

OC241299

6 December 2024

Tēnā koe

I refer to your email dated 5 November 2024, requesting copies of the following briefings under the Official Information Act 1982 (the Act):

“September

Brown OC241030 3/09/2024 Quarterly Meeting with the Automobile Association
Brown Willis Jones OC240829 4/09/2024 Coastal Shipping Resilience Fund: Establishment
Doocey cc Brown OC241038 10/09/2024 Aide Memoire: Meeting with Minister of Internal Affairs Regarding Chatham Islands Replacement Shipping Solution
Doocey OC241054 16/09/2024 Aide Memoire: Meeting with TAIC Officials and TAIC's Half-Year Report to 30 June 2024
Brown OC241082 17/09/2024 Meeting Briefing - Infrastructure Commission Quarterly Catch Up
Doocey OC241083 18/09/2024 Meeting with the Maritime NZ Chair - 19 September 2024
Brown OC241078 19/09/2024 First Draft Cabinet paper: Revenue - October Report Back
Brown Willis cc Collins OC241017 24/09/2024 Letter of Comfort to the Civil Aviation Authority
Brown OC241042 24/09/2024 Meeting with Turner's Automotive Group
Brown OC241118 30/09/2024 Meeting with ASP Ships

August

Brown OC240907 7/08/2024 Updates to New Zealand's Road Safety Objectives 2024-2027
Brown OC240872 7/08/2024 Aide Memoire: Cook Strait Ferry Capacity
Brown OC240772 8/08/2024 Review of NZTA's Short-Term Borrowing Facility
Brown OC240998 30/08/2024 Meeting with Cath Handley on Waiheke Island Issues”

On 2 December 2024, we advised you of an extension to the time period for responding to your request. The extension was due to consultations necessary to make a decision on your request being such that a proper response could not reasonably be made within the original time limit. We have now completed the necessary search and consultations.

Of the 14 briefings requested, 10 are released with some information withheld or refused, three are withheld in full, and one is refused.

The document schedule at Annex 1 details how the briefings have been treated. The following sections of the Act have been used:

9(2)(a) to protect the privacy of natural persons

- | | |
|-------------|---|
| 9(2)(b)(ii) | to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information |
| 9(2)(f)(iv) | to maintain the constitutional conventions for the time being which protect the confidentiality of advice tendered by Ministers of the Crown and officials |
| 9(2)(g)(i) | to maintain the effective conduct of public affairs through the free and frank expression of opinions by or between or to Ministers of the Crown or members of an organisation or officers and employees of any public service agency or organisation in the course of their duty |
| 18(d) | the information requested is or will soon be publicly available |

With regard to the information that has been withheld under section 9 of the Act, I am satisfied that the reasons for withholding the information at this time are not outweighed by public interest considerations that would make it desirable to make the information available.

You have the right to seek an investigation and review of this response by the Ombudsman, in accordance with section 28(3) of the Act. The relevant details can be found on the Ombudsman's website www.ombudsman.parliament.nz

The Ministry publishes our Official Information Act responses and the information contained in our reply to you may be published on the Ministry's website. Before publishing we will remove any personal or identifiable information.

Nāku noa, nā



Hilary Penman
Manager, Accountability and Correspondence

Annex 1: Document Schedule

Doc #	Reference number	Date	Title of Document	Proposed decision on request
1	OC241030	4/09/2024	Quarterly meeting with the Automobile Association	Released with some information withheld under sections 9(2)(a), 9(2)(f)(iv) and 9(2)(g)(i). Appendix 4 is refused under section 18(d) as it is publicly available on the AA's website. https://www.aa.co.nz/about/aa-research-foundation/programmes/driver-licensing/
2	OC240829	10/09/2024	Coastal Shipping Resilience Fund: Establishment	Refused under section 18(d). When published, it will be found here: https://www.transport.govt.nz/about-us/what-we-do/proactive-releases/SearchForm
3	OC241038	16/09/2024	Aide Memoire: Meeting with Minister of Internal Affairs regarding Chatham Islands Replacement Shipping Solution	Released with some information withheld under section 9(2)(a).
4	OC241054	17/09/2024	Aide memoire: Meeting with TAIC Officials and TAIC's Half-Year Report to 30 June 2024	Released with some information withheld under section 9(2)(a).
5	OC241082	18/09/2024	Meeting briefing - Infrastructure Commission Quarterly Catch Up	Released with some information withheld under sections 9(2)(a) and 9(2)(f)(iv).
6	OC241083	19/09/2024	Meeting with the Maritime NZ Chair - 19 September 2024	Released with some information withheld under sections 9(2)(a) and 9(2)(f)(iv).
7	OC241078	24/09/2024	First Draft Cabinet paper: Revenue - October Report Back	Withheld in full under sections 9(2)(f)(iv) and 9(2)(g)(i).
8	OC241017	24/09/2024	Letter of Comfort to the Civil Aviation Authority	Released with some information withheld under sections 9(2)(a) and 9(2)(f)(iv).
9	OC241042	30/09/2024	Meeting with Turner's Automotive Group	Released with some information withheld under sections 9(2)(a) and 9(2)(f)(iv).
10	OC241118	7/08/2024	Meeting with ASP Ships	Released with some information withheld under sections 9(2)(a) 9(2)(b)(ii) and 9(2)(f)(iv).
11	OC240907	7/08/2024	Updates to New Zealand's Road Safety Objectives 2024-2027	Released with some information withheld under sections 9(2)(a) and 9(2)(g)(i). Annexes 2, 3 and 4 are refused as the final version of the Cabinet paper and

Doc #	Reference number	Date	Title of Document	Proposed decision on request
				<p>objectives document are available on the Ministry's website:</p> <p>Final Cabinet paper - https://www.transport.govt.nz/assets/Uploads/Releasing-the-Road-Safety-Objectives-Document_Redacted.pdf</p> <p>Road Safety Objectives Document - https://www.transport.govt.nz/about-us/news/governmentreleasesnew-zealands-road-safety-objectives</p>
12	OC240872	8/08/2024	Aide Memoire: Cook Strait Ferry Capacity	Withheld in full under section 9(2)(f)(iv).
13	OC240772	30/08/2024	Review of NZTA's Short-Term Borrowing Facility	Withheld in full under section 9(2)(f)(iv).
14	OC240998	4/09/2024	Meeting with Cath Handley on Waiheke Island Issues	Released with some information withheld under sections 9(2)(a) and 9(2)(f)(iv).

3 September 2024

OC241030

Hon Simeon Brown
Minister of Transport

QUARTERLY MEETING WITH THE AUTOMOBILE ASSOCIATION

Snapshot

You are having your quarterly meeting with the Automobile Association (AA) tomorrow. You are meeting Nadine Tereora, CEO, and Simon Douglas, Chief Policy and Advocacy Officer. The AA may wish to discuss its suggestions regarding e-scooter regulation and its recently published study: *Novice driver licensing in New Zealand*.

Time and date	2.00 – 2.30pm, 4 September 2024
Venue	Auckland Policy Office
Attendees	Nadine Tereora, CEO, AA Simon Douglas, Chief Policy and Advocacy Officer, AA Biographies are attached as Annex 1.
Officials attending	No
Possible agenda	<ul style="list-style-type: none"> The AA's 1 August 2024 letter with suggestions regarding e-scooter regulation The AA's recently published study: "Novice driver licensing in New Zealand".
Talking points	Talking points are attached as Annex 1.

Contacts

Name	Telephone	First contact
Joanna Heard, Manager, Safety	s 9(2)(a)	✓
Marcelo Prates, Adviser, Safety		

QUARTERLY MEETING WITH THE AUTOMOBILE ASSOCIATION

Background

- 1 Your last quarterly meeting with the AA was on 27 June 2024. At that meeting, you met with Simon Douglas.
- 2 We understand you discussed the following topics:
 - 2.1 The Government Policy Statement on Land Transport
 - 2.2 Time of use charging
 - 2.3 Driver licensing
 - 2.4 The draft Land Transport Rule: Setting of Speed Limits Rule 2024.
- 3 We understand you may have already met Nadine Tereora at the AA's annual conference on 8 March 2024.
- 4 Your office suggests the following topics may be discussed.

The AA's letter containing suggestions regarding e-scooter regulations and your response letter

- 5 Simon Douglas wrote to you on 1 August 2024 about the AA's concerns that the NZTA's E-Scooters (Declaration Not to be Motor Vehicles) Notice 2023 (the Declaration) is not fit for purpose. The concern is that some privately-owned e-scooters are not covered by the declaration because they exceed the maximum power output.
- 6 E-scooters with a maximum power output under 300 watts are covered by the Declaration. E-scooters above this level must be treated as a motor vehicle and would need to be certified, registered and licensed (the device and the driver) before they can be used on the road.
- 7 However, we do not currently have a motor vehicle classification that these e-scooters can meet. Given this e-scooters over 300 watts may not be used on New Zealand roads. They are still legal for off road use.
- 8 This issue may be considered as part of work to modernise the vehicle regulatory system. We will provide you further advice as the review progresses next year.
- 9 Simon also shared a list of proposals aimed at improving e-scooter safety. Some of these included that:
 - 9.1 as well as being permitted on roads and footpaths, e-scooters should also officially be allowed on cycle lanes.
 - 9.2 e-scooter riders should be required to use an approved helmet, just like cyclists are.



9.3 e-scooter riders must not use a cell phone while riding.

- 10 We provided your Office with a draft response letter on 23 August 2024, including a File Note which provides background information on e-scooter regulations. Simon Douglas's letter, the draft response and the File Note are attached as Appendix 1, 2 and 3, respectively.
- 11 We suggest that if you wish to progress some of these changes they could be considered as part of a package of rule changes in 2025 or 2026 as noted in the draft Road Safety Objectives document. Work on allowing e-scooters in cycleways has previously been well-developed. However, other areas would require further policy work and consideration.

The AA recently published a study: *Novice driver licensing in New Zealand*

- 12 The AA recently released a research study that investigated several driver licensing systems around the world (this is attached as Appendix 4). The AA flagged this research with you when you met with them last on 27 June 2024 (OC240652 refers).
- 13 While finding that most driving licensing systems vary, the research identified that New Zealand's driver licensing system is falling behind and identified improvements that could be made to New Zealand's Graduated Driving Licensing System (GDLS).
- 14 These improvements include interventions, such as a longer learner licence period, more supervised practice hours, introducing a hazard perception test, tougher penalties and zero alcohol requirements until a full licence is earned. The research also looks at what interventions do not have a strong evidence base, including exit tests (such as the full license test), extend restricted licence phase and high-powered vehicle restriction
- 15 The Ministry or NZTA is yet to take a view on these interventions but these, and other ideas raised in the research, are useful ideas to explore further.

There are currently several driver licensing issues on your agenda

- 16 These include:
 - 16.1 Addressing long-wait times for driver licence testing
 - 16.2 s 9(2)(f)(iv) 
 - 16.3 
 - 16.4 A potential GDLS review, which is a draft action in the draft Road Safety Objectives document.
- 17 We intend to consider how the research could inform a potential GDLS review and timing of the review as part of your report back to Cabinet on driver licensing in November. The Ministry and NZTA will brief you shortly on the scope of the November report back and how this might be considered.

