

**Meeting: FNDC Infrastructure Committee**  
**Name of item: FNDC / NTA Transportation activity update**  
**FY 2021/22 – 6-month report**

Author: Calvin Thomas – NTA General Manager

Meeting Date: 23<sup>rd</sup> March 2021

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## 1 Purpose

The purpose of this paper is to provide the FNDC Infrastructure Committee Members with an update on Far North District Council's Transportation activities delivered through the Northland Transportation Alliance (NTA) in the first six months of the 2021/22 financial year (1<sup>st</sup> July 2021 – 31<sup>st</sup> December 2021).

## 2 Background

The NTA is responsible for overseeing and managing the delivery of Transportation services for all Northland Councils (FNDC, KDC, NRC and WDC). Each quarter the NTA Management team provide a summary report to the Alliance Leadership Group (NTA Governance) on activities and progress across the Region. Information from that report pertaining to Far North District Council is included within this update.

For the current reporting period it is noted that delivery and associated expenditure is behind schedule due to:

1. Delays to the confirmation of the National Land Transport Plan (NLTP) and associated subsidised funding (confirmed early September 2021), and
2. Subsequent delays resulting from the outcomes of the NLTP resulting in a revision of the Council's 2021/24 Transportation programme – recommendations endorsed by Council on Thursday 4<sup>th</sup> November 2021.

As highlighted at the November Council meeting, and reiterated at the December Council meeting as part of the presentation of the 3-year Capital works programme, the delay in funding confirmation has negatively impacted the ability to commence the current year's projects and as such a significant portion of the planned 2021/22 programme will be carried forward to future years. It is presently anticipated that the full 2021/24 programme will be completed within the three-year period.

## 3 Discussion

Updates are provided for both the wider NTA Organisation and specific FNDC transportation activities for the six-month period of July 2021 to December 2021, aligning with existing Governance reporting provided to the Alliance Leadership Group.

### 3.1 Health & Safety

The NTA continues to record Health and Safety incidents and support Contract and Project Managers to manage incidents. A change of mindset has started to ensure that Health and Safety continues to be incorporated within contract management activity.

The NTA's new onboarding process now includes a meeting, held quarterly with all new staff who have commenced since last meeting, taking them through working in the NTA. Content includes an introduction to the NTA Health, Safety and Wellbeing policy and the NTA's H&S process.

In preparation for any preparedness for any Omicron outbreak individual Department Business Continuity Plans have been developed as part of the NTA's Organisational Business Continuity Plan. As part of the preparedness planning, Walton Plaza based NTA staff have been placed into two work bubbles, with each work bubble able to work part of the week in the office and part of the week working from home. The work bubbles will not intermingle, and workers will not be allowed into the office unless it is one of their assigned days to be in the office. NTA workers who are based at other offices within councils will be following that councils' principles and protocols, primarily the encouragement of Working from Home.

The NTA has been using guidance from the UNITE against Covid-19 website to develop protocols for any workers being highlighted as close contacts of positive cases and for any positive cases within the NTA.

### 3.2 Road Safety Update

*Road Trauma Update: 2021 Year to date road death statistics*

Fatalities this year	Far North	Whangārei	Kaipara	Northland	National
Local roads	4	3	4	11	178
State highways	7	8	7	22	142
<b>TOTAL</b>	<b>11</b>	<b>11</b>	<b>11</b>	<b>33</b>	<b>320</b>
% Local Roads	36%	27%	36%	33%	56%
% State Highways	64%	73%	64%	67%	44%

As demonstrated in the table above, 67% of Northland's 33 road deaths in 2021 occurred on the State Highway network (vs. 44% nationally). Discussions are being held with Waka Kotahi to obtain a better understanding on the proportional split of Vehicle Kilometres Travelled (VKT) on Northland's local roads and state highways in comparison to nationally to enable a better understanding of potential drivers for Northland's high proportion of deaths on State Highways in comparison to the national averages.

