

SECTION A

OVERVIEW OF 2018/19



CHAIR'S FOREWORD

Transport plays an important role in the wellbeing of New Zealanders. Waka Kotahi NZ Transport Agency invests in transport solutions that create liveable cities and thriving regions, where people and businesses can connect to social and economic opportunities. There's increasing pressure on the New Zealand transport system from more vehicles and other forms of transport, population growth and emerging technologies. Our land transport system needs to accommodate this growth while withstanding disruptions and keeping people safe.

The Government Policy Statement on land transport 2018/19 – 2027/28 has significantly changed New Zealand's priorities for land transport and increased expectations on the Transport Agency. The Transport Agency has responded to the new direction by refreshing its strategy to focus on how transport can improve New Zealanders' wellbeing by keeping people healthy and safe; being accessible to everyone; and being environmentally sustainable. This is the Transport Agency's first annual report against its new strategy. It's also the first time we are reporting on how the National Land Transport Programme 2018–21 is being delivered under the government's new priorities.¹

In the past year, the Transport Agency has experienced considerable changes and challenges. When serious concerns were raised about how it was enforcing vehicle-testing regulations, the Transport Agency Board's former chair Michael Stiassny commissioned a review to examine the failings. Since then, the board has overseen major changes at the Transport Agency to reform its regulatory function and ensure vehicle testing is always done properly. This work is ongoing. The Transport Agency also had to urgently respond to major problems with how its Connected Journeys Solutions group was being run. The group has now been disestablished and its functions have been incorporated into the Workplace and Technology group. While acknowledging these issues, it is also recognised that much has been achieved within and by the Transport Agency.

The Transport Agency is now in a stable position and looking to the future again. Maintaining that stability is a high priority for me, as is repositioning the Transport Agency so it can improve the lives of New Zealanders. To do this, the Transport Agency needs to be more adaptable and work more closely with others. Pressure on the National Land Transport Fund means it will be hard to meet all the government's expectations for transport with the money that's available. It's important that, when we prioritise our spending, we make those decisions, where appropriate, with our stakeholders.

On behalf of the board, I want to thank former board chair Michael Stiassny, who stood down in late April 2019, and Nick Rogers who acted as chair until I was appointed by the Minister of Transport in June 2019. I also want to acknowledge the contributions that board members Dame Fran Wilde, Adrienne Young-Cooper, Chris Ellis, Mark Darrow, Vanessa van Uden, Leo Lonergan and Sheridan Broadbent made to the Transport Agency during their terms.

Interim chief executive Mark Ratcliffe has led the Transport Agency through a difficult period and established a strong foundation for the future. I am confident that his leadership has enabled our staff to refocus on our priorities and to rebalance the transport system towards safer, more accessible transport, better regional and local roads and rail, and better value from investments. I want to acknowledge Mark's commitment and what he has achieved in his temporary role as Chief Executive. The board is well advanced in the process of recruiting a permanent chief executive and expect to confirm the successful applicant shortly.

Similarly, I would like to acknowledge the considerable efforts of the staff. As noted, the last year has been very challenging with significant issues to be addressed. Their ongoing contribution and goodwill are noted with thanks.

Our fundamental task remains – being to work together with our partners to deliver a transport system that supports well-functioning communities so New Zealand can thrive.



SIR BRIAN ROCHE
Chair

Our fundamental task remains the same – working together with our partners to deliver a transport system that supports well-functioning communities so New Zealand can thrive.



¹ The annual report for the National Land Transport Fund begins on page 187.

TE WAKA KOTAHI PŪRONGO Ā-TAU KUPU WHAKATAKI A TE TIAMANA

He wāhi nui te ara haere ki te hauora o ngā Iwi o Aotearoa. He tapaenga nā Waka Kotahi ki roto o ngā hīraunga ara haere e puta ai te taonenui whaiora me ngā rohe ora rawa atu; e tūhonotia ai te tangata me te pakihi ki ngā angitū ā-hapori, ā-ōhanga. He pēpēhinga anō ki ngā pūnaha o te ara haere o Aotearoa mai i te tini haere o ngā waka, o te tokomaha haere o te tangata, me ngā hangarau hōu. Me whai whakaaro te ara haere ā-whenua ki ēnei hurihurihanga, he oti rā te haukotu i te tauwhatinga ā, me haumaruru hoki te tangata.

Kei te Kaupapahere Kāwanatanga o te Ara Haere ā-Whenua o 2018/19 - 2027/28 ētahi whakamātuatanga hirahira mō te ara haere ā-whenua, me ngā manako mō Waka Kotahi. Ko tā mātou whakautu ki ēnei ahunga kē he whakahou i tā mātou rautaki kia hāngai tonu ki te whakapai ake i te ara haere me te whaiora tonu mō ngā Iwi o Aotearoa: kia wātea ki te katoa; kia manaakitia hoki te taiao. Ko te pūrongo tuatahi o Waka Kotahi tēnei ki tā mātou rautaki hou. Ko te tuatahi hoki tēnei hei pūrongo ki te whakarātanga o te Hōtaka ā-Motu o te Ara Haere ā-Whenua 2018-21 mai i ngā whakamātuatanga hou a te Kāwanatanga.

Nō roto o te tau kua pahure tata nei ka nui ngā whakarerekētanga me ngā whakapātaritanga i a Waka Kotahi. Nō te putanga mai o ngā āwangawanga nui ki tā mātou ūruhi i ngā ture whakamātau-waka ka karangatia e tō mātou Tiamana o taua wā e Michael Stiasny tētahi arotakenga i ngā hapa. Nō reira kua kaha te Poari ki te whakarerekē i a Waka Kotahi ki te whakahou i tā mātou mahi rekureihana kia tika tūturu ai te whakamātauwaka. Ka haere tonu taua mahi ahu ake. He mahi nunui anō tā Waka Kotahi tiroiro ohotata i ngā rarururu nui e pā ana ki te whakahaere o tō mātou rōpū Whakamārama Tūhononga Haere. Kua whakakorehia taua rōpū ināianei, kua raua ki te rōpū Papamahi me te Hangarau. E mārama mai ana aua take nui nei, heoi anō, he mahi anō kua whakatutukihia ā-roto, ā-waho hoki o Waka Kotahi.

Kua tau a Waka Kotahi ināianei, kua titiro whakamua anō. He whakamātuatanga nui taua tau ki a au, tae atu ana ki te whakatika i a Waka Kotahi ki te whakapai ake i te whaiora o ngā Iwi o Aotearoa. Kia pērā rawatia me kaha kē ake te takatū a Waka Kotahi, me te mahi ngātahi. Ki te pūtea e wātea ana mai i te Pūtea ā-Motu o te Ara Haere ā-Whenua he uaua kē te tūtaki i ngā tūmanako a te Kāwanatanga. Mea nui te whakamātuatanga me ngā hoa whaiwāhi mai. Mō te Poari, kei te nui te mihi ki te Tiamana o te Poari o mua Michael Stiasny, i tuku i tana tūranga i te Āperire o 2019, ki a Nick Rogers, ki tōna tiamanatanga tae noa ki tōku whakaingotanga hei Tiamana e te Minita o Waka Aotearoa i te Hūne o 2019. Kei te mihi hoki ki ngā tākoha ki a Waka Kotahi nā ngā mema o mua o te Poari, ki a Kahurangi Fran Wilde, ki a Adrienne Young-Cooper, me Chris Ellis, Mark Darrow, Vanessa van Uden, Leo Lonergan, Sheridan Broadbent.

Nā te Tumu Whakarae o te wā Mark Ratcliffe a Waka Kotahi i ārahi i tēnei wā mōrearea, nāna te kaha o te pūtaketanga i whakaū mō āpōpō. He mārama ki ahau nā tāna aratakinga i hāngai pū ai te titiro a ngā kaimahi ki ngā whakamātuatanga, ki te whakataurite hoki i ngā pūnaha ara haere kia wātea pai ai, kia tau pai ai ngā rori me ngā rerewē ā-rohe, ā-takiwā, he uara pai anō mai i ngā tāpaenga. Me mihi au ka tika ki te here a Mark me āna whakatutukitanga i te roanga o tōna tau hei Tumu Whakarae. Kua tau anō te whai a te Poari i tētahi Tumu Whakarae mauroa, ā kua kore e roa te whakaingotanga.

Waihoki, he mihi anō nāku ki te whakapaunga o te kaha e ngā kaimahi. Inā rā, he nui ngā take whakapātaritari i whāia ai e rātou. E mihi ana ki te haere tonu o tō rātou tohu aroha, me te tuku tākoha mai rā anō hoki.

