

OC220742

3 October 2022

s 9(2)(a)

Tēnā koe s 9(2)
(a)

I refer to your email dated 1 August 2022 in which you requested the following under the Official Information Act 1982 (the Act):

“Under the Official Information Act 1982, I request a copy of all advice, reports, briefings, etc. that the Ministry of Transport provided to the Minister of Transport in July 2022.”

On 25 August 2022 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 consultations.

We also advised you that in order to process your request more efficiently, we had separated it into two parts and would respond to each part separately. This is our part two response and addresses the “advice, reports, briefings etc that the Ministry of Transport provided to the Minister of Transport in July 2022”. Our response is detailed below.

There were 50 documents in scope of your request:

- one is released in full
- 27 are released with some information withheld
- 15 are withheld (eight of which also have their titles withheld)
- six are refused and
- one is not provided as a decision on that paper was given to you in a previous Minister of Transport response (reference OIA22-436/OC220572).

As noted above, I am withholding the titles of eight documents. Both the titles and the contents of these documents remain under active consideration, therefore no further detail about these papers has been provided to you in this response.

Please note your name has been withheld from briefing titles regarding several Official Information Act requests you have made. Normally this information would not be redacted when providing it to you. However, as these reports are being prepared for release for more than one Official Information Act request, we have not unredacted your name.

The following sections of the Act have been used:

6(a)	as release would be likely to prejudice the security or defence of New Zealand or the international relations of the New Zealand Government
6(c)	prejudice the maintenance of the law, including the prevention, investigation, and detection of offences, and the right to a fair trial
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)(ii)	to maintain the constitutional conventions for the time being which protect collective and individual ministerial responsibility
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
9(2)(h)	to maintain legal professional privilege
9(2)(j)	to enable a Minister of the Crown or any public service agency or organisation holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)
18(d)	the information requested is or will soon be publicly available

The above information is detailed in the document schedule attached as Annex 1.

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 website. Before publishing we will remove any personal or identifiable information.

Nāku noa, nā



Hilary Penman
Manager, Ministerial Services

Annex 1 - Document Schedule

Doc #	Reference number	Title of Document	Decision on request
1	OC210830	Initial Advice on a Vehicle Standards Work Programme	Released with some information withheld under Sections 9(2)(a), 9(2)(f)(iv) and 9(2)(h).
2	OC220418	Proactive release of Budget 2022 Vote Transport advice	Released with some information withheld under Sections 9(2)(a), 9(2)(b)(ii), 9(2)(f)(ii), 9(2)(f)(iv) and 9(2)(j). The release documents are refused under Section 18(d) and are available at: www.transport.govt.nz/assets/Uploads/Budget-2022-Information-Release.pdf
3	OC220429	Tackling Unsafe Speeds - Establishment of Speed Management Committee	Released with some information withheld under Section 9(2)(a).
4	OC220455	Official Information Act Request from ^{s 9(2)(a)} [redacted] for Advice from April 2022	Released with some information withheld under Sections 6(a), 9(2)(a), 9(2)(b)(ii), 9(2)(f)(iv) and 9(2)(g)(i).
5	OC220467	Chatham Islands Ship Replacement- Authorisation to Access Contingency Funding for Required Maintenance	Released with some information withheld under Sections 9(2)(a), 9(2)(b)(ii), 9(2)(g)(i) and 9(2)(i).
6	OC220479	Taking Action on Fuel Prices – Proposed Release of Email Communication and Two-Month Extension Material (“Tranche Three”)	Withheld under Section 9(2)(f)(iv).
7	OC220485	Auckland Light Rail Board - Longlist for Member Positions	Refused under Section 18(d). This briefing is scheduled to be published on the Ministry's website in a planned proactive release of Auckland Light Rail documents by the end of October 2022.
8	OC220502	Te Manatū Waka Ministry of Transport's Final Long-Term Insights Briefing	Released in full.
9	OC220512	Official Information Act request from ^{s 9(2)(a)} [redacted] Regarding a	Released with some information withheld under Section 9(2)(a).

Doc #	Reference number	Title of Document	Decision on request
		Letter Reference in WPQ 16751 (2022)	
10	OC220516	Meeting with the Civil Aviation Authority Chair and Deputy Chief Executive – 6 July 2022	The decision on this paper was provided in a previous Minister of Transport response - reference OIA22-436/ OC220572.
11	OC220518	Update on GPS 2024 Development	Released with some information withheld under Sections 9(2)(a) and 9(2)(f)(iv).
12	OC220528	Meeting with Electromotiv on Transitioning to Zero Emissions Public Transport	Released with some information withheld under Section 9(2)(a).
13	OC220535	Introductory Briefing - Transport Security and Resilience	Released with some information withheld under Sections 6(a), 6(c), 9(2)(a) and 9(2)(f)(iv).
14	OC220536	Delegated Board Appointments - Your role as Associate Minister	Released with some information withheld under Sections 9(2)(a) and 9(2)(f)(iv).
15	OC220537	Briefing to the Incoming Associate Minister	Refused under Section 18(d) as the document is publicly available and can be found here: www.transport.govt.nz/assets/Uploads/BI-M-Hon-Kieran-McAnulty-Transport-MoT.pdf
16	OC220540	Proactive Release of the Transport Emissions Reduction Plan Cabinet Paper and Supporting Material	Released with some information withheld under Sections 9(2)(a) and 9(2)(g)(i). The annexes are refused under Section 18(d) as they are publicly available and can be found here: https://www.transport.govt.nz/area-of-interest/environment-and-climate-change/climate-change/ https://www.transport.govt.nz/area-of-interest/environment-and-climate-change/climate-change/
17	OC220545	Official Information Act from s 9(2)(a) re Accessible Streets	Released with some information withheld under Sections 9(2)(a) and 9(2)(f)(iv).

Doc #	Reference number	Title of Document	Decision on request
18	OC220546	Targeted Consultation on Clean Vehicle Standard Regulations	Released with some information withheld under Sections 9(2)(a), 9(2)(f)(iv) and 9(2)(h).
19	OC220551	Official Information Act from s 9(2)(a) re Auckland Light Rail	Released with some information withheld under Section 9(2)(a).
20	OC220552	New Zealand Freight And Supply Chain Issues Paper Te Rautaki Ueā Me Te Rautaki Whakawhiwhinga O Aotearoa Summary of Public Submissions	Refused under Section 18(d) as it will soon be publicly available. The document will be available on this page: www.transport.govt.nz/area-of-interest/freight-and-logistics/new-zealand-freight-and-supply-chain-strategy/
21	OC220555	Taking Action on Fuel Prices - Instruments Extending the Temporary Measures Until 31 January 2023	Refused under Section 18(d) as it will soon be publicly available. The document will be available on this page: www.transport.govt.nz/area-of-interest/revenue/rates-of-petrol-excise-duty-and-road-user-charges/
22	OC220562	2022/23 Estimates Post Hearing Questions	Released with some information withheld under Section 9(2)(a). The document attached to the briefing is refused under Section 18(d) and can be found here: www.parliament.nz/resource/en-NZ/53SCTI_EVI_123937_TI2768/4f7fcb15d363abf9d2d2eb0e5ccd8cff3d7ff08a
23	OC220569	North Shore Airport Authority Status Decision - Risks and Proposed Letter	Released with some information withheld under Sections 9(2)(a), 9(2)(h) and 9(2)(g)(i).
24	OC220574	Official Information Act Request from s 9(2)(a) Regarding Let's Get Wellington Moving Papers	Released with some information withheld under Section 9(2)(a).
25	OC220575	Strengthening System Performance Through Effective Crown Monitoring - Your Guide as an Incoming Associate Minister	Released with some information withheld under Sections 9(2)(a), 9(2)(f)(iv) and 9(2)(g)(i).

