

Relationship Protocol

NZ Transport Agency and Ministry of Transport

Purpose of this Relationship Protocol

This protocol outlines how we expect the Ministry of Transport and the NZ Transport Agency (NZTA) to act together to support the government and customer's interests in transport. The Ministry and the NZTA have different but complementary roles — both are required to be effective to achieve the common goal of an efficient and effective transport system.

Section 1: Context

The Ministry and the NZTA interact on a regular basis. It is important that they collectively understand our respective roles and clarify what we expect of each other.

The Ministry's role is to be the trusted, impartial, expert adviser to the government; shaping transport for New Zealand. The Ministry is the government's principal transport advisor, providing policy advice and support to Ministers. In addition, the Secretary for Transport has specific statutory functions relating to the land transport system. Many of those functions are delegated to the NZTA and onwards to perform. The Ministry and the Secretary are accountable to the Minister of Transport.

The NZTA's role is to operationalise transport policy objectives and deliver land transport programmes and activities. The NZTA's key roles are to plan and fund land transport networks, develop and manage the State highway network, regulate access to land transport networks, and influence user partnerships with key transport sector stakeholders. The NZTA's accountability for performance is to the Minister of Transport. For certain key functions the NZTA has statutory independence. The NZTA is accountable to the Ministry for the delivery of some contracted services (such as rules development).

The interdependence between the Ministry's policy role and the NZTA's operational role requires an understanding of what each is expected to contribute. Good policy development must be informed by what works on the ground and how policy might be operationalised. Putting government transport policy into practice requires a good understanding of the policy goals and context. It is important that we cooperate to achieve our common goals, manage the relationship, and avoid unnecessary duplication of activities.

Section 2: Principles for working together

For a successful land transport system, the NZTA and the Ministry need to work seamlessly for the government of the day and in meeting the needs of users and customers in the land transport system. We agree to the following four principles for working as partners in land transport, which underpin every engagement between the Ministry and the NZTA.

- 1) They respect the distinct roles and accountability of each organisation and acknowledge those roles when dealing with areas of independence and overlap.
 - 2) All interactions between the organisations must add value to the work of the other.
 - 3) They build trust through working openly with each other; and sharing information or advice that affects the other party, or is needed to discharge our respective responsibilities.
 - 4) They take joint responsibility for effective and efficient interaction between us and individual responsibility for our own internal processes that the other relies upon.
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Section 3: Putting 'partnership' into practice

General

They agree to engage in a deliberate way to develop an enduring partnership underpinned by trust and confidence.

We will:

- work together to achieve an effective land transport system
- be transparent and operate on a no-surprises basis
- agree and establish points of contact for interactions, and update each other on a regular basis
- seek to avoid duplication of effort by being clear about our respective roles and responsibilities for any matter in which we have a joint interest
- share work programmes and work together to achieve alignment on key strategic transport issues
- share information, including databases and intellectual property, and respect where information cannot be shared
- actively encourage opportunities to work together, such as sharing or seconding resources where appropriate and joint training of staff
- establish relevant forums to meet regularly and discuss common issues
- escalate issues where appropriate to manage conflicts

The level of engagement between them will vary depending on the nature of the work or activity. It is important that each party recognises the role and contribution of the other and facilitates participation in a way that is appropriate. The paragraphs below outline how they will work together for key activities.

Section 4: Partnership for key activities and functions

Together we will:

- ensure roles and responsibilities are clarified early
- act where this will produce a better result
- coordinate advice and information — each agency should be able to rely on the communications from the other as representing that agency's view; the onus is on the agency concerned to ensure the right people at the right level are communicating

4.1 Developing government policy and providing policy advice and information to the Minister

The Ministry will undertake the following.

- Lead policy development that aims to improve the overall performance of the transport system.
- Involve the NZTA as early as possible in policy development and decisions that impact the NZTA operations and functions and that of its customers and stakeholders.
- Ensure that Ministry-directed policy is operationally possible and can be funded.
- Take into consideration and seek advice from the NZTA on the cost implications to the NZTA and land transport customers of new policy.
- Provide context and purpose for information requests and only use the information for the purpose it was collected.
- Clearly communicate the Minister's priorities for policy development in relation to land transport.
- Respect the operational and technical expertise of the NZTA and fairly recognise its input. Where the contribution is shared, this will be acknowledged by way of joint signing of briefings as far as practicable.
- Consult on briefings that are related to the NZTA roles and functions, and reflect the NZTA's views where appropriate.
- Provide the NZTA with the final product where its input has been critical.
- When dealing with any regional transport policy issue, the Ministry will inform and consult with the appropriate NZTA Regional Director. The Regional Directors are both members of the Regional Transport Committees and leaders of the NZTA's regional offices and members of the NZTA's senior leadership team.

