
Briefing to the incoming **Minister of Transport**

OCTOBER 2017



25 October 2017



Mr Phil Twyford
Member of Parliament
PARLIAMENT BUILDINGS

Dear Mr Twyford

Congratulations on your appointment as the Minister of Transport. We look forward to working with you to implement your policies and achieve your transport objectives.

We have prepared a briefing to introduce you to the work the NZ Transport Agency does as the government's land transport delivery agency.

The Transport Agency is a Crown entity governed by a statutory board. Under the Land Transport Management Act 2003, our primary objective is to undertake our functions in a way that contributes to an effective, efficient and safe land transport system in the public interest. The Act outlines our statutorily independent functions.

As Chair and Chief Executive we welcome the opportunity to meet with you as early as possible.

There are a number of key matters we envisage briefing you on in more detail over the coming weeks. It would be valuable for us to hear your expectations and key priorities at an early stage to enable us to support progression of these.

We invite you to meet with the Transport Agency Board as soon as is convenient.

Once again, congratulations on your appointment. We very much look forward to working with you and your staff.

Yours sincerely

A handwritten signature in blue ink that reads 'Chris Moller'.

Chris Moller
Chair



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of the Official Information
Act 1982

A handwritten signature in blue ink that reads 'Fergus Gammie'.

Fergus Gammie
Chief Executive



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SUMMARY

This briefing provides an overview of the NZ Transport Agency and its main functions, including relevant live issues.

The Transport Agency is a Crown entity governed by a statutory board. Under the Land Transport Management Act 2003, our primary objective is to undertake our functions in a way that contributes to an effective, efficient and safe land transport system in the public interest. The Act outlines our statutorily independent functions.

In addition to the Land Transport Management Act 2003, other Acts also confer functions and powers on the Transport Agency. Of particular importance is the Land Transport Act 1998, which promotes safe road user behaviour and vehicle safety, and provides for a system of rules governing road user behaviour and the licensing of drivers. The Transport Agency produces rules for the Minister of Transport under an agreement with the Chief Executive of the Ministry of Transport. These rules have a significant influence on people's access to and use of the land transport network.

As the Government's land transport delivery agent, the Transport Agency focuses on great journeys to keep New Zealand moving. We aim to provide an integrated, multi-modal national land transport system that enables all customers to have easy, safe and connected journeys. Our functions are broad, spanning planning, regulation, investment, maintenance, operation, education and licensing. The people and organisations we work with are diverse. Delivering value for money, putting people at the centre of everything we do and using resources sustainably underpins all of our activities.

The Transport Agency's strategy and operating model reflect the rapid changes occurring within transport and society globally, and position the Transport Agency strongly to embrace these challenges in ways that will benefit customers, communities and the New Zealand economy.



1 WHAT WE DO

1.1 OUR VALUE TO NEW ZEALAND

The NZ Transport Agency is focused on providing one integrated land transport system that helps people get the most out of life and supports business with easy, safe and connected journeys. In simple terms, the unique value we offer to our customers and to all of New Zealand is:

Great journeys to keep New Zealand moving

We keep New Zealand moving by investing in innovative transport solutions in urban growth areas, providing regional and inter-regional connections to enable regional development, keeping access to markets open, maintaining key tourist routes, managing national data registers and administering regulation. We work with communities to help shape great places to live, work and play, and we provide multi-modal transport choices.

1.2 OUR STATUTORY FUNCTION

The Transport Agency is the Government's land transport delivery arm. There are a number of Acts, regulations and rules that govern what we do and how we do it, including the Land Transport Management Act 2003, the Land Transport Act 1998 and the Railways Act 2005.

The Crown Entities Act 2004 provides the framework for the governance and operation of all Crown entities, such as the Transport Agency. As an instrument of the Crown, we are required to give effect to Government policy.

We have a number of statutorily independent functions. These include approving procurement procedures, determining whether particular activities are to be included in the National Land Transport Programme and deciding which activities are to be funded from the National Land Transport Fund, as well as performing a number of regulatory functions.

1.3 PLANNING FOR THE SYSTEM

The Transport Agency takes a 30 to 50-year view of what is needed to deliver smarter, safer travel connections and better levels of service for customers. With this long-term focus, we work to integrate land use and transport planning across all modes of transport and across all regions. This includes prioritising investments to ensure a future-fit, multi-modal land transport system.

We are guided by what the Government wants to achieve and its national strategic direction for the land transport sector as set out in the Government Policy Statement on Land Transport.

We have a key role in land transport planning at a regional level. We are a full member of each of the 16 regional transport committees. These local-government committees are responsible for developing regional land transport plans, which feed into the National Land Transport Programme. All local activities must be included in a regional land transport plan in order to receive funding from the National Land Transport Fund.

We are also a member of the Board of Auckland Transport and work in partnership with Auckland Transport to address Auckland's long-term transport needs.

1.4 DELIVERING THE SYSTEM

The Transport Agency delivers the system platforms for the transport network by investing in new roads and infrastructure. We also maintain and improve the state highway network.

We are responsible for investing the National Land Transport Fund. This is a dedicated fund for the development and maintenance of local and national land transport infrastructure and services. The land transport revenue raised from fuel excise duties on petrol, road user charges, and a portion of the revenue raised from motor vehicle registration and licensing goes into the fund.

We invest these funds through the National Land Transport Programme, which has a 10-year focus and is developed and renewed every three years. These investments are guided by the Government's priorities, as set out in the Government Policy Statement on Land Transport, and are designed to contribute to lifting economic growth and productivity and represent optimal value for money.

The state highway network makes up 13 percent of New Zealand's total road network, but accounts for almost 50 percent of all vehicle traffic. Connecting with all sea ports and airports, the state highway network facilitates the efficient flow of New Zealand's increasing freight demand. Nearly 75 percent of all kilometres driven by heavy vehicles are driven on the state highway network.

Our infrastructure-improvement programme is focused on providing for New Zealand's heavily-trafficked metropolitan and high-growth areas, as well as key regional routes to support regional development and improve road safety. The Transport Agency procures value-for-money state highway infrastructure improvements and maintenance contracts.

1.5 OPERATING THE SYSTEM

As the land transport regulator, the Transport Agency administers wide-ranging regulations governing people's use of the land transport system. This includes managing:

- the driver and transport service licensing systems
- the vehicle certification system
- the registration and licensing systems
- the road user charges and tolling systems
- the rail participant licensing system.

The driver licensing system issues around 250,000 driver licences annually and the motor vehicle registration and licensing system involves over 6.3 million transactions each year.

To support regulatory effectiveness, we develop the road policing programme with the New Zealand Police, which provides funding to New Zealand Police of about \$320 million per year for compliance and enforcement activities that support road safety and network efficiency.

In conjunction with the Ministry of Transport, we maintain the quality and currency of a wide range of land transport rules, standards, codes and guides. This includes developing, drafting and consulting on behalf of the Minister of Transport on rule

amendments and working with industry and sector specialists to give effect to and/or supplement these through technical standards, codes and guidance. These rules regulate transport safety, environmental protection, and transport infrastructure. We also work to ensure land transport regulatory regimes are flexible, responsive and minimise the administrative burden.

We have responsibility for managing and operating the state highway network. We operate three Transport Operation Centres based in Auckland, Wellington and Christchurch. The Transport Operation Centres manage incidents and events, and provide travel information across New Zealand.

The Auckland Transport Operation Centre is responsible for managing traffic across the greater Auckland urban network and rural state highway network down to the Desert Road, in partnership with Auckland Transport.

The Wellington Transport Operation Centre looks after the greater Wellington urban network and the remainder of the rural state highway network.

The Christchurch Transport Operation Centre was established after the Canterbury earthquakes of 2011-12, and we operate in partnership with Environment Canterbury and Christchurch City Council.

2 WHO WE ARE & HOW WE WORK

2.1 THE TRANSPORT AGENCY BOARD

The Transport Agency Board is our governing body. Board members are accountable to the Minister of Transport for performing their duties. The Minister appoints up to eight independent non-executive members to the Board. These appointments are typically for a two or three-year period that might be extended. The Board selects the membership of its three committees and has appointed the Secretary for Transport as a member of the Audit, Risk and Assurance Committee.

This is consistent with the Ministry of Transport's role as the monitoring department and adviser to the Minister of Transport on our performance.

The Transport Agency Board supports the Minister of Transport by performing six functions which govern the operations and performance of the Transport Agency:

- setting the direction of the Transport Agency
- setting plans and targets for services and financial performance
- reviewing and reporting on the Transport Agency's performance against plans and targets
- providing quality assurance of key operational policies, systems and processes
- making significant planning, investment and funding decisions, and
- influencing and contributing to the land transport sector.

The Board works to ensure that the Transport Agency and our supply chain strive for better economic value in the interests of achieving the Government's objectives. The Board advises the Minister of Transport every quarter on the performance of the Transport Agency in meeting its targets. It also provides advice on the implications of changes to the operating environment, and the emerging risks and opportunities for the Transport Agency and the transport sector as a whole.

Transport Agency Board members



CHRIS MOLLER, CHAIR (WELLINGTON)

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

He is 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 range of joint venture and subsidiary organisations within the New Zealand dairy industry, both domestically and internationally.

Chris Moller was recently named 2016 Chairperson of the Year in the Deloitte Top 200 Awards.



DAME FRAN WILDE, **DEPUTY CHAIR** (WELLINGTON)

Fran is a non-executive director. She also chairs the Remuneration Authority, is the Deputy Chair of the Capital and

Coast District Health Board, and is a director of a number of other enterprises.

Fran was previously a Cabinet Minister, Mayor of Wellington and Chair of the Wellington Regional Council.

She was CEO of the NZ Trade Development Board, has chaired Housing NZ Ltd, Wellington Waterfront Ltd, the Food Safety Advisory Board and the NZ International Arts Festival and has been a director on other diverse companies – listed, privately held and government owned. Fran also chaired the Government's Expert Advisory Group on Local Government Infrastructure Efficiency.



NICK ROGERS (AUCKLAND)

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

He has more than 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 Ltd.

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.



ADRIENNE YOUNG-COOPER (AUCKLAND)

Adrienne Young-Cooper is a businesswoman, full time professional director and a Chartered Fellow of the Institute of Directors.

