

ANNUAL REPORT TO STAKEHOLDERS 2005/2006

I am pleased to present the first Annual Report of the New Zealand Utilities Advisory Group.



David Fraser, Chairman of NZUAG

Introduction

The New Zealand Utilities Advisory Group (NZUAG) is a joint consultative group of network utility service providers (water and waste, telecommunications, electricity and gas), territorial local authorities, Transit New Zealand and industry bodies. It was formed in late 2001 to look at issues relating to utilities working in the road corridor, under the chairmanship of John Hutchings of Local Government NZ.

NZUAG is highly conscious of the need to ensure issues are not only identified and solutions are agreed, but that practical “on the ground” changes occur which achieve smooth and efficient delivery of all utilities in the roading corridor.

Following the successful conference in April 2002, the NZUAG and the industry agreed to work collaboratively on issues, resulting in both voluntary and legislative solutions. Projects included:

- the Code of Practice for Working in the Road,
- development of the concept of a partnering agreement for utilities and road controlling authorities (RCAs) to work together, and
- the identification of legislation which needed change because it treated utilities inconsistently.

Hon Paul Swain gave a commitment to work with the Group to resolve legislative and any outstanding issues at central government level.

Summary of Activities 2004/2005

The first business plan for the NZUAG was developed late in 2004 to bring some formality to the group's governance and activities. The group focused on the development of a vision, goals and action plans.

Vision and Goals

Vision: A self-sustaining co-operative framework for the delivery of all utilities in the roading corridor

The vision will be achieved through delivery of the following goals:

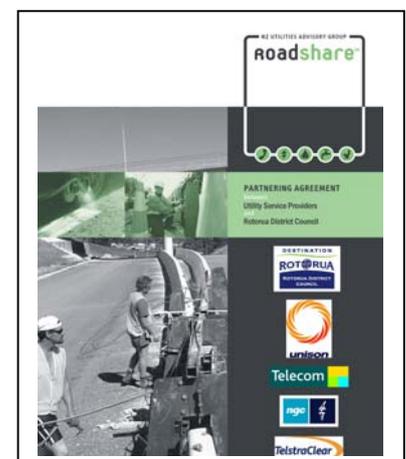
- Industry Co-operation** – The industry uses NZUAG as the clearing house for agreeing common issues and how they will be resolved.
- Industry Wide Tools** – The framework of NZUAG tools is accepted as the industry norm.
- End-user Acceptance** – Corridor management is no longer a major concern for customers and the community.

The group established five values to assist it in its work: responsiveness, integrity, partnering, efficiency and excellence. Achievements would be measured against the action plans and adherence to the values.

By the end of 2004, the NZUAG had made solid progress. Branded as “RoadShare”, it had completed a number of projects developing best practice guidelines and tools for all aspects of road management. These projects include:

- a code of practice for working in the road, *NZS Handbook 2002:2003 Working in the Road*
- template for partnering agreements between a local authority and all utilities using their road corridor
- With the MCDEM, best practice guidelines for lifeline utilities and planning for an emergency
- district council guidelines that set out the significant environmental and legal issues under the RMA.

The challenge for the group now lay in securing a high level of end user acceptance of all products.



The Partnering Agreement, signed by Rotorua District Council and all Rotorua utility network operators.

Annual Report 2005/2006

During the year, the chairmanship of NZUAG changed, firstly when Tim Davin left Local Government NZ and secondly when Ian McGowan retired from Wanganui District Council. The current chairman is David Fraser of Hastings District Council, representing Ingenium. The administrative services remain with Fiona Knight.

NZUAG initially focused its effort on two topics:

- gaining end-user acceptance of its existing products, and
- responding to new issues as they arose.

Utilisation of NZUAG products

Ensuring NZUAG products are utilised by the sector has slowly been achieved. By working with the sector representatives in developing products, NZUAG ensures its products are fit for purpose, and that there are users already established.

Three Partnering Agreements between a local authority and its local utility network operators have been fully signed, while others are under development. Many councils work cooperatively with their local utility operators, meeting regularly to discuss matters of mutual interest and concern. There are a few areas left where more work is required from both parties to ensure productive and meaningful working relationships.