Doc #	Reference number	Title of Document	Decision on request
26	OC220579	Advice to Support Your Meeting with Greater Wellington Regional Council and Horizons Regional Council on 22 July 2022	Withheld under Section 9(2)(f)(iv).
27	OC220582	Further advice on Auckland Council's proposal to Vary the Regional Fuel Tax Scheme	Withheld under Section 9(2)(f)(iv).
28	OC220583	Advice on Excessive Vehicle Noise	Withheld under Section 9(2)(f)(iv).
29	OC220590	Transport Regulatory Work Programme Update June 2022	Released with some information withheld under Sections 6(a), 9(2)(a), 9(2)(f)(iv) and 9(2)(g)(i).
30	OC220594	Meeting with Barney Koneferenisi on Total Mobility Issues	Released with some information withheld under Sections 9(2)(a) and 9(2)(f)(iv).
31	OC220595	The Civil Aviation Bill - Background and Preparation for Second Reading	Released with some information withheld under Sections 9(2)(a), 9(2)(f)(iv) and 9(2)(g)(i).
32	OC220597	Proactive Release of The Let's Get Wellington Moving - Transformational Programme- Preferred Option Progress And Mass Rapid Transit Funding Principles Cabinet Paper And Associated Cabinet Minute	Released with some information withheld under Sections 9(2)(a) and 9(2)(g)(i). The documents being proactively released are refused under Section 18(d) as they will soon be available on the Ministry's website.
33	OC220602	Auckland Light Rail Board- Longlist for Member Positions - Part Two	Refused under Section 18(d). This briefing is scheduled to be published in a planned release of Auckland Light Rail documents by the end of October 2022.
34	OC220604	Meeting with Debbie Francis, Chair, Air Navigation System Review Panel	Released with some information withheld under Section 9(2)(a).
35	OC220610	Draft Government Response to Rautaki Hanganga o Aoteroa, the New Zealand Infrastructure Strategy	Released with some information withheld under Section 9(2)(a).

Doc #	Reference number	Title of Document	Decision on request
36	OC220612	Meeting with the Waka Kotahi NZ Transport Agency	Released with some information withheld under Sections 6(a), 9(2)(a), 9(2)(f)(iv) and 9(2)(j).
37	OC220613	Quantity of Petrol and Diesel Distributed Since 2018	Released with some information withheld under Section 9(2)(a).
38	OC220614	Reshaping Streets - Draft Street Layouts Rule	Refused under Section 18(d) as it will soon be publicly available on the Ministry's website.
39	OC220616	Meeting with the Aotearoa Collective for Public Transport Equity	<p>Released with some information withheld under Sections 9(2)(a) and 9(2)(f)(iv).</p> <p>Annex 2 and Annex 3 are refused under Section 18(d) as they are publicly available and can be found here:</p> <ul style="list-style-type: none"> Waka Kotahi submission: www.parliament.nz/resource/en-NZ/53SCPET_EVI_121162_PET2942/f113e7436e24a5683bdf_f5a9f4deae28ee8d3fc8 Te Manatū Waka submission: www.parliament.nz/resource/en-NZ/53SCPET_EVI_121162_PET2855/95a0a457ca8822b4fc5a1b3a6bace9e373918ae8
40	OC220627 / 2223-0155	Final Policy Decisions on Regulations to Support the Implementation and Administration of the Sustainable Biofuels Obligation	Withheld under Section 9(2)(f)(iv).
41	OC220635 / 2122-5009	Advice on the Scope and Progress of a Mandatory Energy End-Use and Greenhouse Gas Emissions Reporting Scheme for Large Energy Users	Withheld under Section 9(2)(f)(iv).
42	OC220645	Further Information on Congestion Charging	Withheld under Section 9(2)(f)(iv).

Hon Michael Wood
Minister of Transport

Action required by:
Monday, 25 July 2022

INITIAL ADVICE ON A VEHICLE STANDARDS WORK PROGRAMME

Purpose

Proposes an approach to the vehicle standards work programme, with an initial focus on a review of the regulatory framework for management of vehicle characteristics.

Key points

- Our least-safe vehicles disproportionately influence the rate of deaths and serious injuries (DSIs) on our roads. This burden of road trauma is substantial and avoidable.
- Raising standards at entry is one of our most important levers for managing our vehicle fleet, whether for safety or environmental objectives. However, our current vehicle standards regulatory framework has major limitations because it is prescriptive, does not align with our international obligations, and is costly to administer and update.
- Substantial modernisation of our framework is required to ensure we are well-placed to respond to expected disruptive changes in the vehicles sector, across the environmental, safety, and innovation domains.
- Work already underway to lessen the environmental impact of our vehicle fleet is expected to improve vehicle safety by reducing the entry and increasing the exit of less-safe vehicles from the fleet. However, it is difficult under the current system to simultaneously progress the Rule updates required to ensure our fleet's safety features keep pace with other jurisdictions.
- We propose to review our wider vehicle standards regulatory framework to consider appropriate system design, international harmonisation, and how our entry requirements can more efficiently keep pace with new vehicle features. We consider this revised approach will be more beneficial than solely prioritising incremental change responding to individual emerging technologies. If you agree, we will provide further advice by the end of October 2022 on key issues and options for a review of our system design.
- **s 9(2)(f)(iv)**
We will also progress vehicle safety work that is not directly impacted by the environmental work programme or a review of our regulatory framework. In due course, you will receive advice on improvements to the vehicle inspection, roadworthiness, and repair (IRR) systems, workforce planning for the automotive safety sector, and reviewing the liability regime for highly automated vehicles.

Recommendations

We recommend you:

- 1 **agree** that Te Manatū Waka report back to you in October 2022 on next steps for a first-principles review of the vehicle standards regulatory framework [paragraphs 22–30 refer] Yes / No
- 2 **agree** that Te Manatū Waka and Waka Kotahi, as a priority, report back to you s 9(2)(f)(iv) Yes / No
- 3 **note** that Te Manatū Waka will provide further advice on work required to address gaps in our framework related to liability for crashes involving more highly automated vehicles [paragraphs 46–49 refer].