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 and was a Board member of Maritime New Zealand. Her experience and contribution in transport governance is extensive. She also served as Deputy Chair of Waterfront Auckland.

She is Chair of Housing New Zealand Corporation and a Director of the Hobsonville Land Company Ltd. She also serves on several charitable trusts. Adrienne is based in Auckland and Wellington and has family ties to Taranaki.



CHRIS ELLIS (AUCKLAND)

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

He is currently chairman of Energyworks Holdings Ltd, and Highway Group Ltd and

serves on the board of directors of Worksafe New Zealand and Horizon Energy Ltd.

He has held CEO roles with Brightwater Group, and prior to that at Fletcher Building Ltd where he was Chief Executive of the Building Products Division.

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 (Engineering Science and Management) from Stanford University in California.



LEO LONERGAN (WELLINGTON)

Leo Lonergan returned to New Zealand in 2013 after a 36-year career with Chevron Corporation including executive assignments in North America, Europe, 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 \$US 50 billion per year.



MARK DARROW (AUCKLAND)

Mark is an experienced businessman 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 a Chartered Member of the New Zealand Institute of Directors.

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

He is currently Chairman for The Lines Company, Primary ITO, Armstrong Motor Group and Signum Holdings, and a director for Counties Manukau DHB, MTA and Balle Bros Group.

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



VANESSA VAN UDEN (QUEENSTOWN)

Vanessa van Uden was a Councillor on the Queenstown Lakes District Council before becoming Mayor in 2010. She stood down at the October 2016 election

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 ONZM in the New Year's Honours 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.

2.2 OUR LEADERSHIP STRUCTURE

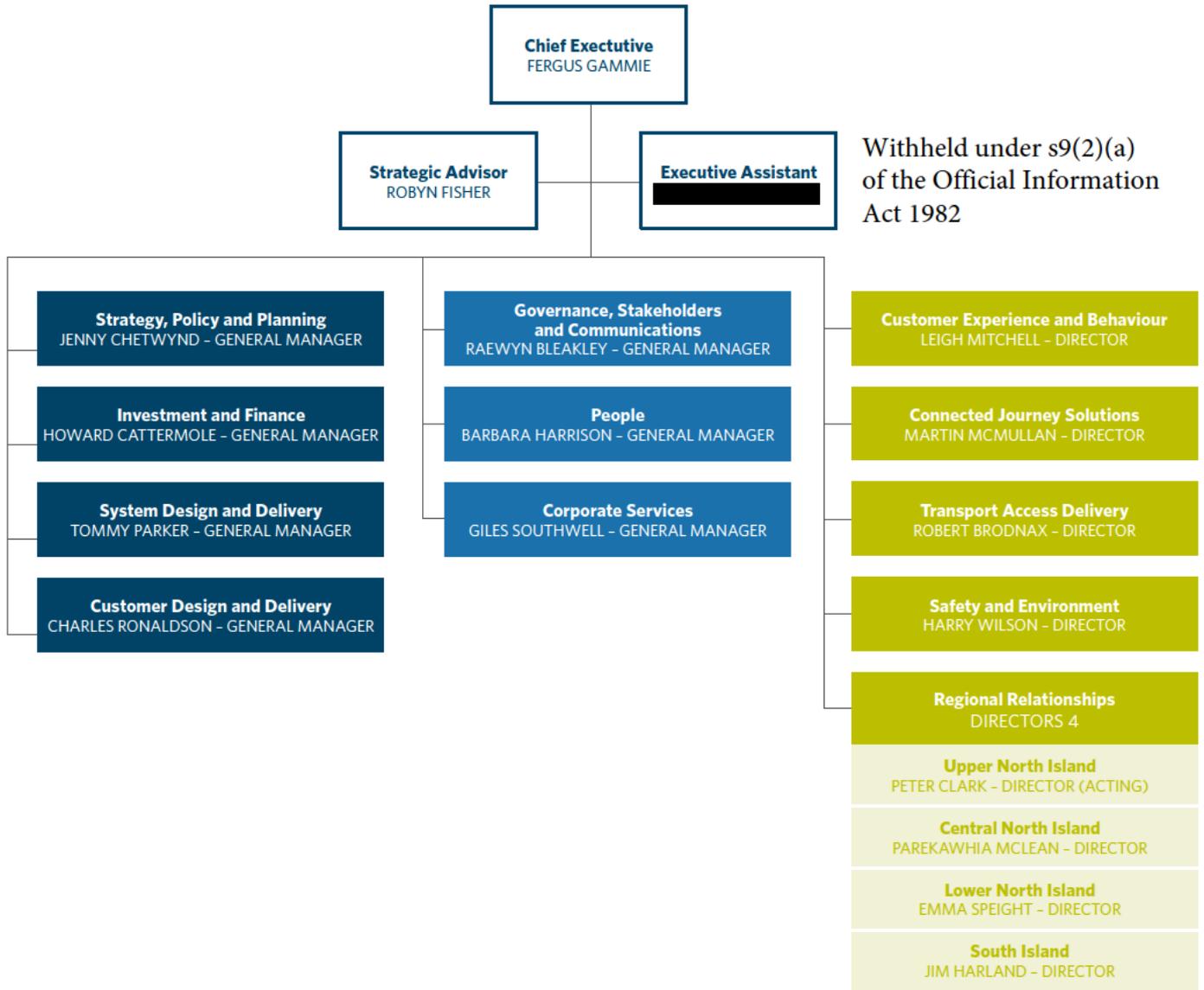


Figure 1 Transport Agency organisation leadership structure

2.3 OUR OPERATING MODEL AND ORGANISATIONAL STRUCTURE

The Transport Agency’s value-chain operating model and organisational structure are based around three broad

functions: planning the land transport system, delivering the land transport system and operating the land transport system.

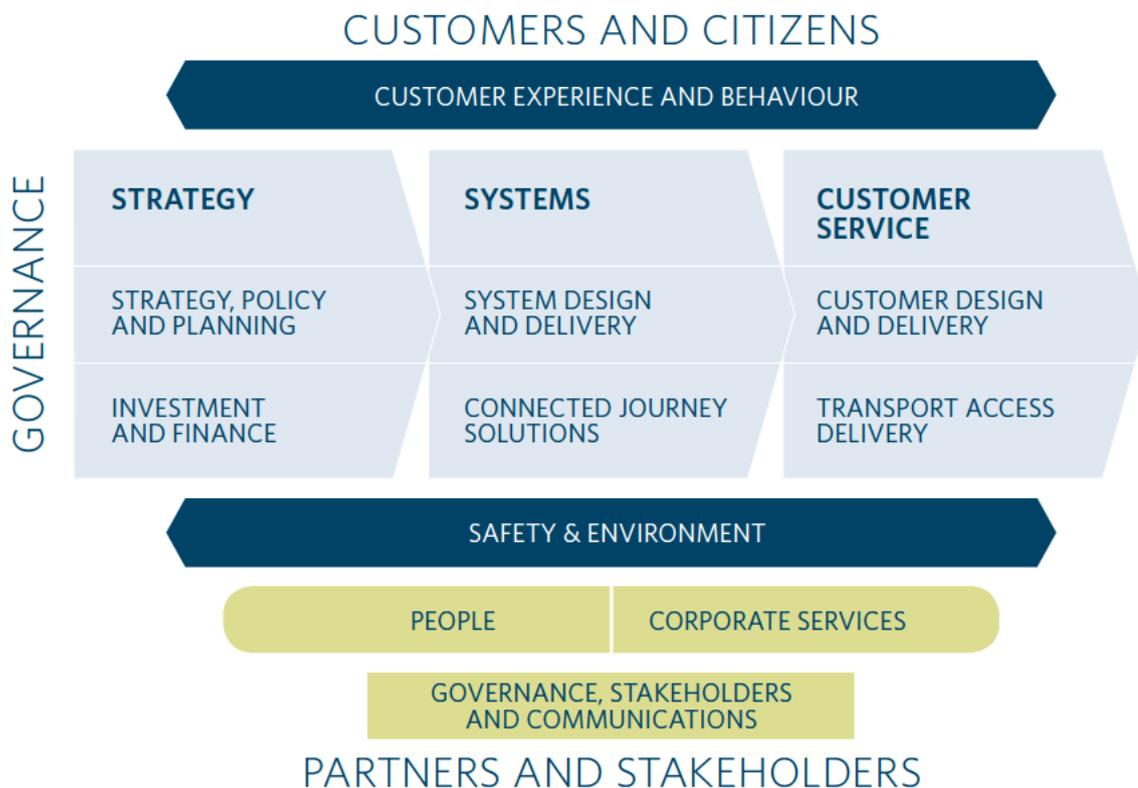


Figure 2 Transport Agency Operating Model

OUR OPERATING MODEL

Our value-chain operating model emphasises customer focus, clarity of accountability and interdependence. This operating model enables us to work together across our internal functions to deliver our strategy. It also helps us to be more efficient and agile and ensure we have the right resources in the right place to deliver our business plan.

OUR ORGANISATIONAL STRUCTURE

We have 11 groups in total. At our core are six groups focusing on strategy, investment and finance, system design and delivery, connected journeys, customer delivery, and regulatory functions. Working across all of these functions are groups focused on customer experience and behaviour and safety and environment. These eight groups are supported by the Governance, Stakeholders and Communications, People and Corporate Services groups.

We work in 14 locations from Whangarei to Dunedin. Our organisation is made up of staff from a variety of disciplines, including planners and policy analysts, engineers, business advisors, regulatory compliance specialists and information technology, legal, property and finance.

3 STRATEGIC CONTEXT

3.1 OUR STRATEGIC CONTEXT

The Transport Agency's strategy takes into account formal statutory obligations (see Section 1.2 above), ministerial expectations, and the:

- Government Policy Statement on Land Transport – which sets out the Government's priority for expenditure on land transport
- Expectations for Good Regulatory Practice
- Connecting New Zealand – prepared by the Ministry of Transport, which summarises the Government's policy direction for transport
- Economic Strategy – which supports the Government's priorities for a more productive and competitive economy
- National Infrastructure Plan – which sets out a twenty-year vision for New Zealand's infrastructure
- Intelligent Transport Systems Technology Action Plan.