Ko taua mahi tonu tā mātou hei whai - arā te mahi ngātahi me ō mātou hoa mahi ngātahi ki te whakarato i te pūnaha ara haere hei tautoko i ngā hapori e pono ana te mahi e rauora rawa atu ai a Aotearoa.



SIR BRIAN ROCHE

Tiamana

Ko taua mahi tonu tā mātou hei whai - arā te mahi ngātahi me ō mātou hoa mahi ngātahi ki te whakarato i te pūnaha ara haere hei tautoko i ngā hapori e pono ana te mahi e rauora rawa atu ai a Aotearoa.



CHIEF EXECUTIVE'S OVERVIEW

Transport is a critical part of supporting New Zealand and New Zealanders to achieve their full potential. The Transport Agency contributes by investing in land transport, managing the state highways and regulating land transport.

When the government released the Government Policy Statement on land transport 2018/19 – 2027/28 in June 2018, it significantly changed New Zealand's priorities for land transport. While safety remains the top priority, the government wants transport to be more accessible and environmentally sustainable. At the Transport Agency, we've had to change how we work and how we develop the National Land Transport Programme with our investment partners.

It's been a difficult year for the Transport Agency. While we've been managing changing priorities, we've had to respond to major issues in our regulatory function and address problems with how our Connected Journeys Solutions group was operating. Our local government partners have also raised concerns about how we manage land transport investments, now that the government's priorities are changing and there's funding pressures on the National Land Transport Fund.

Improving the safety of everyone that uses and works on our transport network is our highest priority. Following the tragic and unacceptable death of four road workers in Bay of Plenty and Wellington this year, we worked with our construction contractors to implement system-wide improvements for workers in maintenance and construction environments.

Although road travel in New Zealand has become safer in the past four decades, for the past five years we have seen an unprecedented rise in the number of deaths on our roads. This year we've been working closely with the Ministry of Transport on a road-safety strategy to replace Safer Journeys, which ends soon. We're also implementing the Safe System approach. This approach recognises that drivers will make mistakes, so we need a road system that's more forgiving of human error. Safe System will introduce safe roads and roadsides, safe road use, safe speeds and safe vehicles.

The government wants everyone to have fair access to the transport system. We've made changes that will make transport more accessible and sustainable and will help people use active modes of transport more often. The Transport Agency needs to provide people with a range of choices about how they get to work, connect with friends and family, and access services. By 2021 we want to have increased the proportion of urban journeys made by public transport, bicycle or foot; and to have improved access to priority routes by freight and tourist traffic. We have fulfilled our partnership commitments to the Provincial Growth Fund programme, which aims to lift productivity in the regions. This year, we started to measure how much access people have to social and economic opportunities through different modes of transport, so we can make good decisions about where investment is needed most. We've also created a national plan to accelerate work that encourages people to use public transport, walk or cycle more often.

The Transport Agency Sustainability Action Plan, developed this year, is the first step to significantly reducing the adverse impact that land transport has on people, the environment and the climate. It includes changing the way we make investment decisions. Rather than having vehicles and networks at the centre of our decision making, we'll be putting more emphasis on lowering emissions, improving public health and reducing environmental harm.



I know how important transport infrastructure is to New Zealand and New Zealanders and I'm committed to supporting the Transport Agency to perform its role.

One of the Transport Agency's core functions is regulating compliance with safe practices to issue warrants of fitness. Our work programmes suffered a major setback when this function failed. It posed significant risks to public safety, which I'm pleased we could manage quickly and urgently. Since then, we've made significant progress with stabilising our business and ensuring regulations are being enforced.

In early 2019, we found serious problems with how our Connected Journey Solutions group was operating; it had been allowed to ignore many of the Transport Agency's own processes and rules. I commissioned Deloitte to review the group and recommend how we could put things right. All of Deloitte's recommendations have been, or are being, implemented and we've put steps in place to ensure we never repeat the mistakes we made.

Despite the changes and challenges the Transport Agency has faced, we've completed some major new infrastructure and maintained our asset maintenance activities, customer services and operation of the transport network. Our standout achievements this year have been improving State Highway 20A to and from Auckland Airport; installing the Maungatapu underpass in Bay of Plenty; and installing a roundabout at the intersection of State Highway 2, State Highway 2B and Watchman Road near Hawke's Bay Airport to resolve a very high safety risk. We are continuing to contribute to the Auckland Transport Alignment Project, which includes major initiatives such as light rail, but pressure on the National Land Transport Fund means some activities are having to be reprioritised.

Several of our projects have improved walking and cycling routes in Whangarei, Auckland, Palmerston North, Wellington and Christchurch – installing a pair of one-way cycle lanes in Dunedin is a real highlight that will make cyclists much safer. E-scooters are becoming a common sight in towns and cities, but they are causing safety concerns. We're looking at ways to manage the speed of e-scooters and we've launched an advertising campaign to encourage people to use them safely.

We know that achieving the government's priorities relies on the Transport Agency being more flexible and responsive. We need to be more open and transparent in our relationships with others, and – considering the funding pressure we face – we must work together to reprioritise improving public transport, walking and cycling and local roads. I am committed to Te Ao Māori and Te Ara Kotahi | Our Māori Strategy, which outlines how the Transport Agency works with Māori and responds to their aspirations while we deliver transport solutions. We've asked our co-investors, partners and customers what they think of us and we'll use the results of these surveys to shape our work in future.

Our people are critical to what we do. This year's problems and media focus have been hard on them. Now that we've stabilised the Transport Agency after a period of disruption, we're preparing it for the future. I want to ensure it has the right structure, sense of purpose, culture and leadership for our people to fulfil their roles and enjoy their work. This process has already started and will continue next year.

I joined the Transport Agency as the interim chief executive for six months in January 2019 and I will likely be here for almost one year. I know how important transport infrastructure is to New Zealand and New Zealanders and I'm committed to supporting the Transport Agency to perform its role. I want to leave the Transport Agency revitalised, ready for the future and working well with the regions and our partners to deliver the Transport Agency's core business.



MARK RATCLIFFE
Interim Chief Executive

PŪRONGO WAKA KOTAHI TIROHANGA A TE TUMU WHAKARAE

He wāhanga nui whakaharahara o te ara haere ki te manaaki i a Aotearoa me ōna Iwi ki te whakatinana pū i te pito mata. Ko tā te Ara haere he tāpae i te ara haere ā-whenua, he whakahaere i ngā rori matua, me te whakarite i ngā ture o te ara haere. Mai i te Hūne o 2018 me te pūrongo a te Kāwanatanga Government Policy Statement on Land Transport 2018/19 -2027/28 ka nui te whakarerekē i ngā whakamātuatanga o Aotearoa mō te ara haere ā-whenua. Ko te whakamātuatanga tuatahi ko te haumaruru, heoi, ko tā te Kāwanatanga me pai kē ake te wātea me te manaaki i te taiao. Ko tā Waka Kotahi he whakarerekē i te ia o ā mātou mahi me te takatū i te Hōtaka Ara Haere ā-Motu ki kō o ō mātou hoa tāpae ngātahi. Kua pahure te tau uaua. I a mātou e whakahaere ana i ngā mātua whakarerekētanga, ka whakahokia tonutia ngā take ki tā mātou mahi whakarite me te whakatau rarururu ki te whakahaerenga o tā mātou rōpū Whakataunga Tūhononga Haere. Kua puta hoki te āwangawanga mai i ō mātou hoa mahi ngātahi o te kāwanatanga ki tā mātou tāpaenga rawa o te ara haere ā-whenua, ā, he wero kei runga o te Pūtea ā-Motu o te Ara Haere ā-Whenua. Ko tā mātou whakamātuatanga he whakapai ake i te haumaruru o ngā tāngata katoa e mahi ana, e pā ana hoki, ki te pūnaha ara haere. He aha koa te pai ake o te haumaruru ki runga o ngā rori o Aotearoa i roto i ngā whā tekautau kua hori nei, nō roto o ngā tau e rima kua pahure tata nei, he tauira kē nō te piki ake o ngā aituā. No tēnei tau ka piri tata ai mātou ki te Manatū Waka mō tētahi rautaki haumaruru-rori hei whakakapi i te Haerenga Haumaruru te tata mutu nei. He whakaū hoki tā mātou i te Pūnaha Haumaruru. Mai i a ia te mārama ka hē te hunga taraiwa, nō reira me whai e tātou tētahi pūnaha rori e mārama ake ana ki aua hē a te tangata. Mai i te Pūnaha Haumaruru ka puta te rori haumaruru, ā, ko te taha o te rori he haumaruru, te haere haumaruru hoki i runga i ngā rori, te tere rawa he haumaruru, me te waka haumaruru rā anō hoki.