Matt Skinner
Manager Mobility and Safety

06 / 07 / 2022

Hon Michael Wood
Minister of Transport

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Minister's office to complete:

☐ Approved

☐ Declined

☐ Seen by Minister

☐ Not seen by Minister

☐ Overtaken by events

Comments

Contacts

Name	Telephone	First contact
Morgan Watkins, Senior Adviser Mobility and Safety	s 9(2)(a)	
Matthew Skinner, Manager Mobility and Safety	s 9(2)(a)	✓

INITIAL ADVICE ON A VEHICLE STANDARDS WORK PROGRAMME

The Government is working towards a future where no one is killed or seriously injured on New Zealand roads

1. Road to Zero targets a 40 percent reduction in deaths and serious injuries (DSIs) by 2030. It is based on a 'Safe System' philosophy, which recognises that human beings are vulnerable, they make mistakes, and crashes are inevitable.
2. Safe vehicles are one of the pillars of a Safe System, because improving fleet crashworthiness and implementing driver assist technologies can reduce the incidence and consequences of crashes for those in vehicles and around them.
3. There is significant variation between the level of safety offered by different vehicles in our fleet, depending on design, construction, and consumer preferences. Despite being 42 percent of the fleet, vehicles with a poor crashworthiness rating (1- or 2-stars) are involved in 52 percent of DSIs on our roads. Less crashworthy vehicles impose disproportionate, substantial, and ultimately avoidable costs on society. It is also likely the burden of road trauma from less-safe vehicles falls more heavily on more disadvantaged households.
4. Our current modelling indicates that around 15 percent of the 2030 DSI reduction target can be achieved by phasing out less safe vehicles from the existing fleet, representing a potential 196 DSIs avoided per year and an overall social benefit as high as \$300 million per year.

The wider transport work programme relating to vehicle standards is expected to support both environmental and safety objectives

5. In the Road to Zero Action Plan 2020–2022 (Action Plan), the Government committed to raise the safety performance of vehicles in the New Zealand fleet by:
 - 5.1. identifying the newest safety technologies that will have the greatest safety benefit, and to examining all options to increase the uptake of these technologies into the fleet; and
 - 5.2. investigating the warrant and certificate of fitness regimes to ensure they remain fit-for-purpose for our future road safety requirements.
6. We met with you in February 2022 to discuss a programme of work to raise entry standards by requiring imported vehicles to have more modern safety features. There are specific safety features we think are good candidates for mandating in vehicles entering the fleet (such as automatic emergency braking and lane keeping assistance), and exploratory work is underway to support future legislation.
7. There is work underway across the wider transport sector that will influence which vehicles enter our fleet. For example, initiatives incentivising the uptake of low- and zero-emissions vehicles include:
 - 7.1. the Clean Vehicle Discount scheme;
 - 7.2. work currently underway to adopt Euro 6/VI vehicle emissions standards [OC220137 and OC220379 refer]; and
 - 7.3. for low-income households, a social leasing scheme and an equity-oriented vehicle scrap-and-replace scheme.

8. Changes like these which progress the Emissions Reduction Plan (ERP) will have benefits for vehicle safety because lower emission vehicles are often newer and relatively safer. Beyond vehicle standards, the ERP can also reduce the contribution of less-safe vehicles to road trauma through its actions to reduce reliance on vehicles and support people to use public transport, because buses and trains are among the safest forms of transport in New Zealand.
9. Where policy design encourages safety when prioritising emissions, progressing the ERP will have a positive safety impact on our vehicle supply. We are seeking to quantify these overlapping impacts now and we intend this information to support relevant changes, for example the adoption of Euro 6/VI emissions standards.

We propose to modernise our vehicle standards regulatory framework to support innovation, promote safety and lessen environmental impact

10. The vehicles regulatory framework is not well set up for the approach envisioned by the original Action Plan or modern vehicle production. We are therefore proposing to progress a general review of our approach to vehicle standards to encourage a shift to a more standards-based, outcomes-focussed approach. This will support your objectives across a range of vehicle standards issues and facilitate innovation, promote safety, and lessen environmental impact.
11. Entry standards are our most significant supply-side intervention that impacts what choices consumers can make. Our small market means we have limited influence on the kinds of vehicles that are manufactured and available for import. We have not historically intervened at other points in the vehicle life cycle because it is difficult and can be costly. We do not consider consumer preferences will sufficiently impact demand for safety features in vehicles entering the fleet by 2030.
12. More information about the tools we currently use to manage the fleet is available at Appendix One.

Our current system of Rules is prescriptive and slow to adapt

13. Our vehicle standards regulatory framework was designed for when New Zealand manufactured vehicles. We no longer manufacture vehicles at scale and being prescriptive has limited benefit given we cannot influence vehicles being manufactured in other jurisdictions. At the extremes, unnecessary prescription can mean functional, safe vehicle features are not compatible with our framework. Moving to a focus on outcomes is needed.
14. While adopting the present Rules system was intended to be flexible, our experience has been that the administrative and time costs of maintaining the system are high. We often react much later than overseas jurisdictions, and when we act the process for mandating new features is challenging within the regulatory framework, taking a lot of time and resource.
15. For example, comparatively simple updates to the Rules to mandate antilock braking systems (ABS) on motorcycles took nearly two years of consultation and policy work despite:
 - 15.1. having a benefit-cost ratio ranging between around 38.7 and 45.7;
 - 15.2. modelling indicating about 10 percent of the 2030 target would be achieved by requiring ABS on motorcycles;
 - 15.3. there being a model Rule in Australia, our closest comparator market; and

- 15.4. our analysis indicating the change would have only limited supply issues for motorcycles, primarily in parts of the used motorcycle market.
16. This level of complexity is unsustainable, especially as the frequency and volume of vehicle feature changes that we may wish to regulate for is increasing. Updating standards on an ad hoc basis is likely to result in only temporary relative enhancements for vehicle quality, as the features we mandate continue to evolve and foreign regulators increasingly exceed the standards we set. A change in approach is needed to minimise administrative burden, encourage closer regulatory alignment with leading international markets, and promote domestic regulatory stewardship.

s 9(2)(f)(iv)

17. s 9(2)(f)(iv)

18. s 9(2)(f)(iv)

The automotive industry is changing quickly, and we are missing out on the benefits of new vehicle features by importing older vehicles

19. The nature of the vehicle market is being disrupted by a move to low and zero emission vehicles, and the most modern vehicles are increasingly automated. Increased uptake of these advanced features will significantly alter what vehicles and technologies are available for import, and policy responses will need to influence the kinds of vehicles New Zealanders buy.
20. When our standards are below those of leading international markets, we typically continue to import vehicles that our comparator countries will no longer accept.
21. Once a lower quality vehicle enters our fleet, we lose much of our ability to influence significant further improvements in standards for that vehicle. Experience has told us that retrofitting safety features is often not economic at a fleet level. This leads to substantial path dependency in the quality of lower-end vehicle supply because purchasing decisions made today will likely affect the fleet for two decades or more. Because vehicle price correlates with age, vehicles bought today are those likely to be driven by less more disadvantaged households in the future.

We propose to modernise our regulatory system to ensure it remains fit-for-purpose

22. It is difficult under the current system to simultaneously progress the Rule updates required to ensure our fleet's safety features keep pace with other jurisdictions, and the Rule changes needed to implement the ERP. However, the work in the emissions reduction space presents an opportunity to consider a more strategic approach to vehicle standards as a whole and ensure that technological bundling between safety features and environmental mitigation is deliberately encouraged and maintained.