The Transport Agency is cognisant of future trends and challenges such as climate change, reduced fossil fuel use and an aging population.

3.2 OUR STRATEGIC VISION

Our strategic vision operates at three interconnected levels to ensure customers and citizens benefit from the rapid changes happening in transport.



There are a number of opportunities and challenges in our current and future operating environment.

- Customers and business want faster and easier transport services.
- Our population is aging and becoming more urbanized.
- Digital technology and new services are transforming transport.
- High-growth demand along with the need for regions and communities to be connected are a challenge.
- Citizens demand we use resources wisely and develop a transport system fit for the future.
- The Government expects us to provide a system that provides value for money.

Our strategy positions us to respond to these opportunities and challenges and the impact they have on the expectations of our customers and the Government to ensure that every customer and business in New Zealand benefits from the rapid changes happening in transport.

OUR STRATEGY

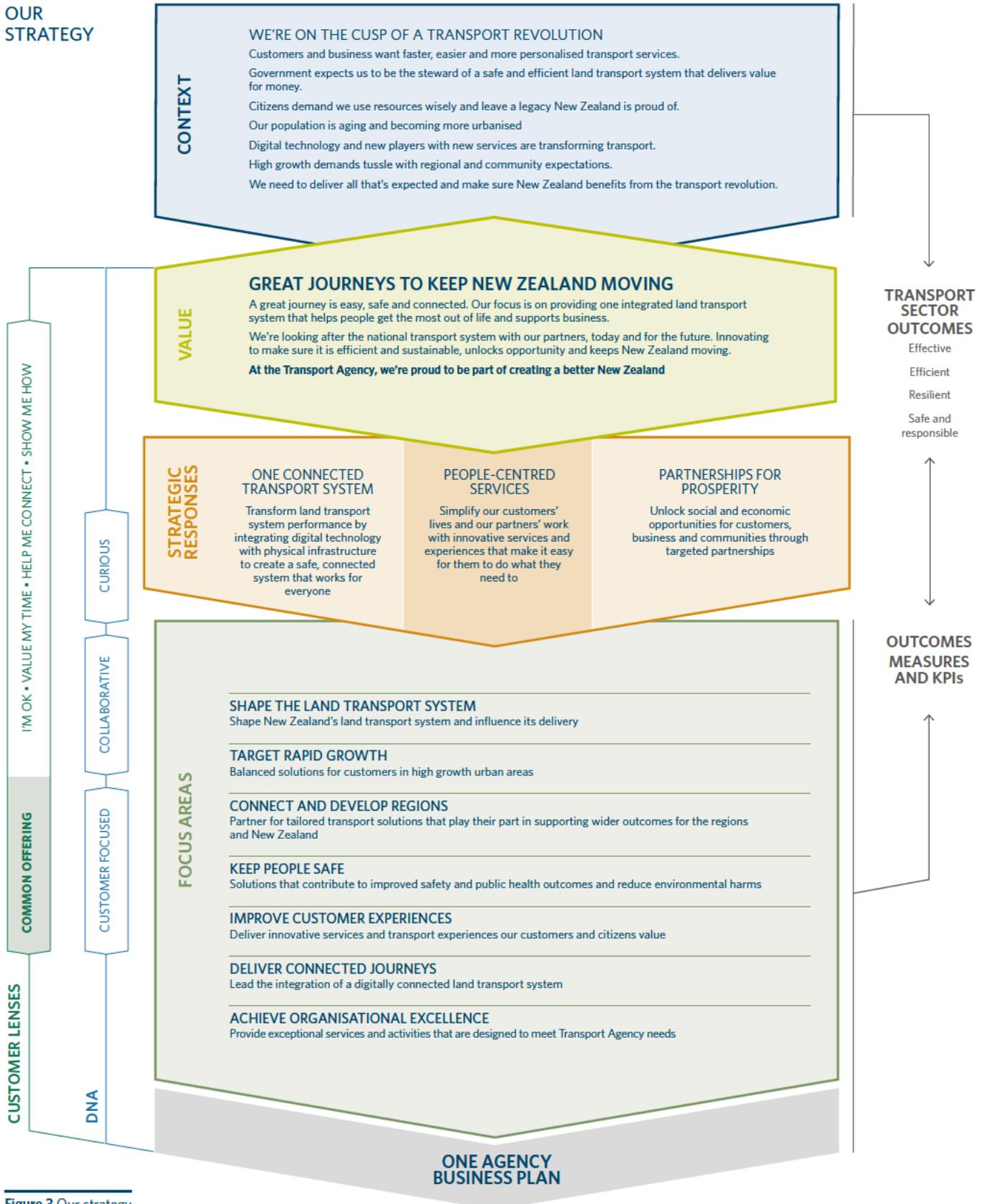


Figure 3 Our strategy

4 OUR OPERATING CONTEXT

4.1 FUNDING OF LAND TRANSPORT DELIVERY

The Transport Agency manages around \$4.5 billion of revenue annually. This comprises around \$3.7 billion from the National Land Transport Fund, \$0.54 billion of Crown revenue for specified activities and \$0.18 billion from user-pays fees and regulatory services. Local authorities contribute an additional \$0.9 billion for co-invested transport activities.

Most of the funding is allocated to land transport programmes and projects where the costs are funded as they are incurred. This is commonly referred to as a 'pay-go' basis. Some project costs have been funded from Crown debt, for example Christchurch earthquake recovery, and from public-private partnership arrangements, with the National Land Transport Fund funding loan repayment and interest costs over time.

THE NATIONAL LAND TRANSPORT FUND

Annually, about \$3.7 billion of revenue from road user charges, fuel excise duty, motor vehicle registry fees and state highway property is channelled into the National Land Transport Fund. The National Land Transport Fund is fully hypothecated, which means that all income is allocated directly to land transport activities. The level of road user charges, fuel excise duty and motor vehicle fees are set by Government.

The National Land Transport Fund funds 100 percent of the cost of state highway activities nationwide and about 53 percent of the cost of local programmes and activities (including public transport, local roads maintenance and improvements). It also fully funds a number of other national programmes, such as research and road policing. The Transport Agency Board has independent statutory responsibilities for the allocation and investment of the National Land Transport Fund. The funding for New Zealand Police to deliver the Road Policing Programme is sourced from the National Land Transport Fund.

The Transport Agency has short-term borrowing arrangements in place to help balance out the uneven flows of revenue over the course of the year.

CROWN REVENUE

In recent years, the National Land Transport Fund and local-government funding have also been supplemented by significant additional Crown grants and loans for specific projects. For example, grants and loans have been used to accelerate construction of important regional state highway projects, accelerate the improvement of Auckland's transport network and accelerate delivery of cycling projects in urban areas.

Government policy decisions have appropriated funding for the operation of the super-gold card system and for remediation work following the Kaikōura earthquake of 2016. The total Crown funding received in 2017/18 is approximately \$0.54 billion.

FEES AND CHARGES

Around \$180 million is received annually from fees and charges from such activities as driver licensing, driver testing and vehicle registration.

PLANNING AND INVESTING – THE NATIONAL LAND TRANSPORT PROGRAMME

The National Land Transport Fund is invested through the National Land Transport Programme. The National Land Transport Programme is the delivery programme for land transport investment, developed and delivered in a partnership between the Transport Agency, local authorities, New Zealand Police and transport sector stakeholders.

When developing the National Land Transport Programme, the Transport Agency uses an investment assessment framework to ensure that we deliver on Government priorities as set out in the current Government Policy Statement on Land Transport. This framework also helps us determine which activities should receive funding.

Approved organisations, which are those organisations mandated under the Land Transport Management Act 2003 to receive funding from the National Land Transport Fund, include all local and regional councils, Auckland Transport, the Department of Conservation and the Waitangi Trust. The Transport Agency also receives funding from the National Land Transport Fund for state highways and nationally delivered activities. When these organisations develop proposals for the National Land Transport Programme, they are expected to follow a staged business case approach. At each stage, our investment assessment framework is used to ensure the proposal identifies the right issues and opportunities.

ALLOCATION OF NATIONAL LAND TRANSPORT FUNDING

Activity classes are a grouping of similar activities. They provide signals about the balance of investment across the Government Policy Statement on Land Transport. The National Land Transport Fund is divided into activity classes as a means of achieving the results specified in the Government Policy Statement on Land Transport.