The NZTA will undertake the following.

- Consult with the Ministry where it is unclear whether work or advice is of a policy nature rather than an operational nature before work is undertaken.
- Respect the role of the Ministry as the government's principal adviser on transport policy.
- Provide advance notice to the Ministry on those occasions where it chooses to offer alternative advice and share that advice with the Ministry.
- Support the Ministry with consultation and communication of regional transport policy issues.

4.2 *Developing operational services to stakeholders/customers*

The Ministry will:

- consult with the NZTA where it is unclear whether work or a request from the Minister or stakeholders is of an operational rather than a matter of government policy — before work is undertaken
- provide advice to the Minister on any NZTA proposals to make operational efficiencies that require changes to the regulatory environment and changes to fees and charges
- respect the role of the NZTA as the transport operational agency accountable to the Minister for its operational performance
- consult the NZTA on its work programme for improving the operational environment

The NZTA will:

- lead on operational delivery and business processes, and ensure a focus on value for money for customers and stakeholders
- propose to the Ministry — and the Minister where appropriate — changes and improvements to the regulatory environment that will result in improved levels of service and/or the cost effectiveness of the NZTA's business operations
- review fees and charges for its operational activities in line with government policy guidelines, and propose changes to the Minister where appropriate
- engage with the Ministry where there are government policy implications and/or ownership interests that arise from the NZTA's operations and functions
- lead sector engagement on matters focussed on operational delivery — that concern the planning and funding of land transport networks, State highway operations, and the delivery of functions related to the access and use of land transport networks
- consult and engage the Ministry on sector engagement that relate to the Ministry's policy roles and functions

4.3 Service level agreements

The Ministry contracts the NZTA to provide certain services.

The Ministry will:

- specify what is required in terms of quantity, quality and timeliness of the services to be provided in a formal service level agreement (SLA) before the beginning of the financial year
- pay a fair price for all services provided

The NZTA will:

- enter into an SLA if the terms are acceptable
- demonstrate that the costs for the service are fair and represent an efficient price
- deliver the required service

Section 5: Accountability relationships with the Minister

The Ministry will:

- recognise that the accountability relationship is between the Minister and the NZTA Board and management, and that the NZTA is responsible for its own performance
- acknowledge that the NZTA knows more about its business than the Ministry does and the Board and management are competent and will do the best job they can
- support and facilitate effective engagement between the Minister and the Board by encouraging dialogue of a strategic nature

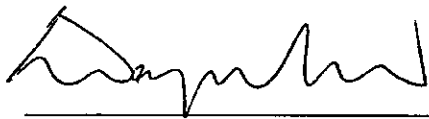
The NZTA will:

- ensure the Minister, his office and the Ministry receive sufficient, timely and relevant information to enable the Minister to have confidence in the capability, management and performance of the NZTA
- raise significant performance issues and risks promptly and clearly with the Minister and the Ministry

Section 6: Managing conflicts

All conflicts and disputes between the NZTA and the Ministry are to be managed expeditiously, transparently and honestly, in line with the values in this protocol.

The individuals involved will take responsibility to resolve conflict and disputes through consultation with each other in the first instance. In the event that a conflict cannot be resolved at the first contact level, it will be referred to the reporting manager of each party to be resolved at the first contact level, and if those discussions do not resolve the matter within a reasonable period, the matter will be escalated to the chief executives for resolution.



Geoff Dangerfield

Chief Executive
New Zealand Transport Agency



Martin Matthews

Chief Executive
Ministry of Transport

APPENDIX I

Working with the Minister's office

There are some general ways of working that apply to both the Ministry and the NZTA when dealing with the Minister's office.

No surprises information from NZTA

- The NZTA will keep the Minister and the Ministry informed of significant decisions, and the progress of key projects and matters in which the Ministry has more than a minor interest.
- The NZTA will make the Minister aware of any reports (such as strategy reports, research reports, submission summaries, Coroner's reports and so on) that are being put on the NZTA's website or which are being publicly released that could be of interest to the Minister. The Minister's office should then be provided with a copy of the report.

