



NZUAG Annual Report 2016

About NZUAG

The NZ Utilities Advisory Group (Inc) (NZUAG) is a joint consultative group of network utility service providers (water and wastewater, telecommunications, electricity and gas), corridor managers for road and rail, and industry bodies. It was formed in late 2001 to look at issues relating to utilities' activities (initially) in the road corridor, and to provide a forum for interface between the parties. It became an incorporated society in December 2011.

NZUAG is the guardian of the Code of Practice for Utility Operators' Access to Transport Corridors. The Code is a legislated requirement under the Utilities Access Act 2010. The Code applies to the activities of all transport corridor managers and utility operators throughout New Zealand. The Code recognises that the ability of utilities to get in and out of the corridor as efficiently as possible to install, maintain and upgrade network infrastructure is critical to New Zealand's economy and community quality of life.

An updated version of the Code, incorporating minor amendments, came into effect on 16 September 2016, and can be located at www.nzuag.org.nz/national-code

The Year in Review

I am pleased to present the 2015/16 NZUAG Annual Report.

Once again the year was a particularly busy one for the NZUAG Board. We focused on two key areas: finalising the Code review process in preparation for Ministerial approval, and planning the Code promotion and awareness seminars around the country. In addition, the Board successfully completed the Constitutional review, progressed the compliance and enforcement work and began making changes to the website. We communicated regularly with members through the quarterly newsletters and we have managed the finances prudently. We want to build on this year's work so that we are in a better position to deliver improved services for members in the coming year.



Code Review: The review of National Code of Practice for Utility Operators' Access to Transport Corridors (www.nzuag.org.nz/national-code) was completed in 2015/16 and submitted for Ministerial approval in accordance with the provisions of the Utilities Access Act 2010.

The Minister of Finance approved the code revision in August 2015, and the new Code came into effect on 10 September 2015.

Following the Gazetting of the Code, some minor technical errors in the final version were brought to the Board's attention. These included incorrect page and diagram numbering. The errors were corrected and approved by the Minister and the updated Code came into effect on 16 September 2016.

We will work with Treasury to ensure that the process is improved for the next review, due to begin in early 2018.

I want to thank the Board, and in particular Ross Malcolm, Barry Williams, and Ian Cox for the work that was undertaken to complete the Code review, especially during the "minor amendments" phase. We now have an updated Code that will serve the industry well until the next review.

Working Groups: As reported last year, a number of Board working groups have been established to address some of the issues that had been raised by members, particularly during the Code review process. The Working Groups included:

- **Education, Awareness and Training:** This group, led by Ross Malcolm, worked in partnership with the New Zealand Institute of Highway Technology (NZIHT) to plan the delivery of nine Code

Awareness seminars across the country. These seminars, which were held in June and July of this year, were well attended and well received. The Board has analysed feedback from the seminars and will look to repeat the exercise in the future, using the successful partnership model with NZIHT. In addition, NZIHT has delivered a range of training courses on the Code throughout the year.

- **Compliance and Enforcement:** This group, led by Brett North, has been progressing the development of a web-based national register of local and special conditions, and ensuring compliance with the monitoring and reporting requirements of the Code. In particular, Corridor Managers are required to report each year on the number of CARS submitted, the number of Works Completion Notices received and the number of non-conformance notices issued. Utility Operators are required to report on the number of known Third Party Damages incidents identified as at 30 June each year. The reporting results are highlighted elsewhere in this Report. In addition, two Survey Monkey surveys have been undertaken seeking feedback on Code compliance and enforcement issues. Further surveys are planned in the future.
- **NZUAG Constitution/Rules:** This group, led by Ross Malcolm and Ian Cox, revised the rules of NZUAG, given the shift from an interim organisation at the time of the introduction of the Code to a more permanent organisation with responsibilities for the new revised Code. The revised rules were adopted at last year's AGM. The working group's work has now been completed. My thanks to Ross and Ian for their meticulous work on behalf of NZUAG.
- **Website:** This group, led by Geoff Thorn, has been making changes to the website to ensure it is cleaner, easier to use and up-to-date. This work is ongoing, and the Board welcomes feedback and suggestions on how the website could be improved.
- **Finances:** I want to thank Peter Gilbert and the finance sub-committee members for their diligence in meeting regularly to prepare Board finance reports and overseeing the overall financial management of NZUAG, culminating in the provision of a clean audit result by the Advisory Group's auditors. We planned to use some of our cash reserves to help fund the Code Awareness Seminar series in the 2016/17 financial year, on the basis that such work is part of NZUAG's core business. It is pleasing to see steady financial performance, with results broadly in line with the budget.

Input from Outside Groups: The Board has recognised the importance of building relationships with associated groups so that information and ideas can be shared to the benefit of NZUAG and the industry as a whole. Consequently, representatives from Digital Auckland, Chorus, NZTCF and NZIHT have presented at Board meetings to encourage discussion and debate. We intend to continue this practice over the coming year.

Road Infrastructure Management Systems (RIMS) Forum: The RIMS Forum held 9-10 March in Rotorua was a great success. The second day's Corridor Management stream provided the opportunity for Corridor Managers and Utility Operators to share ideas and issues relating to the Code. I would like to thank Brett North for the work he has put into this Forum on behalf of NZUAG. This is an important event for NZUAG and we will continue to play an active part in future RIMS events.

NZUAG Newsletters: The Board has continued to provide quarterly newsletters following each meeting to keep members updated on key issues. The newsletters appear on the website a few days after meetings. Feedback to date has been positive, and we welcome comments and suggestions so that improvements can be made regularly to the content and format.

