/12
Average daily measured weight of freight vehicles (tonnes)	22.89	21.7
KEY DELIVERABLES FOR 2011/12	OUR RESULTS	WHAT WE DID
High productivity motor vehicles route investigation completed	<b>Completed</b>	National high productivity motor vehicle route capability investigations are complete. Maps have been released detailing the 2900 kilometres of approved high productivity routes now available on the state highway. Investment priorities have also been identified and publicly released as part of the preparation of regional land transport programmes. Ongoing bridge and route specific assessment is now an ongoing part of the NZTA's business.
Upper North Island Freight Plan completed	<b>Partially completed</b>	The first Upper North Island Freight Plan feedback summary was completed at the end of 2011. The plan itself is being developed through a collective partnership approach with 10 partner organisations including the seven Upper North Island Strategic Alliance councils, Auckland Transport, KiwiRail and the NZTA. This collective partnership, along with industry and ports in the upper North Island, is working together to look at ways of reducing the cost to do business in NZ through an upper North Island lens. A first draft will be completed by June 2013.
Network collaboration with KiwiRail progressed	<b>Completed</b>	The NZTA and KiwiRail have agreed to advance cooperation between our organisations on day-to-day matters as well as long-term strategic thinking and planning. This has become part of our ongoing business-as-usual operations.
New inter-island ferry terminal at Clifford Bay proposal progressed	<b>Completed</b>	The NZTA has provided substantial assistance to the Ministry of Transport in developing a detailed business case for the Clifford Bay inter-island ferry terminal concept. This has now been submitted to the Minister of Transport.

## PROGRESS ON OUR OTHER KEY FOCUS AREAS

### WE DELIVER VALUE FOR MONEY

We have achieved all our value for money targets for 2011/12, and successfully completed all of our key deliverables for 2011/12.

KEY DELIVERABLES FOR 2011-14	2011/12 RESULTS	WHAT WE DID
Improve our internal operational efficiency in order to reduce our operating costs, with a focus on reducing the cost of administration and support services and the cost of managing the funding allocation system	<b>Achieved</b>	Total administration and support costs as a percentage of organisational running costs have reduced in 2011/12. However, total administration and support costs have increased due to IT costs in relation to the Business Continuity Project (new platforms for the driver licence and motor vehicle registries) and road user charges legislative changes. The benefits of these costs will be realised in future years. Funding allocation costs reduced once again in 2011/12. Further reduction targets have been set for 2012/13.
Deliver more services online and reduce costs for customers	<b>Achieved</b>	The NZTA has exceeded all channel migration targets in 2011/12. For key results refer to the statement of service performance later in this report.
Invest in an efficient manner, and ensure value for money and a clear strategic fit for our outputs	<b>Achieved</b>	The Investment and Revenue Strategy has guided the development of the 2012-15 National Land Transport Programme to ensure NZTA investment decisions align with the strategic direction set out in our functional strategies, contributes to the realisation of our intended impacts and gives effect to the Government Policy Statement on Land Transport Funding.
Optimise past investments, by delivering efficiency gains in the delivery of the state highway renewals and maintenance programme	<b>Partially completed</b>	The Road Maintenance Taskforce released its interim report in April 2012 and has since held nine roadshows around the regions to engage with the sector. Feedback on the report was expected by the end of June. The Maintenance and Operations (M&O) Review team has engaged with regions to discuss future procurement options. The review team will be conducting a consultation process with NZTA staff and industry on the service delivery components of the project in the first quarter of the 2012/13 financial year. Key components include a new bespoke M&O contract, contract aggregation, and longer term collaborative contracts subject to performance.
Seek greater value in infrastructure project design and consulting processes	<b>Achieved</b>	The NZTA has adopted the findings of the Gateway review and endorsed the recommendations to put specific focus on project business case development to better progress projects to construction. This includes adapting our current processes to deploy learning from RoNS consenting to date, streamlining our consultation and consenting going forward, and reviewing our value gate and audit processes to reduce cost. We conducted a review of professional services that identified a number of initiatives aimed at improving how we engage our suppliers. The first initiative - the Independent Professional Service Provider - currently underway will provide engineering management input into the timing, scoping, evaluation and assessment of these services proposals. This initiative will also include the establishment of a professional services database for cost estimation and provide real time advice to our project managers on variations and other contractual issues.