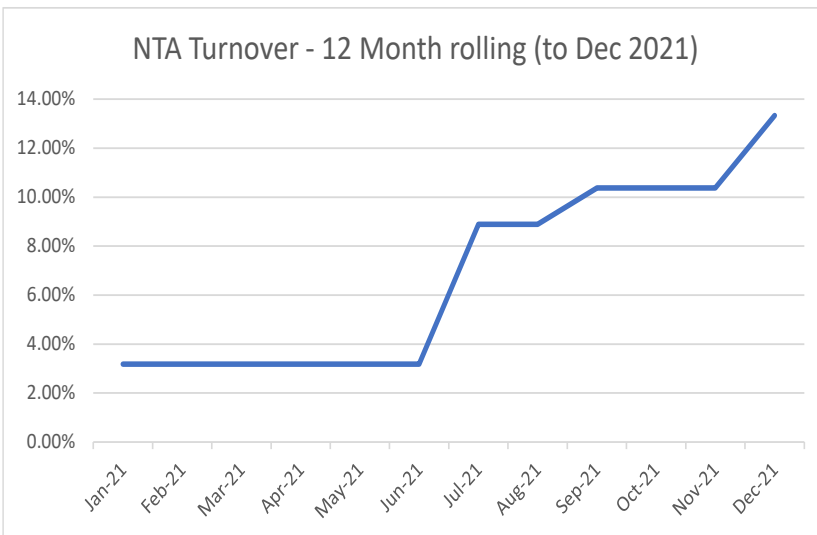
Driver behaviour (including impairment, speed and not wearing seatbelts) and mistakes continue to be key factors in Northland's crashes.

### 3.3 People & Capability

Recruitment activities have continued with a further four roles successfully filled over the past 3 months, with eight role vacancies presently in various stages of recruitment.

A summary of recruitment activities for the past three-month period (October 21 -> December 21) is provided in the following tables:

New 2021/24 Approved LTP Roles			
Position	Hiring Council	Current Status	Latest Update Comments
Senior Development Engineer, Transportation	<del>WDC</del> FNDC	Advertising	Re-advertising after original appointed candidate (Elizabeth Stacey) transferred to vacant Road Safety & Traffic Engineer role <i>Hiring Council now FNDC as result of internal transfer</i>
Regional Field Compliance Assessor	WDC	To be Advertised	Final Grading to be confirmed by partner Councils Plan to advertise in late January 2022
Replacement Roles			
Position	Hiring Council	Current Status	Latest Update Comments
Roading Corridor Coordinator (Replacement for Aran - promoted)	KDC	Position filled	External Candidate - Erin Eldhose - starting on 17/01/22
CAR Lead (Replacement for Simon M - role change)	WDC	Position filled	External Candidate - Rachel Taylor - started on 13/12/21
Transport Projects Support Officer (Replacement for Nicole - promoted)	NRC	Position filled	External Candidate - Cat Walker - starting on 10/01/22
Road Safety & Traffic Engineer (Replacement for Sandi - resigned)	<del>FNDC</del> WDC	Position filled	Internal Candidate - Elizabeth Stacey - commenced on 18/10/21 <i>Hiring Council now WDC as result of internal transfer</i>
Project Manager (Replacement for Paras - resigned effective Sept 21)	WDC	To be Advertised	Advertised once without success - to be readvertised in late January 2022
CAR Specialist (Replacement for Wendy - resigned effective Dec 21)	FNDC	Advertising	Advertised once without success - readvertised and closes 24th January 2022
CAR Specialist (Replacement for Alan - retired effective Dec 21)	FNDC	Advertising	Advertised once without success - readvertised and closes 24th January 2022
Maintenance & Operations Manager (Replacement for Aram - resigned effective Jan 22)	FNDC	Advertising	Advertised once without success - readvertised and closes 24th January 2022
Road Safety & Traffic Engineer (Replacement for Victor - resigned effective Jan 22)	FNDC	Advertising	Advertising closes 24th January 2022 Advertising combined with Snr. Dev Eng role
Graduate Asset Engineer (Operations) (Replacement for Anjitha - resigned effective Jan 22)	WDC	To be Advertised	To be advertised in late January 2022



Following an extended period of stability, 12 month rolling turnover has increased to 13.33% as at December 2021, including 7 resignations and 2 retirements since January 2021.