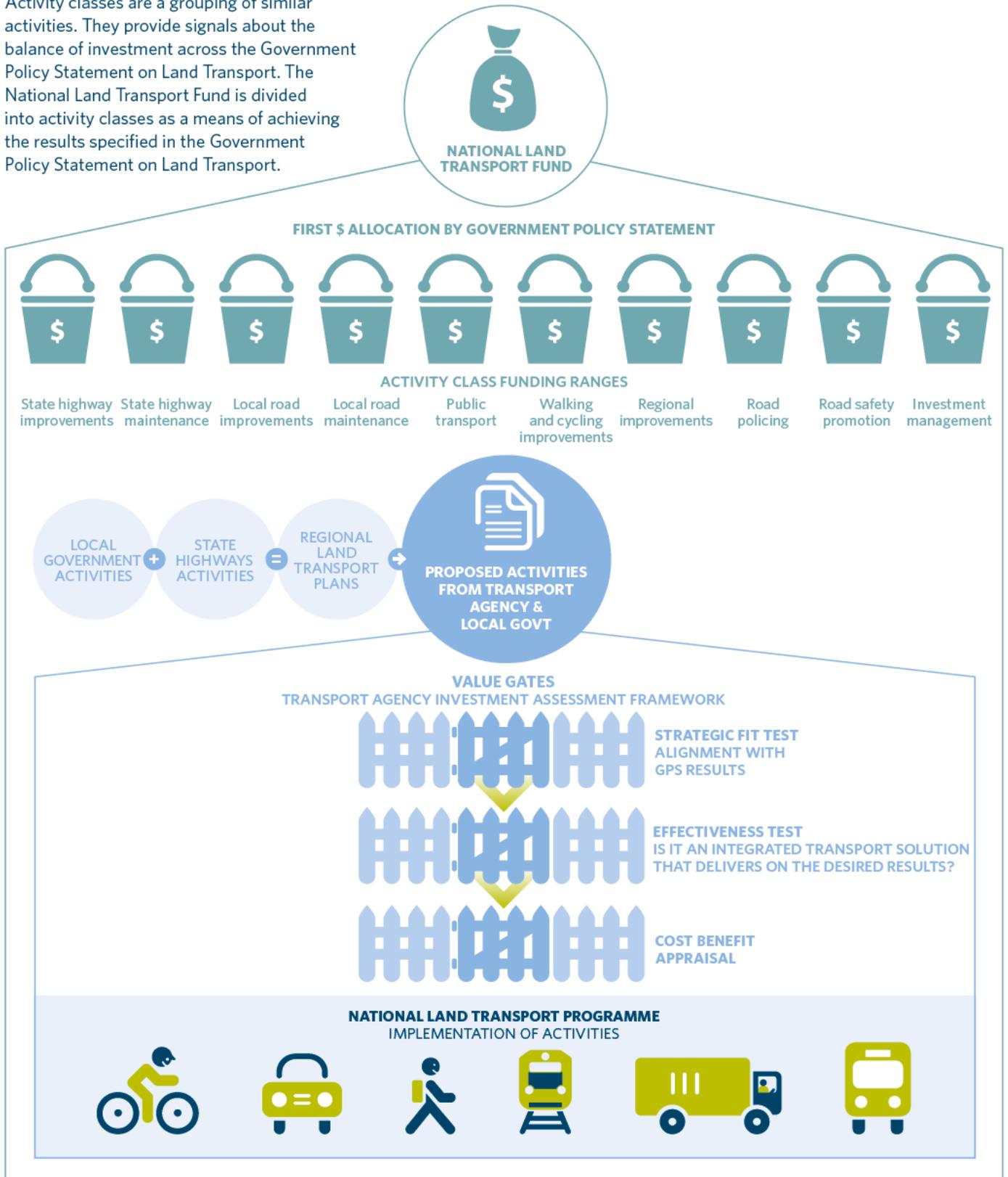


Figure 4 Allocation of National Land Transport Funding

4.2 MONITORING AND REPORTING PERFORMANCE OF THE TRANSPORT AGENCY STRATEGY

The Transport Agency prepares a statement of intent at least once every three years and statement of performance expectations every year for the Minister of Transport. The Statement of Intent 2017-2021 can be found on our website at www.nzta.govt.nz/soi. The Statement of Performance Expectations 2017/18 can be accessed at www.nzta.govt.nz/spe.



Statement of intent 2017-2021



Statement of performance expectations 2017/18

These two documents describe our strategic intentions and how they will be delivered and measured. Our performance against these measures is reported in our annual report. We also produce an annual report for the National Land Transport Fund, which reports our progress on investing the fund in the National Land Transport Programme. Both annual reports have been provided to your office in advance of publication on 31 October, as required by the Crown Entities Act 2004. Your office will arrange for these reports to be presented to the House on the second day of the meeting of the new Parliament.

On a quarterly basis, the Transport Agency Board reports on our performance to the Minister of Transport. These quarterly reports provide information on our service delivery and financial performance. They also provide regular updates on risks and organisational capability and health.

4.3 ALL-OF-GOVERNMENT COLLABORATION

The Transport Agency partners with other Government agencies to make sure our land transport system provides economic and social outcomes that will benefit all New Zealanders.

We play an active role in delivering inter-agency projects in the Government's National Infrastructure Plan. We advise ministers participating in the forums of the Government's overall economic strategy. We are a member of the Government's Tourism Chief Executives Group. Through other cross-Government groups that have been set up to work on economic strategy and regional economic development, we make specific, planned contributions to all-of-Government social and economic outcomes.

We also work collaboratively with the transport sector to reduce operational costs through innovative approaches that allow us to combine and share internal services.

4.4 ENGAGEMENT

COMMUNITY ENGAGEMENT

We work closely with people and organisations affected by our work. We consult on significant projects and talk regularly with road users, people living alongside our state highways, consultants and contractors, and other stakeholders including local authorities. In partnership with local governments, we engage with communities about the risks on our roads and work together to find solutions.

IWI ENGAGEMENT

We engage with Māori as a treaty partner. We are committed to giving effect to the principles of the Treaty of Waitangi and fulfilling our obligations under the Land Transport Management Act. We engage with hapū and iwi wherever possible on activities that are likely to affect them or their interests. We also provide Māori with the opportunity to participate in our decision-making processes, and work to build their capacity to contribute to our decision-making processes.

HOW WE ENGAGE

We engage through simple, effective channels that enable us to have conversation-based dialogue with customers. Our communication channels include:

- **Contact centres:** We use innovative approaches to help people get through to us faster and aim to resolve issues through a single contact where possible.
- **Online channels:** We make it easier for customers to engage with us and complete transactions online.
- **Advertising and social media:** We are committed to helping people make smart, safe choices. Our road safety advertising and evaluation programme is regarded internationally as best practice. We also provide real-time travel information to help people make the best choices in how they use the transport system.
- **Education:** Our innovative learning resources are a popular tool for teachers. The resources are built on a practical, active learning approach to help students apply their learning in real life.

5 OUR FOCUS AREAS

5.1 SHAPE THE LAND TRANSPORT SYSTEM

We aim to shape New Zealand's land transport system and influence its delivery by:

- influencing and collaborating with our investment and delivery partners to develop an aligned view of the pressures, state and responses (including timing) at national and regional levels for an integrated land transport system
- planning with the whole transport system in mind, including the most important interventions required to enable one land transport system
- taking a consolidated and coordinated approach to the timing and progress of the agreed interventions, whether regulatory, policy, planning or investment focused.

LONG-TERM STRATEGIC VIEW

The Transport Agency works with partners and stakeholders to develop a shared, long-term strategic view of the transport system. Such a view allows us to identify the transport investments that will produce the best economic, social and environmental outcomes for New Zealand.

Our Long Term Strategic View, released in June 2017, reflects our current understanding of the transport system and captures current pressure points and responses. It also highlights four key factors that will shape our transport system for the future – population, economics, environment and technology.

We have also produced a Four Year Excellence Horizon, which is an organisational positioning response to the longer-term trends (10-15 year) shaping our operating environment.

The Four Year Excellence Horizon highlights the following key trends expected to impact on our future operating environment:

- demographic change – an aging population, increasing urbanisation and population decline in provincial areas
- changes in customer expectations
- increased climate change impacts and natural disasters
- an acceleration in technological change
- increased demand for information and data
- a need for a new sustainable funding model.

The Transport Agency understands that it is in the technology business as much as the infrastructure business. We seek to identify emerging technologies to deliver innovative solutions to enduring transport problems.



RESILIENCE

Significant natural and climate-change related events are occurring more frequently. In addition to building resilience through improvements to the state highway network, we are collaborating on a multi-agency strategic transport system response plan, which will identify critical sections of state highways and provide a prioritised programme of work to ensure resilience.

We also have local and national emergency response plans in that contain information on alternative routes and key stakeholder contacts.

Our emergency response is managed via outsourced network outcome contracts. Depending on the scale of events, responses are either lead by the Transport Agency, New Zealand Police, Emergency Services or Civil Defence Groups. The Transport Operation Centres (based in Auckland, Wellington and Christchurch) are responsible for monitoring progress and are part of the prescribed Government response to civil defence emergencies.

ROAD EFFICIENCY GROUP

The Road Efficiency Group is a collaborative project between local government and the Transport Agency set up to create and embed a new national funding and activity management structure for roads (the One Network Road Classification) that will improve value-for-money, customer focus, consistency, collaboration, and quality in road-activity management.

The Road Efficiency Group is developing tools which support a customer-centric framework for managing transport networks using good data and evidence, and a collaborative approach to service delivery using fit-for-purpose procurement.

5.2 TARGET RAPID GROWTH

Auckland, Hamilton, Tauranga, Christchurch and Queenstown are experiencing rapid population growth and development that outstrips the capacity of local transport systems. Such rapid growth makes it difficult to integrate land use and transport planning. Parts of Wellington and its surrounding areas are experiencing similar challenges.

We aim to improve the performance of the transport system for customers in these areas through a range of interventions including new infrastructure, travel demand management and network optimisation. This will ensure we make the most of digital technologies and travel information.

HOUSING INFRASTRUCTURE FUND

The Housing Infrastructure Fund is a \$1 billion, 10 year fund providing interest-free loans to high-growth councils to bring forward the water and transport infrastructure required to release land for housing. This cross-Government initiative is led by the Ministry of Business, Innovation and Employment with transport infrastructure being managed and delivered by the Transport Agency.

In June 2017, the Ministers of Transport, Housing and Finance approved an \$888 million Housing Infrastructure Fund programme of infrastructure across Auckland, Waikato, Hamilton, Tauranga and Queenstown; \$459 for water infrastructure and \$429 for transport infrastructure. The remaining \$112 million in the Housing Infrastructure Fund was reserved as programme contingency.

Councils are now in the process of developing detailed business cases for their successful Housing Infrastructure Fund projects (including funding arrangements). To fast track infrastructure, councils are expected to have their business cases complete and loan agreements in place by June 2018.

AUCKLAND ACCELERATED PROGRAMME

The Auckland Accelerated Programme is a programme of critical land transport infrastructure projects targeted for acceleration with funding from the National Land Transport Fund and loans from the Crown that will be repaid from the National Land Transport Fund.

It continues to run to plan and meet its annual deliverables. On the Southern Corridor, the southbound lane between Hill Road and Takanini is open to traffic. Consents were lodged for the Northern Corridor and East West Connections as planned. The upgraded intersection of State Highway 20A and Kirkbride Road has opened to traffic.

AUCKLAND TRANSPORT ALIGNMENT PROJECT

In 2015, the Government and Auckland Council agreed to work together on the Auckland Transport Alignment Project to identify an aligned strategic approach for the development of Auckland's transport system that delivers the best possible outcomes for Auckland and New Zealand.