Annex 1: Biographies**Nadine Tereora - CEO, AA**

Nadine became the CEO of the AA in February 2022. Nadine's leadership experience in the financial services industry is extensive and varied. Nadine has most recently been the Chief Operating Officer of Partners Life, the second-largest insurance company in New Zealand, and assumed the role after four years as the CEO of Fidelity Life from 2016 to 2020.

**Simon Douglas - Chief Policy & Advocacy Officer, AA**

Simon's role encompasses everything the Government and its transport agencies do that affects motorists and AA Members including road safety and infrastructure, transport funding (including fuel excise, road user charges, regional fuel taxes), speed limits, traffic enforcement, environmental issues, and petrol prices. Prior to joining the AA in 2012, Simon was an Executive of Tourism New Zealand, and held roles at the Ministry of Transport, Ministry of Tourism and Beca Engineering.

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Annex 2: Talking Points

The following talking points are available for you to refer to:

The AA's suggestions on e-scooter regulation

- s 9(2)(g)(i)
-
- NZTA conducted a careful and thorough review of the impacts of the Declaration before renewing it in 2023. This is the best source of information on e-scooter safety in the New Zealand context.
- The NZTA found that New Zealand safety trends for e-scooters have followed similar paths to overseas jurisdictions whereby the severity of accidents initially is high. However, overtime as riders become more competent the severity of accidents come down.
- You can confirm that the Ministry of Transport and NZTA are currently working on a review of the vehicle regulatory system s 9(2)(f)(iv)
- You are also in the process of setting your road safety priorities for the coming years, and as part of that you will consider whether further rule changes are needed to improve the safety of how e-scooters are used.

The AA's research on driver licensing

- Congratulate the AA for publishing their research on driver licensing and reconfirm its value.
- Note that the possible interventions it has raised could be explored in a wider GDLS system review.

- s 9(2)(f)(iv)

Long wait times for driver licence testing

- If raised, you may like to note that you have set strong expectations for the NZTA to address long driver licence testing wait times.

Questions

- What is your perspective on the driver licensing tests wait time issue? Have you noticed any recent improvements?
- What changes would you like to see progressed to the GDLS?

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1 August 2024

Hon Simeon Brown
Minister of Transport
Parliament Buildings
Private Bag 18041
Wellington 6160

Dear Minister

Need for e-scooter rules review.

I am writing to express the NZAA's concern in relation to the current rules for e-scooters, which we do not believe address several issues associated with their usage. As I'm sure you know, the current rules are often not adhered to by e-scooter riders for a range of reasons.

The current Declaration that came into effect 28 September 2023 declares that an e-scooter is not a vehicle if it meets certain characteristics such as the number and size of the wheels and a maximum power limit. The Declaration applies to the e-scooter, but not how an e-scooter is ridden. The NZAA believes that the Declaration has not kept up with advancements in technology and the increase in private ownership of e-scooters.

When the first Declaration was made back in 2018, e-scooters were modestly powered and mainly used by hire companies as an alternative form of mobility. The power rating allowed was less than 300 watts. Today, we have e-scooters that have been imported into New Zealand that are high-powered, sometimes over 10 times the 300-watt limit, with the ability to carry 125kg riders at speeds of more than 120km/h. Also, the power of an e-scooter is hard to verify for compliance reasons. To make compliance easier it would be better to focus on what, where and how an e-scooter is ridden. This is the approach the South Australian State Government made last month when it introduced legislation to pave the way for e-scooters to be used on public roads and paths.

The NZAA agrees with some aspects of the 2023 Declaration because we think the rules strike a practical balance to encourage the use of these devices, which bring many benefits to users and our transport network. However, we would like to see some changes to address present-day safety risks.

We agree with retaining:

- The current requirement that all e-scooters (regardless of the power rating) do not need to be registered, or for the rider to hold a licence.

We think that requiring registration/licensing for higher-powered e-scooters would require similar rules for e-bikes and mopeds. To keep the rules simple so as to still encourage the use of e-scooters, we think safety risks can instead be reduced by applying other rules (e.g. on where they're used and rules for riders – see more information below).

- That all e-scooters continue to have access to footpaths and pedestrian infrastructure, as well as roads where the default speed limit is a maximum of 50km/h.

We would like to see the following changes to the rules for e-scooters:

- That as well as being permitted on roads and footpaths, e-scooters should also officially be allowed on cycleways and shared paths (the current rule prohibiting use on cycleways/shared paths makes no practical sense to the public and is frequently ignored by e-scooter riders).
- The posted speed limit should apply on roads, bike lanes and separated paths, with a maximum speed of 50km/h, and a lower speed limit of no more than 15km/h on footpaths and shared paths with pedestrians.
- That e-scooter riders should be required to use an approved helmet, just like cyclists are.
- That e-scooter riders must be aged 16 or older to ride on a road.
- That e-scooter riders cannot be under the influence of alcohol or drugs, with similar impairment limits as for vehicle drivers applying.
- That e-scooter riders must not use a cell phone while riding.
- That e-scooters if riding at night, must have a white light on the front, a red light on the back, and a red reflector on the back.

I'm sure you've received similar suggestions from other organisations.

E-scooter usage and safety issues are very topical and the public's interactions with them are only increasing. The NZAA believes it is past-time to address safety issues and to clarify commonsense usage rules that better-align with how people are using this form of mobility.

I look forward to hearing back from you on when and how you think these issues will be addressed.

Yours sincerely,



Simon Douglas
Chief Policy & Advocacy Officer
New Zealand Automobile Association
E: sdouglas@aa.co.nz

Hon Simeon Brown

Minister for Energy
Minister of Local Government
Minister of Transport
Minister for Auckland
Deputy Leader of the House



M240667

Simon Douglas
Chief Policy & Advocacy Officer
New Zealand Automobile Association
sdouglas@aa.co.nz

Dear Simon,

Thank you for your letter dated 1 August 2024 with the New Zealand Automobile Association's (AA's) concerns about e-scooter regulations.

Thank you also for sending the list of proposed rule changes aimed at improving the safety of e-scooters. I intend to progress rule changes next year on a range of issues. I expect this will include some of the AA's proposed changes, such as allowing e-scooters in cycle lanes. I have passed your letter onto the relevant officials at the Ministry of Transport (the Ministry) for their consideration.

The New Zealand Transport Agency's (NZTA's) E-Scooters (Declaration Not to be Motor Vehicles) Notice 2023 (the Declaration) is a temporary measure that enables certain e-scooters to be used without needing to meet motor vehicle standards or be registered. It also has the effect of allowing them on the footpath.

The Ministry and NZTA are currently working on a review of the vehicle regulatory system, in line with commitments in the Government Policy Statement on land transport 2024. The goals of this review are to enable better management of the safety performance of the vehicle fleet, to reduce regulatory burden, and to ensure our domestic rules are fit for purpose. This wider piece of work will include some rules relevant to e-scooters and will consider long-term solutions for how they are classified.

I encourage you to continue to engage with officials about potential changes.

Thank you again for writing.

Yours sincerely

Hon Simeon Brown
Minister of Transport

File Note | Kōnae Tuhi

M240667 Simon Douglas – Ministerial

Background

Simon Douglas, Chief Policy and Advocacy Officer, AA, wrote to you on 1 August 2024. In his letter he raised the AA's concerns that the NZTA's E-Scooters (Declaration Not to be Motor Vehicles) Notice 2023 (the Declaration) is not fit for purpose. Simon then shared a list of proposals aimed at improving e-scooter safety.

E-scooters with a maximum power output not exceeding 300 Watts are covered by the Declaration. E-scooters above this level must be treated as a motor vehicle, and would need to be certified, registered, licensed (the device and the driver) before they can be used on the road. As they are unlikely to meet the criteria, e-scooters not covered by the Declaration may not be used on New Zealand roads. They are still legal for off road use.

Enforcement of these requirements is generally a matter for Police. We understand that Police are focussed on the highest risks to road safety.

Our proposed response

We propose to maintain that the Declaration is fit for its current, temporary purpose. NZTA conducted a careful and thorough review of the impacts of the Declaration before renewing it in 2023. This is the best source of information on e-scooter safety in the New Zealand context.

The response also explains that users must comply with the Rules for wheeled recreational devices as stated in the Road User Rule, and that you will consider rule changes as part of your road safety objectives work.

Accessible Streets

We note that some suggestions raised in the letter were included in Accessible Streets. Depending on your priorities, parts or all of this package of proposed rule changes could be progressed from next year, as noted in the Road Safety Objectives. The changes included in Accessible Streets that are mentioned in the AA's letter are:

- Allowing e-scooters in cycle lanes
- Speed limits on footpaths, cycle paths and shared paths
- Front and back lights at night.

Some suggestions in the letter are covered, to some extent, by existing requirements:

- That e-scooter riders must be aged 16 or older to ride on a road. This is typically the case for hire e-scooters, but not for privately owned e-scooters. Operators have their own policies, eg., Lime and Flamingo require confirmation that riders are 18 or older to download their app
- That e-scooter riders must not use a cell phone while riding. This is already the case as the ban on cell phone use in the Road User Rule is for driving a vehicle, which includes e-scooters.

The vehicle regulatory system review

Relying on a Declaration is a temporary measure. Accessible Streets would have addressed some of the safety issues with e-scooters.

However, the vehicle-related component of Accessible Streets has now been superseded by the vehicles work programme. You have agreed to progress policy work through phase 2 of reform (work to start in early 2025).

s 9(2)(g)(i)

s 9(2)(f)(iv)

We will provide you further advice as the review of the vehicle regulatory system progresses next year.

Your options in the interim

s 9(2)(g)(i)

What is Australia doing?

South Australia has introduced legislation to allow privately owned e-scooters and other personal mobility devices to be used on roads and other public areas. South Australia is proposing a broad access approach with rules around how they can be used, which closely aligns with the AA's suggested rule changes.

Melbourne City Council made the decision to immediately end contracts with its e-scooter operators, giving them 30 days' notice to remove their vehicles. That is a local decision and any of our councils could choose to do the same.

Appendix 4 is refused under section 18(d) as it is already publicly available on the AA's website:
<https://www.aa.co.nz/about/aa-research-foundation/programmes/driver-licensing/>

9 September 2024

Hon Matt Doocey

Associate Minister of Transport

CC Hon Simeon Brown

Minister of Transport

AIDE MEMOIRE: MEETING WITH MINISTER OF INTERNAL AFFAIRS REGARDING CHATHAM ISLANDS REPLACEMENT SHIPPING SOLUTION

To: Hon Matt Doocey, Associate Minister of Transport
CC Hon Simeon Brown, Minister of Transport
From: Bryan Field, Manager, Programme Monitoring and Investment Management
Date: 9 September 2024
OC Number: OC240138

Summary/Purpose

- 1 You are meeting with the Minister of Internal Affairs following a briefing from the Ministry of Transport requesting approval for \$1 million to be drawn down from tagged contingency to support repairs to the *Southern Tiare*.