Ko tā te Kāwanatanga me taurite te wātea o ōna Iwi ki te pūnaha ara haere. Mai i ā mātou whakarerekētanga ka kitea te ara haere wātea ake, me tōna manaaki. Me whakarato e Waka Kotahi ki ngā iwi ngā momo kōwhiringa mō te haere ki te mahi, mō te tūhono ki ngā hoa, ki te whānau hoki, me te wātea o ngā whakarātonga. Mō te tau 2021 ko tā mātou hiahia me kaha kē ake te maha o ngā haerenga ā takiwā mā runga waka tūmatanui, pahikara, mā raro rānei, kia kaha ake te wātea o ngā huarahi whakamātuatanga ki ngā waka kawekawe, mau tūruhi hoki. Kua tutuki ā mātou here ki te kaupapa o te Pūtea Ururua ā Rohe, ko tāna he whakapiki i te whakaputanga ki ngā rohe. I tēnei tau ko tā mātou he ine i te wātea o te tangata ki ngā angitū ā-hapori, ā-ōhanga mā ngā tūmomo ara haere, ka tau pai ai ngā whakataunga mō te tāpaenga. Kua hangaia hoki te rautaki ā-motu kia kaha kē te tahuri a te tangata ki te waka tūmatanui, ki te hīkoi, ki te pahikara hoki.

Ko te Rautaki Manaaki Ara Haere, nō tēnei tau tonu i hangaia ai, te ūpane tuatahi ki te whakaheke tūturu i te pānga kino o te ara haere ā-whenua ki runga o te tangata, te taiao, me te ahurangi.

Tae atu ana ki te huarahi o te whakataunga tāpaetanga. Hāunga ko te waka me ngā ara hei pūtake mō ā mātou whakataunga, ka huri kē mātou ki te whakaiti ake o te pīhaunga, ki te whakapai ake o te hauora tūmatanui me te whakaiti i te wharanga o te taiao.

Ko tētahi o ngā mahi pū o Waka Kotahi he whakarite tautuku ki ngā mahi haumaruru o te tuku whakamana waka. He wharanga nui ki ā mātou hōtaka mahi tōna makere. He mōrearea whakaharahara ki te haumaruru tūmatanui. He koanga ngākau nō te tere me te horo o te whakatika. Mai i reira te anga whakamua nui o te whakarite i tā mātou pakihī me te ū ki te tika o ngā whakaritenga ā-pākihi.

Nō tōmua o te tau 2019 ka kitea ētahi rarururu nui ki tā matou rōpū CIS. I tukua kia haukoti i te nui o ngā whakaritenga me ngā ture o Waka Kotahi. Nāku a Deloitte i karanga kia tirohia a CIS, me te tūtohu mai me pēhea te whakatika. Ko aua tūtohunga katoa a Deloitte kua whakamahia, kei te whāia rānei, ā, kei te whai i te huarahi kia kore ai aua hē e hoki mai.



He nui whakaharahara te hanganga o te ara haere ki Aotearoa me ōna Iwi. E herea ana au ki te tautoko i a Waka Kotahi kia tutuki ai āna mahi.

He aha koa ngā whakarerekētanga me ngā whakapātaritari, kua oti i a mātou te whakahounga nui ki tō mātou hanganga, ā, kei te ū ki ā mātou tauwhironga rawa, ki te ratonga kiritaki, me te whakahaerenga o te whātuinga ara haere. Ko ngā whakatutukitanga nui o tēnei tau ko te whakapaitanga ake o te Ara Matua 20A ki te Paparererangi O Tāmaki-makaurau; te hanga i te anarua o Maungatapu ki Tauranga; me te hurihanga ki te tūtakitanga o te Ara Matua 2B, o te Ara Matua 2B me te Rori o Watchman e pātata ana ki te paparererangi o Te Matau ā Māui kia whakatauria te mōrearea o reira. Kei te whai wāhi tonu mātou ki te Kaupapa Hora Tika o te Ara Haere ki Tāmaki-makaurau, tae atu ana ki ngā tītere pērā me te rerewē māmā engari nā ngā pēpēhi ki runga o te Pūtea ā-Motu o te Ara Haere ā-Whenua kua whakamātuatia houtia ētahi tītere. Ka hia nei o ā mātou mahinga he whakapai ake i ngā ara hīkoi, ara pahikara hoki, o Whangārei, Tāmaki-makaurau, Te Papaioea, Pōneke, me Ōtautahi – he whakarahara te whakatikatanga i te ara pahikara ahunga-ara kotahi ki Otepoti ka haumarua ai te kaupahikara. He kitenga whānui nō te i-hikuta engari he āwangawanga mōna ki te haumarua. Kei te tirohia ētahi huarahi e haumarutia ai te tere rawa o te i-hikuta, kua whakarewahia tētahi pānuitanga hei akiaki i ngā tāngata ki tō rātou haumarua. E mōhio ana mātou ki te whakatutukihia ngā whakamātuatanga o te Kāwanatanga, me kaha ake te takatū me te urupare a Waka Kotahi. Me kaha ake te mārara me te pūataata ki ō mātou whanaungatanga, ā – mō roto o ngā pēpēhinga ā pūtea – me mahi ngātahi ki ngā whakamātuatanga o te whakahou i te ara haere tūmatanui, te hīkoi, me te pahikara, ki runga o ngā rori o te takiwā. Kua herea au ki Te Ao Māori me tā mātou Rautaki Māori, kei reira te rāpopoto o te ara e mahi ngātahi ai a Ngāi Māori me Waka Kotahi ki ngā hiahia o te ao Māori me ā mātou whakataunga ki te ara haere. Kua uiuitia ō mātou hoa tāpaenga, hoa mahi, hoa kiritaki ki ā rātou whakaaro mō mātou. Mā aua uiuinga e kitea ai te huarahi anga whakamua.

He take pū nō ō mātou kaimahi ki ā mātou mahi; he toimaha hoki nō ngā raruraru o te wā me te whiu a ngā kaupāpāho. Kua oti tā mātou whakatau i a Waka Kotahi mai i aua whakapātaritari, kua anga whakamua. Ko tāku me whai hanganga tika tonu, whakaaro whakaū, ahurea, kaiārahitanga hoki e whakatutukihia ai e ō mātou kaimahi a rātou mahi, me te oranga ngākau o roto. Kua tīmata kē, ā, ka haere ake ki te tau e tata mai nei.

Ka uru au ki roto o Waka Kotahi hei Tumu Whakarae mō te ono marama mai i te Hānuere o 2019, ā, tērā pea, ka noho tonu mō te paunga o te tau. E mōhio ana au ki te nui o te hanganga ara haere ki Aotearoa me ōna Iwi. E herea ana au ki te tautoko i tāna whakatutukitanga i āna mahi. Ko taku hiahia ina puta au kua whaiora anō a Waka Kotahi, kua titiro ki āpōpō, e kaha ana te mahi ngātahi me ngā rohe, me ō tātou hoa mahi ngātahi, ki te whakarato i te mahi tūturu o Waka Kotahi.



MARK RATCLIFFE

Tumu Whakarae o te wā

PERFORMANCE SUMMARY

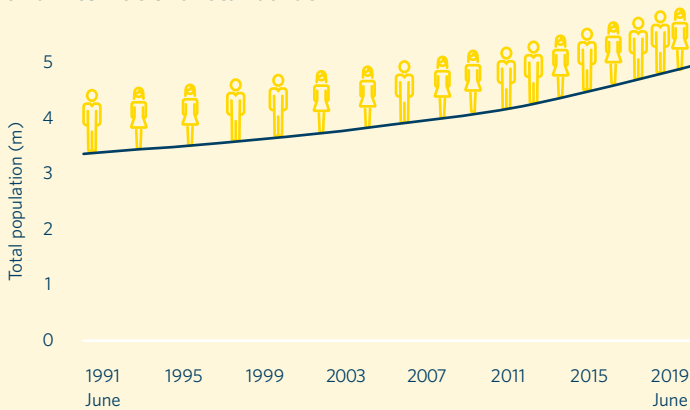
CONTEXT

Our context is formed by the pressures that impact on what we do and how we do it. We are facing many opportunities and challenges, including:

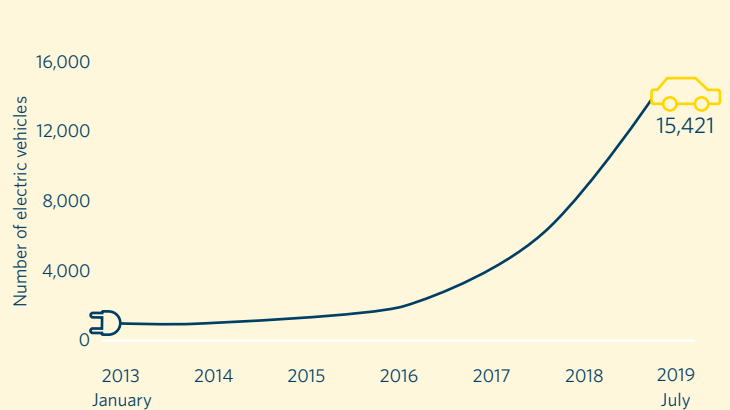
- customers and business want faster, easier and personalised transport services
- our population is ageing and becoming more urbanised
- digital technology and new players with new services are transforming transport
- high-growth demands compete with regional and community expectations
- the government expects us to continue to provide a safe and resilient land transport system that delivers value for money and supports wider social and economic outcomes
- citizens demand we use resources wisely and develop a land transport system New Zealand can be proud of, now and into the future.