The Auckland Transport Alignment Project report of September 2016 sets out an agreed approach for the development of Auckland's transport system over the next 30 years, including an indicative \$24 billion investment package for the 10 years from 2018. It also identifies that funding in current central and local government statutory plans project a \$4 billion funding gap.

As requested by the Minister of Finance, the Minister of Transport and the Auckland Mayor, in August 2017 the Auckland Transport Alignment Project agencies updated the indicative package and estimate for the first decade funding gap to reflect higher growth.

SKYPATH

SkyPath is a proposed walking and cycling connection across the Auckland Harbour Bridge being progressed by Auckland Council through co-investment with the private sector. The SkyPath Trust is advocating for Government funding of the project. The Transport Agency's position remains that allocation of future funding of the Urban Cycleways Fund is yet to be determined and we continue to support the current private-public partnership delivery model.

AUCKLAND AIRPORT INTEGRATED PROGRAMME (INCLUDING AIRPORT TO CITY CENTRE MASS RAPID TRANSIT)

The Auckland Airport Access Programme is a joint programme between the Transport Agency, Auckland Transport and Auckland International Airport Ltd. The programme includes:

- a behaviour change programme
- improved bus services
- increased park and ride
- mobility as a service platform
- additional traffic lanes
- a new motorway link and airport-to-city centre mass rapid transit.

The overall cost of the programme is estimated to be [REDACTED].

We are working with Auckland Transport to develop a business case for route protection of the airport-to-city centre mass rapid transit corridor. The business case is expected to be completed by late 2018.

ADDITIONAL WAITEMATA HARBOUR CROSSING

On 2 March 2017, the Transport Agency Board endorsed the recommended route for an additional Waitemata Harbour Crossing. The route forms the basis of proposed designations to protect the land required for the project, along with a coastal occupation permit for the tunnel section located within the coastal marine area. The recommended route, which was developed through a robust alternatives assessment, would provide a new multi-modal tunnel connection between the North Shore at Esmonde Road and the central motorway junction.

QUEENSTOWN INTEGRATED PROGRAMME

The Transport Agency is working with local council partners to develop an integrated programme in response to high growth in Queenstown. The programme recommends a staged suite of interventions designed to improve the performance of Queenstown's transport system for all modes of travel. It also includes state highway improvements, town centre

improvements, provision of the mobility as a service platform and an active travel network. Business cases for the first components of the programme are being developed.

The Government, through the Tourism Chief Executives Group, has agreed a terms of reference with Queenstown Lakes District Council to identify opportunities and solutions to the capacity constraints and infrastructure pressures that pose risks to sustained economic development in Queenstown Lakes and surrounding areas.

5.3 CONNECT AND DEVELOP REGIONS

The Transport Agency aims to work with partners to create tailored transport solutions that support wider outcomes for communities, regions and New Zealand as a whole.

We support regional economic development by improving interregional connections, connections to domestic and international markets for businesses and tourist routes. Better connections improve productivity, accessibility, journey predictability and resilience. They also reduce travel time.

We also work with others, in a variety of contexts, to promote broader social and economic outcomes for New Zealand.

REGIONAL ECONOMIC DEVELOPMENT

We are a key partner in the Government's regional economic development programme. Our activities include:

- identifying opportunities where transport interventions can contribute to regional economic development
- providing feedback on regional economic development action plans and proposals
- funding regional economic development initiatives
- developing business cases for regional economic development initiatives
- delivering capital projects.

Most regional economic development related transport activity is funded through the National Land Transport Programme (in some cases requiring variations to existing regional land transport plans), but in a small number of cases regional economic development projects and studies have received Crown funding from the Regional Growth Programme, which is funded through the Economic Development: Regional Growth Initiatives (2016-2021) multi-year appropriation in Vote Business Science and Innovation.

We have a number of projects underway in seven of the eight regions where regional economic development action plans are being implemented. Delivery of these projects is a Statement of Performance Expectation activity for 2017/18.

ACCELERATED REGIONAL ROADING PROGRAMME

In June 2014, the Government announced funding to accelerate a three-part package of regionally important state highway projects. Many of these projects had not reached the required threshold for funding. However, the projects are important to communities in their respective regions, as they will contribute to regional networks' economic efficiency, increase safety, and address resilience issues for customers.

Two first tranche projects are complete– the Normanby Overbridge Realignment in Taranaki and the Panikau Hill and Wallace Hill slow vehicle bays in Gisborne. Construction is underway on the remaining first tranche projects, which include the:

- Kawarau Falls Bridge (Otago)
- Mingha Bluff to Rough Creek realignment (Canterbury)
- Akerama Curves realignment and passing lane (Northland).

Progress continues on the second tranche of projects, with all projects either under construction or in design, these include:

- Whirokino Trestle Bridge replacement (Manawatu/ Whanganui)
- Motu Bridge replacement (Gisborne)
- Taramakau Road/Rail Bridge (West Coast)
- Loop Road north to Smeatons Hill safety improvements (Northland)
- Mt Messenger and Awakino Gorge Corridor (Taranaki).

The third tranche of projects included Napier Port Access, Nelson Southern Link and Rotorua Eastern Corridor. Three projects in the Napier Port Access programmes have been confirmed; Nelson Southern Link is progressing through the business case process.

INTERREGIONAL PROGRAMME

In November 2016, as part of the interregional programme which invests in strategic interregional routes, the Transport Agency Board approved nine priority programme business cases. The Transport Agency is now developing detailed business cases for priority sections of those programmes. Preferred options are expected to be selected by the end of 2017 for the upgrading of State Highway 1 between Whangarei and Port Marsden Highway and the upgrading of State Highway 1 between Cambridge and the intersection of State Highway 1 and State Highway 29 at Piarere.

CONNECTING NORTHLAND

The Connecting Northland programme, which aims to increase Northland's connectivity through the construction of eight bridges, is one of the interregional priority programme business cases. Three of the proposed bridges – the Matakohe, Taipa and Kaeo Bridges – are under construction. Investment in the remaining five bridge projects will be considered by the Transport Agency Board in the future.



5.4 KEEP PEOPLE SAFE

The Transport Agency is delivering solutions that contribute to improved safety and public health outcomes, while reducing environmental harms.

We aim to deliver and influence integrated, targeted interventions to prevent or reduce death and serious injury, improve personal security and health, and prevent or reduce environmental harms. To these ends, we are building on achievements already delivered by our Safer Journeys: New Zealand's road safety strategy 2010-2020 to extend the internationally recognised Safe System approach beyond road safety to the whole land transport system.

SAFER JOURNEYS – THE SAFE SYSTEM APPROACH TO ROAD SAFETY

The Safe System looks beyond blaming individual road users for road trauma and examines the entire road system to improve safety by creating safer roads and roadsides, safer speeds, safer vehicles and safer road use.

We work with the Ministry of Transport, the New Zealand Police, the Accident Compensation Corporation and local governments to implement the Safer Journeys strategy via the Safer Journeys Action Plans. We have primary responsibility for the following aspects of developing a safe system.

Safer roads and roadsides

Directly investing in safety improvements for state highways
Urban Cycleways Programme

Co-investing with local governments to improve the safety of local roads

Safe speeds

Managing speeds on state highways

Working with other road controlling authorities to set speed limits consistently with the Setting of Speed Limits Rule 2017

Changing the public conversation on road risk

Safe road use

Investing in the Road Policing Programme

Providing road safety promotion through advertising and education – including speed, alcohol, drug driving, young drivers, seatbelts and child restraints promotions

Graduated Driver Licensing system

Supporting young drivers and vulnerable communities

Safe vehicles

Overseeing the Warrant of Fitness and Certificate of Fitness systems

Heavy vehicle compliance with dimension and mass limits

Contributing to the development of new safety standards

The Safer Journeys Action Plan 2016-2020 renews our focus on:

- enabling smart and safe choices on the road
- making motorcycling safer
- ensuring roads and roadsides support safer travel
- encouraging safer vehicles.

Increasing the use of technology is also a recurrent theme in the 2016-2020 Action Plan, in particular to improve operator, vehicle and driver safety, and build on the Government's Intelligent Transport Systems Technology Action Plan.

ANNUAL ROAD TRAUMA TRENDS

Road deaths and serious road injuries are increasing. This is a major public health issue. In 2016, 328 people were killed on the roads compared to 319 in 2015, and 293 in 2014. There were 2,833 serious injuries in the 12 months to December 2016 compared to 2,477 in the 12 months to December 2015. The cost of road crashes (deaths and injuries) in 2016 was \$4.15 billion, up from \$3.86 billion in 2015.

On current trends, the road toll for the whole of 2017 is likely to exceed 350 deaths – the highest since 2010 when there were 375 deaths. As at 11 October 2017, 297 people had been killed on the roads this year, compared to 253 at the same date in 2016. This is four more than the total for the whole of 2014. The rolling 12 months total as at 11 October was 371, compared to 329 at 11 October 2016.

ROAD POLICING PROGRAMME

The Transport Agency and New Zealand Police jointly prepare the Road Policing Programme, which the Minister of Transport approves in consultation with the Minister of Police and the Minister of Finance. We maintain oversight of the Road Policing Programme on behalf of the Minister of Transport.

With New Zealand Police, we are currently reviewing the road policing programme, funding and operating models, with a view to developing a more collaborative and fit for purpose approach.

RAIL SAFETY

The Transport Agency is the Rail Safety Regulator as set out by the Railways Act 2005. Our role is to secure the safety of rail workers, passengers and the public when in, or in the vicinity of, New Zealand's rail transport networks. We provide oversight of all organisations that carry out activity on the rail network, ensuring compliance with safety requirements and collaborating with the sector to promote safety on and around the rail network. Any participant who operates rail vehicles or manages railway lines must be licensed by the Transport Agency. The number of licensed rail organisations has remained fairly constant over time at around 100 operators.

A risk-based approach is taken to our rail safety regulatory activities, with a particular focus on mitigating catastrophic risk. Licensed rail participants are required to manage their risks through 'safety cases', which must be approved by the Transport Agency, and maintained, in order to obtain and keep a licence. We assess the activities licence holders take to monitor and ensure ongoing safety of rail operations and investigate serious accidents.