Background

- 2 The Chatham Islands are currently served by the *Southern Tiare*, with services operated by Chatham Islands Shipping Limited. The vessel is nearing the end of its service life, and Crown Support has been required to keep it in a seaworthy state. It is unlikely that the vessel will be able to continue operating beyond 2026 without significant structural repairs.
- 3 In Budget 2022, Cabinet approved \$35.1 million in tagged contingency funding to support the Chatham Islands to replace the vessel and to support its maintenance until a replacement vessel is delivered. Funding draw down is subject to Joint Ministers agreement, Minister of Finance, Minister of Transport, and Minister of Internal Affairs.
- 4 To date, \$10.8 million has been drawn down to facilitate maintenance of the vessel. The most recent repair works began in early March 2024 and was expected to take six

weeks to complete at a total cost of \$4.329 million. However, due to extensive issues found with the vessel during the repairs, a further \$1 million was requested from Joint Ministers (OC240765 refers) to fund cost overruns.

Progress on finding a replacement shipping solution

- 5 In April 2024, you, in your capacity as Associate Minister of Transport, wrote to the Chatham Islands Enterprise Trust (CIET) to inform them of the Government's decision not to purchase a new bespoke vessel to replace the *Southern Tiare*, and that you had instructed officials to investigate purchasing second hand vessels or charter arrangements.
- 6 The Ministry of Transport has since established a working group to canvas viable alternative services. The group includes representatives from the Department of Internal Affairs (DIA), the Ministry for Primary Industries, The Regional Public Service Commission, the Chatham Islands Council and CIET. This group has agreed to the following criteria to assess potential replacement shipping service options.
 - 6.1 **The services are fit for purpose and flexible** (providing the right capability and capacity to move the right loads at the right time in a way that meets the needs of the Islands' community now and in the future)
 - 6.2 **Sustainable and resilient** (provides a fit for purpose solution over the long-term that is resilient to disruption, for example, by not having a single point of failure)
 - 6.3 **Affordable and poses good value for money** (the services are provided within the appropriated budget and provides good value for money to the Crown)
 - 6.4 **Safe and appropriately manages animal welfare**
 - 6.5 **Appropriately manages risk.**
- 7 The working group has concluded that charter options better fit the assessment criteria above as they are more likely to provide value for money by purchasing a service outcome rather than a new or existing asset. As a result, the working group has proposed circulating a Request for Information (RFI) to the shipping sector to canvas the capacity of the market for a supplier or suppliers able to provide shipping services to the Chatham Islands.
- 8 MoT has finalised the RFI document and is preparing to circulate the document in September 2024. The response window will be open for approximately 6 weeks with responses expected back to officials by November 2024. MoT will brief you on the outcome of the RFI and advise on next steps at this time.

Challenges and lessons learned

- 9 Lessons learned from the recent shipping outage, coupled with work done since the Budget 2022 funding was announced, have uncovered numerous challenges to finding a vessel to service the Chatham Islands.

- 10 The focus of work prior to April 2024 was to purchase a vessel that would be a like-for-like replacement of the *Southern Tiare*, that being a vessel capable of transporting livestock to the mainland from the Islands as well as carrying the range of goods necessary for the Chatham Islands community's needs (including groceries and fuel for vehicles and electricity generation).
- 11 The vessel specifications would also need to be compatible with the wharf infrastructure at Waitangi: for example, it would need an onboard crane, would need to be a maximum of 77 metres in length, and have a maximum draught of 3.8 metres.¹ It is possible that any new service will require alterations to the wharf infrastructure before a new vessel can dock at Waitangi. This would require consultation with DIA, who own the wharf.
- 12 Due to the specific vessel and wharf requirements, there are no short-term alternatives to the *Southern Tiare*. As a result, the recent \$1 million drawdown and previous repair works have been essential to keeping the vessel operating and ensuring services to the islands are maintained while a replacement service is procured.
- 13 Chatham Islands farmers have recently written to the Ministry of Transport to comment on the RFI process and the need for any new service to be flexible enough to enable growth in the islands farming sector which is currently limited by the capacity of the *Southern Tiare*.

Contacts

Name	Telephone	First contact
Bryan Field, Manager, Programme Monitoring and Investment Management	s 9(2)(a)	✓
Cameron Elliott, Senior Adviser Programme Monitoring and Investment Management		

¹ A vessel's draught refers to the vertical distance between the waterline and the bottom-most point of the vessel. It represents the minimum depth that a vessel can safely navigate. .

13 September 2024

OC241054

Hon Matt Doocey
Associate Minister of Transport

AIDE MEMOIRE: MEETING WITH TAIC OFFICIALS AND TAIC'S HALF-YEAR REPORT TO 30 JUNE 2024

Snapshot

This aide memoire provides you with advice on the Transport Accident Investigation Commission's (TAIC) Half-Year Report from 1 January 2024 to 30 June 2024, and for your regular quarterly meeting with TAIC officials at 9am on 19 September 2024.

Time and date	9:00am, 19 September 2024
Venue	Teams meeting
Attendees	Jane Meares, Chief Commissioner, TAIC David Clarke, Commissioner, TAIC Martin Sawyers, Chief Executive, TAIC Naveen Kozhuppakalam, Chief Investigator of Accidents, TAIC
Officials attending	Tim Herbert, Acting Manager, Crown Entity Monitoring Alan Collins, Senior Adviser, Crown Entity Monitoring
Agenda	The Ministry recommends the following items for discussion, including topics that TAIC would like to raise: <ul style="list-style-type: none">• Discussion on the Half-Year Report January 2024 to June 2024• Regulation of recreational boating• Aviation safety investigations• Notification of incidents and accidents• Mandate to investigate heavy road vehicle incidents.

Contacts

Name	Telephone	First contact
Tim Herbert, Acting Manager, Crown Entity Monitoring	s 9(2)(a)	✓
Alan Collins, Senior Adviser, Crown Entity Monitoring		

MEETING WITH TAIC OFFICIALS AND TAIC'S HALF-YEAR REPORT TO 30 JUNE 2024

Key points

- TAIC has indicated that they would like to use this opportunity to introduce you to David Clarke. [Appointments in Confidence] Ministers have signalled their intention to appoint Mr Clarke, and your office has received advice to progress this matter (OC241065 refers).

TAIC Half-Year Report from 1 January 2024 to 30 June 2024

- TAIC's Half-Year Report for 1 January 2024 to 30 June 2024 was delivered to your office on 22 August.
- TAIC has generally performed well against its performance targets and during the reporting period:
 - TAIC has published 16 reports into domestic inquiries for the year ending 30 June 2024, one below its target of 17-27 for the number of reports published. This also included a final report for a complex and long-running aviation investigation from 2018. The rolling average of open inquiries remains at 26.
 - TAIC has made good progress in the timeliness of its investigations and reports. The average age of open inquiries is down to 219 working days from 266 working days at the same time last year and the proportion of inquiries completed within 440 working days (two years) was 82 percent for the year to date, above the target of 70 percent.
 - Average cost of domestic inquiries closed remains above TAIC's target of \$400,000 to \$450,000 at \$499,000 for this period, but a reduction from \$572,000 for the six months to 31 December 2023. The higher than forecast costs reflect several long-running inquiries that TAIC has completed during both reporting periods and average costs may start coming back down to the target range. You may want to enquire as to whether TAIC expects average costs to start reducing in the future.
 - TAIC is in the process of recruiting new investigators following confirmation of its funding increase in Budget 2024 and you may want to ask for an update on the recruitment process.

TAIC has signalled that it would like to discuss the following:

Regulation of recreational boating

- TAIC supports greater regulation of recreational boating. TAIC has previously recommended that the Ministry considers skipper licensing and undertake research on the merits of a system for regulating recreational boating.
- The Ministry of Transport is currently undertaking research to determine the merits of a regulatory system for the recreational maritime sector. Maritime NZ will explore, as time and resources permit, the merits of initiatives such as skipper education and a licensing regime as potential mechanisms for achieving public safety objectives.

- There is currently no timeframe associated with this work and the Ministry will continue to monitor the effectiveness of the current regime. If new evidence suggests that introducing skipper licensing, in addition to educational campaigns, would make a material difference to recreational boating safety, the Ministry will work with Maritime NZ and consider potential changes to the regime.¹

Aviation safety investigations

- On 16 June 2019, a fatal collision between two aircraft occurred at Hood Aerodrome in Masterton. Following this, the Heron Report was commissioned by the Civil Aviation Authority (the Authority). One of its findings was that the Authority had undertaken aviation safety investigations that were the remit of TAIC under International Civil Aviation Organization (ICAO) Annex 13.²
- Following the recommendations of the Heron Report, the Authority has ceased to undertake these aviation safety investigations.
- TAIC has concerns about the potential impacts on both transport safety and TAIC's operations in terms of safety inquiries not being picked up by either the Authority or TAIC and TAIC not having the resources to pick up any increased or transferred responsibilities. Any staffing increase to TAIC would have to be funded by the Crown to maintain independence of inquiries and be subject to a Budget bid.
- The Ministry recommends that TAIC work with the Authority and the Ministry to gain a better understanding about what responsibilities would shift to TAIC, whether there are current funding arrangements that sit with the Authority that cover these types of inquiries, and what funding or resources TAIC may require if it is required to undertake more aviation inquiries.

Notification of incidents and accidents

- TAIC is concerned that not all incidents in aviation and other industry and transport modes such as in the fishing industry, are being notified to regulators.
- TAIC is concerned that this underreporting means key safety findings are being lost, and there are fewer opportunities to identify if smaller issues are symptomatic of a wider issue that could be prevented.
- TAIC does not prosecute as its role is to determine the circumstances and causes of transport incidents with a view to avoid similar occurrences in the future, rather than to ascribe blame to any person. The lack of prosecution means that conversations have a strong safety outcomes focus, and participants feel safer airing concerns.
- The Ministry expects TAIC will advocate for a greater role in the notifications space, and you may wish to discuss this further with TAIC.

¹ The Ministry would lead the policy advice on potential changes to the regime and Maritime NZ would lead any changes to Maritime Rules as required.

² The International Civil Aviation Organization (ICAO) is a specialized agency of the United Nations that coordinates the principles and techniques of international air navigation and Annex 13 outlines the requirements for notification and investigation of air incidents. Annex 13 sets out that no-blame investigations must be done by an agency independent of Government and the modal regulator, which is the purpose of TAIC.

Mandate to investigate heavy road vehicle incidents (item 2.3 in your work programme A3).

- TAIC is interested in increasing the scope of its mandate, especially in the area of heavy road vehicles incidents.
- It is a good idea to review the TAIC Act to ensure it is fit for purpose, but there are a range of issues that would have to be considered if TAIC's mandate was to change.
- Any review of the TAIC Act and TAIC's mandate would also require agreement of the Minister of Transport and Cabinet to proceed and is dependant on the Government's other priorities.
- If TAIC is interested in pursuing this issue, you may want to invite TAIC to write to you and the Minister of Transport outlining these proposals for your consideration.

Retirement of Jane Meares

- This will be your last meeting with the outgoing Chief Commissioner, Jane Meares, as her retirement takes effect on 30 September 2024. We recommend you use this time to thank Jane for her work as Chief Commissioner. She has provided nearly 10 years of dedicated service to the Commission and has offered thoughtful leadership throughout her tenure. There have been significant performance gains for which she should be recognised.
- You may want to acknowledge Jane's retirement by noting:
 - Her work as Chief Commissioner, particularly her role in building a strong Board of follow Commissioners who are well placed to continue to lead TAIC into the future.
 - Her hard work and contribution in building a well-performing organisation as evidenced by the increasing number of investigations completed within targeted timeframes.