23. We propose to progress a general review of our vehicle standards regulatory framework to encourage a shift to a more 'standards-based, outcomes-focussed' approach. We intend to ensure that the vehicle standards system is understandable, fit-for-purpose, and well-placed to respond to future trends while minimising costs to the public, government, and industry. The review would be wide-ranging and on a first-principles basis.
24. Our work will consider what is suitable and necessary to ensure that the regulatory system is able to respond well to changing international regulation and emerging technology. Given our position as a 'standards taker', a key interest for us is ensuring that regulatory change processes are proportionate and fit for purpose, as they are presently too onerous to maintain effective harmonisation with our comparator markets, even for minor matters.
25. If you agree, we will report back to you in October 2022 on the following matters:
- 25.1. analysis of the expected safety impacts of the ERP, in the context of safety impacts originally envisaged by Road to Zero;
 - 25.2. the extent of existing technological bundling between safety features and environmental mitigation, and the extent of any identifiable gaps in bundling;
 - 25.3. sector views on the vehicle market and vehicle regulation (at entry and in service);
 - 25.4. an update on work underway to prepare for the adoption of new safety features;
 - 25.5. high-level options for change to the regulatory framework which minimise administrative burden and encourage closer regulatory alignment with leading international markets and our international obligations; and
 - 25.6. taking the above into account, and our available resourcing, the proposed scope and timing for our work.
26. At this stage, we know a review would need to consider at least the following issues to respond to the barriers we currently experience:
- 26.1. potential for Rules consolidation, to ensure greater simplicity and accessibility and avoid unnecessary prescription;
 - 26.2. the need for streamlined review processes for minor and technical updates that do not raise substantive policy issues;
 - 26.3. appropriate processes and governance to ensure domestic requirements remain harmonised with international developments.

Once we have updated the regulatory framework for vehicles, we may need to consider which standards and features to adopt

27. Refining the regulatory framework is the first step in a wider programme of vehicle standards work. Increased efficiency will save resources by enabling streamlining of Rules updates where appropriate. The reform will support all aspects of vehicle standards work, including the wider advanced vehicles work programmes. We also seek opportunities to reduce administrative burden for the sector when dealing with vehicle compliance matters.
28. Once the framework has been reviewed and updated, we will have a clear approach for adopting new standards for entry of vehicles.

29. As part of the review and update, it will be necessary to decide on the path we take to catch up to comparator jurisdictions. While it is likely possible to make some changes through the review s 9(2)(f)(iv)

another possibility is that a second phase of implementation would follow the review where we advise you which specific safety features should be required in the New Zealand fleet. This second phase also may differentiate between what is required to progress safety for light and heavy vehicles.

30. In either case, exploratory work for adopting new standards continues, building on existing work under Road to Zero. This exploratory work will support us to provide the following information when we advise you on specific features or standards for adoption:

- 30.1. leading markets' approaches to mandating the feature;
- 30.2. feature uptake in the existing fleet and incoming vehicles, with forward projections for the most significant features; and
- 30.3. the equity and te ao Māori implications of mandating more modern safety features, and potential avenues for mitigation of adverse impacts (such as evolution of the scrap-and-replace and social leasing schemes).

Our proposal will make sure the basics are right, and that Government is well-placed to act decisively in the medium term in a unified, responsive, and futureproof way

31. Our approach will mean taking more time to get basic settings right, but it will not necessarily mean taking more time to make changes to features we require on our fleet. This is critical, as taking more time to influence fleet features means more lives lost and life-altering injuries suffered unnecessarily. More time to consider basic settings means we can:

- 31.1. more fully consider the impact and extent of 'technological bundling' between cleaner and safer vehicles;
- 31.2. more easily signal our regulatory intentions to the market and public, further in advance of (updated or consolidated) Rules coming into force;
- 31.3. properly model the costs and benefits of interventions, and more accurately assess the early results of equity-based interventions under the ERP;
- 31.4. once the framework is updated, progress ambitious regulatory improvements much more efficiently, potentially so quickly that there may not be any delay relative to working through the current system.

We recommend progressing certain matters alongside a review of the regulatory framework

32. There remains a need to progress other work to improve the safety of vehicles in the fleet, as these areas are necessary but will not as readily benefit from the uplift in vehicle quality caused by the environmental work programme.

s 9(2)(f)(iv)

We will reconnect with our partners in other jurisdictions, such as Australia, and international organisations

36. Internationally, we are seeing a push to harmonisation of vehicle standards. Increased uptake of driver assistance features, especially in features that might be the basis for further automation, has encouraged a shift in international regulations towards managing the risks increasing automation might present.
37. There is a need to re-engage with international partners to ensure we become and remain consistent with the obligations we have already accepted. We have already begun to re-engage with Australia on a limited basis. We see substantial opportunities for greater trans-Tasman co-operation on, for example, establishing a group of right-hand-drive jurisdictions who could work together to engage more effectively in international vehicle standards fora.
38. Greater international engagement could have a range of benefits. We particularly see the benefits in doing more to ensure our domestic requirements take greater account of UN Regulations and to ensure that officials have greater visibility of and input into upcoming changes in international standards. Engaging with international standards setting organisations means we may be able to introduce new standards much sooner to New Zealand by giving vehicle buyers and distributors more notice of their arrival and preparing for earlier adoption.
39. We are scoping the potential for this work, including for work with other states and international organisations, and will report back to you when appropriate.

We will engage with the automotive safety sector on their workforce needs

40. The automotive safety sector is concerned about the future of its workforce. The skills required are changing as vehicles change, the workforce is ageing, and many operators advise they are struggling to attract and retain sufficiently skilled staff.

1 The evaluation has two phases, with phase one focusing on safety impact recently completed. You were advised on phase one results in the weekly report for the week ending 22 April 2022. Phase two is underway, including more comprehensive analysis on safety impacts (e.g. taking into consideration level of travel and relative fleet size over time), assessing the realisation of expected social benefits, and considering the financial, fiscal, economic, and distributive impacts of the reform.

41. When commenting on the Immigration Rebalance proposals, we previously advised your office that we would consider workforce concerns with the sector through the vehicles work programme.
42. While we consider workforce planning is best led by the sector, there is a facilitative role that Te Manatū Waka can play to ensure that appropriate planning is undertaken. We will progress this conversation with the sector and report back to you when appropriate.

We will progress improvements to the inspection, roadworthiness, and repair systems

43. As part of our initial approach to vehicle safety under the Action Plan, we engaged with the vehicle inspection sector to begin to identify options to improve the inspection, roadworthiness, and repair (IRR) systems. There are a range of issues facing this sector, which broadly fall in two categories:
 - 43.1. miscellaneous specific changes to inspection processes to refine the operation of IRR checks as they presently occur ("BAU change options");
 - 43.2. wider changes relating to the basic functioning of the IRR systems.
44. Some improvements to in-service testing can be progressed without regulatory change and with limited policy implications. We will scope options and update you on this work in due course.
45. Initial engagements with the sector and Waka Kotahi have identified interest in progressing a general review of IRR systems. It will eventually be necessary to conduct a general, first-principles review which covers basic issues such as frequency and content of the roadworthiness tests. While we do not currently propose review of IRR systems, the work we propose in this paper will position us for that work in the future.

We will separately progress advice relating to risks of highly automated vehicles

46. While we are not currently taking any steps to accelerate their uptake, automated vehicles are currently permitted in our legislation, provided they comply with applicable vehicle standards
47. The number of highly automated vehicles operating on our roads is increasing and this presents a number of risks.² While these vehicles are generally among the safest vehicles in our fleet, they have been involved in crashes, including in situations where the vehicle was operating without any human input.