KEY DELIVERABLES FOR 2011-14	2011/12 RESULTS	WHAT WE DID
Align, over time, the level of service offered on each part of the state highway network with its role and function	<b>Partially achieved</b>	The NZTA's State Highway Network Strategy includes a classification system that aligns the levels of service on each part of the state highway with its intended function and customer need. Provisional levels of service have been agreed by the NZTA Board. Engagement will be undertaken on the provisional levels of service in 2012/13 to inform further development prior to implementation through the 2015-18 State Highway Asset Management Plan.
More proactively manage future demand by supporting planning outcomes that integrate land use and transport considerations	<b>Completed, with ongoing programme</b>	We have had ongoing proactive engagement in key priority areas to better integrate land use and transport. This includes input into the Auckland Plan, a focus on the upper North Island area, planning for the national network and freight and supporting the Canterbury recovery planning work.  A range of targeted solutions have been developed to improve how transport planning is undertaken to help manage future demand. This includes ensuring key issues and benefits are clearly identified early in the process and working to simplify the transport planning hierarchy and increase the focus on activity through promoting a regional network plan approach. We are also improving our evidence base to better manage expectations for investment from transport.  We have continued to work with the government sector to increase cross agency alignment on outcomes and planning, including alignment on key legislation.
Increasingly encourage users to take responsibility for their own actions and the decisions they make about how they use the land transport networks	<b>Completed, with ongoing programme</b>	The NZTA's Network Access and Use Strategy focuses the organisation's access and use function on encouraging users to safely and efficiently use land transport networks. The strategy has been used to implement changes to the NZTA's work programme and is raising the level of active network management to shape network use through traffic operations centres.

## WE ARE ACTIVELY HELPING TO REBUILD CHRISTCHURCH

Across all of our functions we are playing a strong and committed role in the rebuilding effort.

KEY DELIVERABLES FOR 2011-14	2011/12 RESULTS	WHAT WE DID
Complete the Southern Motorway RoNS project	<b>On schedule</b>	The Southern Motorway RoNS project remains on schedule for completion in 2013 (for more details refer to the RoNS priority update on page 37).
Continue to provide all our other services to underpin the region's full recovery	<b>Achieved</b>	We have continued to deliver our full range of services to the Canterbury region including helping prepare its full Regional Land Transport Programme for input into the 2012-15 National Land Transport Programme, and being actively engaged in developing strategic transport plans for Christchurch city and the greater Christchurch area.
Take part and fully support the various rebuilding planning processes	<b>NZTA is an active partner</b>	NZTA staff have been actively engaged in the majority of recovery groups with a land use or transport implication, and continues to be actively involved in urban growth planning through the Urban Development Strategy.
Invest in the rebuilding of the city - the full cost to the NZTA of repairing damage is in the range of \$400-500 million over 5+ years	<b>Funding still to be finally resolved</b>	The costs of repairing local road damage are now estimated at \$1 billion. The NLTF will meet the first \$50 million of expenditure in any year, with the Crown financing expenditure above that level.
If requested, help procure network infrastructure	<b>NZTA is an active partner</b>	Procurement is mainly completed through an alliance contract to which the NZTA is a signatory and an active participant.

## GROWING AUCKLAND IS KEY FOR US

We continue to play a strong and committed role in the ongoing development of Auckland. Due to the high level of rail investment we did not achieve our cost effectiveness target for public transport in Auckland during 2011/12.