Of the seven resignations, four have taken up opportunities outside of Northland.

With three further staff leaving in January (resignations to relocate away from Northland) turnover is forecast to increase to 16.3% in January 2022.

### 3.4 Financials

2021/22 Transportation Budgets were finalised in November 2021 following respective Council decisions on NLTP outcomes and recommendations.

Due to the delay in NLTP announcements and subsequent finalisation of budgets, expenditure year to date is tracking behind finalised LTP budgets in most areas. As reported in the Capital Works section, this delay in finalisation of budgets has impacted negatively on 2020/21 programme delivery timeframes will result in larger than normal carry forwards into 2022/23 however it is anticipated that all works associated with approved 2021/24 NLTP funding will be completed within the three year period.

<b>FNDC Transportation Budgets</b>	<b>Current Full Year Budget</b>	<b>YTD Expenditure</b>	<b>% YTD</b>
FNDC (BAU - NTA Led)	\$ 58,975,584	\$ 14,859,685	<b>25.2%</b>
FNDC (External Funding - NTA Led)	\$ 862,348	\$ 142,449	<b>16.5%</b>
	<b>\$ 59,837,932</b>	<b>\$ 15,002,133</b>	<b>25%</b>
<i>FNDC (non NTA Led*)</i>	<i>\$ 16,194,967</i>	<i>\$ 4,504,683</i>	<i><b>27.8%</b></i>

*\* Delivery of these budget items managed by FNDC External Funded Projects team or Transport Planner*

Year to Date expenditure across the primary budget line items related to routine unsealed road maintenance are provided below noting that the heavy metalling programme for 1st six months was based on historic approved subsidised budgets which have subsequently been increased:

<b>FNDC Unsealed Network Activities</b>	<b>Current Full Year Budget</b>	<b>YTD Expenditure</b>	<b>% YTD</b>
Unsealed Road Metaling	\$ 3,814,682	\$ 1,082,530	28.4%
Drainage Renewals*	\$ 722,700	\$ 336,160	46.5%
Unsealed pavement maintenance	\$ 3,947,449	\$ 1,614,095	40.9%
Routine Drainage Maintenance*	\$ 1,722,884	\$ 858,850	49.8%
	<b>\$ 10,207,715</b>	<b>\$ 3,891,635</b>	<b>38.1%</b>

*\*Budget item(s) cover both sealed & unsealed networks*

Operational management and specialist staff continue to be utilised to complete tasks across the three District Councils, with 14.7% of FNDC work completed by NTA employees of other Councils.

### 3.5 Operational Highlights

#### Asset Management & Strategy

Analysis was completed on the outcomes and impacts of the 2021-24 National Land Transport Fund (NLTF) funded programme, with recommendations papers for the use of any surplus local share developed for Council consideration and each paper presented in early November 2021. At this meeting Council approved the staff recommendation for reinstatement of \$3,282,622 local share for MOR to enable the uptake of all available subsidy along with the redistribution of remaining surplus unsubsidized local share to relevant activities.

Future Activity Management Plan (AMP) improvement projects that the team are working on for the 2021/22 year include:

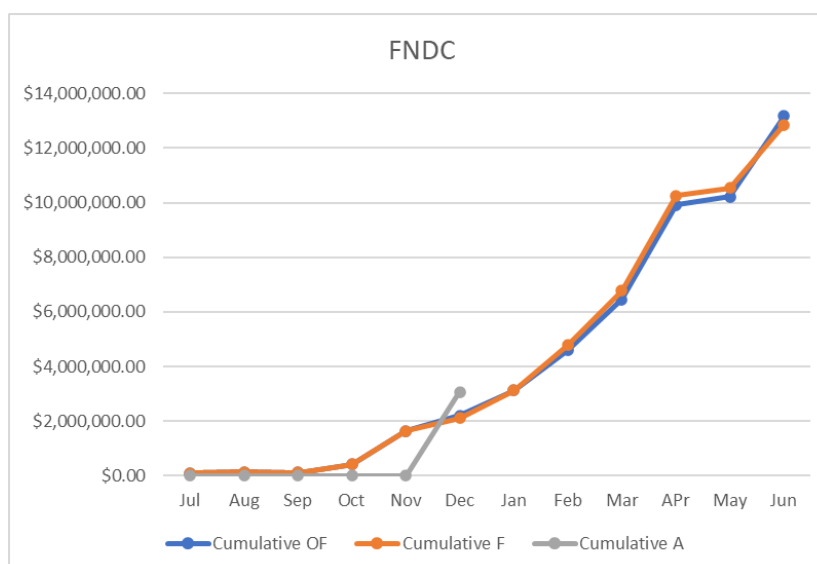
- One Network Framework (ONF) integration into our RAMM databases.
- Combining the 3 Councils RAMM database and introducing the Asset management Data Standard (AMDS).
- Transportation Procurement Strategy refresh, (completed).
- Unsealed road data collection - condition and dust.
- Increasing detailed understanding of the unsealed road Lump Sum items in the Maintenance Contracts

#### Capital Works & Procurement

As demonstrated in the graph and tables below, the delays in the confirmation of funding are forecast result in a significant portion of the 2021/22 programme being carried forward to 2022/23 and 2023/24. These projected carry overs predominately relate to Low Cost Low Risk projects, with further details provided in the Monthly IAMS reports.

	Budget	Forecast	Actuals	Carry-Over
FNDC	\$18,799,005.36	\$12,855,719.49	\$3,063,234.69	\$5,943,285.87

Status	% No. of Projects	Description	Capital & Procurement Team Budget	% of Total Budget
✓	16	Will be fully delivered this year	\$7,582,275.36	40%
⚠	20	Will be Partly delivered	\$6,122,730.00	33%
✗	52	Will not be delivered this year	\$5,094,000.00	27%
Total			<b>\$18,799,005.36</b>	<b>100%</b>



## Delivery Highlights

FNDC's PGF funded seal extension works jobs that were awarded to the Maintenance & Renewal Contractor (FH and Ventia) are now complete. The new seals on Ngapipito Rd (4.8km), Peria Rd (5.5km), and Ruapekapeka Rd (0.5km) are due for 2<sup>nd</sup> Coat seals in the 2022/2023 summer season, with PGF funds set aside to achieve this essential waterproofing work to protect the significant pavement upgrade investment.

FNDC also has TIF Project approved to seal the 950m of Bayly Rd to the Waitangi Mountain Bike Park entrance. This project on track for completion in mid-February, well before the 31 March 2022 due date.

FNDC's non-subsidised seal extension projects now have design briefs and the Capital Works Project team have completed site investigations & testing for designs and pricing. Unahi Rd sealing to the wharf is also included in this package of work.

Unsealed Network improvements:

- In the Far North the application of dust suppressant outside up to 160 rural homes, schools and Marae was completed prior to Christmas and 36 km of unsealed roads are planned to be improved within this financial year.
- A Regional communication regarding planned unsealed Network improvements was developed by the NTA and has been published in several Northland newspapers.

## Maintenance & Operations

The NTA formally reported to Council(s) a level of general satisfaction with the overall performance by the 5x Contractors over the first 3-years of these contracts, with a notable improvement in timely delivery and increase in quantities achieved. These Maintenance & Renewals (M&R) contracts continue to apply very cost-effective tendered rates in carrying out the works and has delivered the expected outcomes with the introduction of regional comparisons of service delivery and vastly improved asset inventory knowledge. Based on acceptable Contractor performance, suitable contract model and confidence in value-for-money rates being applied, the three respective Councils have all approved Separable Portion 2. The Contractors have been notified in writing and this has been beneficial in retaining their key personnel into the foreseeable future.

Over the first six months of this financial year all the Maintenance & Renewal Contracts have met the 90% compliance target and, while this is a good result, there remains a concern that the performance scores do not reflect the actual condition of the roads, particularly the unsealed road networks. The requirement to meet response times remains an issue, with all Contractors struggling to consistently meet >90% target. Non-Conformance Records (NCRs) will again be issued where response times are behind, with payment penalties applied to the respective monthly claims.