48. s 9(2)(h)

49. We have recently consulted on our long-term insights briefing (LTIB) on the impact of automated vehicles operating on New Zealand's roads and will brief you on the LTIB by the end of July 2022. We will also advise you by the end of 2022 on steps we

2 At present, the most highly automated vehicles are typically considered to be 'Level 2' in the six-level framework established by the Society of Automotive Engineers. These are automated features that assist the driver (e.g., vehicles with technology such as blind-spot monitoring or cruise control). The next stage is Level 3, which are vehicles capable of performing the driving task, in at least some circumstances or situations, on a sustained basis without human input but with an expectation the human driver will respond appropriately to a request to intervene.

recommend you take to ensure that our regulatory framework is holding to account those best able to manage the risk of crashes when they occur.

Stakeholder engagement

50. We are collaborating with vehicle sector stakeholders and will formally establish a sector reference group that covers vehicle standards matters across the environmental and safety policy areas.³ The focus of this group will be to provide general expert support for vehicles-related work programmes, and to test the equity and other impacts of implementing changes to vehicle standards going forward.
51. We will also engage with te Kāhui and other groups to ensure this work progresses in a manner consistent with te Tiriti relationship, te ao Māori, and the needs of Māori users of the transport system.

Next steps

52. Subject to your agreement on the proposed approach to this work programme, we will provide further advice on the next steps for the general review of the vehicle regulatory framework by the end of October 2022 [paragraphs 22–30 refer].
53. s 9(2)(f)(iv)
54. You will also receive the following advice relating to automated vehicles [paragraphs 46–49 refer]:
 - 54.1. By the end of July 2022, advice on our long-term insights briefing on the impact of automated vehicles operating on Aotearoa New Zealand roads; and
 - 54.2. By the end of December 2022, initial advice on investigating the liability regime for automated vehicles (with particular emphasis on Level 3).
55. The above advice is in addition to any advice you will receive relating to implementation of the ERP. Where relevant and possible, this advice will note potential impacts of implementation on the safety of our vehicle fleet.

3 The organisations we have met with include the: Automobile Association; Motor Trade Association; Motor Industry Association of New Zealand; Imported Motor Vehicle Industry Association; Vehicle Inspection New Zealand; and Vehicle Testing New Zealand.

APPENDIX ONE: TOOLS TO MANAGE VEHICLE SUPPLY

Entry standards are a supply-side intervention impacting what choices consumers can make

1. Our main tool for influencing vehicle supply has been mandating standards that vehicles must meet to be eligible for import or entry into fleet. Entry to the fleet is the first key point of contact in a vehicle's lifecycle and is a cost-effective way of controlling the features required for vehicles that are to be driven on our roads.
2. Retrofitting features is often not economic at a fleet level.

We have limited means of influencing the kinds of vehicles that are manufactured and available for import

3. Due to our small market size, foreign vehicle manufacturers do not have strong financial incentives to produce special configurations of vehicle models to comply with our specific domestic rules. As a result, for most regulated vehicle features, New Zealand accepts compliance with a wide range of international standards from the economies from which we source our vehicles.
4. In practice, our vehicle supply is dependent on vehicles produced for other right-hand drive markets:
 - 4.1. In 2020, 74.6 percent of new vehicle imports, and 84.9 percent of used imports, were manufactured in Japan (79.9 percent overall).
 - 4.2. As at September 2021, over 81 percent of new light vehicles entering New Zealand do so by demonstrating compliance to Australian Design Rules.

Following entry into the fleet, in-service monitoring and exit also influence vehicle supply

5. Periodic in-service inspections, commonly known as a Warrant or Certificate of Fitness (WOF/COF respectively), are the second key point of contact in a vehicle's life cycle which influence vehicle supply and fleet safety in two ways:
 - 5.1. WOF/COF are intended to provide point-in-time assurance that a vehicle is roadworthy and include assessing and monitoring certain safety-critical aspects.
 - 5.2. Standards and how they are measured can influence the rates at which vehicles receive roadworthiness certification, in turn (because inability to get a WOF is a key reason for scrapping a vehicle) influencing the rate of vehicle exit from the fleet.
6. The third main point in the vehicle life cycle is fleet exit. There are examples of other states intervening to encourage fleet exit such as by raising vehicle taxes as they age or taking steps to encourage vehicle scrappage. However, New Zealand has not typically taken this approach despite some of our oldest vehicles being the most problematic from a safety perspective.¹ The implementation of the trial scrap-and-replace programme is an exception to our usual approach.

¹ While age is not in itself a proxy for safety, 86 percent of 1- and 2-star vehicles were manufactured in 2008 or earlier. There is also a greater risk of mechanical wear over time, with crash risk increasing by an estimated 7.8 percent per added year of vehicle age. It is more likely that older vehicles also do not have advanced driver assistance features that help them to avoid crashes.

There are ways to influence demand for safer vehicles, but they are limited

7. Besides influencing supply, the Government can influence vehicle safety through encouraging demand for safer vehicles. The Government routinely does this through:
 - 7.1. public and consumer information campaigns and platforms to inform and educate drivers and consumers about vehicle safety, such as advertising through various media channels and by providing safety ratings through the [rightcar.govt.nz](https://www.rightcar.govt.nz) website; and/or
 - 7.2. behaviour nudges, such as Government procurement guidelines, to influence people to make safety-positive choices or adopt safety-positive policies.

Safety ratings (as reported on Rightcar) are the best way to know a vehicle is safe

8. Almost every vehicle has a safety rating from 1 to 5 stars which indicates how well the vehicle is likely to perform in a crash. There are several ratings systems in use:
 - 8.1. Australasian New Car Assessment Programme (ANCAP);²
 - 8.2. Used Car Safety Rating (USCR);³ and
 - 8.3. Vehicle Safety Risk Rating (VSRR).⁴
9. Differences in method mean these ratings systems are not necessarily directly comparable. For example, UCSR compares vehicles against all others on the road, regardless of mass or vehicle category but NCAP rating systems only compare vehicles against vehicles of a similar mass.

Changes in consumer preference are unlikely to have a material impact on demand for safety features in vehicles entering the fleet in time to meet our targets

10. Work is underway to improve consumer understanding. However, we consider the current level of understanding about vehicle safety among the public is too low to sustain changing demand at levels that improve the supply of safer vehicles by 2030. For this reason, our system needs to be designed in a way which effectively influences what kinds of vehicles are supplied.

We have not made major use of financial incentives in the past

11. The system has not typically sought to influence demand above minimum entry standards, for example through use of financial incentives to change vehicle purchasing or use decisions. However, there are examples of these levers being used overseas.
12. The minimum safety requirements in the Clean Car Discount and scrap-and-replace and social leasing trial programmes are recent exceptions to our usual general approach. Depending on how they evolve, these programmes represent significant opportunities to influence the quality of our vehicle fleet.

2. ANCAP involves a series of independent laboratory tests which measures levels of safety in new vehicle models only, rating them between zero and five stars based on published test standards. The content of the ANCAP test standards is aligned with Euro NCAP standards. Ratings expire after six years

3. UCSR rates vehicles between zero and five stars based on the University Accident Research Centre (MUARC) Crashworthiness Ratings (CWR). In the CWR system, vehicles are given a score which reflects the likelihood of DSI in an injury or tow-away crash, and banded according to relative performance. A certain number and various types of crashes must have occurred for a vehicle to be CWR-scored. The CWR is a key input into the UCSR and is used internally by Waka Kotahi for reporting purposes, because it is based on a database of over 8 million real-world crashes and is more useful when measuring fleet safety over time.