KEY DELIVERABLES FOR 2011-14	OUR RESULTS	WHAT WE DID		
Planning for and delivering the roads of national significance in the Auckland region	<b>Achieved</b>	We have delivered on all of the 2011/12 project milestones for the Auckland roads of national significance. For further details refer to the RoNS priority update on page 37.		
Improving the effectiveness of public transport	<b>Largely achieved</b>	<p>We have been working closely with Auckland Transport on public transport network and procurement enhancements throughout the year including:</p> <ul style="list-style-type: none"> <li>› providing funding and procurement confidence for the signing of a contract to provide 57 three-car electric multiple units (EMUs) and a depot at Wiri</li> <li>› developing a Regional Transport Plan with a farebox policy and target of 50% recovery</li> <li>› optimising public transport services and infrastructure between Panmure and Botany</li> <li>› developing a business case for new bus and ferry services in the public transport network plan.</li> </ul>		
		<p><i>Due to the high level of rail investment we did not achieve our cost effectiveness target for public transport in Auckland.</i></p> <p><b>Public transport boardings per dollar invested in Auckland public transport services from the National Land Transport Fund.</b></p> <p><i>(This measure is reported a quarter in arrears. 0.61 is the result for the first three quarters of 2011/12)</i></p>		
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BASELINE 2009/10	2011/12			
0.63	<b>0.61</b>			
Improving the efficiency of freight supply chains	<b>Largely achieved</b>	<p>A national study of high productivity motor vehicle (HPMV) routes was completed that reduced the number of bridges requiring further analysis and/or strengthening. The upper North Island screening process was also completed, prompting some bridges to be opened up to HPMV traffic.</p> <p>The Upper North Island Freight Plan has continued to progress well, with the summarised work programme being well received by the Freight Transport Operator's Forum. The freight plan is due to be released in August 2012.</p>		
		<p><i>We did not meet our cost effectiveness target for freight efficiency in Auckland.</i></p> <p><b>Average daily measured weight of freight vehicles (tonnes)</b></p> <p><i>(Results from weigh and motion station at Drury)</i></p>		
		<table border="1"> <thead> <tr> <th>BASELINE 2009/10</th> <th>2011/12</th> </tr> </thead> <tbody> <tr> <td>20.5</td> <td><b>20.35</b></td> </tr> </tbody> </table>	BASELINE 2009/10	2011/12
BASELINE 2009/10	2011/12			
20.5	<b>20.35</b>			

## ORGANISATIONAL CAPABILITY AND HEALTH

### WE ARE ACTIVELY GROWING OUR ORGANISATIONAL CAPABILITY

We have achieved all our organisational development targets for 2011/12 and business improvement initiatives have continued to grow our organisational capability and capacity.

KEY RESULT INDICATOR	DESIRED TREND/ TARGET 2011-14	2011/12
Stakeholder understanding of the role of the NZTA (Stakeholder Perception Survey)	Increase	56%
Level of staff engagement (Gallup Engagement Survey)	Increase	3.82 (increased from 3.73 in 2011)
Running cost of administrative and support functions as a percentage of total expenditure (BASS)	In the top NZ quartile	In the top NZ quartile (BASS survey)
Percentage of time core systems available	100%	99.99%

### 1. WE ARE DEVELOPING OUR PEOPLE

OUR OBJECTIVES	WHAT WE DID
Our leaders and managers are exceptional	<p>We initiated the second year of our senior leadership development programme for our tier 3 and 4 managers. We introduced an emerging leaders programme for 35 of our most promising talent. This programme targets gen X and Y future leaders identified through our capability map. Both programmes are facilitated inhouse and sponsored by members of our senior leadership team and optimise the peer learning model.</p> <p>We introduced a leadership assessment tool for managers at tier 1, 2, and 3 to provide insight about personal effectiveness to focus their development. This also acts as an evaluation tool for our leadership framework as we can assess over time the change in leadership effectiveness. Our approach is to encourage a responsive, and adaptive leadership style which is client centred.</p> <p>We have completed a managers on boarding programme. Research shows that having a formal managers on boarding programme enables a new manager to adapt more quickly to the NZTA, enhances productivity and supports retention. This process is now part of our wider induction programme.</p>