The Handbook 2002:2003 Working in the Road (WITR) has been taken up by a majority of councils, either in the form as it was initially developed or adapted to meet local conditions and requirements. In light of recent feedback, there are aspects which can be improved and the NZUAG is considering initiating a review of the Handbook.

Network utilities within the road corridor- the Role of the resource Management Act: A Guide to Best Practice has been widely promulgated and promoted amongst planners by the consultant who developed the Guide for the NZUAG. More work is required to ensure greater utilisation of this useful product.

During 2005 and 2006 the NZUAG conducted a series of seminars in six and five centres (respectively) throughout New Zealand, attended by over 250 delegates. The opportunity was taken to introduce, explain, and promote the various products, (for example having practitioners who were currently using WITR explain how and where it was helping them in their areas), as well as discuss emergency management issues.

The NZUAG regularly reports to the Road Controlling Authorities' Forum and encourages use of the products and seeks feedback on the same.



Responding to new issues

Valuing utility networks for District Valuation Rolls

Problems with interpretations of valuations of utilities, and resulting court action, lead the group to establish a team to review best practice for valuing utilities. The team, led by firm Crighton

/Anderson included representatives of valuers, utilities and local authorities. The resulting Guidelines were published in July 2005.

MED Discussion Document Review of Issues affecting Utilities and Road, Rail, and Motorway Corridors

NZUAG has long been advocating some legislative change to address the inconsistencies in the legislation relating to utilities in the road corridor, and was delighted when the Ministry of Economic Development (MED) was tasked with such a review early in 2005. Following consultation between MED and NZUAG, NZUAG organised a series of workshops around NZ to enable its members' constituents and other interested parties to discuss the document and ask questions of the officials. Some 250 delegates attended.

NZUAG provided updates on the review process on its website and to members, and also coordinated its own submission on the document, from the viewpoint of "NZ Incorporated". It expects to continue to have a role with MED indicating its ongoing support for NZUAG as a consultative group for MED.

Training and education

It became apparent during the workshops and seminars that the issue of fully competent staff working in the road was still unresolved. Third party damage continued to occur, and many contractors appeared to be unaware of information and training available to them.

Several small reviews were commissioned in order to understand where the problems were originating, with reports from Peter Berry, Paul Sampson, Ian McGowan, and Fiona Knight all contributing to an increase in understanding of the problems. In

addition, several training sessions were undertaken with contracting supervisory field staff, and the NZWWA Journal included an article on the problems being experienced.

It is apparent that while the levels of knowledge and skills of contractors working in the road corridor is an issue, all parties may not be honouring their responsibilities for monitoring and audit of work in progress and adherence to consent or other legal requirements. Work is continuing on this topic.



Hand digging for telephone cables

Other activities

NZUAG continues to contribute to topical debate and policy development on a range of relevant issues, such as the development of the land information database. It provides assistance resolving concerns between utility operators and RCAs, presents at various meetings and conferences, as well as utility operator training sessions.

Administration

NZUAG has reviewed its business planning process and henceforth will be developing an annual plan and delivering an Annual report to stakeholders. Financial planning and reporting procedures have also been reviewed and revised. As the group's activities are funded on a proportional basis by members, it is important for member organisations to be able to budget in advance for their commitment to the group's work, although this is complicated by a range of financial year-end dates.

Meetings are held 3 – 4 times a year in Wellington, with Wellington based representatives hosting the meetings as in-kind payment equivalent to the airfares paid by out of Wellington representatives.

Forward work programme

The work programme for 2006/2007 includes implementing a communications strategy, to continue to expand the uptake of NZUAG products, including expanding the number of organisations committed to the work of NZUAG through its Charter of Understanding. NZUAG will continue working with Land Transport NZ on the research into, and the management of, roadside hazards. Associated with this is providing input into Transit and OnTrack's policies on access to their road or rail corridors.

Training and education remain a high priority, with tasks including the adaptation of the Vector pocket handbook for its contractors to cover all utilities. A workshop on Third party damage to utilities is scheduled, and depending on the government decision on the MED discussion paper, a second series of seminars will be held nationwide to debate the decisions, and help utilities and RCAs prepare for the changed regimen.



An example of third party damage

Have you visited our website at www.nzuang.org.nz yet? Any items for inclusion contact Fiona at info@nzuang.org.nz or cremere.hse@actrix.co.nz

Finally, I would like to express my thanks to all members of the NZUAG, past and present, in particular to the previous chairs, along with special thanks to Fiona Knight for her tireless efforts in keeping us all on track.