In addition, technology is leaping ahead with autonomous and electric vehicles and applications that are transforming personal mobility services and supply chain logistics. Customers are increasingly connected to information, services and social networks through smart devices, and they expect personalised transport services and real-time information when they are on the go. Businesses also expect reliable and predictable connections, so they can make sure their goods reach retail shelves and factories in New Zealand and around the world.

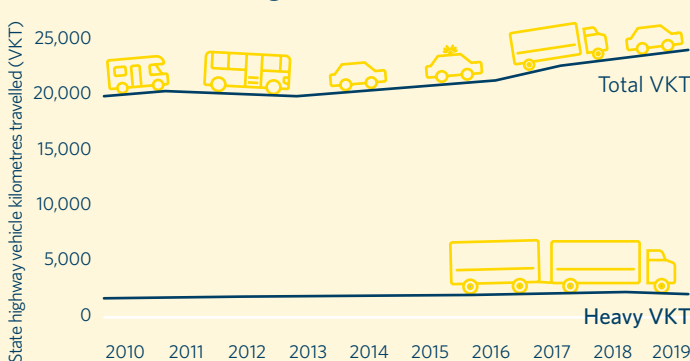
New Zealand's population growth is high by historical and international standards



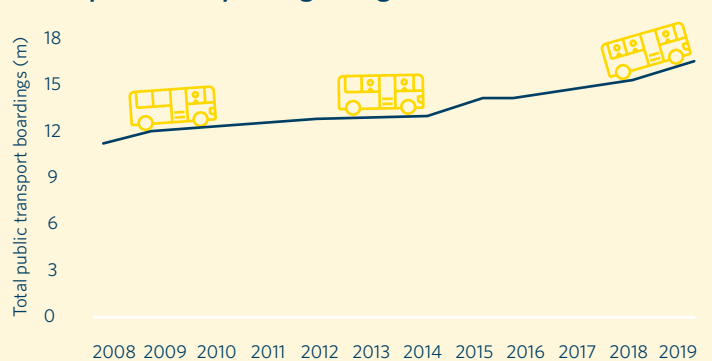
New Zealand's electric vehicle fleet is growing rapidly



Vehicle use is increasing



Use of public transport is growing



TRANSPORT OUTCOMES

In June 2018, the Ministry of Transport launched the Transport Outcomes Framework. This framework defines the long-term strategic outcomes for New Zealand’s transport system. The purpose of the transport system is to improve people’s wellbeing and the liveability of places.

The framework describes five long-term outcomes (as shown):

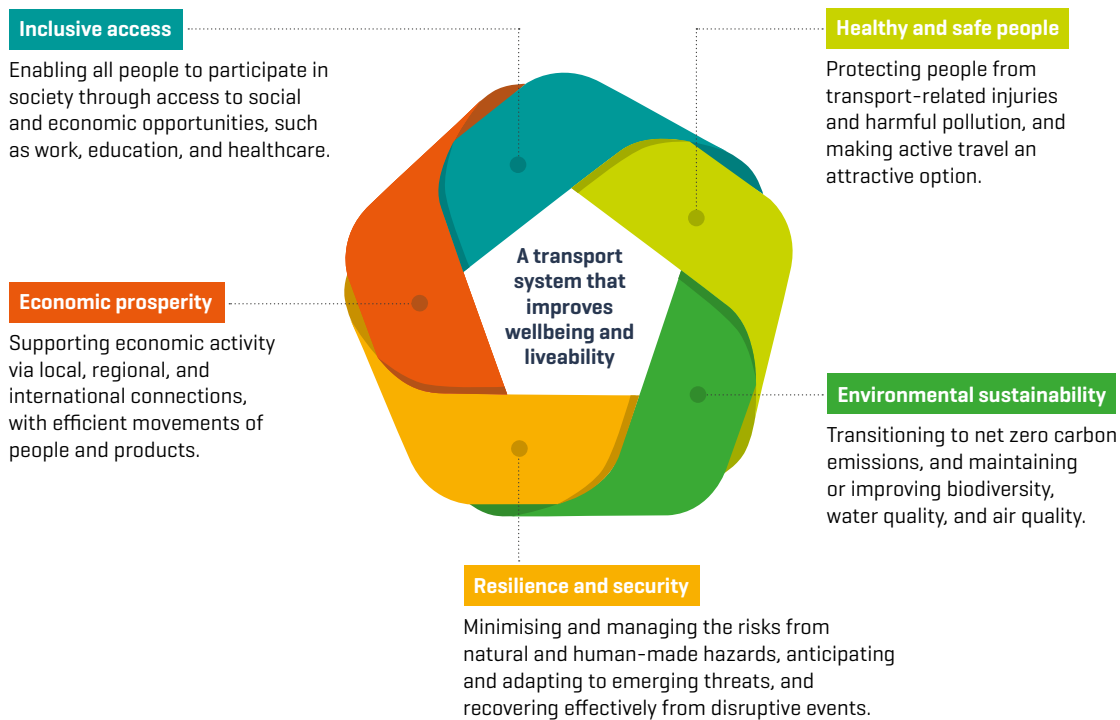
- healthy and safe people
- inclusive access
- economic prosperity
- resilience and security
- environmental sustainability.

These outcomes are interrelated and need to be achieved together to improve intergenerational wellbeing and the quality of life in New Zealand’s cities, towns and provinces. The government may prioritise some outcomes over others, depending on the social, economic, political and environmental circumstances of the day.

The Transport Outcomes are reflected in the Government Policy Statement on land transport priorities and our strategy.

A guiding principle for the framework is mode neutrality. Mode neutrality means considering all transport modes when planning, regulating and funding transport and basing decisions on delivering positive social, economic and environmental outcomes.

Figure 1: Ministry of Transport’s transport outcomes



GOVERNMENT POLICY STATEMENT ON LAND TRANSPORT

The government’s primary instrument for setting the nearer-term direction for the land transport sector is the Government Policy Statement on land transport. This policy statement sets out the government’s priorities for land transport and the results it wishes to achieve through the allocation of funding from the National Land Transport Fund over the next 10 years.

For 2018/19 to 2027/28, these priorities are (as shown):

- a safer transport network free of death and injury
- accessible and affordable transport
- reduced emissions
- value for money.

Figure 2: Strategic direction of the Government Policy Statement on land transport



The policy statement sets out how funding is allocated over the next three years to achieve the desired results across activity classes such as walking and cycling, road policing, state highway improvements and maintenance, local road improvements and maintenance, and public transport. This policy statement is the primary guide for the investment we make in the land transport system on behalf of the government.

Our strategy (see page 28) is aligned to the Transport Outcomes and the Government Policy Statement through our eight position statements and our performance measures.

The annual report on the National Land Transport Fund (from page 187) reports on the delivery of the National Land Transport Programme and the use of the National Land Transport Fund to contribute to the Government Policy Statement priorities.