OUR OBJECTIVES	WHAT WE DID
<p>We strive for performance excellence – proud of our culture of high performance</p>	<p>We have an active talent management process in place for our people and thought leaders.</p> <p>We have refreshed our performance management framework to enable a better line of sight for all our people so they can see how their work fits in and contributes to the delivery of our goals. The framework is designed to support ongoing engagement between managers and staff and ensures we equally value what we do and how we do it. This is important in developing the right behaviours and feedback culture at the NZTA.</p> <p>We have reviewed our recruitment practice and are ready to implement an e-recruitment tool in the first quarter of 2012/13. Use of e-recruitment will enable a better candidate experience, better efficiency for hiring managers and reporting on the effectiveness of our recruitment activities.</p> <p>We have supported a number of changes this year, in particular, to realign our Access and Use Group. All changes are undertaken in consultation with our staff, their representatives and unions, with the objective of delivering better services and recognising the impact of change on our people.</p> <p>We have made good progress against this objective.</p>
<p>Our people have the opportunity to grow and develop their careers – excelling in current roles and growing toward future roles</p>	<p>We have an active workforce plan for each part of our business which informs our people resourcing decisions.</p> <p>We have an active succession management process in place for our most critical roles and we have active development plans to support this, with our senior leadership team having oversight of this.</p> <p>We have made good progress against this objective.</p>
<p>The NZTA is a great place to work</p>	<p>We conducted a staff engagement survey using Gallup for our third year which shows a year on year improvement in the engagement of our people, that is 3.51 in 2012, 3.73 in 2011 and 3.82 in 2012.</p> <p>We have retained tertiary workplace safety management practices (WSMP) status as a result of the two-yearly ACC audit into our health and safety practice. Tertiary status affords the NZTA a 20% reduction in ACC levies paid and assurance that our health and safety systems meet best practice.</p> <p>We refreshed our health and wellness strategy and delivered a tailored programme in each region. Our average number of sick days in the last 12 months is 6.4 per person, which is less than our benchmark of 7.4 days per person which is the public sector average reported in SSC's Human Resources Capability Survey, 2011. We have made good progress against this objective.</p>

## 2. WE ACHIEVE TOGETHER

OUR OBJECTIVES	WHAT WE DID
<p>Our actions are driven by strategy-led decision making that is future regarding and evidence based and delivers value for money – robust decision making will align our resources with our strategic intent</p>	<p>Our internal alignment activities are delivering simplified, more effective systems and processes to reduce costs. Improved property and procurement services are helping the NZTA achieve innovative cost savings and provide a consistent level of service experience to our customers.</p> <p>A refresh of our Organisation Development Strategy has been underway this year, focusing on ensuring the NZTA has the right capabilities, tools and systems to help position us to deliver on our priorities while building an organisation that is resilient and innovative and delivers value for money.</p>
<p>Our systems and processes are simple and effective for customers and staff – integrated systems and processes will help implement our strategic direction</p>	<p>Cash flow forecasting for the National Land Transport Fund and National Land Transport Programme and our monitoring processes are now well aligned internally. The successful integration of the state highway ledger was also achieved. These will help us better realise improved delivery of services to our key stakeholders and partners.</p> <p>We continue to work towards procedural improvement to reduce manual processing time, duplication and inefficiency, with particular gains made in legal services, procurement and automated invoice processing.</p>