Current activities include encouraging safety around level crossings and discouraging people from trespassing on and around railways. This is done in association with TrackSAFE NZ, an independent trust partly funded by the Transport Agency that runs awareness campaigns including Rail Safety Week.

The Transport Agency's rail safety regulatory function is currently funded through regulated fees that are aimed to fully recover costs from rail licence holders. The fees, last set in 2008, do not fully recover the costs of the rail safety function and do not strongly align to the safety risks created by, or effort required to regulate, the rail sector. The Transport Agency is working with the Ministry of Transport on a review of rail safety funding. The review is likely to be completed by late 2018. We propose to seek your input to the review before the end of 2017. Cabinet approval is required before any fees consultation with the public can occur.

PROMOTING SAFETY FOR VISITING DRIVERS

The Visiting Drivers Project, established in 2014, aims to improve road safety for domestic and international visitors, while maintaining New Zealand's reputation as a safe destination. The project is led by the Transport Agency, but involves central and local government, as well as the tourism and rental vehicle industries.

The programme focuses on improving road safety on key visitor routes in Otago, Southland and the West Coast, as these routes have had the highest percentage of crashes involving overseas licence holders.

SAFETY FOR ACTIVE MOBILITY - WALKING AND CYCLING

Making walking a safer and more attractive transport option

The Transport Agency makes provisions for pedestrians in major infrastructure developments such as the Waterview Connection and the Kāpiti Expressway (SH1 Northern Link).

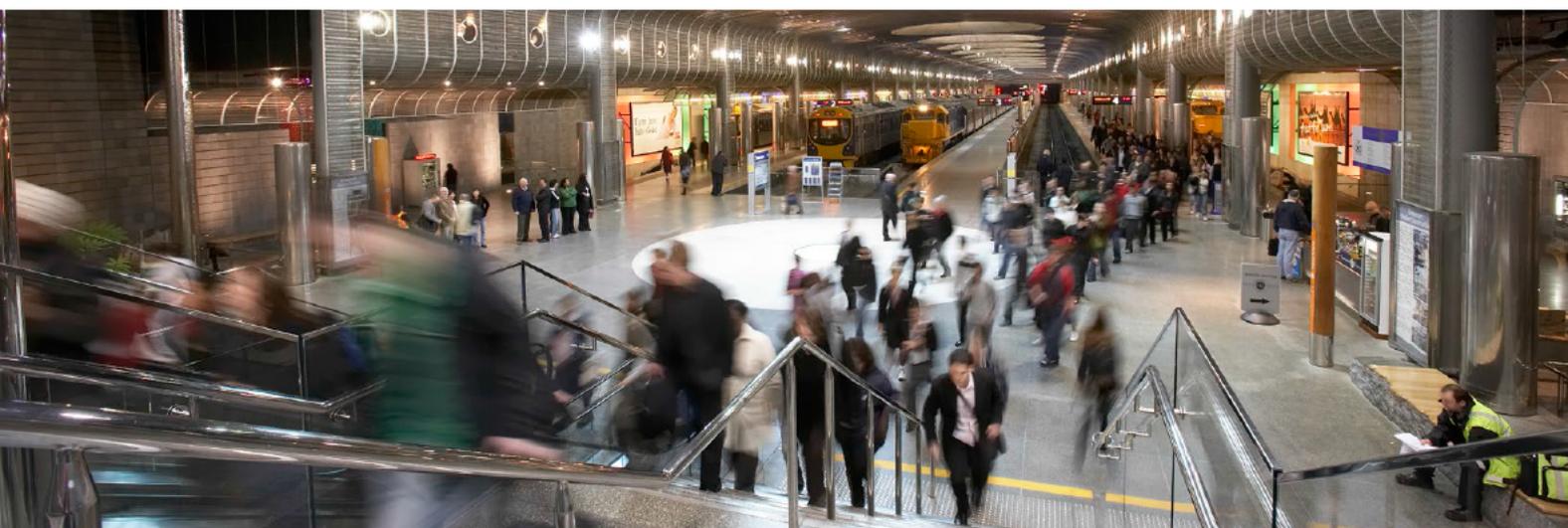
The Speed Management Guide and related tools (effective from 21 September 2017) will assist road controlling authorities to review speed limits and set new limits that are appropriate to the design and use of their roads.

Making cycling a safer and more attractive transport option

The national mode share for cycling is just 1.2 percent of all trips. A lack of safe and connected cycling facilities keeps many people from cycling.

Investment to make cycling safer and more appealing increased with the introduction of the Urban Cycleways Programme in 2014. The Urban Cycleways Programme combines Crown funding of \$100 million with local funding, and National Land Transport Fund investment to deliver a \$333 million programme of 54 projects across 22 local authorities.

The Urban Cycleways Programme complements a range of other cycling investments that are funded through Vote Business, Science and Innovation. The Transport Agency is working closely with the Ministry of Business, Innovation and Employment to optimise this investment. We are also co-investing in a cycling education system with the Accident Compensation Corporation and local governments.



SUPPORT FOR YOUNG LEARNER DRIVERS AND VULNERABLE COMMUNITIES

The Transport Agency is collaborating with other Government agencies and the private sector to address the barriers that young people face when attempting to gain a driver licence.

We have supported 15 vulnerable communities across the country to implement driver licence initiatives, such as the Community Driver Mentor Programme to help build community capacity.

We continue to develop **Drive.govt.nz**, a web application that provides educational content that can help young drivers obtain their learner, restricted and full driver licence. Since the launch of the graduated driver licence programme in 2016, **Drive.govt.nz** has had over 26,000 signups and 367,000 users. A community-based driver licencing toolkit is also in development to support community organisations to deliver group training sessions.

In the 2017/18 year, we plan to develop and test three in-car apps designed to help young drivers and their coaches plan routes to test their readiness for driver licence tests, support coaches and give drivers feedback on their speed and driving style.

SPEED ADVERTISING CAMPAIGN

The Transport Agency has undertaken comprehensive research to gain in-depth understanding of speeding drivers' behaviour and psychology. The big challenge with reducing the risks associated with speed is to stop people defending their perceived right to speed. This research informed the development of a new safe speed advertising campaign that looks at the benefits of less speed. This campaign, known as the 'Thank you for your speed' campaign, launched in January 2017.

Further advertising that will reinforce the message of 'less speed, less harm' is in development, and is planned to launch in January 2018.

SEATBELTS ADVERTISING CAMPAIGN

In the year to June 2017, 102 vehicle occupants who were not wearing seatbelts died on our roads. The risk profile of unrestrained fatally injured vehicle occupants shows higher proportions of alcohol-affected male drivers at night, compared to those who were restrained.

The Transport Agency is considering the role that advertising could play in encouraging compliance for this group. We are looking to better understand the target audience's behaviours and attitudes that lead to their non-compliance with seatbelt laws.



WATERVIEW TUNNEL SPEED LIMITS

The 2.4km Waterview Tunnel, a key piece of Auckland's Western Ring Route (a Road of National Significance), was opened to traffic in July 2017. There has been public opposition to the 80km/h speed limit on the motorway system surrounding the Waterview Tunnel.

Worldwide best practice in road tunnels and approaches to them is to have an 80km/h speed limit to reduce the risk of a crash, and the Waterview Tunnel interchanges have been designed and planned to be consistent with this worldwide best practice. The motorway system surrounding the tunnel and through the central motorway junction is complex, with high traffic volumes as well as significant lane changes and merging.

Since opening the Waterview Tunnel, the Transport Agency has been monitoring the operational and safety performance of this stretch of the network, as well as taking on board customer feedback. Our objective with all speed limits in New Zealand is to ensure safe and efficient journeys.

5.5 IMPROVE CUSTOMER EXPERIENCES

We aim to deliver timely, tailored and intuitive transport services and experiences for customers and citizens. To do this, we focus on:

- **people** – equipping staff and others who deal with our customers with guidance, tools and accountabilities to embed the customer in their daily business decisions
- **intelligence** – incorporating customer insights into the way we work and developing a decision-making framework that recognises and values better outcomes for customers
- **design** – providing specialist resources to influence our processes and thinking so we deliver efficient and effective solutions that work for our customers.

PEOPLE-CENTRED SERVICES

For our customers, a collaborative transport-as-a-service approach starts with understanding customer needs and mining rich customer information and interactions to design better transport experiences. Service offerings are tailored to create the most value for customers and for New Zealand – economically and socially. Transport operations and demand management are critical in helping people get the best real-time experience.

REGULATORY REFORM – DRIVER LICENSING REVIEW

In December 2014, the Government initiated a review of the driver licensing regulatory system. The review was a response to the Government's commitment to achieve a more efficient transport regulatory system and better public services.

The review concluded that the current system is working adequately but there are opportunities for improvement. In December 2016, the Associate Minister of Transport asked Cabinet to approve changes grouped in four areas:

- reducing repeated vision testing for class 1 (car) and 6 (motorcycle) drivers (this is an important enabling step towards increasing online transactions)
- streamlining aspects of the heavy vehicle licensing system
- standardising some regulatory requirements for different vehicle types and reducing unnecessary compliance costs
- improving the levels of oversight of approved course providers by allowing the Transport Agency to take into account the prior performance of course providers and any criminal offence history.

Some redundant driver licensing fees will also be removed and a review of the remaining fees is proposed to commence in 2017.

There is considerable evidence that repeated vision testing does not have significant safety benefits. Reducing the need for eyesight testing at licence renewal will enable the introduction of online licence renewal, which is widely supported by the public and consistent with the Government's Better Public Services goals.

A rule has been drafted and is ready for public consultation. The Ministry of Transport and the Transport Agency will discuss timeframes for public consultation with you.

NEW ZEALAND BUSINESS NUMBER

Led by the Ministry of Business, Innovation and Employment, the New Zealand Business Number is one of the Government's key Result Area 9 initiatives, which contributes to ensuring high-quality, flexible and cost-effective public services. A New Zealand Business Number is a unique 13-digit identifier available for every business in New Zealand. Using a New Zealand Business Number transforms the way businesses connect, interact and transact with Government and other businesses.

The Transport Agency has begun including the ability for the New Zealand Business Number to be used in new and existing business processes to provide efficiencies and to deliver value to businesses and the Transport Agency.