Annexes

Annex I: Biographies

Annex II: Advice on the TAIC Half-Year Report from 1 January 2024 to 30 June 2024

Annex I: Biographies

Jane Meares (Chief Commissioner)



Jane Meares is a commercial barrister based in Wellington. She is a leading legal adviser with an extensive range of advisory experience in both the public sector and the corporate world.

Alongside her legal practice, Jane has a number of significant governance roles including deputy chair of the Electoral Commission, chair of Financial Services Complaints Limited, and chair of the Royal New Zealand Ballet Foundation. She is also a board member of the New Zealand Film Commission and a member of Land Information New Zealand's risk and assurance committee.

Jane was first appointed as a Commissioner in February 2015, and was then appointed as the Chief Commissioner in November 2016. Jane has recently announced her retirement effective from 30 September 2024.

David Clarke (Commissioner)



David brings over 20 years' experience in governance roles in the commercial, public and charitable sectors, including in Chair, finance and audit and risk roles. His 27 years of legal professional experience includes litigation, and corporate and commercial advice for private and listed company boards and public entities.

David was appointed to the Commission in December 2022. His term expires in November 2025.

Martin Sawyers (Chief Executive)



Martin leads the organisation to support the Commissioners in the delivery of their statutory purpose, which is to help improve transport safety. Martin has extensive legal and senior management experience in the private and public sectors. He comes to TAIC from being Chief Executive and Registrar of the Plumbers, Gasfitters and Drainlayers Board. Prior to that he was General Counsel and Manager of Corporate Services for the Real Estate Agents Authority and also previously managed legal operations at the Department of Corrections.

Martin also brings significant governance experience from his years as Mayor of Buller District Council, Chair of an Electricity Lines Company and Deputy Chair of a State Owned Enterprise.

Naveen Mathew Kozhupakalam (Chief Investigator of Accidents, General Manager Investigation Services)



As the Chief Investigator of Accidents, Naveen leads the conduct of aviation, rail and marine inquiries opened by the Commission and leads TAIC's investigation team. Prior to this position, Naveen managed rail and maritime investigations. He joined TAIC as a marine investigator in 2011.

Before TAIC, Naveen's worked in shipyards across Japan and the Philippines overseeing the sea trials and delivery of car carrier ships and Cape size and Handymax bulk carriers, and nearly 10 years as a senior marine engineering officer on board commercial vessels plying international trade.

Naveen is a Chartered Engineer; he also holds a Master's degree in naval architecture from the University of Southampton.

ANNEX II: TAIC HALF-YEAR REPORT FROM 1 JANUARY 2024 TO 30 JUNE 2024

- 1 TAIC continues to deliver its core statutory function of determining the circumstances and causes of accidents and incidents with a view to avoiding similar occurrences in the future, rather than to ascribe blame to any person.
- 2 TAIC's output measures generally relate to the timeliness, volume and average cost of inquiries they respond to. Performance against those measures can be variable due to the unpredictability of accidents, and the associated complexities of each inquiry. Therefore, TAIC's output measures and performance should be measured against the specific context and nature of TAIC's work at this time.
- 3 Table One on page 29 of the Report summarises TAIC's performance against its expectations. This information from the Report has been extracted and compared to TAIC's reporting for the 12 months from June 2023 to June 2024, as well as the six-month period June 2023 to December 2023, and the 12 months June 2022 to June 2023 (TAIC's most recent Annual Report) in *Table 1* below.

Table One: Summary of TAIC's performance against SPE output measures for the period June 2023 to June 2024

	2023/24 SPE	Jun-23 to June-24	Jan-24 to Jun-24*	Jun-23 to Dec-23	Jun-22 to Jun-23**
Financial					
Average cost of domestic inquiries completed	Target \$400- 450K	\$543k	\$499k	\$572k	\$467K
Volume					
Number of reports published for domestic inquiries (incl. interim reports)	Expected 17-27	16***	6	10	16
Number of domestic inquiries in progress, monthly rolling average	Expected 30	26	26	26.6	26
Timeliness					
Proportion of completed domestic inquiries completed within 440 working days	Target 70%	82%	86%	80%	73%

*Period of the Half-Year Report January 2024 to June 2024

**Reporting from TAIC Annual Report 2022-2023

***Includes one interim report in relation to the Kaitaki [MO-2023-201](#) | [TAIC](#) and does not include one inquiry closed by resolution in relation to the missing crewmember of the Pacific off Waimarama coast in April 2024.

Analysis of performance

Domestic inquiry costs

- 4 The cost of an inquiry includes staff time, direct costs (such as travel and technical consultant fees), and a proportion of general overheads. TAIC has previously noted that the time taken to complete an inquiry is the main driver of total costs.³
- 5 TAIC has maintained a target band of \$400,000 to \$450,000 for the average cost of completed domestic inquiries. Average costs have remained above this band since June 2022, going from \$467,000 to \$572,000 in December 2023, but reducing to \$499,000 in June 2024 with an average of \$543,000 for the 12-month period.
- 6 TAIC reports that the average costs of inquiries have been driven up by aviation inquiries, which tend to be more complex and technical. Costs have also been higher with TAIC completing several long-running inquiries that had built up due to either complexity or staffing shortages. In particular, the average cost for six months to June 2024 were driven up by the publication of the final report into a fatal helicopter accident in Wanaka in October 2018.⁴ This report took a long time due to significant new evidence being presented in 2022, and staff changes and high workloads. The average costs in prior six months to December 2023 were also driven up by another lengthy aviation inquiry.⁵
- 7 The Ministry will monitor whether the completion of these complex inquiries begin to bring down average costs in future reporting. If average costs do not start moving towards TAIC's target band, this may indicate that this target needs to be revised.

Volume and timeliness

- 8 In total for the 12-month period TAIC has published 16 reports, one below its 17-27 target for the number of published reports as set out in its Statement of Performance Expectations for 2023-2024. However, the rolling monthly average number of open domestic inquiries in progress has remained consistent at 26.
- 9 Looking at previous years, TAIC has performed consistently, with a five-year average within its target as noted in the table below:

Table Two: TAIC completed domestic inquiries

Year	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Number of inquiries completed	21	12	10	15*	16**	16
Five-year average	18	17	16	18	18	15

*Target had been until this point 15-25 reports completed annually.

**Target changed to 17-27 reports completed annually.

³ TAIC Annual Report 2022/23 p.44.

⁴ AO-2018-009: MDI (Hughes) 369D, registration ZK-HOJ, Wanaka 18 October 2018.

⁵ AO-2020-002 Glider, Schleicher ASK21, ZK-GTG, Taupo 31 May 2020.

- 10 TAIC has made good progress in meeting its targets for timeliness, with the average age of open inquiries reducing and TAIC exceeding its target of 70 per cent of domestic inquiries being completed within 440 working days with 82 per cent completed within this time frame in the 12 months to 30 June 2024.
- 11 The average age of closed inquiries has also fallen, indicating that TAIC is completing inquiries faster and is improving its capabilities as noted in the table below:

Table Three: time taken to close inquiries

Inquiries closed 30 June	2019-20	2020-21	2021-22	2022-23	2023-24
Proportion closed within 330 working days	59%	33%	35%	50%	58%
12-month rolling average age	341	449	413	412	375

Summary of open inquiries and notable themes

- 12 On 30 June 2024, TAIC had 26 open inquiries, comprising of:

Table Four: number of open inquiries by mode and theme

Mode	No. of open inquiries on 30 Jun-24	Theme identified by TAIC
Aviation	9	Four related to close proximity events
Maritime	10	Four related to groundings
Rail	7	Two related to derailments

Safety of rail workers was added to the Watchlist 2024

- 13 TAIC has added the safety of workers in the rail corridor to its *Watchlist 2024* due to three incidents where trains have entered rail corridors where they were not permitted, such as where workers were carrying out maintenance, putting the safety of rail workers at risk.

TAIC Business management activity and updates

Health and safety audit work programme is underway

- 14 TAIC is working to implement the recommendations from a recent health and safety audit and has recruited a fixed-term health and safety officer. While the report found that there is a high level of engagement in health, safety and well-being in TAIC, improvements could be made to ensure systems and processes are best practice.

TAIC has greatly increased the number of qualified investigators

- 15 TAIC now has 11 qualified Investigators-in-Charge (IIC) out of 16 investigators on 30 June 2024. This is a good improvement from 2020/21 when TAIC had only five IICs as it takes two to three years for an investigator to qualify as an IIC. Investigators

required training overseas at Cranfield University in the United Kingdom.⁶ COVID-19 impacted on both staff and TAIC's ability to train investigators fully.

- 16 TAIC's target in its SPE for 2023-2024 and 2024-2025 is to have 80 per cent of investigators designated IIC or senior investigator, and this target is a strategic intention listed in their 2024-2028 SOI. Currently, approximately 70 percent of TAIC's investigators are IIC qualified and TAIC is making good progress against its target.

TAIC's project to implement the new case management system is in its final stages

- 17 Delivery of its Knowledge Transfer System (KTS) Programme incorporating new systems and processes for how TAIC operates has been one of TAIC's core strategic objectives over the last three years. This project includes the implementation of Hubstream as the standard case management tool. Full implementation of the KTS was expected to be completed by 30 June 2024.
- 18 TAIC reports most of the KTS programme has been implemented and investigators are now using Hubstream for all aspects of the investigation process and regular monthly reporting using the new system has also begun. This is a significant milestone against TAIC's strategic intentions for the last few years.
- 19 TAIC reports full implementation of KTS is now expected by the end of October 2024. TAIC notes that the change in date reflects when it expects the benefits of the new system to start to be realised as it will take time to accumulate enough data for meaningful analysis, such as trends. TAIC notes that further work to the system is expected to be minor.

Emerging Risks

- 20 TAIC has identified the recruitment and training of new specialist investigators as a risk. This is because of a tight labour market for the specialists required and the stretching of resources to accommodate these extra recruitment and training activities. As a small organisation, these types of resourcing pressures will continue to be a risk for TAIC.

Financial overview

- 21 TAIC ended the year ending 30 June 2024 with a surplus of \$1.346 million against a budgeted surplus of \$0.498 million. The net surplus is mainly due to the hold on recruitment of the five investigators pending the Government's Budget 2024 decisions and interest earned on its surplus. TAIC has used the opportunity to build up its cash reserves in line with TAIC's cash reserve guidelines.
- 22 TAIC's financial forecast for 2024/25 is to break even. Break even would be a good result for an organisation of TAIC's size and would indicate that it is fully utilising its resources.

⁶ Cranfield University is the primary university for transport accident investigators worldwide. TAIC and the Australian Transport Safety Bureau have been working on developing equivalent credentials at the Royal Melbourne Institute of Technology.



17 September 2024

OC241082

Hon Simeon Brown
Minister of Transport, Energy, and Local Government

MEETING BRIEFING – INFRASTRUCTURE COMMISSION QUARTERLY CATCHUP

Snapshot

This meeting is part of a series of quarterly catchups with the Infrastructure Commission. This meeting will likely focus on infrastructure systems and settings, funding and financing tools, sector reforms, and other major projects.