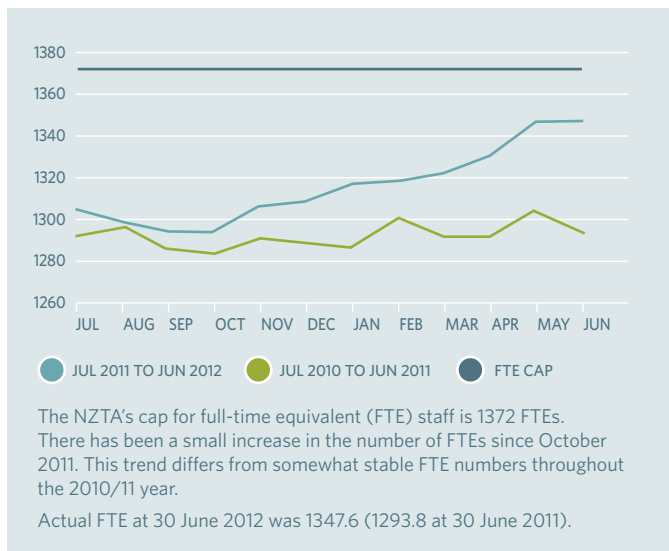
### 3. WE ARE WORKING WITH OTHERS

OUR OBJECTIVES	WHAT WE DID
<p>We use a best practice approach to stakeholder engagement – they welcome and actively look for opportunities to collaborate with the NZTA</p>	<p>The first NZTA Stakeholder Perceptions Survey was carried out this year. Of the 804 invited stakeholders, 339 completed the survey – representing an overall response rate of 45%. Results showed that we are doing well in developing and maintaining strong relationships with central government, industry and lobby groups, but there is more work to be done to enhance our relationship with local government.</p> <p>Most stakeholder groups believed their relationship with the NZTA had stayed the same over the last 12 month period. With the exception of suppliers, 50% or more of all stakeholder groups stated that they are satisfied with their current relationship with the NZTA. Overall, stakeholders are looking to move their relationships with us beyond engaging on process to engaging on substantive issues.</p>
<p>We create and maintain relationships that foster high levels of trust, respect and confidence – our stakeholders and customers have confidence that we understand and consider their interests and values</p>	<p>We reviewed our stakeholder engagement portfolio to ensure it continues to support NZTA staff to create and maintain relationships of trust, respect and confidence. The priority stakeholder programme was also reviewed and relationship owners in the senior leadership team have been assigned to a number of newly identified ‘priority stakeholders’. In 2012/13 objectives will be developed for each of the NZTA’s priority stakeholder relationships to improve the effectiveness of our engagement with them. Work has also been carried out this year on moving relationships with Māori from a ‘consultation model’ to an ‘engagement model’.</p>
<p>Our messages are clear and consistent for stakeholders and customers – we are seen as an integrated agency that is living our values</p>	<p>The positioning of the NZTA and organisational key messages played a key part in the development of our Communications Strategy. Key communications themes for the next 1-3 years have been identified based on gaps in confidence in the NZTA’s key messages that were determined by stakeholder research.</p> <p>Communications work programmes have been completed for all but one business group until the end of the financial year, and has begun work on agreeing a more aligned approach for 2012/13 to provide a better cross-agency view.</p>
<p>Our communication with stakeholders and customers is planned, consistent and targeted – they understand our decisions</p>	<p>Despite high profile coverage of changes to the give way rules and restricted licence tests tailing off, we have maintained a high volume of news throughout 2011/12.</p> <p>The NZTA’s share of positive or balanced news is around 90%, and over the year the proportion of singularly positive news more than doubled. Examples of recent positive coverage include the final clearance and re-opening of the Manawatu Gorge and the NZTA’s contributions/improvements to road safety.</p> <p>Over 2011/12 we have significantly increased the visibility of our spokespeople, with over two-thirds of related news including a statement or response from the NZTA.</p> <p>Our National Communications Strategy has been developed this year and will be instrumental in ensuring well planned, consistent and targeted communications. This high level, principle-based strategy sets direction and approach for communications and stakeholder engagement activities across the agency.</p>