SAFETY

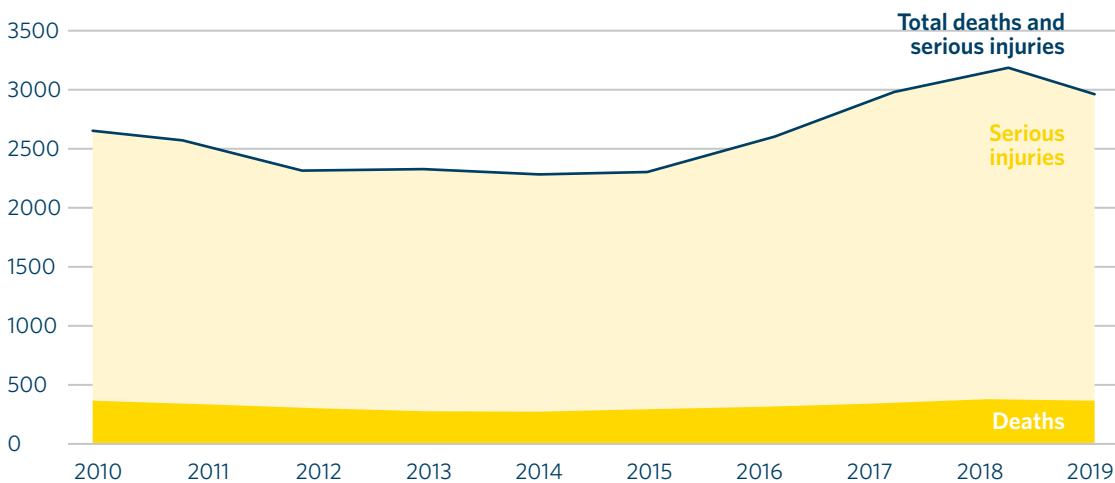
Safety on the land transport system and in our workplace is our top priority. We must make our roads safer, and we must ensure the people who work for us go home safe and well every day.

ROAD SAFETY - MAKING THE WHOLE SYSTEM SAFER

More people are using New Zealand’s land transport system than ever before. This growth, along with more walking and cycling and new technology, services and operators, is challenging our ability to achieve a safe system.

A total of 2902 people were killed or seriously injured on New Zealand roads in the year to 31 March 2019 compared with 3201 in the previous year. Although that is a 9 percent decrease on last year, it is still 8 percent higher than at the start of the decade when the current 10-year road safety strategy, Safer Journeys, began. Serious injury levels from road crashes have been climbing since 2013 at a faster rate than population growth or the increase in vehicle kilometres travelled.

Deaths and reported serious injuries 2010–2019 (annualised totals)



We take a Safe System approach to road safety:

- safe roads and roadsides – improving the level of safety built into our roads
- safe road use – alert users who stick to the road rules and look out for each other
- safe speeds – speed limits that are right for each type of road
- safe vehicles – choosing the safest vehicle you can afford.

The Safe System approach recognises that people make mistakes and are vulnerable in a crash. In a safe system, when a mistake happens, people don’t have to pay with their life. We target our resources and interventions to the areas with the greatest potential to save the most lives.

SAFETY IMPROVEMENTS FAST-TRACKED TO SAVE 160 DEATHS AND SERIOUS INJURIES ANNUALLY

This year, we began delivering a safe network programme to fast track delivery of safety improvements to New Zealand's highest risk state highways and local roads to save 160 deaths and serious injuries each year. On state highways, 16km of median barriers, 98km of side barriers and 194km of rumble strips have been installed. A further 33km of median barriers are under construction.

SPEED LIMITS DECREASED ON HIGH-RISK HIGHWAYS TO SAVE 35 DEATHS AND SERIOUS INJURIES ANNUALLY

Over the year, we also began implementing the Speed Management Guide on the highest risk routes and intersections. Speed limit changes were implemented on 69km of the highest-risk parts of the state highway out of network 4200km identified for reassessment under the 2018–21 National Land Transport Programme. Further speed limit changes will be made on about 600km of state highway between December 2019 and February 2020 across 14 regions for a predicted reduction of 35 deaths and serious injuries each year.

PROMOTION AND EDUCATION TO CHANGE BEHAVIOUR TO IMPROVE ROAD SAFETY

We manage and invest in promotion and education activities that support people to change their behaviour to improve road safety. This year, our communications programme educated consumers about the benefits of safer vehicles. A June 2018 study found that 66 percent of all deaths and serious injuries were in one- and two-star safety rated cars.² This rate increases to 77 percent for people aged 16–24. One- and two-star cars have few or no safety features to help drivers avoid crashes or to lessen the severity of injury to people in the car in a crash.

About 90 people are killed every year on New Zealand roads because they weren't wearing a seatbelt. This year, our new seatbelt campaign targeted men aged 20–40 to show them why a seatbelt is worth wearing. After only two weeks of being live, the campaign's social media posts were shared over 243,000 times with a potential reach of 26 million people.

WORKING IN PARTNERSHIP WITH NEW ZEALAND POLICE AND THE MINISTRY OF TRANSPORT

Last year, we moved to collective responsibility with the Ministry of Transport and New Zealand Police to deliver the Road Safety Partnership Programme to more effectively reduce harm on our roads.

On 1 July 2018, New Zealand Police introduced a target to reduce road deaths by 5 percent every year. Police prioritised enforcement efforts for restraint use (that is, seat belts and child seats), impaired driving, distracted driving and speeding in high-risk routes throughout the country.

Over the year, we worked closely with the Ministry of Transport to develop the new 10-year national road safety strategy, Road to Zero, due to be published in October 2019.³ An immediate action from the strategy is to increase the priority of road policing. A framework for measuring the success of the Road Safety Partnership Programme in delivering Road to Zero will be in place from 2019/20.

KEEPING OUR PEOPLE AND CONTRACTORS SAFE

We are putting in place a health and safety management system to keep our people and contractors working on the road safe and healthy. This system follows international best practice.

Four workers in the Bay of Plenty and Wellington died this year while doing road maintenance. We worked with the construction contractors to understand what caused the incidents and then implemented system-wide improvements to make the working environment safer for maintenance and construction workers.

² *Profiling injury risk and burden in the New Zealand light vehicle fleet: where can safety gains be obtained?* Monash University, June 2018.

³ *Road to zero: consultation on the 2020–2030 Road Safety Strategy* is available from the Ministry of Transport website: <https://www.transport.govt.nz/assets/Import/Uploads/Our-Work/Documents/e97c3b3d0d/Road-to-Zero-consultation-document-July2019.pdf>

Our recordable injury rate (which is the number of injuries and fatalities per million hours worked) on construction projects and network maintenance operations reduced from 8.0 to 5.3 over the year in line with the longer-term decreasing trend.

FEATURE STORY

Belt up. Live on.

Every year, over 90 people died because they weren't wearing a seatbelt. Research shows that many men aged between 20 and 40, especially those from provincial areas, think seatbelts are an optional accessory that should be worn only by children or older people.

We wanted to turn wearing a seatbelt from a perceived weakness to a sign of strength by celebrating real crash survivors who survived because they made a choice to buckle up.

On 20 February 2019, the campaign was launched by crash survivors over their own social media channels and also through the www.beltedsurvivors.nz website.

We made the campaign realistic and effective by working with a special effects make-up team and an emergency medicine specialist to recreate the injuries the men suffered. As a reference, we used photos each man provided of their injuries taken days after their crash.

The survivors came up with the colloquialism 'belt up' and we used this sentiment for the key campaign message 'Belt up. Live on'.

By working together with local councils, we carefully chose the locations of the bars and pubs where we could place the bespoke billboards (ranging in height from 2 to 3.5 metres)

These billboards were placed in bar carparks throughout high risk, provincial areas including the hometowns and communities where each survivor lives.

After only two weeks of being live, the campaign's social media posts were shared over 243,000 times with a potential reach of 26 million people.



STRENGTHENING OUR REGULATORY FUNCTIONS

Regulations underpin safety and contribute to people and goods moving safely on New Zealand's road and rail networks. As a result of systematic and major issues identified with the Transport Agency's regulatory function in late 2018, much of the rest of 2018/19 was dedicated to stabilising this function and ensuring regulations were being enforced.

We moved quickly to establish a programme to manage compliance, quality and timeliness issues relating to the backlog of 850 cases of non-compliance with vehicle testing regulations. The programme delivered on its two main aims: to establish interim structures, policies, processes and systems to facilitate the review work and to create a foundation for developing our future regulatory compliance and enforcement function.

As part of this work, we:

- resolved 1271 cases of non-compliance (including taking 620 enforcement actions against non-compliant regulated parties)
- responded to incorrectly certified vehicles so safe vehicles are using the land transport system
- suspended over 30 vehicle inspectors and inspecting organisations and gave 55,000 vehicle owners a voucher for a free re-inspection
- suspended three vehicle repair certifiers and a heavy vehicle certifier, which resulted in the re-inspection of about 1200 heavy vehicles.

With our regulatory functions stabilised, we then shifted focus to developing our regulatory function for the future. In May 2019, the Transport Agency Board endorsed a high-level roadmap to get us to our regulatory future state, and we began detailed planning and foundational work. By the end of June 2019, we had completed the first stage to increase our regulatory capacity. The plan for 2019/20 is to make the necessary further improvements in people, processes, policies and platforms.

New performance measures have been developed for 2019/20 that will improve monitoring of compliance.