4. VSRR is used where an ANCAP or UCSR rating is not available (e.g. because there are too few of a type of vehicle currently being driven to provide enough crash and injury data). It is based on the average crash rating of similar vehicles (e.g. other small SUVs) from the same year of manufacture.



BRIEFING

7 July 2022

OC220418

Hon Michael Wood
Minister of Transport

Action required by:
Friday, 15 July 2022

PROACTIVE RELEASE OF BUDGET 2022 VOTE TRANSPORT ADVICE

Purpose

Seek your agreement to publish a set of documents containing Budget 2022 advice on the Ministry of Transport's (the Ministry's) website.

Number of papers	There are five documents in the proposed release.
Deadline	Friday 15 July 2022. This deadline is based on the refusal of documents under 18(d) of the Official Information Act 1982 (the OIA) in a previous request [OC220319 refers].
Risks	This is the first time Vote Transport Budget 2022 advice will be released and Budget advice is typically of interest in the public domain. Your Office or the Ministry could receive follow up questions or information requests.

Recommendations

We recommend you:

- 1 **consider** the proposed documents for proactive release
- 2 **approve** the Ministry to publish five Budget 2022 documents with redactions on the Ministry's website.

Yes / No

Tim Herbert
Manager, Investment

7 / 7 / 2022

Hon Michael Wood
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
Tim Herbert, Manager, Investment	s 9(2)(a)	✓
Abby McRoberts, Adviser, Investment	s 9(2)(a)	

RELEASED UNDER THE
OFFICIAL INFORMATION ACT 1982

PROACTIVE RELEASE OF BUDGET 2022 VOTE TRANSPORT ADVICE

The Ministry proposes proactively releasing five Budget 2022 documents

- 1 Advice provided to Ministers that informed Budget decisions is often of interest in the public domain and requested under the Official Information Act 1982 (the OIA). In anticipation of such OIA requests, the Ministry of Transport (the Ministry) undertook a process to prepare key pieces of Budget 2022 advice provided to you for proactive release. This is akin to the Treasury's annual process of proactively releasing some of its Budget advice that was provided to the Minister of Finance and the Budget Cabinet papers.
- 2 As the Ministry has been planning for and undertaking this proactive release, your Office and the Ministry have received OIA requests of which Budget 2022 advice was in scope. These requests have either in full or in part been refused under section 18(d) of the OIA – because the information was or would soon be publicly available.
- 3 The use of section 18(d) to refuse requests for information requires that information in scope is made publicly available eight weeks after the request was refused (this is the Ombudsman's guidance). The first request with Budget 2022 advice in scope was refused on 20 May 2022 (OC220319 refers). This established the deadline for the Budget 2022 advice to be published – **by 15 July 2022**.
- 4 The Ministry proposes you release these documents proactively, both to meet the requirements of section 18(d) and to promote public transparency of advice to Ministers.

The documents proposed for proactive release

- 5 The Ministry proposes you proactively release the following documents, outlined in **Table 1**.

Table 1: Documents proposed for proactive release

Document #	Title of advice	Context
Document 1	Briefing - OC210916 – Budget 2022 Vote Transport – Initiatives for Submission	Advice provided to you ahead of submitting final Budget 2022 initiatives to the Minister of Finance and Treasury (December 2021)
Document 2	Annex to Briefing - OC210916 – Budget 2022 Vote Transport – Initiatives for Submission	
Document 3	Letter to the Minister of Finance – Budget 2022 Vote Transport – Initiatives for Submission	The letter sent from yourself to the Minister of Finance submitting Budget 2022 initiatives (December 2021)

Document #	Title of advice	Context
Document 4	Memo – Strategic overview of Climate Emergency Response Fund (CERF) initiatives	Advice submitted to the Minister of Finance and Treasury alongside final initiative templates (December 2021)
Document 5	Annex - Suggested talking points and advice on specific Budget initiatives – 25 February	Advice and talking points to support your bilateral meeting with the Minister of Finance and Associate Minister of Finance (February 2022)

- 6 The Ministry proposes Budget 2022 advice provided to you prior to December 2021 is not included in this proactive release (i.e., advice provided to you before submitting initiatives for invitation to the Budget process in October 2021 [OC210709 refers]). The October 2021 advice includes initiatives that you agreed not to submit for invitation to the Minister of Finance and iterations of initiatives that changed substantially between that time and when the Budget 2022 package was approved by Cabinet in April.
- 6.1 The Ministry considers including this advice in the release would be unhelpful for readers because it lacks contextual explanation of how these initiatives developed over the course of the Budget process. For example, what became the *'Mode-Shift and Reducing Light Vehicle Kilometres Travelled'* initiative was initially split across three distinct initiatives in this advice.
- 6.2 This approach is consistent with Treasury's Budget 2022 proactive release as the Treasury is not releasing Budget advice provided to the Minister of Finance before initiatives were invited.
- 6.3 If the Ministry was to receive OIA requests for this October 2021 advice, it would consider these requests and release the advice in line with the OIA.

The Ministry has reviewed the five documents and proposes some material is withheld from release

- 7 Although redactions made to documents for proactive release are not necessarily restricted to the grounds of the OIA, the Ministry suggests any material withheld is done so in line with OIA grounds. This enables the released materials to be referenced in future OIA requests and means the reasons for withholding are in line with reasons the public are more familiar with.
- 8 The Ministry has reviewed the documents and proposes some content is withheld, for reasons aligned with the grounds of the OIA. Content proposed to be withheld in each document is summarised in **Annexes 1 and 2**. We propose withholding some information for the following reasons (noting these reasons align with withholding grounds under the OIA):

- 8.1 making available the information would be likely to prejudice the security or defence of New Zealand, or international relations of the Government of New Zealand
- 8.2 to protect the privacy of natural persons
- 8.3 to protect information where the making available of information would likely prejudice the supply of similar information, or information from the same source
- 8.4 to protect collective and individual ministerial responsibility
- 8.5 to protect the confidentiality of advice tendered by Ministers of the Crown or officials (i.e., protect advice still under active consideration)
- 8.6 to enable Ministers or any public service agency to carry on, without prejudice or disadvantage, negotiations.

The Ministry proposes redacting some material to enable future consideration of unfunded initiatives

- 9 Most redactions proposed in the five documents are to protect advice still under active consideration. This includes advice related to initiatives that did not receive Budget 2022 funding, received scaled funding, or where components of the initiative submitted did not receive funding. The Ministry considers it likely Ministers may reconsider funding these initiatives at a later date, such as in a future Budget round. The Ministry is proposing withholding material that could affect Ministers' ability to reconsider the initiative. This is consistent with the approach Treasury takes in their Budget proactive release.
- 10 The Ministry proposes not all unfunded or scaled initiatives need to be withheld in full – only material that specifically refers to the unfunded components. The unfunded or scaled Budget 2022 initiatives can be assigned to these categories:
 - 10.1 Unfunded initiatives that the Ministry proposes are withheld in full as it may be considered again by Ministers in Budget 2023
 - 10.2 Unfunded initiatives that the Ministry proposes are withheld in part, as it is public knowledge the initiative was considered
 - 10.3 Unfunded initiatives the Ministry proposes can be released in full as funding decisions have been taken post-Budget
 - 10.4 Initiatives where components of the bid were not funded, that the Ministry proposes some bid material be withheld as they may be considered again
 - 10.5 Initiatives where funding was scaled or ongoing funding was not approved, that the Ministry proposes some bid material be withheld, as the additional funding sought may be considered again.
- 11 **Annex 1** details which category each initiative fits into and proposes how they should be treated in the proactive release.