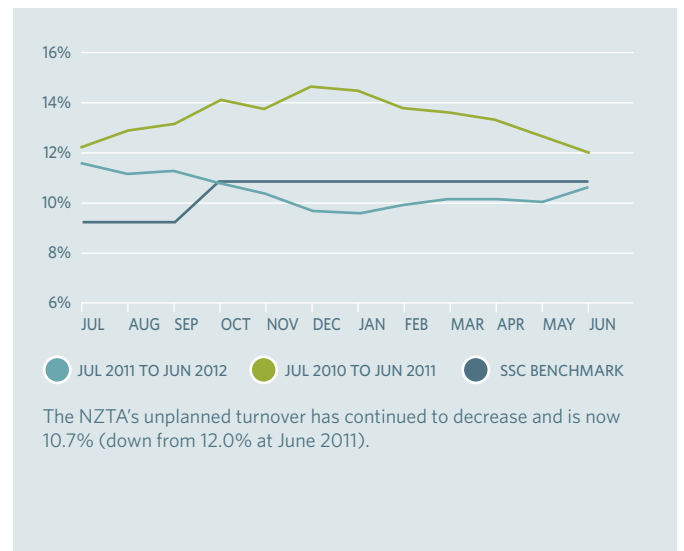


## KEY PEOPLE METRICS

### FULL-TIME EQUIVALENT (FTE) EMPLOYEES AGAINST ESTABLISHMENT



### ANNUAL TURNOVER



### AGE PROFILE

**43.7 years**  
 is the average age of NZTA staff at 30 June 2012. This is consistent with the public sector average.

### GENDER PROFILE

The NZTA has **50% female** and **50% male** staff ratio. This is consistent with the public sector average.

## EQUAL EMPLOYMENT OPPORTUNITIES STATEMENT

**The NZTA promotes equal employment opportunities (EEO) to ensure that its people capability practices are in line with its obligations as a 'good employer'.**

### OUR ACTIVITIES AGAINST THE SIX KEY ELEMENTS OF BEING A GOOD EMPLOYER ARE SUMMARISED BELOW.

Leadership, accountability and culture	<ul style="list-style-type: none"> <li>› Leadership networking, through senior leader forums and cooperative learning groups.</li> <li>› Targeted leadership development programmes for experienced, new and future leaders.</li> <li>› Employee engagement programme.</li> </ul>
Recruitment, induction and selection	<ul style="list-style-type: none"> <li>› Robust recruitment and selection processes.</li> <li>› Profiles of staff from diverse backgrounds promoted on the NZTA website.</li> <li>› Accredited employer with the New Zealand Immigration Service.</li> <li>› Progression within the NZTA is based on merit rather than service, and is built around competencies and skills.</li> <li>› National induction to NZTA for all staff.</li> <li>› NZQA qualifications.</li> </ul>
Employee development, promotion and exit	<ul style="list-style-type: none"> <li>› Talent management and succession planning frameworks in place.</li> <li>› Development calendar offering a range of development programmes to all staff.</li> <li>› External mentoring programme for senior leaders.</li> <li>› Accredited IPENZ professional development partner and offer a comprehensive graduate development programme.</li> </ul>
Flexibility and work design	<ul style="list-style-type: none"> <li>› Organisation-wide flexible working programme; work is underway to encourage a culture that supports this.</li> </ul>
Remuneration, recognition and conditions	<ul style="list-style-type: none"> <li>› Recognition programme to recognise high performers.</li> <li>› Transparent, equitable and gender-neutral job evaluation and remuneration practices.</li> <li>› Annual review of remuneration against market rates.</li> </ul>
Safe and healthy environment	<ul style="list-style-type: none"> <li>› Employee code of conduct and relevant health and safety and harassment policies available at all times.</li> <li>› Strong focus on employee health, safety and wellbeing through provision of support services including:               <ul style="list-style-type: none"> <li>– employee assistance programme (EAP) for all staff</li> <li>– in the event of heightened stress additional services are provided through critical event debrief, onsite EAP presence, change process support and resilience training</li> <li>– ergonomic workstation assessments</li> <li>– health and safety induction for all staff and managers</li> <li>– healthy living encouraged and free flu vaccination and health check to all our people each year</li> <li>– active return to work programme.</li> </ul> </li> <li>› Tertiary status in workplace safety management practices and annual self assessment audit.</li> </ul>