

OVERVIEW OF 2017/18



CHAIR'S FOREWORD

The NZ Transport Agency's purpose is to create transport solutions that enable New Zealanders to thrive. Transport has a significant impact on communities, businesses, the economy and the environment. Our transport system needs to be safe, resilient, sustainable and well integrated with its surroundings to improve access to employment, education, tourism and leisure.

The recently revised Government Policy Statement on Land Transport sets out four clear priorities for 2018/19 to 2027/28: a safer transport network free of death and injury, accessible and affordable transport, reduced emissions and value for money.

We've been responding to these priorities while also transforming the Transport Agency to a new operating model and structure. On 31 August 2018, the Transport Agency published the 2018-21 National Land Transport Programme to give effect to the latest policy statement. This required close collaboration with our co-investment partners to develop a programme of national and regional activities that responds to the policy statement and ensures our transport system meets the needs of all New Zealanders now and in the future.

This report demonstrates that we have continued to deliver against our strategy and commitments for 2017/18 and, through the 2015-18 National Land Transport Programme, the priorities of the previous policy statement (2015/16 to 2024/25): economic growth and productivity, road safety and value for money.¹ In particular, the Transport Agency restored vital community links damaged by the Kaikōura earthquake and managed numerous disruptions to the nation's transport system caused by severe weather.

Work continued on major transport infrastructure to support urban growth and regional development and to improve the safety and resilience of our road networks. Investments were made to provide New Zealanders with better transport choices and connections and encourage greater use of public transport and walking and cycling.

Long-term planning focused on creating a clear, shared and integrated view of New Zealand's transport system that lays the foundations for future planning and investment decisions. Collaboration with central and local government facilitated economic development in regions and the integration of transport with land-use planning in high-growth urban areas. Technology trials and road pricing were also explored as ways to improve travel in our major centres and good progress was made on supporting the uptake of electric vehicles.

In the new operating model and structure, a dedicated Safety and Environment group now focuses on identifying the interventions that can have the greatest impact on reducing the increasing number of deaths and serious injuries on our roads. The Transport Agency also moved to collective responsibility with the Ministry of Transport and New Zealand Police to deliver the Road Safety Partnership Programme (previously the Road Policing Programme) and more effectively reduce harm on our roads.

On behalf of the board, I would like to express the Transport Agency's gratitude to Chris Moller, who stood down in January 2018 after almost eight years as Board Chair, and to Dame Fran Wilde, who acted as Chair until I was appointed by the Minister of Transport in April 2018.

More change is still to be made, but I am certain the Transport Agency is positioned to navigate the challenges and deliver on the government's aim for a transport system that improves wellbeing and makes New Zealand a better place to live.



MICHAEL STIASSNY
Chair

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¹ Investments made to give effect to the Government Policy Statement on Land Transport 2015/16 - 2024/25 are presented in the annual report for the National Land Transport Fund, page 173.

CHIEF EXECUTIVE'S OVERVIEW

Transport is an essential part of daily life for everyone in New Zealand, and it's critical to our nation's growth and prosperity. At the Transport Agency, we're focused on creating great journeys that keep New Zealand moving. This means improving the transport system in the context of a rapidly changing world – new technology, pressures on our natural environment, urban growth and changing customer expectations.

To be in a better position to respond to these changes, we adopted a new strategy, DNA (culture) and operating model in July 2017. Our transformation has changed the way we think – from improving transportation to improving people's lives through better transport solutions.

While we were transforming our organisation, we continued to deliver important results for New Zealanders. We reopened State Highway 1 from Picton to Christchurch in December 2017 to day-time traffic for the busy 2017/18 summer season, restoring full 24/7 access in and out of Kaikōura in April 2018, and we announced a preferred route to replace the closed Manawatū Gorge. Following significant storm damage to State Highway 25 (Thames Coast Road) in January 2018, we worked closely with the local community and other stakeholders to quickly rebuild and strengthen the coast road. Travel-time predictability on rural networks remained stable, but road repairs and severe weather events negatively affected our indicators of productivity and resilience.