David Fraser
Chairman, NZUAG

Contact us

This Annual Report is produced by the NZUAG, comprising representatives of Utility Network Operators and Road Controlling Authorities (including Transit NZ, Local Government NZ, and Ingenium).

Current NZUAG members are:

Chairman

David Fraser, Hastings District Council

Utility network operators

Peter Berry, Electricity Engineers' Ass
Alan Jenkins, Electricity Networks Ass
Stephen Parker, Gas Association
Peter Whitehouse, NZ Water and Wastes Association

Mark Larsen, Telecom
Alistair Dixon, TelstraClear

Road Controlling Authorities

Des Hughes, Auckland councils
David Fraser, Ingenium and HDC
Geoff Swainson, Local Govt NZ
Andrew Dixon, Timaru DC and the RCA Forum

Ian Cox, Transit NZ

Weng Kei Chen, Christchurch City

Government Agencies

Mike Sim, Economic Development
Fiona Illingsworth, Internal Affairs
Kerry Wood, Transport

For further information:

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The Secretary, NZUAG.

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2006/2007 Business Plan

Background to Vision and Goals

Vision: A self-sustaining co-operative framework for the delivery of all utilities in the roading corridor

The vision will be achieved through delivery of the following goals:

A. Industry Co-operation –

The industry uses NZUAG as the clearing house for agreeing common issues and how they will be resolved.

It is critical that the industry bring issues to a central point for resolution. NZUAG will take a more deliberate role in sourcing issues by NZUAG members and industry while formalising the selection criteria for commissioning of terms of reference. Performance reporting to members and constituents will be improved to provide assurance that issues are being progressed.

B. Industry Wide Tools –

The framework of NZUAG tools is accepted as the industry norm.

Producing tools of good quality is important if end-users are to have sufficient confidence in the product to use it. Quality will be maintained through development of formal product review criteria to be applied within an ongoing review process. All products will be developed with end-user input and piloted with them before commissioning production.

C. End-user Acceptance –

Corridor management is no longer a major concern for customers and the community.

A programme of seminars, conferences, publications and web updates, along with engagement of individual constituents will increase end-user awareness of NZUAG best practice guidelines and tools. It is intended that if end-users are aware that the recommended practice is widely used, accepted as good practice, and transportable, then the percentage uptake by end-users will increase.

Linkages to the Charter

- We will facilitate mutual understanding and respect between utility network operators, local government and RCAs
- We will work together in a spirit of co-operation and collaboration to attain an efficient and well managed roading corridor
- We will embrace the adoption of best practice standards in all aspects of road corridor management
- We will respond to the needs of our customers and communities

Activities for 2006/2007 are listed below in priority order, with some carrying over into 2007/2008.

A. Industry co-operation

A1 – Participate in the Government review of utilities in the road corridor, by disseminating the Government response to the MED discussion paper through seminars, and making further submissions as appropriate.

A2 – Promote improved emergency management and infrastructure resilience through seminars.

A3 – Participate in policy development on roadside hazards, access to state highway and rail corridors and Land Transport NZ policies.

A4 – Facilitate issues resolution as required.

A5 – Debate and address new issues as they arise.



B. Industry-wide tools

B1 – Develop model guidelines on reasonable conditions for access to work in the road corridor.

B2 – Assist with asset protection by:

- addressing the problems of third party damage
- hosting a workshop to discuss the extent of the problem, and
- developing easy-to-read material for contractors working in the road corridor.

B3 – Conduct an analysis of training and competence issues.

B4 – Instigate the first review of the NZS Handbook 2002:2003 Working in the Road, both uptake and continued relevance of content.

B5 - Catalogue all existing NZUAG published documents and develop a review programme for them.

B6 – Identify further issues that will benefit from industry wide consideration, and establish an action plan for the development of new Codes of Practice, standards and guidelines.



C. End-user acceptance

C1 – Continue to promote signing of Partnering Agreements between RCAs and their local utility network operators.

C2 - Formalise and implement the communications strategy, including an Annual report, the website, and a quarterly newsletter.

C3 – Improve the take-up of all NZUAG products.