The NTA has recently activated KPM Nos 28 and 29 that measure and report the statistical compliance of workmanship quality, both routine works (Lump Sum / month) and ordered works (measure and value tasks).

The NTA continues to push the Contractors to develop well balanced Annual Works Plans for the respective activity groups they undertake, considering seasonal productivity, materials production and supply timelines and construction timelines. Early and clear line of sight to the volumes and associated resources required to achieve these quantities is key to successful delivery.

Contractors monthly achievement data has been tabulated for month-by-month comparison and likeness between networks (Contractor) enabling the NTA to highlight any trends and/or significant variance that can inform ongoing activity focus areas and Asset Management Plans for future funding projections. Trends identified in the Oct-Dec quarter of 2021 include:



- Grading and Unsealed Gravel quantities were notably lower across all networks in the lead up to Christmas, reflective of the drier conditions experienced further north limiting the benefits achieved by grading dry loose roads, with those networks having invested heavily in grading most of the network in the preceding months.
- Sealed road repair quantities were generally high reflecting the favourable conditions for this type of work.
- KDC and FNDC both had high quantities of roadside drainage. Drainage remains a priority activity to protect road pavements.
- Road signs maintenance and repairs in FNDC is again high; and
- Roadside vegetation control activities were low, with exceptions of FNDC North Area (FH) and WDC North Area (FH). Vegetation envelope/canopy slashing quantities during December increased in these areas preparing for summer holiday traffic.

## Hokianga Ferry

### Operational Highlights

The service transported a daily average of 396 passengers and 201 motor vehicles during this quarter. 97.5% of sailings have departed in accordance with the advertised timetable for the 2nd quarter. This result excludes shuttling, which is when the vessel runs continuously to clear queuing vehicles during periods of high demand.

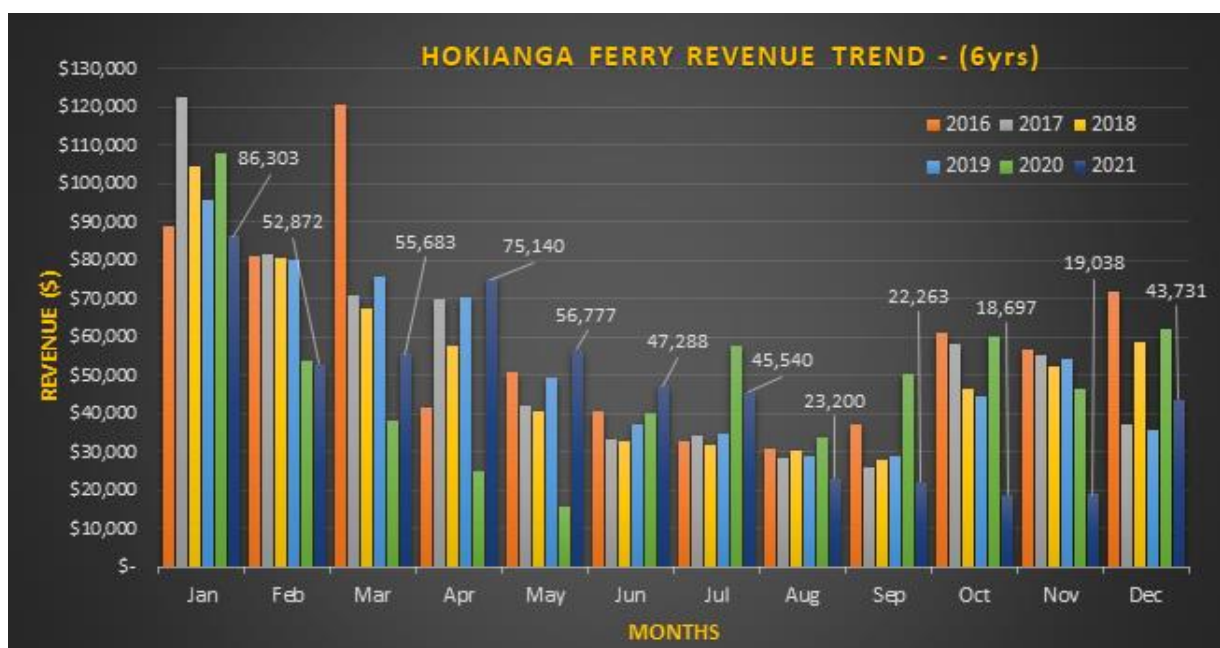
Major maintenance and renewals items underway / completed included:

- Installation of the 4th and final new jet pump.
- The 4 new gearboxes have been received by the contractor and the installation of these will be completed progressively during April and May 2022, with no planned service outage.

### Revenue

Revenue received from ticket sales for this quarter was lower than the previous quarters. The ongoing covid-19 pandemic and the resultant restrictions and hard borders negatively impacted through low tourist numbers, especially during the December period.

The graph below illustrates the revenue trend for the last six years.



## Operations H&S Risks

- There was one incident reported in November 21 where a vehicle connected with the side of the vessel as it was boarding. The Contractor is carrying out an investigation into the incident.
- Considering the ongoing covid-19 pandemic, the Contractor is carrying out consultation with Ferry staff on vaccine requirements, based on role-based risk analysis, to ensure continuity of service.

## **Corridor Access Requests**

Corridor Access Request (CAR) applications for the region continue to be processed by the CAR team based in Whangarei whilst recruitment for the two vacant CAR Specialist positions is in progress. For the second quarter of 2021/2022, a total of 1,344 Corridor Access Requests were received, of which 688 were processed during the quarter. Approximate proportion of total applications by Council were:

- WDC 54%
- KDC 25%
- FNDC 21%

Additionally, 1,302 CAR applications related to the previous approved CAR's were closed off as works have been completed and the works warranty period expired.

Tabulated below is a summary of the Corridor Access Requests.

<b>October - December 2021 - Corridor Access Request (CAR)</b>					
Applications Received		Applications Processed		Pending	CAR's Closed / End of warranty
Type	Applications	Approved	Cancelled		
Event	26	14	8	4	22
Excavation	842	308	527	7	765
Non-Excavation	464	354	65	45	509
Emergency / Retrospective	12	12	0	0	6
<b>Totals</b>	<b>1344</b>	<b>688</b>	<b>600</b>	<b>56</b>	<b>1302</b>

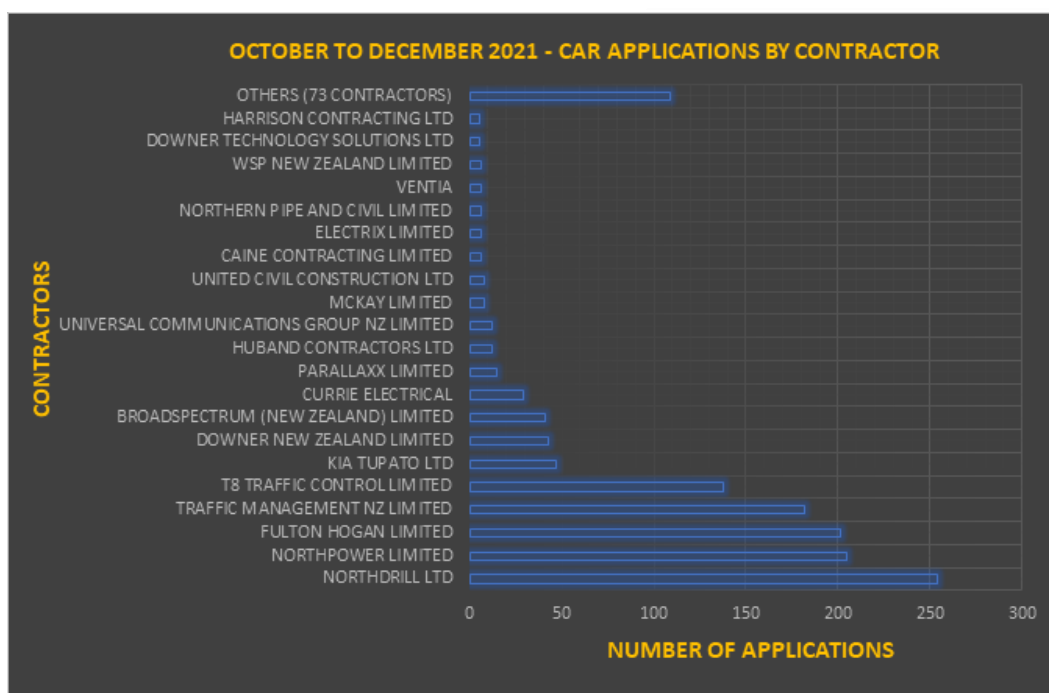
CAR's pending relates to those submitted in late December and those put on-hold, with these to processed in January 2022.