Improving road safety remained a top priority, and we worked closely with our partners on interventions aimed at reducing number of deaths and serious injuries on the roads, which continued this year. Through the Boost Safety Programme, we delivered safety improvements on roads across the country that carry lower volumes of traffic but collectively account for a significant number of deaths and serious injuries each year. We also agreed, with New Zealand Police and the Ministry of Transport, to move to collective responsibility and accountability for delivering the Road Safety Partnership Programme (previously the Road Policing Programme).

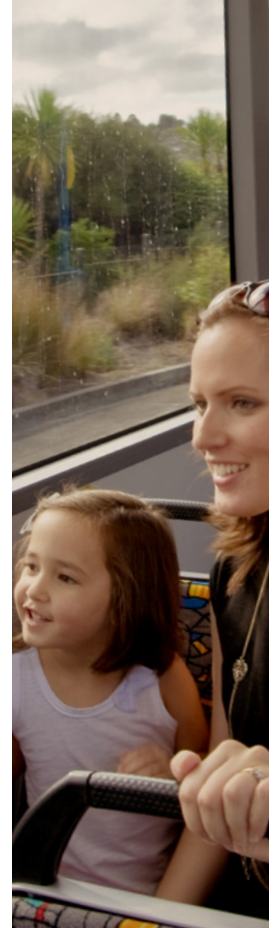
Our focus on safety extends to the Transport Agency's employees and contractors. The objective of our Zero Harm Strategy is that by 2020, or sooner, all our people will go home safe and healthy every day. During the year, there were no fatalities on any of our construction or maintenance projects. Inside the Transport Agency, we rolled out a mental health toolkit for managers and first aid training in workplace health to equip our people leaders to recognise and respond to the signs of mental illness and injury.

To encourage the uptake of electric vehicles, we worked with industry and government stakeholders to monitor and guide the delivery of public charging infrastructure. Close to 80 percent of the strategic state highway network now has rapid direct current chargers at 75km intervals. Our indicator for reducing environmental harm is the energy efficiency of road transport. The energy efficiency of the nation's vehicle fleet has improved, with the fleet travelling more kilometres on the same amount of fuel.

Digital solutions can make it easier for our customers to plan their journeys across different modes of transport. We worked with partners in Queenstown and Auckland to test two mobile apps that create a single place for all transport providers – taxis, buses and ride-share operators – to offer their services to customers.

This was the third and final year of the 2015–18 National Land Transport Programme, a \$13.7 billion investment to support economic growth and productivity, safety and value for money.² We continued to deliver important highways across the country, but some delays were outside our control, in particular those due to severe weather and the need to re-evaluate some projects against the priorities of the new Government Policy Statement on Land Transport.

A total of 79.3km of new cycling infrastructure was added to the network, including 61.8km delivered as part of the Urban Cycleways Programme. With local and regional councils, we worked to increase patronage of public transport by investing in public transport services, technology, facilities and infrastructure.



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² The annual report for the National Land Transport Fund details the results of this investment. See from page 173.

Responding to the government's priorities in the Government Policy Statement on Land Transport 2018/19 - 2027/28 was a major focus for the year. We worked closely with the Ministry of Transport and local and regional councils to develop the 2018-21 National Land Transport Programme, shaping a record \$16.9 billion of investment in New Zealand's transport system from the National Land Transport Fund, local government and the Crown.

Our transformation and a new government have meant we've had to manage, adapt and respond to a lot of change this year. While our indicator of organisational efficiency increased, our indicators of effectiveness and culture were affected. With the first year of our change programme complete, we are working to improve these results.

Over the coming year, we'll focus on making the most of our new ways of working and being clear about how we create a safer, more accessible, sustainable and affordable transport system for New Zealand.



FERGUS GAMMIE
Chief Executive