Some additional redactions are proposed in the five documents

- 12 **Annex 2** outlines the reasons for withholding information used in each document. Given the number of redactions proposed, not all are detailed further in this briefing. Some notable additional redactions proposed are detailed here. These include:

12.1 s 9(2)(j), s 9(2)(b)(ii)

12.2 To withhold some material related to the Land Transport Revenue Review and the development of the next Government Policy Statement on land transport (GPS 2024), as these details are under active consideration or will be considered by Ministers in the coming months.

12.3 To withhold statements noting you had requested a certain characteristic for an initiative that does not reflect the final initiative agreed by Cabinet, to protect collective and individual Ministerial responsibility. s 9(2)(f)(ii)

There are some risks associated with the release of this material

- 13 Detailed risks and mitigations against each document are provided in **Annex 2**. The key risks that are present across all documents and some initiative specific risks the Ministry would like to draw to your attention are detailed below:

Changes made to the funding sought for, and details of initiatives following submission in December 2021 may raise questions

- 14 For some initiatives, the funding sought included in the December 2021 (Documents 2 and 4) and February 2022 (Document 5) advice is less than the final amounts approved by Cabinet in the Budget 2022 package. There is a risk these differences are queried, and questions asked about how the final amounts approved were reached. There is a similar risk for initiatives where characteristics of the policy were changed between December 2021 and final Budget decisions.

- 15 This is relevant to the following initiatives:

15.1 Clear Car Upgrade – Vehicle Scrap and Replace scheme: Documents 2 and 5 includes a smaller funding profile (22/23: \$10m, 23/24: \$25m, 24/25: \$30m, 25/26: \$45m) than was submitted in December 2021 to the Minister of Finance and Treasury, and than what was approved in the Budget 2022 package.

15.1.1 The Ministry notes that the vehicle scrap and replace scheme was a scalable policy and the funding sought could be increased depending on the eligible population selected and the level of subsidy provided to participants. This can be explained should questions be asked about the size of the final bid.

- 15.2 Community Connect nationwide roll-out: The advice in this proactive release refers to a nationwide roll-out of Community Connect proposed to commence in 2023/24, following completion of the Auckland pilot. The advice also refers to and includes costings based on the fare discount being co-funded by the Crown and local share at a 51:49 funding assistance rate. Questions could be raised about when the decision was taken to instead pursue an earlier nationwide roll-out of Community Connect, and for the Crown to fully fund the scheme.
- 16 To mitigate potential confusion where the initiatives in the documents differ from the final initiatives, the Ministry will publish a clarifying note alongside the documents when they are published on the Ministry's website. This note will outline that these documents reflect the Budget initiatives at the time the advice was received, and following the consideration of this advice, further work was done to refine initiatives before final Budget decisions were made.
- 17 The clarifying note will also outline that the same applies for the emissions reduction estimates and value for money assessments for the CERF initiatives in Document 5. Changes were made to some of the CERF initiatives after these assessments were conducted, therefore the outcomes of these assessments are in some cases not applicable to the final initiatives.
- 18 Should questions be raised about changes made to specific initiatives, the Ministry can provide you and your Office with appropriate material and answers.

Mention of fuel excise duty (FED), road user charges (RUC) and Emissions Trading Scheme (ETS) taxes on petrol could raise questions about the Government's future intentions for petrol tax

- 19 Documents 2 and 3 discuss (in the context of CERF funding being an appropriate funding source for transport investments) potential increases in ETS-related tax on petrol due to declining emissions budgets. There is also mention of additional revenue for the National Land Transport Fund (NLTF) that could be collected from increases in FED and RUC. These are not framed as advice or decisions under active consideration, and the Ministry thinks this material can be released. The material could raise questions as to whether the Government is considering increasing FED and RUC.

Mention of double counting across two Maritime New Zealand bids could raise questions about how it was resolved

- 20 Documents 1, 2, and 5 mention there was double counting across two initiatives submitted by Maritime New Zealand (MNZ) in December 2021 and that the Ministry would work with MNZ to address this. There is also mention of the quantum of funding sought for inflationary pressures in MNZ's Health and Safety at Work Act (HSWA) initiative. There is a risk questions are raised as to how this was resolved.
- 21 In Document 5, the double counting is acknowledged, and it is noted that funding sought for MNZ's core functions liquidity facility bid should reduce if the HSWA bid is approved. This may have been an error, as the funding sought in this document is the same as what was approved in the Budget 2022 package. There is a risk this could be queried.



- 22 Following the December 2021 advice, the Ministry worked with MNZ to understand the inflationary pressures in their HSWA bid and was comfortable with MNZ's explanations. The Ministry also discussed with MNZ that it did not support the double counting across the two bids. It is unclear if following the final submission of initiatives in December 2021, the double counting was removed or not from the final Budget 2022 package. Although, given both bids did receive funding and MNZ's access to the liquidity facility funding is subject to drawdown criteria, the Ministry is comfortable that funding accessed will be used for its intended purposes.

Consultation

- 23 The following agencies were consulted on and agree to the release of these documents:
- 23.1 The Treasury
 - 23.2 Waka Kotahi NZ Transport Agency (Waka Kotahi)
 - 23.3 Maritime New Zealand
 - 23.4 The Civil Aviation Authority
 - 23.5 KiwiRail
 - 23.6 Ministry of Social Development
 - 23.7 Ministry of Business, Innovation and Employment
- 24 The Greater Wellington Regional Council (GWRC) has been informed that advice regarding their CERF initiative '*Decarbonising regional passenger rail for the lower North Island and beyond*' will be included in this proactive release. s 9(2)(f)(iv)
- [REDACTED]

ANNEX 1: TREATMENT OF UNFUNDED INITIATIVES IN PROACTIVE RELEASE

The treatment of initiatives in this annex have been applied consistently across the five documents.

Proposed treatment	Initiatives
<p>Unfunded initiatives the Ministry proposes are withheld in full as they may be considered by Ministers again in Budget 2023:</p>	<p>s 9(2)(f)(iv)</p> 
<p>Unfunded initiatives that the Ministry proposes are only withheld in part, as it is public knowledge the initiative was considered:</p>	<p>CERF initiative:</p> <ul style="list-style-type: none"> Decarbonising regional passenger rail for the lower North Island and beyond (GWRC bid) s 9(2)(f)(iv) 
<p>Unfunded initiatives the Ministry proposes can be released in full as funding decisions have been taken post-Budget.</p>	<p>Manifesto commitment:</p> <ul style="list-style-type: none"> Extension of the Essential Transport Connectivity (ETC) scheme – The Ministry proposes mention of this unfunded initiative can be released as since Budget 2022, Cabinet has now agreed to a final extension of the ETC, to now expire in October 2022. Therefore, the initiative is no longer under active consideration.