Time and date	11.30am (30 min), Wednesday 18 September 2024
Venue	Room 5.1, The Beehive
Attendees	Dr Alan Bollard, Board Chair, Infrastructure Commission Geoff Cooper, Acting Chief Executive, Infrastructure Commission Andy Hagan, General Manager – Infrastructure Delivery, Infrastructure Commission
Officials attending	Tim Herbert, Manager, Investment Private Secretary, Infrastructure (Hon Chris Bishop's office)
Agenda	Please find an agenda attached

Contacts

Name	Telephone	First contact
Tim Herbert, Manager, Investment	s 9(2)(a)	✓
Quaid Forbes, Adviser, Investment		

MEETING BRIEFING – INFRASTRUCTURE COMMISSION QUARTERLY CATCHUP

Key points

- The Infrastructure Commission (the Commission) has produced an Infrastructure Strategy that sets a pathway for New Zealand's infrastructure over the next 30 years. It is also undertaking work alongside the Treasury to renew and modernise the public-private partnership (PPP) model.
- With the establishment of the National Infrastructure Agency (NIA) in December 2024, Cabinet will clarify roles within the Crown's infrastructure system. The Infrastructure Commission will retain its role as the Government's independent long-term strategic advisor on infrastructure matters. The Treasury will assume the Commission's PPP policy role and take primary responsibility for supporting the Minister for Infrastructure.
- The Department of Internal Affairs has provided information on water reform. The Ministry of Business, Innovation, and Employment were consulted but did not have anything to add regarding the Energy portfolio.

Infrastructure system and settings

30-Year National Infrastructure Plan

- 1 The Minister for Infrastructure has tasked the Infrastructure Commission (the Commission) with developing a 30-year infrastructure plan to demonstrate a pipeline of major projects for New Zealand. It will have four main components:
 - 1.1 **An infrastructure needs analysis** which will explore infrastructure needs by sector and region over a 30-year time horizon.
 - 1.2 **An Infrastructure Priorities Programme (IPP)** which will provide an independent assessment of unfunded/uncommitted proposals and projects, including non-built solutions, over the next five to 15 years.
 - 1.3 **Current investment intentions** which will have a ten-year view and build on the pipeline and Quarterly Investment Reporting.
 - 1.4 **Priority policy and system reforms.**
- 2 The Commission are aiming to provide a draft 30-year plan to the Minister for Infrastructure in June 2025 and publish a final 30-year plan in December 2025.
- 3 You may want to ask how the Commission intend for the 30-year pipeline to interact with the Government Policy Statement of land transport (GPS), the National Land Transport Plan (NLTP), and wider transport sector project planning.
- 4 You may also want to reiterate your expectation that both the Ministry of Transport and NZTA will work closely with the Commission on the transport aspects of this plan.

Funding and financing tools for transport infrastructure

Update on PPP policy work programme

- 5 The GPS 2024 outlines that the NZTA Board should ensure that all relevant sources of funding and financing have been examined in relation to any project. NZTA is currently developing cost estimates for the Roads of National Significance (RoNS) programme, which will include work to understand the funding and financing options for the projects.
- 6 The Government expects that public private partnerships, and other opportunities to use private expertise and finance, will be considered for all major projects in the NLTP.
- 7 You may want to express an interest in the Commission's work on PPP settings and ask if they have any ideas of how to utilise PPPs for transport infrastructure.

Sector reforms

Water Reform

- 8 The recent passage of the Local Government (Water Services Preliminary Arrangements) Act means that councils now have 12 months to develop Water Services Delivery Plans. These plans will set out how councils intend to deliver financially sustainable water services at the least cost to communities.
- 9 The Local Government Funding Agency (LGFA) has confirmed that it will lend to water council-controlled organisations at a level that will allow for the increased water infrastructure investment New Zealand requires. The Government's expectation is that councils will utilise joint arrangements with neighbouring councils and the LGFA's financing to fund infrastructure investment. The Ministry notes that the Government said it will introduce, not implement, the third Local Water Done Well Bill in December 2024
- 10 Later this year, the third and final Local Water Done Well Bill will be implemented. The Bill will implement the enduring settings for New Zealand's water services sector. This includes an economic regulation regime to be administered by the Commerce Commission which will ensure New Zealanders get value for their money from water services and that investment is made where it is needed most.
- 11 As changes are made to water services, it is important that councils are in control of the process and free to choose the model they believe is right for their communities (if they are financially sustainable and meet the legislative and regulatory requirements).

Transport revenue and funding reforms

- 12 Transport officials are currently working on reforms to the land transport revenue system to ensure fairness and sustainability for the wider transport revenue system. In June, Cabinet agreed to the revenue action plan, and you publicly announced it at the end of August. Key features include increasing existing charging, effectively using tolling, exploring the full range of tools, and transitioning the fleet to road user charges by as early as 2027.

13 Time of use charging legislation is currently being drafted. The Commission provided feedback on an early Cabinet paper expressing a desire for a highly devolved model. The developed model has NZTA involved in each scheme alongside territorial authorities. NZTA will have the final decision on whether a scheme is submitted to the Minister of Transport.

14 s 9(2)(f)(iv)

15

16 You may wish to ask the Commission if they have any further feedback on the ongoing transport revenue and funding reforms for you to consider

Other major projects

Major transport projects

17 The NLTP has now been published and details how the New Zealand Transport Agency (NZTA) intend to deliver the Government Policy Statement on land transport 2024 (GPS). This includes NZTA's work programme on the RoNS.

18 NZTA will be providing monthly reporting on the delivery of the GPS 2024, which will include updates on their 28 major capital projects (including the RoNS and Road of Regional Significance) against their expected budget, milestones, and scope. NZTA will also report on any regulatory or other government-controlled barriers to delivery every six months.

19 s 9(2)(f)(iv)

20

Value capture for major transport proposals

21 The Commission may raise the work that the Ministry of Housing and Urban Development (MHUD) is leading regarding value capture. MHUD is due to provide advice in the coming weeks on enhancements to existing funding tools, such as the Infrastructure Funding and Financing Act 2020, development contributions, and targeted rates.

22

s 9(2)(f)(iv)

Given major transport projects appear to experience challenges with existing funding and financing tools, s 9(2)(f)(iv)

Any other business

- 23 In your previous quarterly catchup meeting with the Commission, you expressed an interest in their report on the equity implications of transport pricing. Since your last meeting, the Commission has published three reports onto their website. The reports touch on:

23.1 **Being transparent** – accountability in publicly funded infrastructure projects.

23.2 **Valuing water** – sustainable water services and volumetric charging.

23.3 **Transport revenue** – toll roads, congestion charges, and investment.

- 24 You may wish to ask if there are any points of note within these recent reports that the Commission wants to discuss with you.

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Biographies



Dr Allan Bollard

Dr Allan Bollard has been the Chair of the Infrastructure Commission since July 2019. He is a Professor of Practice at Victoria University of Wellington and has extensive experiences as a senior public servant. Allan has previously held roles. He has previously held roles as the Executive Director of the Asia Pacific Economic Cooperation (APEC) Secretariat, Governor of the Reserve Bank of New Zealand, and Chief Executive and Secretary to the New Zealand Treasury. He holds a PhD in Economics and an honorary LLD from the University of Auckland.



Geoff Cooper

Geoff Cooper has been the acting Chief Executive of the Infrastructure Commission since July 2024. He has served as the Infrastructure Commission's Strategy General Manager for four years. Geoff is a former Chief Economist for both PwC and Auckland Council, where he worked on infrastructure, housing, regulation and financial policy, including business case development for Auckland's City Rail Link. He holds a Master of Economics with First Class Honours from the University of Auckland and a Master of Public Affairs from Princeton University.

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AGENDA

Subject	Three-monthly meeting: Hon Brown and Infrastructure Commission Chair and CE
Time/ Date	11.30am-12pm, 18 September 2024
Location	Hon Brown's office, Room 5.1 The Beehive
Attending	Hon Simeon Brown Dr Alan Bollard, Chair of InfraCom Geoff Cooper, Acting CE of InfraCom Andy Hagan, GM Delivery, InfraCom Private Secretary, Infrastructure (Hon Bishop's office)

	Item	Responsible
1	Introductions	All
2	Infrastructure system and settings: <ul style="list-style-type: none"> 30-year National Infrastructure Plan <ul style="list-style-type: none"> Timeline for delivery of the NIP and Government response Infrastructure needs analysis Strengthening of the pipeline Infrastructure Priorities Programme Gap analysis System and policy reforms 	Geoff
3	Funding and financing tools for energy and transport infrastructure: <ul style="list-style-type: none"> Update on the PPP policy work programme Water and transport pricing work 	Geoff
4	Sector reforms: <ul style="list-style-type: none"> Water reform Transport revenue and funding reforms <ul style="list-style-type: none"> Transport revenue review 	Minister
5	Other major projects (transport, energy, local government)	Minister
6	Any other business	All

18 September 2024

OC241083

Hon Matt Doocey
Associate Minister of Transport

MEETING WITH THE MARITIME NZ CHAIR – 19 SEPTEMBER 2024

Snapshot

You are meeting with the Maritime New Zealand (Maritime NZ) Chair, Dame Jo Brosnahan, on 19 September 2024. To support you in your meeting, the Ministry of Transport Te Manatū Waka (the Ministry) has incorporated talking points within this Briefing.

Time and date	8:00 – 8:30am, 19 September 2024
Venue	Microsoft Teams
Attendees	Dame Jo Brosnahan, Chair, Maritime NZ Authority Kirstie Hewlett, Chief Executive, Maritime NZ
Officials attending	David Wood, Deputy Chief Executive, Investment and Monitoring Tim Herbert, Acting Manager, Crown Entity Monitoring Marcus Schutenko, Senior Adviser, Crown Entity Monitoring
Agenda	1. Chair update on top-of-mind issues for Maritime NZ 2. Performance Plan, including Section 9 Funding 3. TAIC Maritime Matters 4. Dialogue with Minister on future reporting, including any feedback on reports 5. Board appointments (Chair only)

Contacts

Name	Telephone	First contact
David Wood, Deputy Chief Executive, Investment & Monitoring	s 9(2)(a)	
Tim Herbert, Acting Manager, Crown Entity Monitoring		✓
Marcus Schutenko, Senior Adviser, Crown Entity Monitoring		

Meeting with the Maritime NZ Chair – 19 September 2024

Key points

- You are meeting with Dame Jo Brosnahan and Kirstie Hewlett, Chief Executive of Maritime NZ, on 19 September 2024. Your last meeting was on 21 May 2024 (OC240470 refers). The meeting scheduled for 20 August 2024 was postponed.
- Maritime NZ has suggested the following agenda items for discussion: a Chair update, Performance Plan and key themes for Maritime NZ funding over the next four years (including Section 9 funding), future reporting requirements, and Board appointments (Chair and Ministry only).
- The Ministry also recommends raising matters that will also be raised when you meet the Transport Accident Investigation Commission.
- Talking points are incorporated within this briefing.

Item one: Chair update

- 1 Maritime NZ has indicated that the Chair wishes to provide a verbal update on issues that are top of mind for her. We have not received details on what she intends to discuss.