RAIL SAFETY - FULLY ESTABLISHING THE REGULATORY FUNCTION

Establishing the rail safety regulatory function was another focus for the year. We built our regulatory rail capability and capacity and enhanced our systems and processes to incorporate rail safety enforcement. Our first prosecution under the Railways Act 2005 was of an organisation that failed to follow its safety case and safety systems, failed to train its staff appropriately and failed to notify us of a serious incident.

1271

cases of non-compliance resolved

30+

vehicle inspectors or inspecting organisations suspended

55,000

vouchers issued to vehicle owners for free vehicle re-inspections

3

vehicle repair certifiers and a heavy vehicle certifier suspended

1200

heavy vehicle re-inspections

ACCESS

The Government Policy Statement on land transport calls for a land transport system that provides increased access to economic and social opportunities and enables transport choice and access.

Not everyone in New Zealand has easy access to affordable and multimodal transport choices and to services such as driver licensing. This leads to over-reliance on private vehicles, avoidable safety issues, reduced social cohesion and rising costs in our cities and regions. People living in poverty or who are otherwise disadvantaged feel these impacts most powerfully.

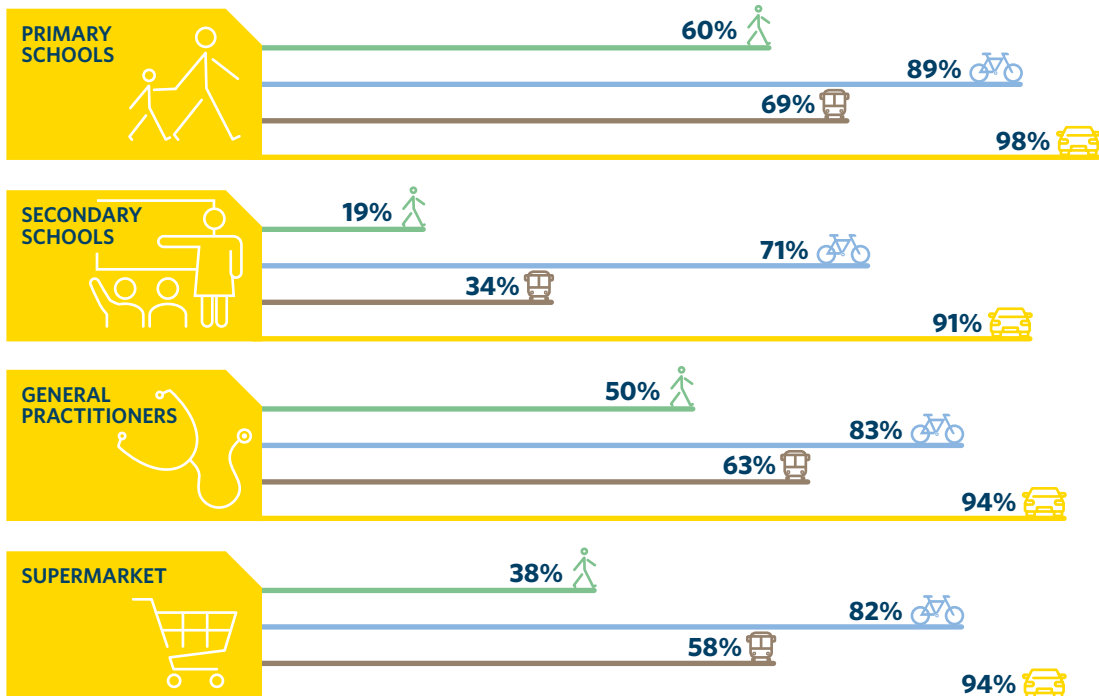
Too often, transport investment is sought to deliver transport-specific benefits ahead of contributing to a shared and long-term vision of accessible, attractive and efficient communities that people want to call home. Increasingly, unaffordable housing and transport costs, social and economic dislocation, and unsustainable land use patterns are the price New Zealand communities pay for inconsistent and fragmented planning.

INCREASING ACCESS TO SOCIAL AND ECONOMIC OPPORTUNITIES

For the first time, we are reporting on transport access to destinations such as jobs, schools, health care and essential shopping. Driving is the main way people connect to important social and economic opportunities. Fewer people have easy access to key destinations using public transport, walking or cycling.

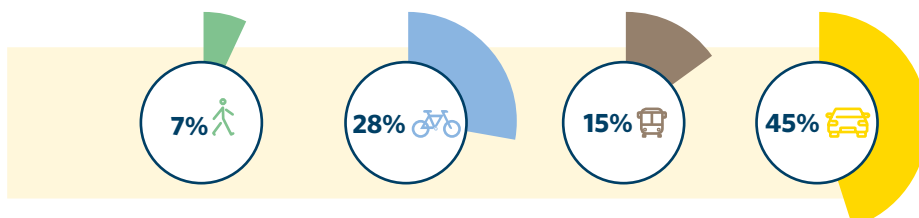
Proportion of population within 15 minutes of destination by mode

This measure shows the proportion of New Zealanders that can reach important destinations in a reasonable time.



Proportion of jobs within 45 minutes by mode

This measure shows the proportion of jobs across New Zealand that can be reached in a reasonable time.

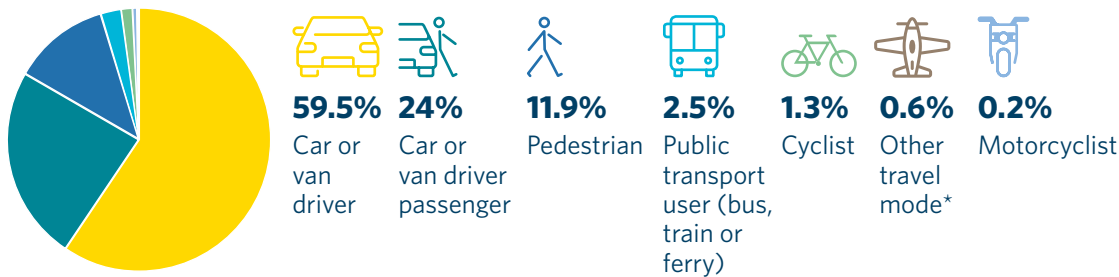


ENCOURAGING MODE SHIFT

Mode share (proportion of trips by mode)

The mode share results from the Household Travel Survey provide a valuable view on people’s transport choices. Most trips are undertaken by car or van, with pedestrian trips being the next most common.

Over time, we expect to see a larger proportion of trips by public transport and active modes such as walking and cycling as mode shift and travel demand management embed.



* ‘Other travel mode’ includes aircraft, boats (excluding ferry trips), mobility scooters and other modes like horse riding. Skateboarders and children in pushchairs are included with pedestrians.

A critical part of our work to improve accessibility is to encourage people to make greater use of public transport and to walk and cycle more by making those modes of transport more attractive and affordable than using a private car. In high-growth urban areas, only 19 percent of trips are on public transport or walking and cycling.

This year, we prepared a national plan to accelerate mode shift directly or in partnership with others, and we worked with our Auckland Transport Alignment Project partners to develop a mode shift plan for Auckland. Development of regional plans for Hamilton, Tauranga, Wellington, Christchurch and Queenstown is under way in alignment with regional spatial planning.

We also re-set existing and developed new partnerships with local government and wider central government in key high-growth areas to establish planning processes that will support multimodal transport choices: the Hamilton–Auckland Corridor Partnership, the Urban Form and Transport Initiative for the Western Bay of Plenty, and the Queenstown Spatial Plan. These partnerships align the area’s strategic direction for growth to also support multimodal transport choices.

Over time, investment through the National Land Transport Fund can increase the use of public transport, walking and cycling. A total of 104.8 network kilometres of walking and cycling facilities were delivered this year.

19%

of trips in high-growth urban areas are on public transport or walking and cycling

104.8 network kms

of walking and cycling facilities delivered

6238 cycling trips

observed in Wellington, Auckland and Christchurch central business districts (up from 5605 last year)

A snapshot of the number of cycling trips through a specific area in three central business districts (a cordon count) saw trips continue to increase with 6238 this year, up from 5605 last year. Wellington recorded a 4 percent increase (to 2360 trips), Christchurch a 34 percent increase (to 1869 trips) and Auckland a 3 percent increase (to 2009 trips).

15.7 million trips

funded through the SuperGold cardholders' scheme (up nearly 12%)

10 million

additional boardings on public transport (6% growth)

Use of urban public transport grew strongly this year with a national average of 6 percent growth in the number of passenger boardings across bus, rail and ferry services. The number of passengers reached 168 million, an increase of 10 million on last year. We funded 15.7 million trips through the SuperGold cardholders' scheme, an increase of nearly 12 percent from last year.