In conclusion, it has been a pleasure to serve as the independent chair of NZUAG during the year, and I look forward to working with you in the coming year to promote the importance of the Code to the industry which is so vital for the economic development of New Zealand.

Paul Swain
NZUAG Independent Board Chair

Finance Report

The surplus for the 2015/2016 of \$14,486 was a very pleasing result, although well down on last year's \$46,000 surplus. The reduced surplus resulted from the lack of the one-off income from sale of rights to the Code, along with a full year's payments to the Independent Chair. In this regard, it represents a more standard year than was the case with the previous year's end-of-year result. It also reflects a prudent approach to financial management of the organisation on the part of the finance sub-committee, so I wish to thank my fellow committee members for their diligent work.



The complete 2015/2016 audited accounts have been circulated to members along with this annual report, which I recommend you read through.

Peter Gilbert
Chair, Finance Sub-Committee

Administrator's Report

The past year has seen a focus on completing the formal Code Review process, along with planning for the Code Education seminar series. Alongside this there has been the ongoing support for the Board and Working groups, and responding to the steady flow of queries related to interpretation of the Code. Work on keeping the website up-to-date as part of the ongoing activity of the Website Review Committee has added to the variety that is a key feature of the role.



Interest in the 'Working Safely in the Road' NZUAG Handbook appears to have dropped off, with only 140 copies having been sold during the year. This likely reflects the wide dissemination of Handbooks across the sector, with new sales going largely to existing users. Flowing on from the latest revised version of the Code, updates for a couple of the Handbook's diagrams have been produced, which will be incorporated in the next reprint. Given pricing is based on a 'cost plus administration margin' for members, with an additional non-member differential added on for non-members, new pricing may be required once a reprint is undertaken. In the meantime pricing remains at \$4 plus freight + GST for members and \$6 plus freight + GST for non-members.

I have again enjoyed interacting with members via email and over the phone throughout the year, and look forward to supporting the Advisory Group and its members through the year ahead.

Colin Lewis
NZUAG Administrator

Code Monitoring and Performance Reporting

As part of its Monitoring and Reporting requirements, the National Code of Practice requires NZUAG to collect a range of Key Performance data from Corridor Managers and Utility Operators on an annual basis (based on a 1 July – 30 June reporting cycle). The data collection requirements is summarised in following table:

KPI Reporting Requirements	
For Corridor Managers	For Utility Operators
The number of CARS submitted each year	The number of known Third Party Damages incidents identified
The number of completed Works Completion Notices received each year	
The number of non-conformance notices issued each year	

As this the first year that a concerted effort has been made to complete the monitoring exercise, a limited analysis is possible, as the most meaningful interpretation will come through considering changing trends over time.

Results received to date would suggest that for Utility Operators, reported 3rd party utility strikes are mostly below 100 for the year (83%), with 57% in the 0-20 range. In looking at Corridor Manager results a key observation is that for National Roads on average 23% of CARS submitted result in a WCN being submitted, while for RCA's the figure was 58%.

The following table provides a brief summary of the results received. It should be noted that due to data auditing requirements, only 2014-15 results have been able to be reported for the Water Sector, with 2015-16 results due out early in the new year.

KPI Results – Overview Analysis							
Sector	Sector Size	Returns received	# Utility strikes <20	Avg # CARS	Avg # WCNs	Avg # NCNs	Ratio WCNs: CARS
Water Utilities	40	36	22				
Gas Utilities	5	2	1				
Telecoms Utilities	5	2	0				
Electricity Utilities	28	14	8				
Road Controlling Authorities (RCA's)	67	26		675	390	3	0.58:1
National Roads	1	1		483	110	1	0.23:1
Rail Corridor	1	0					

NZUAG will be focusing on obtaining a higher compliance with KPI reporting requirements for the next reporting period ending 30 June 2017.

List of Members by Category

Corridor Managers	Utility Operators
<i>Full Members</i>	
<p><i>Auckland Transport</i> Christchurch City Council Dunedin City Council Hamilton City Council <i>Hastings District Council</i> Hutt City Council <i>KiwiRail</i> Nelson City Council <i>NZ Transport Agency</i> Road Controlling Authorities Forum Rotorua District Council Tasman District Council <i>Tauranga City Council</i> Timaru District Council Upper Hutt City Council Waimakariri District Council <i>Wellington City Council</i> Western Bay of Plenty District Council Whangarei District Council</p>	<p><i>Chorus NZ Ltd</i> Delta Utility Services Ltd Electricity Engineers Association Electricity Networks Association Enable Services Ltd <i>Gas Association of NZ Inc</i> Marlborough Lines Ltd <i>NZ Telecommunications Forum Inc</i> PowerCo Ltd <i>Vector Ltd</i> Water NZ Watercare Services Ltd WEL Networks Ltd</p>
<i>Associate Members</i>	
<p>Central Hawkes Bay District Council Invercargill City Council Local Government NZ Napier City Council New Plymouth District Council Northpower Ltd South Taranaki District Council South Waikato District Council Southland District Council Stratford District Council Waipa District Council</p>	<p>Broadspectrum (NZ) Ltd Electra Ltd Wellington Water <i>Associate – Other</i> Civil Contractors NZ Lord Civil Pelican Corp (NZ) Ltd (Before U Dig)</p>

Bold Italics = Current Board member

Directory

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Administrator and Secretary: Colin Lewis

Independent Chair: Paul Swain

Auditors: Moore Stephens Markhams Wellington Audit