Item two: Performance Plan,

- 2 The Ministry has been directed to develop a Performance Plan (the Plan) on behalf of the Vote. The intent of the Plan is to outline how we will manage within baselines and highlight any performance challenges for Cabinet's consideration. The Plan itself is based on a perspective template issued by Treasury.
- 3 The final Plan must be agreed by Minister Brown (as the responsible Minister for the Ministry of Transport) and submitted by 7 November 2024. Two check-ins occur before this deadline: a submission on fiscal pressures within the Vote by 12 September, and submission of a draft Plan by 17 October.
- 4 Maritime NZ is not required to develop its own performance plan but has provided information to the Ministry to support development of the Vote Transport Performance Plan. Maritime NZ's response to the first tranche of requests (cost pressure and new spending information) has been received and their response to the second tranche (key impact areas and FTE information) is due to the Ministry by 20 September 2024.

- 5 s 9(2)(f)(iv)

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Item three: TAIC Maritime Matters

- 11 You are meeting with the Transport Accident Investigation Commission (TAIC) at 9:00am on 19 September 2024, soon after the Maritime NZ meeting. TAIC intend to raise two topics, which cover maritime matters, and you may wish to seek an opinion from Maritime NZ to support your conversation with TAIC.

Regulation of recreational boating

- 12 TAIC intends to call for greater regulation of recreational boating following a recent accident. Strengthening the recreational boating environment is one of TAIC six *Watchlist* items, and they previously recommended that the Ministry considers skipper licensing and undertake research on the merits of a system for regulating recreational boating, incorporating licensing, registration, and boat design standards. The Ministry is the recipient of these recommendations as they are policy related, but Maritime NZ would lead the development of any changes to Maritime Rules associated with policy decisions.
- 13 The Ministry is currently working with Maritime NZ to explore the merits of initiatives such as skipper education and a licensing regime. There is currently no timeframe associated with this work. We continue to monitor the effectiveness of the current regime and would work with Maritime NZ on potential future changes.

Notifications of accidents and incidents

- 14 In New Zealand, notifications on accidents and incidents are first required to be notified to the regulator and then to TAIC. TAIC is concerned that not all accident and incidents are being notified to the regulator and there are significant levels of underreporting overall. They have cited the fishing industry as an example. The risks arising from this are that key safety findings are being lost, and there are fewer opportunities to identify if smaller issues are symptomatic of a wider issue that could be prevented.
- 15 The reasons for underreporting are likely to be nuanced. One possible factor is fear of prosecution by the regulators. You may wish to seek Maritime NZ's views on this matter, including how they encourage reporting from participants.

Item four: Future reporting

- 16 Maritime NZ has asked for any feedback on its recent reports such as its 2024/25 SPE and its Quarterly Performance Report for the third quarter of 2023/24 that could help the Authority improve its future performance reporting.
- 17 Key themes from prior feedback, which you could reiterate, relate to the need to adopt a plain-English approach. You could also reiterate the expectations you raised in your Letter of Expectations, which are for Maritime NZ to:
- 17.1 operate in a fiscally sustainable way;
 - 17.2 focus on improving performance in areas of core business;
 - 17.3 continue to develop performance measures that reflect its activity when core business changes; and

- 17.4 adopt a 'no surprises' approach and inform you and the Ministry as soon as practicable when anything changes.
- 18 You could also note that the Government expects continuous improvements from the public sector in terms of performance, and Maritime NZ may wish to consider how they give effect to that for future reporting.
- 19 In the coming months, you will receive Maritime NZ's 2023/24 Annual and 2024/25 Quarter One reports. We expect these to reflect expectations already issued. If there are any areas where performance measures are unlikely to be met, or major impacts to Maritime NZ's financial situation (for example, due to updated cruise visit forecasts), we would expect them to operate on a no-surprises basis and keep you and the Ministry informed *prior* to formal performance reporting.

Item five: Board appointments (Chair only)

- 20 The Chair has indicated that she wishes to discuss the ongoing Board appointment process for the Maritime NZ Authority. You can expect to receive a briefing recommending candidates for interview this week (OC241062 refers).

21 s 9(2)(f)(iv)

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- 24 We suggest that you thank Dame Jo for working closely with the Ministry on the appointment process. You may also wish to discuss any early thoughts about possible candidates in advance of receiving the briefing.
- 25 We expect all appointment and reappointment decisions to be made in November 2024.

24 September 2024

OC241017

Hon Simeon Brown
Minister of Transportcc Hon Nicola Willis
Minister of Financecc Hon Judith Collins KC
Minister for Space

LETTER OF COMFORT TO THE CIVIL AVIATION AUTHORITY

Purpose

Seeks your approval and the approval of the Minister of Finance for a Letter of Comfort (attached as **Appendix One**) to the Civil Aviation Authority (the Authority) Board, to provide assurance that the entity can operate as a going concern for the 2025/26 financial year.

Key points

- In accordance with the financial recommendations for Budget 2024, it was agreed that Joint Ministers (Transport, Finance) would issue a Letter of Comfort to the Board to provide comfort to the Authority that it could operate as a going concern for 2025/26. The financial recommendations were provided to the previous Chair as part of the Budget 2024 Outcome letter attached as **Appendix Two**.
- Since 2021/22, Letters of Comfort (previously known as Letters of Support) have been provided to the Authority's Board to enable it to operate in a financially responsible manner as required by section 51 of the Crown Entities Act 2004. They had also previously been provided to the Maritime New Zealand Board when it was reliant on Crown funding.
- The Authority will be dependent on Crown funding to support delivery of its core functions until it returns to a cost-recovery led funding model. The Board will therefore need to ensure that the Authority acts as a successful going concern i.e. an assumption that the entity will remain in business for the foreseeable future.
- On 9 August 2024, Cabinet agreed to release the consultation document *Civil Aviation Authority of New Zealand Pricing Review*. Public consultation at this time means that the Authority is still expected to complete the review by 30 June 2025 (ECO-24-MIN-0159 refers).
- A Letter of Comfort will respond to Audit New Zealand's request for assurance that the Authority will continue to operate as a going concern enabling it to approve its Annual Report for the 2023/24 financial year. Ministers have made it clear that the pricing review must be completed by 1 July 2025, and the review is still on track to meet this timeframe.

- A letter of comfort covering the period up to 30 June 2026 will provide further assurance of the Crown's support to the Authority's Board in meeting its going concern obligation under the Crown Entities Act 2004.

• s 9(2)(f)(iv)

gradually from 1 July 2025.

• s 9(2)(f)(iv)

- The Ministry of Transport has consulted the Treasury on the draft letter and this briefing. It is supportive of our approach.

Potential risks

We do not believe there is a significant risk in issuing this letter, but for completeness the table below lists potential risks.

Risk	Suggested mitigation from Ministry of Transport
If the Letter of Comfort is not provided, the Authority is of the view that it is unlikely to meet the going concern test for the 2025/26 period and will be unable to approve the annual financial statements for 2023/24.	<p>The 24 July 2023 Letter of Comfort enables the Authority to be treated as a going concern until 30 June 2025. An extension to the 2025/26 period would enable the Authority to meet its requirements under the Crown Entities Act 2004, and to have its 2023/24 Annual Report approved by Audit NZ.</p> <p>Providing the letter to the Board now provides certainty of financial support while the Authority undertakes its current pricing review.</p>
s 9(2)(f)(iv)	

Risk	Suggested mitigation from Ministry of Transport
<div>s 9(2)(f)(iv)</div>	

Recommendations

We recommend you:

1. **sign** the draft Letter of Comfort for the Civil Aviation Authority Board **attached at Appendix One** in accordance with the financial recommendations for Budget 2024. Yes / No
2. **agree** to refer this to Hon Nicola Willis, Minister of Finance. Yes / No
3. **agree** to refer this to Hon Judith Collins KC, Minister for Space. Yes / No

Hon Simeon Brown
Minister of Transport

..... /



David Wood
Deputy Chief Executive,
Investment and Monitoring

Minister's office to complete:

☐ Approved☐ Declined☐ Seen by Minister☐ Not seen by Minister☐ Overtaken by events

Comments

Contacts

Name	Telephone	First contact
David Wood, Deputy Chief Executive, Investment and Monitoring	s 9(2)(a)	
Tim Herbert, Acting Manager, Crown Entity Monitoring		
Emma Petrenas, Senior Advisor, Crown Entity Monitoring		

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**APPENDIX ONE: LETTER OF COMFORT TO THE CIVIL AVIATION AUTHORITY
CHAIR FOR THE 2025/26 FINANCIAL YEAR**

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Hon Simeon Brown

Minister for Energy
Minister of Local Government
Minister of Transport
Minister for Auckland
Deputy Leader of the House



Mark Darrow
Chair
Civil Aviation Authority

s 9(2)(a)

Dear Mark

Letter of Comfort for the 2025/26 Financial Year

This Letter of Comfort is provided to enable the Board of the Civil Aviation Authority (the Authority) to continue to operate on a going concern basis until 30 June 2026.

The Government acknowledges that support may be required until the Authority returns to financial sustainability and remains committed to working with the Board in its endeavour to return the Authority to financial sustainability.

We expect the Authority to work collaboratively with the Ministry of Transport to complete the current funding review with any changes coming into effect by 1 July 2025.

Budget 2024 outcomes

As part of Budget 2024, Cabinet agreed to provide funding during the 2024/25 financial year to maintain the Authority's core statutory, regulatory, compliance and response functions, via the "Civil Aviation Authority and Aviation Security Service – Cost Pressure" appropriation (known as the 'liquidity facility').

The actual liquidity facility funding provided to the Authority in 2024/25, will be the difference between forecast expenditure for its core functions and revenue forecast to be received in 2024/25. In response to the financial recommendations for Budget 2024, the Minister of Transport has agreed that the Authority's expenditure in 2024/25 (the specified amount) be set at \$253.873m. This amount excludes \$5 million which will be held in reserve to respond to unexpected shocks, or until the Minister of Transport is satisfied that the Authority has done everything it can to keep costs under control.

We expect ongoing transparency and discipline around this financial support. The Board has a critical role in monitoring financial performance, which includes continuing to identify opportunities to find cost savings and maximise available capability to meet core statutory and regulatory commitments.

Potential for reserves restoration in 2025/26

We expect this letter is sufficient for the Authority to satisfy obligations under section 51 of the Crown Entities Act, to remain a going concern, and that this will enable you to satisfy Audit New Zealand requirements that the Authority remains a going concern.

This letter is provided for the above purposes only, it is not a guarantee or indemnity and is not otherwise intended to create any legal liability on the part of the Crown or any other person.

Yours sincerely



Hon Nicola Willis
Minister of Finance



Hon Simeon Brown
Minister of Transport

Copy to: Keith Manch, Chief Executive, Civil Aviation Authority
Audrey Sonerson, Chief Executive, Ministry of Transport

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**APPENDIX TWO: CIVIL AVIATION AUTHORITY BUDGET 2024 OUTCOME
LETTER**

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8 May 2024

Janice Fredric
Chair
Civil Aviation Authority I

By email: s 9(2)(a)

Tēnā koe Janice

Outcome of Budget 2024

I am writing to inform you of the outcome of Budget 2024 with respect to initiatives submitted by the Civil Aviation Authority (the Authority). While Cabinet has made final decisions on initiatives that constitute the Budget 2024 package, this information must be kept strictly confidential until it is formally announced on Budget Day, Thursday 30 May 2024.