A total of 600 CAR's have been cancelled for the following reasons:

1. Works on State Highway – CAR to be submitted to NZTA
2. Works have been cancelled by applicant
3. Service locates through B4Udig for planning purposes only, no CAR required

The following graph illustrates the CAR applications submitted by organisations. Majority of the CAR applications in this quarter have been submitted by NorthDrill.





## Customer Interactions

Analysis has been undertaken on the Transportation measures within each Council's respective 2020/21 Annual Customer Survey Reports, specifically:

- Far North District Council 2021 Annual Residents' Survey
- Kaipara District Council Annual Residents' Survey 2020/2021
- Whangarei Residents Survey June 2021
- Northland Regional Council Annual Residents' Survey 2021

Far North, Kaipara and Northland Regional Councils all utilise "Key Research" to conduct these surveys, while Whangarei District uses "Versus Research". However, despite commonality in providers across three Councils, there are only a limited number of comparable questions related to the NTA across these reports.

There is also an accepted Margin of Error built into the reports. These are detailed opposite for each organisation.

The survey participant numbers for each organisation are

- Far North - 501
- Kaipara - 883
- Northland Regional - 814
- Whangarei - 600

2021 Margin of Error	
Far North	4.40%
Kaipara	3.29%
Northland Regional	5.15%
Whangarei	4.00%

## Overall

Given the amount of investment and overall asset health increase in recent times, it is surprising to see satisfaction return to pre-pandemic levels. At a macro level, there is a general decrease in satisfaction for Footpaths and Sealed Roads, whereas Unsealed Roads remains relatively constant, albeit low. While the year on year comparisons are relative for each Council, it is noted that, even with the three "best aligned measures" above there are discrepancies with question wording, satisfaction scale (6-10 vs. 7-10) and the treatment of "don't know" answers.

## Northland Annual Customer Survey District Results

Note - Items are taken from a 'best aligned' approach as each council's descriptors vary

Item	Far North			Kaipara			Whangarei			Average		
	18/19	19/20	20/21	18/19	19/20	20/21	18/19	19/20	20/21	18/19	19/20	20/21
Footpaths	35	51	42	56	47	49	46	51	45	45.7	49.7	45.3
Sealed Roads	33	40	29	48	35	34	24	27	22	35.0	34.0	28.3
Unsealed Roads	12	19	13	23	16	16	10	15	16	15.0	16.7	15.0
<b>Averages</b>	<b>26.7</b>	<b>36.7</b>	<b>28.0</b>	<b>42.3</b>	<b>32.7</b>	<b>33.0</b>	<b>26.7</b>	<b>31.0</b>	<b>27.7</b>	<b>31.9</b>	<b>33.4</b>	<b>29.6</b>

Anecdotal speculation would point to general global unrest in uncertain times. While this may be a possibility, extracts from similar reports around New Zealand suggests this could be possible.