Recently, however, some fundamental legal constraints concerning information matching have been identified. Although the Transport Agency has been appointed as the Registrar of Motor Vehicles and the RUC Collector, we undertake these activities, not as the Transport Agency, but as the Registrar and RUC Collector respectively. For the purposes of the Privacy Act, this means we are not legally-defined as one agency but as three separate agencies. This creates a number of restrictions on information matching, on access to law enforcement information and on the use of tolling information. We continue to explore ways of overcoming these issues.

FACILITATING POLICE ACCESS TO DRIVER LICENCE PHOTOS

In the past, New Zealand Police could only gain access to driver licence photos with a relevant court order. However, the Smith-Traynor Government Inquiry specified Government agencies may have access to driver licence photos for law enforcement purposes or identity verification purposes. This was provided for in the Enhancing Identity Verification and Border Processes Legislation Act (passed in August 2017).

The Transport Agency is now working with New Zealand Police and the other specified agencies to develop the processes for this access to occur. New Zealand Police are expected to be able to electronically access driver licence photos in the first half of 2018. Other specified agencies will be able to do the same, as they develop the necessary interfaces.

5.6 DELIVER CONNECTED JOURNEYS

We aim to fast-track the design and delivery of innovative technologies that enable easy, connected and safe transport services for our customers and citizens. Technological innovation is at the heart of this focus area, supporting the objectives set out in the Government's innovation and infrastructure goals to meet its overall economic strategy.

We partner with others to enable new and emerging technologies that support mobility as a service and automated and connected vehicle trials. We also collaborate across the sector to deliver on the Government's Intelligent Transport Systems Technology Action Plan and also to make the most of new and existing technologies to support the Auckland Transport Alignment Project.

We are creating an innovation zone, where we can collaborate on significant issues or opportunities, focusing on future solutions without being tied to current-day delivery. This zone will provide the physical space, tools and frameworks to test, develop and assess new and emerging technologies with the aim of understanding their potential within the New Zealand transport system.

Key objectives for the 2017/18 financial year are:

- building a roadmap for digital transport systems for the Auckland region
- delivering Auckland Technology Transformation Group
- implementing and evaluating mobility-as-a-service pilots in Queenstown and Auckland
- delivering a National Incident and Event Management System in Wellington and Christchurch
- developing a roadmap and framework for testing and assessing emerging transport technology, with an initial focus on technology which may assist in enhancing road safety
- partnering with the Ministry of Transport to facilitate trials of emerging vehicle technologies including autonomous vehicles.

MOBILITY AS A SERVICE

Mobility as a Service (Maas) is a new approach to transport that combines journey options from many providers into a single mobile service (e.g. an app), where customers can select and pay for all their journeys in one place and do not need to own a vehicle. A pilot app was launched in Queenstown in August 2017, and a second pilot is planned for Auckland in late 2017.

ELECTRIC VEHICLES – CROSS GOVERNMENT PROGRAMME

The aim of the cross-Government electric vehicle programme is to accelerate the uptake of electric vehicles in New Zealand, with a target of approximately 64,000 electric vehicles on the roads by the end of 2021. The Transport Agency's role in this programme of work includes:

- enabling accurate classification, data capture and identification of electric vehicles
- planning to facilitate electric vehicle access to suitable special vehicle lanes controlled by the Transport Agency
- defining a nationwide network of public electric vehicle charging infrastructure and monitoring its uptake
- developing guidance for existing and prospective public electric vehicle charging infrastructure investors and providers
- identifying suitable sites on New Zealand's state highway network which could be used for electric vehicle charging infrastructure
- supporting necessary changes to statutes, regulations and land transport rules.

5.7 ACHIEVE ORGANISATIONAL EXCELLENCE

The Transport Agency aims to provide exceptional organisational services and activities that are designed to meet Transport Agency needs.

To help move our customers to the centre of everything we do, our organisation must be innovative, responsive, cost-effective and meet the needs of the people using our services. These services also help us to work collaboratively and effectively across the organisation and to make it easier to collaborate with our external partners.

We make sure we have the right people, capabilities and organisational services (technology, systems, policies and processes) to meet the Transport Agency's needs and deliver our strategy.

We design our organisational services and activities in partnership with the people who use them (our 'internal clients'). Insights and analytics will help us identify emerging organisational needs and, by being better integrated, we can eliminate duplication and waste.

OUR WORK CULTURE

'Our DNA' speaks to our work culture - our shared set of beliefs and values that support the way we work together. Our DNA attributes are:

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

A formal performance improvement framework (PIF) review of the Transport Agency carried out by the State Services Commission commenced in October 2017. The performance improvement framework is a programme and tool for the public service aimed at continually lifting its performance and driving change to deliver better services and results for New Zealanders.

DATA SHARING

We provide information to a wide variety of external users including Government departments, universities, think tanks, businesses and the general public. This information is used to inform Government policy, operations and service delivery, support business decisions and develop new commercial products.

In 2013, the Transport Agency signed up to the Government Open Data Programme, adopting the Declaration on Open and Transparent Government. We are currently the only Crown agency to have done so. As increasing amounts of non-personal data are made openly available, for example from the Motor Vehicle Register, Drivers Licence Register, and the Crash Analysis System, our customers will be able to access this information independently.

Data from the Motor Vehicle Register and Drivers Licence Register is also available to approved researchers in Statistics NZ's Integrated Data Infrastructure. Crash Analysis System data has also been prioritised for inclusion in the Integrated Data Infrastructure. This integration allows researchers to answer complex questions to improve outcomes for New Zealanders.

PROCUREMENT PRACTICES

We have centralised our procurement capability to create a centre of excellence. This group leads the thinking, development and application of best practice procurement methodology within the Transport Agency. It also provides support, advisory and quality assurance for all other organisations funded through the National Land Transport Programme. This group is also playing an increasingly active role in supporting other public sector organisations including the Department of Internal Affairs and the Department of the Prime Minister and Cabinet.

INDUSTRY WORKFORCE SUPPLY AND CAPACITY

This is a time of significant disruption for our traditional supply chain, with a large number of mergers and acquisitions and changes to senior staff across a number of organisations. While we continue to be confident in the ability of the supply chain to respond quickly to unplanned events such as the Christchurch and Kaikōura earthquakes, the significant amount of additional infrastructure spend forecast across a range of sectors has led us to initiate an industry review. This review, while focused initially on the construction sector, is intended to be applicable across the range of sectors we operate in. Scoping of this work will commence in the second quarter of the 2017/18 financial year.



6 MATTERS TO BE AWARE OF IN THE FIRST 100 DAYS

This section outlines matters to be aware of between the end of October 2017 and the end of January 2018.

6.1 MANAWATŪ GORGE

The Manawatū Gorge has been closed since slips caused damage on 24 April 2017. Continued instability at the slip sites is hampering efforts to make the road safe, and adds to the complexity of the work.

In July 2017, geotechnical engineers confirmed that a large area above the Kerry's Wall rock face is highly unstable, with an imminent risk of a further significant slip. Until the movement of the hillside at Kerry's Wall slows or stops it is not possible to carry out further work at the site or predict when the road might re-open.

The Transport Agency immediately began an urgent programme of additional work to significantly improve the Saddle Road detour route until the Manawatū Gorge road can be re-opened or a permanent alternative is found.

Local communities have expressed concerns about the impact of the Manawatū Gorge road closure on their livelihoods. We have implemented improvements to ease the stress on the townships of Ashhurst and Woodville.

NEXT STEPS

We are working with the community, local councils and other key stakeholders to develop a long-term, resilient and safe connection to connect the Manawatū, Hawke's Bay and Northern Wairarapa. The community and stakeholders provided extensive feedback on a long list of options released in late September 2017. A workshop with key stakeholders from local councils, iwi, industry and other interest groups provided further important insights. A short list of options was then developed and released at public open days in mid-October 2017. We are currently looking for further input from the local community and stakeholders as these options are explored in more detail and assessed on multiple criteria.

We expect to be able to announce the preferred approach by mid-December 2017, with a detailed business case expected to be completed by mid-2018. This process will involve assessing the costs, benefits and viability of constructing the preferred option, including the impact it will have on the environment in the Ruahine and Tararua Ranges.

No ministerial decision is required. However, due to the high profile of the project, you will be regularly updated on progress.

6.2 KAIKŌURA EARTHQUAKE RESPONSE

SH1 and the South Island Main Trunk rail line north and south of Kaikōura were severely damaged by the 14 November 2016 earthquake. The quake severed a critical economic link for freight and tourism that will have an adverse effect on local communities, the wider South Island and New Zealand as a whole.

We are working with KiwiRail to restore the coastal highway and rail corridor, and are undertaking a significant programme of work to clear slips, repair roads and restore access for communities in and around Kaikōura, Marlborough and Hurunui districts.

NEXT STEPS

The reinstatement work has been undertaken by the North Canterbury Transport Infrastructure Recovery Alliance. The alliance is a Transport Agency project and includes KiwiRail as an owner participant along with Downer, Fulton Hogan, HEB and Higgins as non-owner participants.

It has been announced that SH1 will be re-opened by Christmas 2017. Due to the significant public interest in this milestone, a ministerial announcement or event may be appropriate.

6.3 LET'S GET WELLINGTON MOVING

When the Basin Bridge appeal to the High Court was dismissed, the Ngauranga to Airport Governance Group was established to strengthen the relationship between the three partners (the Transport Agency, Wellington City Council and Greater Wellington Regional Council) and to work together on a whole-of-system approach to transport planning, investment and land use between Ngauranga and the airport, especially in the Wellington central business district. This initiative was re-named Let's Get Wellington Moving at the beginning of 2016.

There is significant public and stakeholder interest in Let's Get Wellington Moving. The public engagement campaign was launched in April 2016 and received over 10,000 responses. This was followed by a series of community and stakeholder workshops in March/April of this year and ongoing stakeholder engagement.

NEXT STEPS

Let's Get Wellington Moving is preparing a public engagement programme for November/December 2017. This will include information on a range of possible transport interventions, and a shortlist of example scenarios (packages of interventions) for Wellington's transport future. These will include the likely impacts on the city and its people. This will be supported by a report outlining the case for change within the Ngauranga to Airport study area.

