

1 November 2017

Mike Patrick
fyi-request-6636-48b06bc7@requests.fyi.org.nz

Ref: OIA-3274

Dear Mike

Request made under the Official Information Act 1982

Thank you for your email of 4 October 2017 requesting the following information under the Official Information Act 1982 (the Act):

...the current value of the Agency's biggest asset the state highway network, that the Agency owns and administers and the basis for the valuation, I.e. whether it is current market value, replacement value, depreciated value and any other information relevant to the valuation.

...the level of insurance cover the Agency has for the state highway network. As we have seen recently the assets that the Agency owns are affected by weather and natural events, and I want to know how much insurance cover the Agency has in place to cover these risks. I would also like the insurance cover split down into replacement cover, business interruption, public liability and any other sorts of insurance that the Agency has in place.

...the current value of the Agency's biggest assets apart from the state highway network, I.e. Presumably some of the national registers and systems that it owns and runs such as the motor vehicle register and the driver licence register. Please tell me the value of the five largest (highest value) assets outside of roads that the Agency owns and administers and the basis for the valuations, I.e. whether it is current market value, replacement value, depreciated value and any other information relevant to the valuation.

...the level of insurance cover the Agency has in place for these five highest value assets. I would also like the insurance cover split down into replacement cover, business interruption, public liability and any other sorts of insurance that the Agency has in place.

The value of the state highway network, as at 30 June 2016, is \$31,865,926. This is as per the Annual Report, which can be accessed at www.nzta.govt.nz/resources/annual-report-nzta/2015-16/. State highways are valued at depreciated replacement cost, based on the estimated present cost of constructing the existing assets by the most appropriate method of construction, reduced by factors for the age and condition of the asset.

The NZ Transport Agency does not insure the state highway network, although it does insure, and/or require its contractors to insure, all contract works during the course of construction.

The five largest assets outside of the state highway network by the acquisition value are noted as below:

Asset Name	Acquisition Value (NZD)	Accumulated Depreciation (NZD)	Book Value 30 June 2017 (NZD)
Driver Licence Register	9,566,471.98	-8,909,484.64	656,987.34
SAP FMIS	8,995,477.23	-3,646,602.37	5,348,874.86
Chews Lane Fit out	5,777,745.86	-3,430,985.09	2,346,760.77
Operator Rating System	5,323,684.45	-4,563,158.07	760,526.38
Contact Centre Application Suite	2,038,923.52	-315,547.69	1,723,375.83

These assets are not insured individually, except for the Chews Lane Fit out. This is insured under a Material Damage and Business Interruption Insurance. The NZ Transport Agency also has a suite of liability insurance, including Public Liability, Professional Indemnity, Security and Privacy protection policies. Intangible assets, such as the Driver Licence Register and Operator Rating System, are insured under liability policies.

The summary of significant accounting policies within the Annual Report provides information about the basis of valuation and depreciation of property, plant and equipment, and intangible assets.

If you would like to discuss this reply with the Transport Agency, please contact me by email to richard.leverington@nzta.govt.nz or by phone on (04) 894 6111.

Yours sincerely



Richard Leverington
Senior Manager, Risk & Assurance