### Far North District Council Highlights

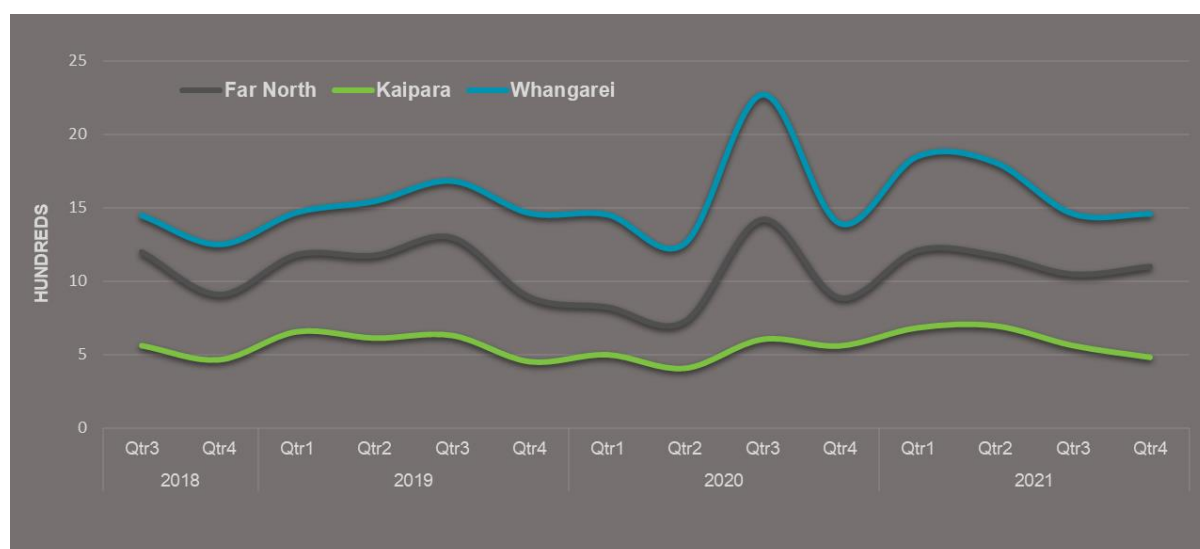
With each subcategory decreasing in satisfaction year on year, Far North results return to 2019/20 levels. In terms of being either 'Satisfied' or 'Very satisfied' from seven subcategories:

- Four are within 1% compared to 2019
- One has decreased by 4%, technically within the Margin of Error
- The remaining two have increased by 4% and 7% and both relate to Footpaths

Satisfaction based on a score between 7-10 out of 10 and *excludes* responses of "don't know"

### Current Calendar year

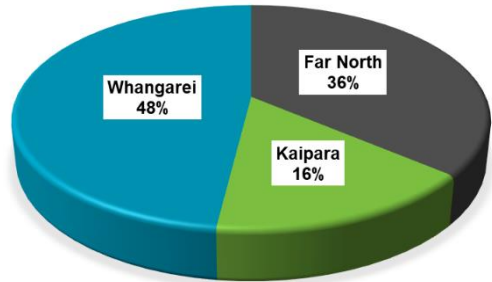
The chart below commences from the 1st July 2018, providing sufficient historical data to look at associated trends. The numbers decreased understandably during the 2020/21 1st quarter as a likely result of the Covid 19 national lockdown. However, it is pleasing to note that this has not 'spiked' again afterwards.



### *District Distribution*

Whangarei retains a consistent portion of the interactions. The remaining partners vary slightly with an increase experienced in Far North and a corresponding decrease in Kaipara.

The primary reason for the increase in Far North was within the category of 'Riding Correspondence'. This is being addressed as part of the Customer Journey Mapping project as it is returning numbers that are potentially inaccurate by as much as 15%



### *Hokianga Ferry*

There was a single request received during this quarter. In December, a passenger complained that crew were not wearing masks on the day that customer used the ferry. Duty managers replied the same day noting that, while it is Company policy for crew to wear masks, some crew have medical exemptions. Also, it is not a legal requirement on open-air ferries. A policy reminder has been shared all crew.

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## **4 Summary**

This briefing report is provided for the information of FNDC Elected Members summarising first six months of the 2021/22 financial year (1st July 2021 – 31st December 2021).

## **5 Report Approval**

Approved by:

Calvin Thomas  
General Manager – Northland Transportation Alliance

28<sup>th</sup> February 2022