The focus of Budget 2024 has been taking the first steps towards embedding fiscal discipline within the public service. As part of the Initial Baseline Exercise, Vote Transport was asked to find baseline savings of 7.5% per annum from 2024/25. I thank you for working with the Ministry of Transport to identify opportunities for CAA to contribute to this target. It is important to remember that this is not a one-off exercise and, in line with the letter of expectations which you would have received on 5 March 2024, there is an expectation that further work on achieving value for money will be undertaken ahead of Budget 2025.

Alongside finding opportunities to reduce expenditure, Budget 2024 is also focused on funding critical cost pressures and addressing fiscal cliffs. Please see below for details on initiatives relevant to the Authority that have been agreed by Cabinet for Budget 2024.

Baseline savings initiatives

Cabinet has agreed to the following baseline savings initiatives for the Authority:

Initiative title	Operating funding approved by Cabinet (\$m)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
Civil Aviation Authority Policy Functions - Reduction in Funding	-	(0.158)	(0.118)	(0.096)	(0.096)

As you work through the detailed planning necessary to give effect to these savings, difficult trade-offs or unanticipated impacts may need to be considered and managed. Where trade-offs are likely to have a material impact on Government priorities, please engage with Ministry of Transport

officials in the first instance and ensure that the Minister of Transport is kept informed on a “no surprises” basis.

Additional savings

Cabinet also agreed to return the following tagged contingency:

Initiative title	Operating funding approved by Cabinet (\$m)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & outyears
<i>Transforming the Economic and Research and Development Potential of Our Aerospace Sector Tagged Contingency - Return of Funding</i>	(3.845)	(1.635)	(1.637)	-	-

Initiative title	Capital funding approved by Cabinet (\$m)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & outyears
<i>Transforming the Economic and Research and Development Potential of Our Aerospace Sector Tagged Contingency - Return of Funding</i>	(1.500)	(0.250)	-	-	-

The above tagged contingency was originally provided to enable the Authority and the Ministry of Transport to deliver actions identified in the Enabling Drone Integration package. Cabinet agreed to return the tagged contingency in full while further work is undertaken on options to progress the enabling drone integration package. ^{s 3(2)(f)(iv)}

he Ministry will be in touch with you as this work progresses.

New funding decisions

I am pleased to inform you that beyond the savings outlined above, Cabinet has also agreed to provide the Authority with new Crown funding for the following initiatives:

Initiative title	Operating funding approved by Cabinet (\$m)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & outyears
<i>Civil Aviation Authority and Aviation Security Service – Cost Pressure</i>	(45.013)	88.970	-	-	-
<i>Civil Aviation Authority Health and Safety at Work Act Delegations</i>		2.800*			

* Note that this is funded from the Working Safer Levy rather than the Crown.

Further detail on 'Civil Aviation Authority and Aviation Security Service – Cost Pressure'

Cabinet has agreed to provide further funding to enable the Authority to undertake its core functions during 2024/25 whilst work on the funding review progresses. In respect of this funding the following additional recommendations were agreed:

- 1 **note** that the Civil Aviation Authority (including the Aviation Security Service) (CAA including AvSec) is usually predominantly funded through levies and charges but, since the COVID-19 pandemic, has been reliant on Crown funding to deliver their core functions and will remain so until the implementation of updated revenue settings;
- 2 **agree** that the actual funding provided to the Civil Aviation Authority (including the Aviation Security Service) will be the difference between:
 - 2.1 the actual expenditure for core functions (up to a specified amount); and
 - 2.2 the actual revenue received in 2024/25 up to the total of appropriated funding available within the "Civil Aviation Authority – Core Functions" appropriation (including any funding transferred from the "Protection of Transport Sector Agency Core Functions Multi Year Appropriation");
- 3 **agree**, prior to the finalisation of the CAA's Statement of Performance Expectation 2024/25, the Minister of Transport will set the specified amount referenced in recommendation (2) above;
- 4 **authorise** the Minister of Transport and Minister of Finance (Joint Ministers) to subsequently adjust the specified amount referenced in recommendation (3) above;
- 5 **agree** that Joint Ministers will issue a Letter of Comfort to the Board of CAA to provide comfort to the Civil Aviation Authority to operate as a going concern for 2025/26.

s 9(2)(f)(iv)

I appreciate that decisions to return, scale and / or not fund initiatives will have implications for the Authority's business and future work programme. In particular, I am aware that while the decision to reduce funding for 2023/24 now, in anticipation of expected surplus funding, gives the Authority funding certainty for 2024/25, it does raise funding risks in the current year which will require careful management.

The Ministry will work with you in the first instance to identify and manage these implications. If you have any questions or comments about matters raised in this letter, I am available to discuss these with you or to meet with your Board.

Please also ensure your financial forecasts in the 2024/25 Statement of Performance Expectations are updated as appropriate to reflect the decisions outlined in this letter.

Thank you for the work that your staff have put into the Budget 2024 process, and in particular your collaboration with the Ministry on the Initial Baseline Exercise. I look forward to working with you as

we seek further opportunities to enhance the value of Crown investment, including through the work on your funding review.

Nāku noa, nā

[insert electronic signature image here or delete 'text entry field']

Audrey Sonerson (she / her / Ms)

Hēkeretari o te Manatū Waka | Secretary for Transport
Te Manatū Waka | Ministry of Transport

Copy to Keth Manch, Director of Aviation and Chief Executive, Civil Aviation Authority
|

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25 September 2024

OC241042

Hon Simeon Brown
Minister of Transport**MEETING WITH TURNERS AUTOMOTIVE GROUP****Snapshot**

Turners Automotive Group has sought to meet with you to discuss the complexity of mandatory climate-related disclosures reporting.

Time and date	11.00-11.15am, Friday 27 September 2024
Venue	Auckland Policy Office
Attendees	Todd Hunter, Chief Executive Officer Aaron Saunders, Chief Financial Officer John Roberts, Independent Director
Agenda	Reporting obligations under climate-related disclosures legislation.
Talking points	Attached at Annex One

Contacts

Name	Telephone	First contact
Ruth Fairhall, Deputy Chief Executive Policy Group	s 9(2)(a)	
Nick Paterson, Manager Environment		✓

MEETING WITH TURNERS AUTOMOTIVE GROUP

Background

- 1 Turners Automotive Group (Turners) is New Zealand's largest buyer and seller of vehicles.
- 2 As well as vehicle retail, Turners also offers insurance, consumer and commercial lending (primarily for automotive customers), and credit management services.

We expect Turners to raise concerns about the cost of compliance with mandatory climate-related disclosures

- 3 Under Part 7A of the Financial Markets Conduct Act 2013, around 170 financial market participants¹ are now required to publish an annual climate statement broadly disclosing their emissions, climate risks to their organisation, and their risk management strategy.
- 4 The Minister of Commerce and Consumer Affairs and the Minister of Climate Change are the Ministers responsible for this legislation.
- 5 Mandatory reporting of climate-related disclosures has been introduced to:
 - fix information asymmetries within capital markets by giving investors the information needed to make capital allocation decisions that reflect climate-related risk and emissions intensity.
 - help firms and the New Zealand economy manage climate risk and build resilience.
 - ensure that the effects of climate change are routinely considered in business, investment, lending and insurance underwriting decisions.
- 6 While New Zealand was the first country to pass legislation mandating climate-related disclosures, multiple other countries have now enacted similar laws (including Australia, the European Union, and the United States).
- 7 A firm's disclosure of climate risk, emissions, and a plan to transition to a low-emissions business model is increasingly becoming industry standard. This is

¹ Climate Reporting Entities include:

- All registered banks, credit unions, and building societies with total assets of more than \$1 billion.
- All managers of registered investment schemes (other than restricted schemes) with greater than \$1 billion in total assets under management.
- All licensed insurers with greater than \$1 billion in total assets or annual premium income greater than \$250 million.
- Listed issuers of quoted equity securities with a combined market price exceeding \$60 million.
- Listed issuers of quoted debt securities with a combined face value of quoted debt exceeding \$60 million.
- Authorised Bodies, who are managers of registered schemes and operate under the licence of another manager, where the total assets under that licensee (including assets of all authorised bodies) exceeds \$1 billion.

particularly true for firms borrowing from large financial institutions, firms exporting or firms supplying products to large multinational organisations.

8 Many businesses have recently completed their first annual climate statements since the requirements took effect. General feedback received includes:

8.1 many stakeholders highlighted the value of the process and outputs, particularly larger financial entities who require data on climate risk from borrowers to manage their own risk exposure.

8.2 smaller entities have found the process more challenging with common themes being elevated legal fees driven by directors' duties, or heightened costs associated with the initial reporting cycle. s 9(2)(f)(iv)

9 Officials did expect that costs would be elevated in the initial reporting year, as entities establish new processes and gather new information. Officials expect that, as skills mature and processes become routine, these costs will decrease.

10 Turners has elected to use certain adoption provisions that are available for the first three reporting periods to provide temporary relief from certain disclosure requirements (eg, exemptions from disclosing certain current or anticipated financial impacts).

Turners may also raise the impact of transport policy changes on their business

11 Recent and upcoming policy changes have potential compliance impacts for Turners as a regulated party, or business impacts through changing relative demand for different vehicles.

12 Relevant policy work programmes include:

- review of the vehicle regulatory system,
- changes to the Clean Car Importer Standard's targets,
- s 9(2)(f)(iv)
- reform of the land transport revenue system.

Biographies



Todd Hunter, Chief Executive Officer

Todd was appointed CEO of Turners Auctions in 2013 and took on the CEO role for the wider Turners Automotive Group in 2016. Since 2023, Todd has also served as the Chair of the Financial Services Federation, representing the non-bank lending industry in New Zealand.



Aaron Saunders, Chief Financial Officer

Aaron joined Turners Group NZ in 2006. He has a background in financial and management accounting in both local and international markets.



John Roberts, Independent Director


John Roberts has extensive experience in the financial services industry and advertising, with executive roles with Saatchi & Saatchi in New Zealand and Asia Pacific, and MasterCard in New Zealand. He currently holds directorships for several New Zealand companies.

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Annex 1: Talking Points

MEETING WITH TURNERS AUTOMOTIVE GROUP

Mandatory climate-related disclosures

- The Minister of Commerce and Consumer Affairs and the Minister of Climate Change hold responsibility for the climate-related disclosures regime.
- Minister Bayly and Minister Watts are aware that some climate reporting entities have experienced elevated costs in preparing their initial disclosure, particularly smaller organisations.
- s 9(2)(f)(iv)

- [If Turners highlights legal costs driven by directors' duties]:
 - Ministers are already aware of elevated legal costs that are driven by directors' duties. Ministers are currently working to find a solution to this issue.
- I encourage you to reach out to officials at MfE and MBIE to discuss the issues you are having. Understanding exactly what is causing higher costs is vital to resolving any potential issues.

Other transport policies

- You will be aware that I am progressing a range of priorities in my transport portfolio, including reforming the land transport revenue system and reviewing vehicle regulatory settings to deliver better value for New Zealanders.
- I encourage you to continue engaging with officials, and through the Imported Motor Vehicle Industry Association (VIA), as work on transport regulatory changes progresses.

