

# Hon Michael Wood

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Minister of Transport  
Minister for Workplace Relations and Safety



4 May 2022

Sir Brian Roche  
Chair  
Waka Kotahi NZ Transport Agency

By email: [s 9\(2\)\(a\)](#)

Dear Sir Brian

## LETTER OF EXPECTATIONS 2022/23

This letter sets out my expectations for Waka Kotahi NZ Transport Agency (Waka Kotahi) in 2022/23. Its purpose is to assist you and the Board to develop your strategic direction, as reflected in the Statement of Intent, Statement of Performance Expectations 2022/23, and other strategic planning documents. It should be considered alongside the Government Policy Statement on Land Transport 2021 (GPS), enduring Letter of Expectations, Crown Entities Act 2004, and other relevant legislation.

I would like to thank you, the rest of the Board, and the staff of Waka Kotahi for the contribution you have made to enabling a transport system that improves wellbeing and liveability. These outcomes are important as we collectively recover from COVID-19 and look to the future.

I would like to acknowledge the significant work undertaken by Waka Kotahi over the past few years. I want to specifically recognise progress on the Auckland Light Rail Project, Transmission Gully motorway, the New Zealand Upgrade Programme and decarbonisation, which will each have a transformational impact in their respective regions and contribute to New Zealand's success. I am also pleased by the findings of the recent regulatory review which highlighted the progress made since the 2019 regulatory failure. I encourage the Board to continue to monitor progress in these areas.

Looking forward, I recognise it will be a challenging time for Waka Kotahi, as it responds to the economic and social issues related to the global pandemic, whilst adapting to – and internalising – the Government's climate change, urban development, and road to zero objectives. This will require thoughtful balancing of objectives and, in some cases, conscious trade-offs particularly as the transport revenue system remains under pressure from multiple competing demands.

Navigating this period successfully will require open communication, strong partnerships, and agility. I trust that you will work effectively with multiple stakeholders over time to reconcile a range of perspectives and priorities to achieve positive outcomes for the transport system. I encourage the Board to keep me informed of any challenges that it is experiencing in implementing our collective priorities for the land transport system.

### **Entity priorities**

My specific expectations for Waka Kotahi in 2022/23 are to:

- consistent with GPS 2021, prioritise investment to support an effective, efficient, and safe transport system, while pivoting the transport system to respond to climate change priorities, consistent with the transport component of the first Emissions Reduction Plan which will be informed by the Transport Emissions Action Plan. This includes delivering outcomes related to the Cabinet approved Budget 2022 Climate Emergency Response Fund initiatives and the forthcoming amendment to the GPS. Waka Kotahi will need to make decisions about key investments across the transport system to ensure that they are consistent with this direction
- work with key stakeholders to improve delivery of Road to Zero activities by improving the transparency and accountability of core programmes, including the Road Safety Partnership Programme and Speed & Infrastructure Programme. It is critical that alongside other Road to Zero partners, we implement the agreed deliverables that will reduce the number of deaths and serious injuries, and build public confidence in the programme
- maintain a safe system that provides accessible transport services, including ongoing support for State Highway maintenance, responds to growing and diverse urban populations, and enables access for cycling, walking and equestrian communities
- build capability, resilience, and security into the transport system, by improving risk management, governance and oversight of complex projects, enhanced use of technology, and ensuring fit for purpose policy resource
- ensure its regulatory function is positioned successfully to respond to significant change in the transport system, promotes trust and confidence, fulfils international Treaty obligations emanating from the World Forum for the Harmonization of Vehicle Standards, implements the temporary road user charges temporary reduction scheme effectively (including exercises regulatory oversight to ensure the scheme's integrity), and can address historic and emerging regulatory risks
- continue to develop Waka Kotahi's performance framework, supported by a set of performance measures that articulates the value of its work, including new workstreams around safety, regulatory, climate change, access, and mode neutrality programmes
- ensure Waka Kotahi's decision-making prioritises value for money in all expenditure given the operating environment and pressures on funding. I understand that the Ministry is working with Waka Kotahi to analyse the growth in operating costs with a view to assessing value for money once a sound evidence

base had been established. I look forward to seeing the results of this analysis and any conclusions reached.

## **Governance**

I trust that the Board will continue to oversee the performance and long-term strategic direction of Waka Kotahi consistent with best-practice governance. As well as executing the fundamentals of good governance, I expect you to focus on:

- ensuring your decision-making is supported by quality information, expert advice, and relevant sub-committees
- taking a long-term view towards understanding the communities you serve and defining services according to their changing needs
- ensuring that internal policies, processes and systems evolve to mitigate risks and improve productivity
- promoting a culture that ensures health and safety is valued and respected, including with delivery partners
- continuing to develop and contribute to the Māori-Crown relationship
- supporting diversity, equity, and inclusion in the workplace.

I expect the Board to undertake an annual assessment of its governance practice and provide me with a report of the findings before 30 September each year. As part of this report, I expect the Board to outline actions it intends to take as part of its process of continuous improvement, including how it plans to address any areas of improvement identified by the assessment.

While the Board has the most immediate and direct responsibility for monitoring Waka Kotahi performance, I expect you to continue to provide the Ministry of Transport with strategic performance information and timely updates on risks and opportunities.

I invite you to respond to this letter, including any material challenges you foresee in meeting these expectations.

Finally, I'd like to acknowledge the work of Waka Kotahi and look forward to a successful year ahead.

Yours sincerely



Hon Michael Wood  
**Minister of Transport**

Copy to: Nicole Rosie, Chief Executive, Waka Kotahi NZ Transport Agency  
Bryn Gandy, Secretary of Transport and Chief Executive, Ministry of Transport