Using feedback from the public engagement and ongoing technical analysis, Let's Get Wellington Moving intends to develop a preferred scenario and publish an implementation plan in early 2018. We will update you as Let's Get Wellington Moving progresses.

6.4 NELSON SOUTHERN LINK INVESTIGATION

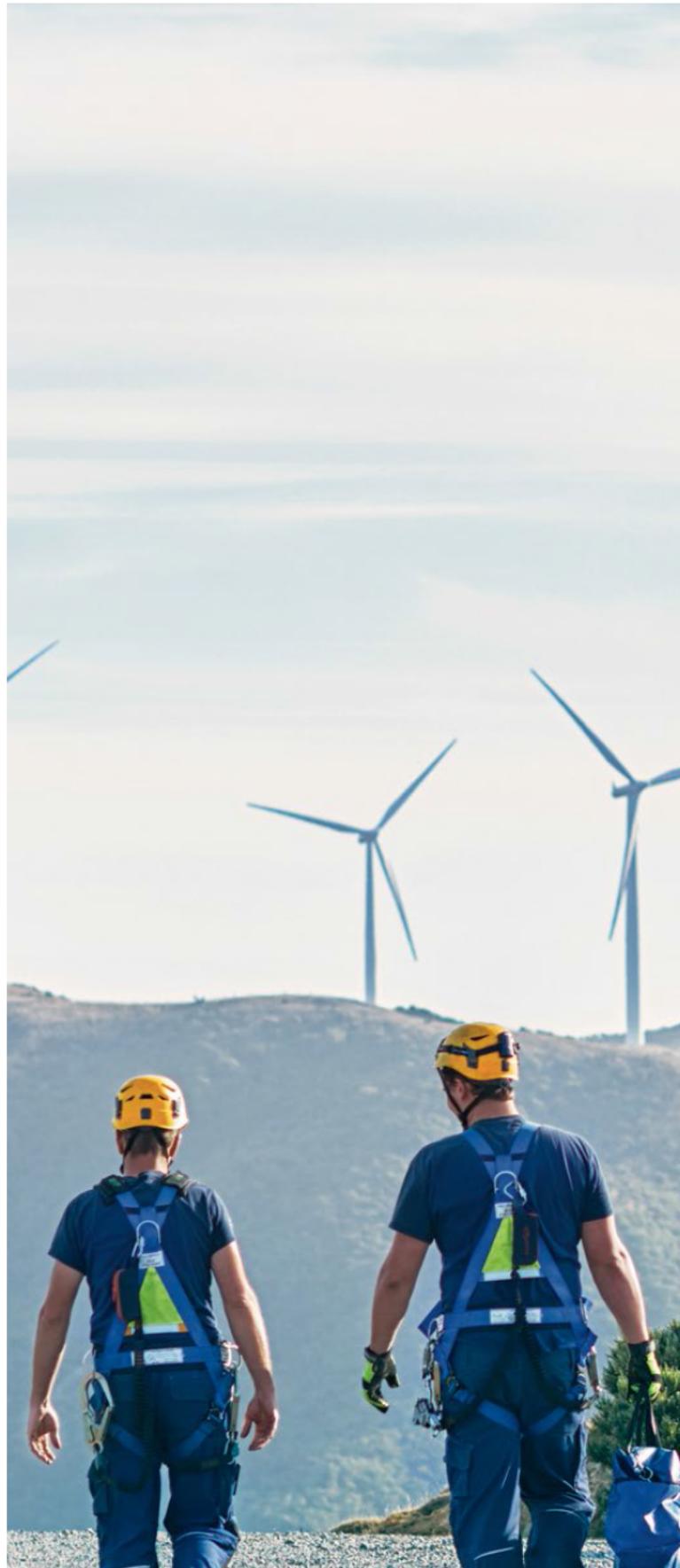
The urban link between the Stoke Bypass and Nelson City and Port is reliant on two two-lane arterials. In 2014, the Government directed the Transport Agency to progress the investigation of an urban link as part of its Accelerated Regional Roding Package. Our project objectives, determined in consultation with key stakeholders, are to ensure peak-hour congestion gets no worse, walking and cycling safety is improved and the number of walking and cycling journeys increases on State Highway 6 Rocks Road.

Nelson City Council has historically been divided on this issue. There are also about 50 interested lobby groups, for and against the link.

NEXT STEPS

The programme business case has been approved by the Transport Agency Board and made publicly available. We are now moving into the detailed business case phase.

No ministerial decision is required. However, due to the high-profile nature of the project, you will be regularly updated on progress.



6.5 SETTING OF SPEED LIMITS RULE (2017)

Land Transport Rule: Setting of Speed Limits (the Rule) came into force on 21 September 2017. The Rule modernises the process and criteria for setting speed limits to promote a safe and efficient road network. Most publicity has been given to the ability to set a 110km/h limit on selected roads. These roads will be designed, constructed, maintained and operated to the necessary standards for a 110km/h travel speed. At present, only certain sections of state highways are likely to meet these standards. There have been no fatal crashes on the roads currently being consulted on for the 110km/h limit in the past five years.

The following roads are currently identified as being suitable for 110km/h:

- The Waikato Expressway (SH1) - Cambridge, Rangiriri, Ohinewai, Ngaruawahia and Te Rapa sections
- The Tauranga Eastern Link (SH2)
- Auckland Motorway network:
 - › Johnstone's Hill Tunnels to Lonely Track section of the Northern Motorway (SH1)
 - › Upper Harbour Motorway (SH18)
 - › Takanini to Bombay section of the Southern Motorway (SH1).

NEXT STEPS

The decision on making a 110 km/h speed limit bylaw lies with the relevant road controlling authority. Consultation is a requirement under the new Rule on any speed limit review. Following the Rule that came into force on 21 September 2017, the Transport Agency, as the road controlling authority for state highways, began consultation on a proposed 110km/hr speed limit for those sections of the state highway network believed to be safe and appropriate for a travel speed of 110km/h.

No ministerial decision is required. However, due to the high profile nature of the proposed speed limit changes, particularly in cases of a proposed 110km/h speed limit, you will be regularly updated on progress.

6.6 LAND TRANSPORT RULE: OPERATOR LICENSING 2017 (THE OPERATOR LICENSING RULE)

Government reforms to the regulatory system for small passenger services have resulted in amendments to several Land Transport Rules setting out requirements for operating or driving a small passenger service. These reforms are part of a package that also involves amendments to the Land Transport Act 1998 and regulations. The changes came into effect on 1 October 2017. The majority of the proposed changes are in the new Land Transport Rule: Operator Licensing 2017 (the Operator Licensing Rule), which revoked the Land Transport Rule: Operator Licensing 2007 (the 2007 Rule).

The Operator Licensing Rule sets out the requirements for obtaining and retaining a licence to operate a transport service. The requirements for rental services, vehicle recovery services, and goods services have been carried over largely unchanged from the 2007 Rule.

The 2017 Operator Licensing Rule contains requirements for both large passenger services and small passenger services. The requirements for large passenger services largely mirror those in the 2007 Rule. The requirements for small passenger services have changed significantly. A single class of regulated small passenger services is introduced covering all current taxi, private hire, shuttle, dial-a-driver and carpooling services, with responsibilities for compliance being focused first at the operator level, and then at drivers. At the same time, existing regulations considered to impose costs on the sector without contributing to the delivery of the future system have been removed.

NEXT STEPS

We are implementing these reforms and have plans in place to deal with the likely volumes of applications for small passenger service licences and Passenger endorsements, which includes talking to operators such as Uber to assist in managing volumes.

6.7 DEVELOPMENT OF AN AUTOMATED COMPLIANCE STRATEGY

Under the Safer Journeys Action Plan 2016-2020, the Transport Agency is leading the development of the automated compliance strategy in collaboration with the Ministry of Transport, New Zealand Police, the Accident Compensation Corporation and the Ministry of Justice. Automated compliance means using automated technology to guide behaviours and manage risks when developing a safe and efficient land transport system. It includes technology used for advisory purposes (often through global positioning systems or smart devices) as well as enforcement technology (for example, point-to-point speed cameras).

NEXT STEPS

We will report to the National Road Safety Committee by the end of 2017 with a draft automated compliance strategy, followed by a ministerial briefing early in 2018 for decisions on next steps.

6.8 STATE HIGHWAY PROJECTS

The following projects, both in Auckland, are awaiting final decisions from Boards of Inquiry, which are expected within the first 100 days:

- the East-West Link
- the Northern Corridor Improvements.

The following high-profile projects will be undergoing investigation, consultation or consent applications in the first 100 days:

- the additional Waitematā Harbour crossing in Auckland
- SeaPath in Auckland
- the Mount Messenger Bypass in the Taranaki region
- Ōtaki to North of Levin in the Manawatu
- the Petone to Grenada Link Road in the Wellington region.

These projects are expected to attract significant media interest. We will provide you with full briefings on these projects.

6.9 AUCKLAND SMARTER TRANSPORT PRICING PROJECT

The Auckland Smarter Transport Pricing Project is a joint Government and Auckland Council project to investigate whether or not to introduce road pricing to reduce congestion in Auckland.

Officials from the Ministry of Transport, Auckland Council, Auckland Transport, the Transport Agency, the Treasury and the State Services Commission will work together to develop and test different options. As the plan develops we will keep Aucklanders informed and involved.

Based on the initial testing and evaluation carried out in the Auckland Transport Alignment Project, smarter transport pricing has the potential to better manage demand and improve network performance in Auckland. This is in line with theoretical expectations, previous research carried out in Auckland and practical experience in other countries.

6.10 THE 2018-2021 NATIONAL LAND TRANSPORT PROGRAMME

Between now and June 2018, the Transport Agency and our local-government partners will be developing the 2018-2021 National Land Transport Programme. We are working with regional transport committees as they review their regional land transport plan and identify the issues and opportunities on their transport network, i.e. local roads, state highways and public transport networks.

Activities selected for inclusion in the National Land Transport Programme are drawn from regional land transport plans. The Transport Agency will then assess and prioritise these proposals using our investment assessment framework, which reflects Government priorities as specified in the current Government Policy Statement on Land Transport.