IMPROVING OUR UNDERSTANDING OF ACCESSIBILITY NEEDS AND BARRIERS

We are working with our partners and co-investors to better understand the barriers to access for people experiencing transport disadvantage.

To build a shared understanding and shared investment approaches with central and local government partners, we worked with the Ministry of Transport to investigate the development of a Green Card that would subsidise the cost of public transport for low-income earners and their dependants. We also worked with the Office for Disability Issues to include in the Disabled Action Plan 2019–2022 actions we can contribute to that will improve accessibility for disabled people.

We have started reviewing quality standards for urban buses. This review will benefit the most vulnerable users of urban buses because vehicles will be expected to better cater for their needs. Regional councils and Auckland Transport must use these standards in their urban bus contracts if they want to receive Transport Agency investment in these services.

To develop a shared understanding with the regions of the most important transport accessibility needs for freight and tourism, we produced a map showing priority journeys with their associated access problems and potential responses.

We prepared regional summaries for each Provincial Growth Fund surge region (Te Tai Tokerau/Northland, Bay of Plenty, Tairāwhiti/East Coast, Hawke's Bay, Manawatū-Whanganui and West Coast) that describe existing levels of access to essential services; that is, to services critical for supporting the liveability of communities. These summaries provide a consistent, system-level assessment of access across the regions to identify those areas facing the most significant access barriers.

BETTER INTEGRATING TRANSPORT WITH URBAN DESIGN TO CREATE MORE LIVEABLE COMMUNITIES

We are working to further integrate 'placemaking' in transport solutions by developing places and spaces alongside transport facilities. This year, through a community of practice and draft guidance for Innovating Streets for People, we supported our council partners to use interim treatments to quickly make streets safer and more liveable; for example, by reducing vehicle speeds and creating more space for people. Next year, the treatments will be assessed and the findings will inform changes to the draft guidance.

We changed the Traffic Control Devices Rule to permit placemaking interventions on low-risk streets, and we are leading an AustRoads research project to investigate the best approach to classify, value and measure the 'place' function of roads and streets. The results will help us and our partners to better account for placemaking through our classification framework for New Zealand roads and better understand where investment is needed.

FEATURE STORY

Dunedin one-way pair cycle lanes

The Dunedin one-way pair cycle lanes are a great example of how multimodal forms of transport can be integrated in our cities.

The new cycle lanes along State Highway 1 in Dunedin, aimed at making the southern city a healthier and safer place to live, were officially opened in February 2019. This project's purpose was to significantly improve cycle safety on the one-way system through north and central Dunedin, by providing cycle lanes that physically separate cyclists from highway traffic.

In addition to improving the safety of the one-way system for everyone, the new cycle lanes:

- create better links to central city locations, including the University of Otago, Otago Polytechnic, Dunedin Hospital and the central city
- are more convenient connections to the wider network of urban cycle routes the Dunedin City Council is developing
- help to make cycling a safe and attractive transport choice within Dunedin, further enhancing the city's appeal as a place to live and work
- encourage more people to take up cycling as a safe commuting choice
- improve pedestrian safety, with new traffic signals planned and existing traffic signal operations being upgraded to increase the protection for pedestrians when crossing.

The new cycle lanes aim to reduce the number of crashes involving cyclists on this busy route, which around 25,000 vehicles use every day. This project will help to save lives by prioritising cyclists' safety as well as improving safety for pedestrians.



ENVIRONMENT

Transport accounts for 18 percent of New Zealand’s greenhouse gas emissions, 90 percent of which arise from road transport. These emissions must be significantly reduced if the government is to meet its obligations under the Paris Agreement to reduce greenhouse gas emissions by 2030. Other air emissions play a role in shortening the lives of over 250 people every year, and noise pollution adversely effects people living near busy transport corridors and hubs.

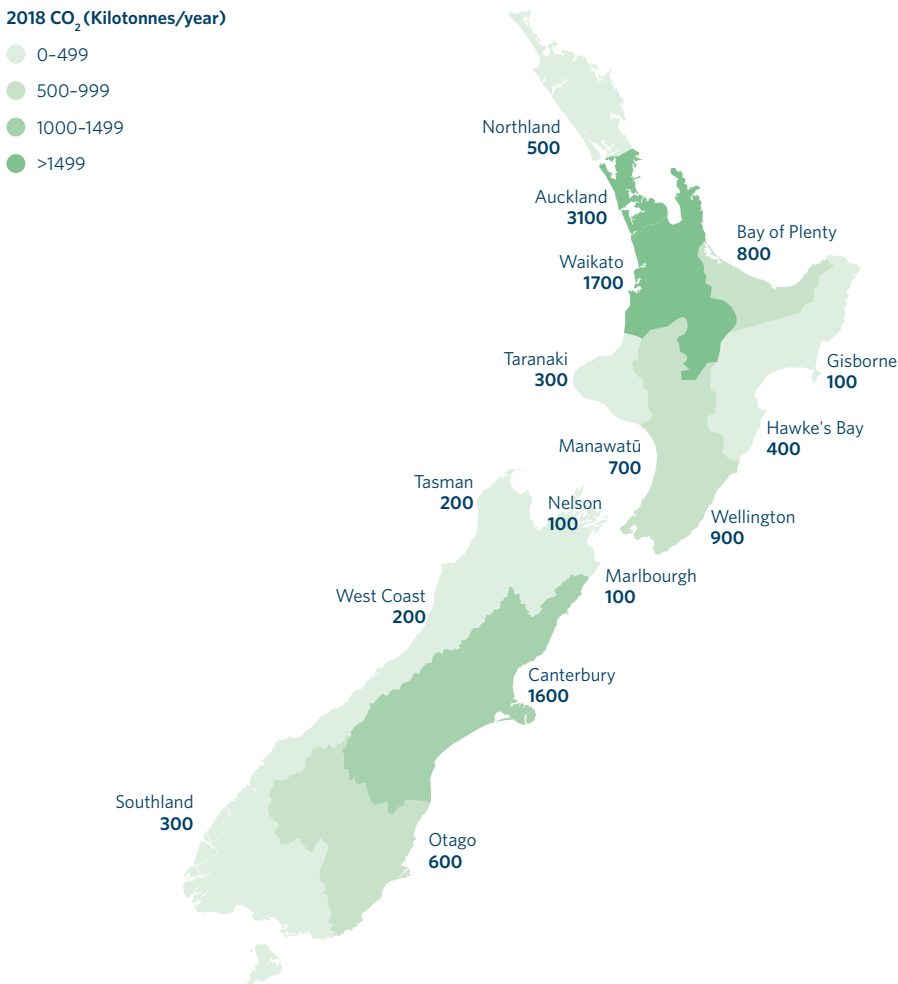
The transport system is also experiencing increasingly frequent and severe unplanned disruptions due to a combination of climate change, increasing traffic volumes and incidents such as crashes. Some ageing infrastructure was not designed to manage current demand and is becoming less robust. Reducing risk and preparing, responding to and recovering from disruption requires a coordinated response, so we need a better understanding of and policies for different types of risks, disruption impacts and community tolerances.

REDUCING THE ADVERSE EFFECTS OF TRANSPORT ON THE ENVIRONMENT

This year, we developed the Transport Agency Sustainability Action Plan. Development of this plan and a prioritised work programme is the first step in a long-term commitment to significantly reducing the adverse impacts of the land transport system on people, the environment and the climate and significantly improving public health.

Significant parts of the work programme are under way. We are changing our investment decision-making approach to facilitate investment in and planning for long-term sustainable outcomes such as lower emissions, improved public health and less environmental harm. An emissions reduction focus is also embedded in the national mode shift plan.

Figure 3: Carbon dioxide (kilotonnes per year), 2018



**11,500
kilotonnes**

of carbon dioxide from
the road transport
network in 2018

4778 tonnes

of carbon dioxide
equivalent from Transport
Agency staff travel

469 tonnes

of carbon dioxide
equivalent from Transport
Agency fleet vehicle
emissions

The road network emitted 11,500 kilotonnes of carbon dioxide in 2018. This was an increase from 10,800 kilotonnes in both 2016 and 2017. The increase has come primarily from light petrol- and diesel-powered vehicles. Our action plan has a strong focus on reducing emissions from the land transport network.

This year, we also established baselines for our greenhouse gas emissions from staff travel and our fleet vehicles. This will allow us to monitor our desired reduction in these emissions and directly aligns with our broader leadership role in the public sector to reduce sector emissions from staff travel and vehicle use.

The National Land Transport Fund fully funds some infrastructure delivery and network management contracts. We are developing and testing three environmental indicators to monitor the environmental impacts of the work under these contracts. The indicators focus on biodiversity, resource efficiency and environmental management performance. We expect to start incorporating these indicators into Network Outcomes Contracts and capital projects from 2019/20.