Official Information Act requests

- On the basis of a no surprises approach, the NZTA and the Ministry will provide the Minister's office with any Official Information Act responses that may have media or public relations implications for the Minister or the government.

Media enquiries

- The NZTA and the Ministry will assist the Minister's office in responding to media enquiries as a priority.
- Where the NZTA or the Ministry receives enquiries from the media on issues of interest to the Minister's portfolio, and are asked to comment, the NZTA and the Ministry will advise the Minister's office of this before comment is provided, wherever possible.
- If NZTA or Ministry staff are unsure as to whether an issue they have been asked to comment on needs to be brought to the Minister's attention, they will contact the relevant transport private secretary in the first instance, who will be able to advise them accordingly.

APPENDIX II

Responsibilities and functions

The Ministry of Transport

The role of the Ministry is as a trusted, impartial and expert adviser to government; shaping transport for New Zealand.

As government's principal adviser on transport policy, the Ministry of Transport:

- provides expertise in transport policy and government process
- acts in a neutral manner without vested interest
- develops transport policy advice for the government to ensure legislation, regulation and funding is consistent with the government's goals
- reviews the NZTA's proposals for transport fees, charges and levies
- creates the conditions for the sector to perform and ensures government policy settings are appropriate for effective and efficient functioning of the transport system
- provides leadership and direction to the sector in relation to the government's interests
- takes the long and broad view of what we need to achieve
- facilitates government's agencies to work as a transport team

To support the Minister in performing his functions, the Ministry:

- facilitates the funding and accountability arrangements between the Crown entities, the Minister and Parliament
- performs Crown entity monitoring under the Crown Entities Act 2004
- provides advice on board appointments
- advises on government's transport policy
- engages with stakeholders in relation to these functions

The land transport operational functions the Secretary for Transport is currently responsible for include the collection and refunding of road user charges and fuel excise duty (this is under review]. The day-to-day function of this is delegated to the NZTA, and in turn to service providers.

The NZTA

The NZTA has four primary functions, which are:

- planning land transport networks
- managing the investment of national land transport funds in transport activities
- planning, building, maintaining and operating the State highway system
- managing access to, and use of, land transport networks

In carrying out those functions, the NZTA:

- develops operational delivery solutions and activities
- works with central and local government and the private sector to ensure the system integrates well and contributes to the government's broader economic, social and environmental goals
- engages with local communities, providing assistance and advice to help meet their transport needs
- monitors the approved organisations that receive land transport funding, and leads the development of education initiatives that encourage the safe and sustainable use of the land transport system
- develops and manages the National Land Transport Programme (NLTP), the Road Policing Programme, and the Research Programme
- plans the State highway network in collaboration with government transport sector agencies, local and regional authorities, and communities
- designs new works and improvements to existing infrastructure to meet the changing transport needs of communities
- builds, maintains and operates the State highway network utilising contracts, consultants and industry partners to provide safe, accessible transport corridors for people and freight
- implements regulatory frameworks, registry management and revenue collection — in particular, this involves developing operational strategy, continually improving service delivery, managing agency relationships and contracts, monitoring and reviewing performance, managing entry to and exit from the land transport system and, where necessary, ensuring appropriate enforcement
- carries out delegated and contracted rule development activities
- delivers on the contract with the Secretary for Transport for revenue management activities (under review)

Overlap

It is recognised that there will be times where the distinction between policy and translating policy into operation will be slight, and possibly ill-defined. Using the principles set out in this document the Ministry and the NZTA will work together to clarify roles, responsibilities and functions.

APPENDIX III

Deliberate Forums to discuss common issues

Meeting schedule

Chief Executives	<i>Monthly</i>
Transport GM's	<i>Fortnightly</i>
Corporate GM's	<i>Three weekly</i>
Senior leadership teams	<i>Twice yearly</i>

Regular membership

Group/General Managers – transport forum

Ministry of Transport

1. GM Aviation & Maritime
2. GM Road & Rail
3. Deputy GM Road & Rail
4. GM Office of the Chief Executive

NZTA

1. GM Access & Use
2. GM Regional Partnership & Planning
3. GM Strategy & Performance

Group/General Managers – corporate forum

Ministry of Transport

1. Chief Information Officer
2. GM Office of the Chief Executive

NZTA

1. GM Organisational Support
2. GM Strategy & Performance