30 September 2024

OC241118

Hon Simeon Brown
Minister of Transport**MEETING WITH ASP SHIPS****Snapshot**

You are meeting with ASP Ships. This briefing includes information to support your attendance.

Time and date	2.30pm – 3.00pm, 1 October 2024
Venue	EW 5.1
Attendees	David Borcoski – Group Managing Director and Chief Executive of ASP Ships and President of the New Zealand Shipping Federation
Officials attending	N/A
Agenda	<ul style="list-style-type: none">ASP Ships' proposal s 9(2)(b)(ii)The Coastal Shipping Resilience Fund

Contacts

Name	Telephone	First contact
Ruth Fairhall, Deputy Chief Executive, Policy	s 9(2)(a)	
Marian Willberg, Manager, Maritime and Freight		✓

MEETING WITH ASP SHIPS

Key points

- You are to meet with David Borcoski, Group Managing Director and Chief Executive of ASP Ships. Mr Borcoski is also the President of the New Zealand Shipping Federation (NZSF).
- The key item for discussion is ASP Ships' proposal s 9(2)(b)(ii) ASP Ships' original proposal was presented to Ministers in 2022 following the closure of the Marsden Point oil refinery, but it did not proceed further.
- Mr Borcoski met with Hon Shane Jones in May 2024 to discuss ASP Ships' proposal and its potential to strengthen fuel security and shipping resilience in New Zealand. We also understand that he has a strong interest in the Coastal Shipping Resilience Fund. To support this discussion, we have provided background information on:
 - ASP Ships and NZSF
 - ASP Ships' proposal s 9(2)(b)(ii)
 - The Coastal Shipping Resilience Fund.

Background information on ASP Ships and NZSF

- 1 ASP Ships provides services to the global maritime industry including ship management, technical support for purchasing or upgrading ships and crew management.
- 2 ASP Ships emerged from the Australian maritime sector around 60 years ago. Its global business is managed from Singapore with the Melbourne office coordinating activities in Australia, New Zealand, Papua New Guinea and the Pacific Islands.
- 3 NZSF was established in 1906 and is a major representative body for New Zealand's coastal ship operators. In addition to the Interislander and Bluebridge ferries, members include Chatham Island Shipping, Coastal Bulk Shipping, Holcim Cement, Pacifica Shipping and Silver Fern Shipping (a subsidiary of ASP Ships).
- 4 NZSF recently presented its proposals for coastal shipping reform to Hon Matt Doocey, which were discussed on 4 September 2024. NZSF's proposals covered three broad areas: legislative reform, regulatory reform and training and workforce reform.

ASP Ships presented a proposal in 2022 s 9(2)(b)(ii)

- 5 In March 2022 ASP Ships wrote to the previous Minister of Transport regarding impacts from the closure of the Marsden Point oil refinery on the coastal tankers MT Matuku and MT Kokako. At the time, the tankers were operated by Silver Fern Shipping and time chartered to Coastal Oil Logistics – a joint venture company owned by Z Energy, Mobil Oil and BP. They were utilised by oil companies to distribute refined oil products from the Marsden Point oil refinery to oil terminals at ports south of Auckland. This ceased with the refinery's closure in April 2022.

6 In its 2022 proposal, ASP Ships stated that s 9(2)(b)(ii)

7 ASP Ships proposed that s 9(2)(b)(ii)

8 The proposal was subsequently discussed with other Ministers, who decided not to proceed further.

ASP Ships is looking to discuss s 9(2)(b)(ii)

9 Mr Borcoski met with Hon Shane Jones in May 2024. We understand that this discussion focussed on ASP Ships' 2022 proposal s 9(2)(b)(ii). We also understand there were no agreed actions resulting from the meeting.

10 Mr Borcoski wishes to discuss this proposal with you. You may wish to ask for his views on how to strengthen fuel security and supply chain resilience in New Zealand.

11 You may also wish to note that the government is undertaking a comprehensive work programme to bolster New Zealand's fuel security, which includes commissioning a study into New Zealand's fuel security requirements. The Ministry of Business, Innovation and Employment will also seek the public's views on what the level of cover should be for New Zealand's diesel stock, and options for achieving that, through a discussion paper later this year.

ASP Ships has a particular interest in the Coastal Shipping Resilience Fund

12 We understand that Mr Borcoski has a particular interest in the Coastal Shipping Resilience Fund (the Fund) announced as part of the final Government Policy Statement on Land Transport 2024.

13 s 9(2)(f)(iv)

14

15

Biographies



David Borcoski – Group Managing Director and Chief Executive of ASP Ships

David has spent the past 30 years working in senior commercial, executive and board roles within the international shipping and marine Logistics industry.

David is the majority owner of the ASP Ships Group of companies. He built it into a global shipping and marine logistics business, with a mix of marine commercial and service businesses positioned across Asia, Europe, Australia and New Zealand. He is also the President of the New Zealand Shipping Federation (since June 2022).

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7 August 2024
Hon Simeon Brown
 Minister of Transport

OC240907
Action required by:
 Monday, 12 August 2024

UPDATES TO NEW ZEALAND'S ROAD SAFETY OBJECTIVES 2024-2027

Purpose

Provide an updated draft New Zealand Road Safety Objectives document (objectives document) that incorporates your feedback to allow Ministerial and Departmental consultation to begin on Tuesday, 13 August 2024.

Key points

- On 30 July 2024, your office provided feedback on the objectives document. Annex 1 sets out the feedback provided and our proposed changes to the document.
- We have also proposed changes throughout the objectives document to tighten wording and reflect updated timelines and information. For example, changes to when the oral fluid testing regime is being enacted and updated timelines for implementation of actions in the new Setting of Speed Limits Rule 2024.
- A final draft objectives document and a version with tracked changes is attached to this briefing. The draft Cabinet paper remains unchanged and can be found in Annex 4.

Next steps

- An updated timeline for next steps is set out below. If you are comfortable with the objectives document, you could progress to Ministerial and Departmental consultation and aim to go to the Cabinet Economic Policy Committee on 11 September 2024. After Cabinet, we will work with your office on publication timelines.

Timeframe	Milestone
13 August – 20 August	Departmental and Ministerial consultation
28 August or 4 September	Final Cabinet paper to your Office
29 August or 5 September	Lodge Cabinet paper with Cabinet Office
11 September ¹	Cabinet Economic Policy Committee
16 September	Cabinet approval

¹ Note, Cabinet Economic Policy Committee is not meeting on the week of 2 September 2024.

Recommendations

We recommend you:

- 1 **note** the changes made to the Road Safety Objectives document in response to feedback from your office Yes / No
- 2 **indicate** whether any further changes are required
- 3 **agree** to begin Departmental and Ministerial consultation on 13 August 2024 on the attached draft Cabinet paper and New Zealand Road Safety Objectives document. Yes / No



Paul O'Connell
Deputy Chief Executive, Sector
Strategy

7/08/2024

Hon Simeon Brown
Minister of Transport

..... / /

Minister's office to complete:

- ☐ Approved
 ☐ Declined
☐ Seen by Minister
 ☐ Not seen by Minister
☐ Overtaken by events

Comments

Contacts

Name	Telephone	First contact
Paul O'Connell, Deputy Chief Executive, Sector Strategy	s 9(2)(a)	✓
Joanna Heard, Manager, Safety		

s 9(2)(g)(i)

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Annex 2, 3 and 4 are refused under section 18(d) as the documents are available on the Ministry website:

Final Cabinet paper - https://www.transport.govt.nz/assets/Uploads/Releasing-the-Road-Safety-Objectives-Documents_Redacted.pdf

Road Safety Objectives Document - <https://www.transport.govt.nz/about-us/news/government-releases-new-zealands-road-safety-objectives>

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2 September 2024

OC240998

Hon Simeon Brown
Minister of Transport

MEETING WITH CATH HANDLEY ON WAIHEKE ISLAND ISSUES

Snapshot

You are meeting with the Chair of the Waiheke Island Local Board (the Board) to discuss the Government's transport priorities and the Board's priorities (predominantly passenger ferry affordability and reliability).

Time and date	11.00am - 11.15am, Thursday 5 September 2024
Venue	TBC, Waiheke Island/APO
Attendees	Cath Handley, Chair, Waiheke Island Local Board – other board members and National Party candidate Mahesh Muralidhar TBC.
Officials attending	No
Agenda	Introductions Issues with reliable and affordable ferries
Talking points	Yes – attached as Annex One

Contacts

Name	Telephone	First contact
Nick Paterson, Manager, Environment	s 9(2)(a)	✓
Ruth Fairhall, Deputy Chief Executive, Policy Group		

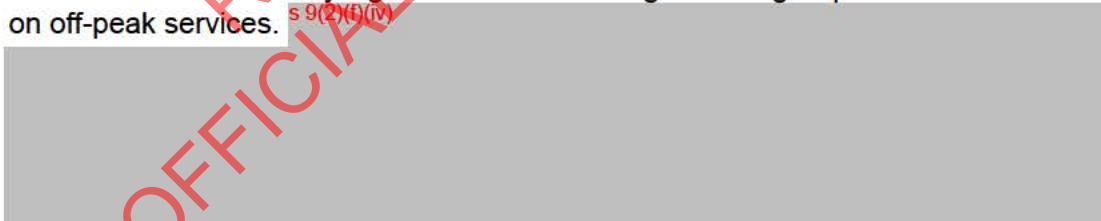
MEETING WITH CATH HANDLEY ON WAIHEKE ISLAND ISSUES

Background information

- 1 Waiheke Island is unique in having strong economic and social ties to Auckland without having a road or contracted public transport connection to the rest of Auckland.
- 2 In writing to you, the Board shared its 2023 Waiheke Local Board Plan.
- 3 Waiheke Island strongly prioritises environmental initiatives. The Island is far ahead of New Zealand in electric vehicle (EV) ownership per capita. In 2022 Waiheke Island's fleet was 12% electric compared to 1% for the rest of the country. The Island was the first adopter of electric buses in Auckland (run by AT) and has had electric rubbish trucks since 2020.

Ferry connectivity to Waiheke

- 4 Waiheke Island residents have long-standing negative perceptions of the cost and quality of the Fullers passenger ferry services they are dependent on to reach Auckland.
- 5 The ferry company Island Direct began service in November 2023. This reintroduced direct competition on the primary Auckland – Matiatia Pier ferry route, which had been operated solely by Fullers since 2016. Island Direct's fares are similar to Fullers.
- 6 SeaLink is the only car ferry service to Waiheke Island. We are not aware of many local complaints directed at the SeaLink service as compared to Fullers passenger services.
- 7 Island Direct has recently signed a contract to begin offering SuperGold concessions on off-peak services. s 9(2)(f)(iv)



Biography



Cath Handley, Chair, Waiheke Island Local Board

Chair of Waiheke Island Local Board since 2018, Cath has had a long career in various leadership roles, with major multi-sector experience.

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Annex One Talking points

- Thank you for sharing the Waiheke Local Board Plan 2023.
- Island Direct getting access to the SuperGold scheme from 1 July 2024 was important to give Waiheke residents more travel choices and support competition between Waiheke ferry operators. I expect my officials will continue to monitor SuperGold to maintain the level playing field between the operators in the scheme.
- This Government is committed to meeting existing emissions targets including net zero by 2050.

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