IMPROVING THE RESILIENCE OF THE LAND TRANSPORT SYSTEM

We are working to improve the resilience of the land transport system to climate change-related impacts, increasing traffic volumes, and incidents such as crashes, so communities can recover more quickly from disruption.

This year, we set a baseline level of stakeholder and partner confidence (2.3 out of 5) that the transport system is appropriately adapting to climate change. Our stakeholders and partners told us we need to be clearer about the change in direction of system-wide responses to climate change, remove institutional barriers to adapting to climate change, increase visibility of climate change initiatives and improve their implementation.

The Resilience National Strategic Case was endorsed in November 2018. The next step, a programme business case, will investigate and prioritise potential resilience interventions and develop a programme of preferred activities to achieve the resilience outcomes we want to achieve for New Zealand. This will include enhancing New Zealand's capacity to cope with unplanned disruptive events, thereby supporting the wellbeing and prosperity of all New Zealanders.

Working with our partners to build resilience capability and resources has been another focus this year. We ran Coordinated Incident Management System training with our and our partners' staff to lift capacity and capability in emergency management response and developed and updated resilience resources for staff, consultants and partners. In addition, we are developing pilots with local government and other partners to build a shared understanding of risk tolerance among communities and business and to improve capability and self-sufficiency for managing during disruptive events.

FEATURE STORY

Recovering from the Kaikōura earthquake

As part of the Kaikōura earthquake response, North Canterbury Transport Infrastructure Recovery restored and increased the resilience of State Highway 1 and the Main North Rail Line by delivering \$218 million of recovery and resilience works. These works continue to reduce the number closures on the road and rail line, building community confidence and restoring economic sustainability in the freight sector.

As well as restoring the transport corridor, we continued to improve safety, access and amenities across State Highway 1 through Kaikōura, benefitting tourism, freight and the travelling public. This year, we opened a safe stopping and seal-viewing area at Ohau Point, increased the size of the road tunnel so all classes of road freight can use this route, and implemented safe speeds and safety improvements along the route.

North Canterbury Transport Infrastructure Recovery is an alliance partnership between the Transport Agency, KiwiRail, Downer, Fulton Hogan, HEB Construction and Higgins. The government set it up in late December 2016 to restore earthquake-damaged infrastructure between Picton and Christchurch.



**151.66
lane kms**

of regional
state highways
improved
(13 projects)

85%

of unplanned
road closures
resolved within
the standard
timeframes*

8225km

available to high
productivity
motor vehicles
on key regional
routes

* Less than 2 hours for urban roads and less than 12 hours for rural roads.

CAPABILITY

To become a high-performing organisation, we need to improve our systems, processes and culture to deliver the outcomes we aspire to and to respond to the challenges and opportunities posed by new technologies. We also need to recruit and retain great people, because they are critical to what we do.

It has been a challenge to improve our capability this year while responding to changing government priorities and significant performance concerns in our regulatory and transport technology functions.

RESPONDING TO THE GOVERNMENT POLICY STATEMENT ON LAND TRANSPORT

The latest Government Policy Statement on land transport, released in June 2018, places more emphasis on social, economic, cultural and environmental outcomes than previous versions. This significant shift in direction required major changes to the way we operate and develop the National Land Transport Programme with our co-investment partners.

This year, we refreshed our strategy to respond to the new strategic priorities for land transport and published the 2018–21 National Land Transport Programme using revised assessment criteria for deciding which transport projects will be funded.

We are working with the Ministry of Transport to jointly review the Investment Decision Making Framework that guides investment in New Zealand's land transport system to ensure investment in the land transport system will deliver on the government's social, economic and environmental priorities.

STRENGTHENING TRANSPORT TECHNOLOGY

We aim to invest in transport technology that can make our transport system safer and more sustainable and provide people with easy access to journey information and transport choices.

Surveys undertaken this year found 73 percent of our customers report increased ease of access to transport data and journey choices information and 66 percent report they can get the journey information they want through their preferred channel.

73%

of customers report increased ease of access to transport data and journey choices

66%

of customers report they can get the journey information they want through their preferred channel

Critical risk

rating for our technology systems

However, we need to strengthen how our transport technology function operates and we need to reduce critical technology risks by improving technology platforms and organisational capabilities. A critical risk rating means that it is possible the Transport Agency's technology systems may stop performing, in part or whole, and may not be recoverable for extended periods (weeks or months), with extreme consequences.

In March 2019, we commissioned an external review of our transport technology function because of leadership, capability and governance issues identified in our Connected Journey Solutions group. These issues and the review of the group's activities affected our progress building the priority components necessary to deliver an enduring and flexible digital transport system. All of the review's recommendations have or are being implemented. The group has been disestablished and its functions have been incorporated into the Workplace and Technology group.

STABILISING OUR ORGANISATION

As well as responding quickly to serious issues uncovered in our regulatory and transport technology functions, we focused on stabilising the Transport Agency after a period of unrest and change.

Our leaders focused on doing the basics of people management well (such as making sure workloads were balanced and staff had adequate time for rest and recovery) while still delivering on our priorities and supporting people through ongoing change. We will continue to focus on leadership and a workforce strategy developed this year will be finalised in the first quarter of 2019/20 to ensure we can deliver our core functions.

We use staff surveys to gauge how we are tracking. Fifty-nine percent of staff surveyed during the year considered the Transport Agency a great place to work (against a baseline of 57 percent in March 2018). We recognise we have more work to do to increase this result and regular feedback will help us identify how we can improve.

We continued to strengthen internal systems and processes so they can respond faster to change. We put in place a programme of work to respond to recommendations from the State Services Commission's Performance Improvement Framework review and the Treasury's Investor Confidence Rating assessment in 2018. While we made good progress, we have more to do to improve our capability in areas such as portfolio, programme and project management.

REBUILDING STRONG RELATIONSHIPS

During the year, we conducted surveys to understand what our co-investors, partners and customers think of us. On average, 39 percent of our partners and co-investors provided positive answers about our responsiveness, engagement and delivery of transport solutions compared with 52 percent of customers (giving an average of 45.3%). Just over a third of our partners and co-investors think the Transport Agency is known for agile thinking and fast-tracking solutions.

45.3%

of partners, stakeholders and customers report we are responsive with engaged people and timely delivery of transport solutions

36.8%

of co-investors and partners consider we are known for agile thinking and fast-tracking solutions

We need to rebuild our relationships with our co-investors and partners through regular engagement and by working closely with them to deliver national, regional and local projects that progress the priorities in the Government Policy Statement on land.

When approved organisations, such as local and regional councils and parts of the Transport Agency, develop proposals for funding from the National Land Transport Programme, they must follow a business case approach. Our co-investors and partners found our business case approach difficult, requiring significant time, cost and effort. In June 2019, we launched a clearer and more consistent approach to make business case development simpler and faster. We now also train our co-investors and partners in using the approach to achieve the best results.

DELIVERING VALUE FOR MONEY AS THE PRIMARY INVESTOR IN NEW ZEALAND'S LAND TRANSPORT SYSTEM

Value for money is a priority of the Government Policy Statement on land transport. We assess all the investments we make in the land transport system through an investment assessment framework aligned to the Government Policy Statement and we conduct post-implementation reviews to assess how well a project (or package) has delivered its expected benefits.

During the year, we put in place a set of measures to help us improve how we assess the benefits of our investments across all modes of land transport. These measures have been thoroughly tested to ensure they reflect past and present government priorities and align with the Ministry of Transport's Transport Outcomes Framework.

We are also increasing the maturity our internal value-for-money framework, with a system in place to identify and track ongoing improvement actions across the output classes the Transport Agency is funded to deliver.

FEATURE STORY

Te Ara Kotahi / Our Māori Strategy

In December 2018, the Transport Agency's Board endorsed Te Ara Kotahi / Our Māori Strategy and its supporting action plan. Te Ara Kotahi provides us with an overarching strategic framework that affirms our commitment to uphold our te Tiriti o Waitangi / Treaty of Waitangi and related legislative obligations. Under the Land Transport Management Act 2003, we have specific requirements to consult or engage with Māori in land transport decision-making processes.

Te Ara Kotahi supports us by providing direction on how we work and respond to Māori as the Crown's Treaty partner, and what this means for how we do business to value Te Ao Māori views for the land transport system.

Te Ara Kotahi will also support our people to have the capability, capacity and confidence to engage successfully with Māori.

It also identifies what processes and support are required to ensure we are prepared for our role and responsibilities in supporting the development of strong and vibrant Māori communities and to identify opportunities to enhance social, cultural, environmental and economic wellbeing.