<p>Initiatives where components of the bid were not funded, that the Ministry proposes some bid material be withheld, as they may be considered again.</p>	<p>s 9(2)(f)(iv)</p>
<p>Initiatives where funding was scaled or ongoing funding was not approved, that the Ministry proposes some bid material be withheld, as the additional funding sought may be considered again.</p>	<p>s 9(2)(f)(iv)</p>

ANNEX 2: PROPOSED REDACTIONS AND RISKS BY DOCUMENT

#	Title	Overview of proposed redactions	Potential risks of information proposed for release and proposed mitigations ¹	Previously released?
1	Briefing - OC210916 – Budget 2022 Vote Transport – Initiatives for Submission	Withhold some information for the following reasons: <ul style="list-style-type: none"> To protect the privacy of natural persons To protect the supply of similar information or information from the same source To protect collective and individual Ministerial responsibility To protect confidentiality of advice tendered by officials (i.e., information under active consideration) 	<p>The risks outlined in the body of this briefing are applicable to this document. Additional risks outlined below:</p> <p>Risk: The bid titled '<i>Financial support to the coastal shipping industry to grow coastal shipping and mitigate supply chain disruptions</i>' is mentioned as an initiative not submitted in December 2021. The decision to not progress this bid was based on decisions on spending through the GPS 2021 Coastal Shipping activity class being imminent and the Ministry advising support for the sector would come through that avenue. There is a risk queries are raised about the contents of this bid and the fact it was not progressed.</p> <p>Risk: The document includes advice the Ministry provided on the GWRC's bid '<i>Decarbonising regional passenger rail for the lower North Island and beyond</i>', where the Ministry advised the initiative is further scrutinised before funding is committed. There is a risk that this advice attracts public attention, given GWRC have stated publicly this bid did not receive Budget 2022 funding.</p> <p>Mitigation for all risks: The Ministry can provide material to answer questions your Office receives on these initiatives and consider information requests for further information if received.</p>	No
2	Annex to Briefing - OC210916 – Budget 2022 Vote Transport –	Withhold some information under the following OIA grounds: <ul style="list-style-type: none"> To protect the privacy of natural persons 	<p>The risks outlined in the body of this briefing are applicable to this document. Additional risks outlined below:</p> <p>Risk: This will be the first time the funding approved for Ministry capability to work on congestion charging in Auckland is released publicly (it was not</p>	No

¹ Unless otherwise stated, the Ministry does not consider there to be any risks associated with releasing the material.

	Initiatives for Submission	<ul style="list-style-type: none"> To protect the supply of similar information or information from the same source To protect confidentiality of advice tendered by officials (i.e., information under active consideration) To enable Ministers or public service agencies to carry on, without prejudice or disadvantage, negotiations To protect collective and individual ministerial responsibility The release of information is likely to prejudice the security or defence of New Zealand, or international relations of the Government of New Zealand. 	<p>mentioned in the Budget summary of initiatives document or Budget announcements). Your Office may receive questions about the future of congestion charging and if this signals a plan to introduce it in Auckland.</p> <p>Risk: The information included on the Auckland Light Rail (ALR) bid in this document served as a placeholder ahead of Cabinet's consideration of the ALR Cabinet paper in December 2021. The funding sought was also a placeholder and increased substantially. This could be queried.</p> <p>Mitigation for all risks: The Ministry can provide material to answer questions your Office receives on these initiatives and consider information requests for further information if received.</p>	
3	Letter to the Minister of Finance - OC210916 – Budget 2022 Vote Transport – Initiatives for Submission	<p>Withhold some information under the following OIA grounds:</p> <ul style="list-style-type: none"> To protect the supply of similar information or information from the same source To protect confidentiality of advice tendered by officials (i.e., information under active consideration) To enable Ministers or public service agencies to carry on, without prejudice or disadvantage, negotiations 	<p>The risks outlined in the body of this briefing regarding ETS-related petrol tax and FED and RUC are applicable to this document.</p>	No
4	Memo – Strategic overview of Climate Emergency Response Fund (CERF) initiatives	<p>Withhold some information under the following OIA grounds:</p> <ul style="list-style-type: none"> To protect confidentiality of advice tendered by officials (i.e., information under active consideration) 	<p>The risks outlined in the body of this briefing regarding changes made to initiatives post-December submission are applicable to this document.</p> <p>Risk: For some CERF initiatives in this document, their emission reduction estimates and value for money assessments are applicable to earlier iterations of the policies and not the final initiatives funded in Budget 2022. The risk of</p>	No

		<ul style="list-style-type: none"> To enable Ministers or public service agencies to carry on, without prejudice or disadvantage, negotiations 	<p>questions on this can be partially mitigated by the clarifying note published alongside the documents. There remains a risk that updated emissions reduction estimates for the final policies are requested, which for some initiatives were not available.</p> <p>Mitigation for all risks: The Ministry can provide material to answer questions your Office receives on this.</p>	
5	Annex - Suggested talking points and advice on specific Budget initiatives – 25 February	<p>Withhold some information under the following OIA grounds:</p> <ul style="list-style-type: none"> To protect the supply of similar information or information from the same source To protect confidentiality of advice tendered by officials (i.e., information under active consideration) To enable Ministers or public service agencies to carry on, without prejudice or disadvantage, negotiations 	<p>The risks outlined in the body of this briefing are applicable to this document. Additional risks outlined below:</p> <p>Regarding the double counting across two MNZ bids (outlined in paragraphs 20 to 22), there is greater risk associated with the release of this document as it mentions the double counting being present but includes the same funding that was approved for both bids (insinuating that the double counting remained in the final bids). It is unclear if following the final submission of the initiatives if the double counting was removed or not from the final Budget 2022 package. The Ministry is comfortable that given both bids received funding and there is draw down criteria for the liquidity facility, that the funding for MNZ will be accessed for its intended purposes.</p>	No

Note: the release documents are refused under Section 18(d) as they are publicly available at: <https://www.transport.govt.nz/assets/Uploads/Budget-2022-Information-Release.pdf>

6 July 2022

OC220429

Hon Michael Wood**Action required by: 1 August 2022****Minister of Transport**

TACKLING UNSAFE SPEEDS - ESTABLISHMENT OF SPEED MANAGEMENT COMMITTEE

Purpose

Provide you with a plan to appoint members of the Speed Management Committee (SMC) and seek your approval of the SMC's draft terms of reference, position description and remuneration.

Key points

- The Land Transport (Setting of Speed Limits) Rule 2022 requires Waka Kotahi to establish a SMC, with the members appointed by you as Minister of Transport. Te Manatū Waka will facilitate the appointment process in consultation with the Director of Land Transport (the Director)
- SMC members are to be selected for their expertise in their specialist areas, which includes (but is not limited to) speed management and road safety, and the impact speed management can have on local government, motorists, and other road users. They are not appointed as representatives of their employer or any other organisation
- Officials have determined the appropriate level of remuneration for the SMC in accordance with the Cabinet Fees Framework (Cabinet Office circular CO(19)1). We propose that this is between \$280-\$575 per day for the Chair and between \$205-\$395 per day for members, which are the ranges of a Group Four, Level Three body under the Framework. We propose the Chair receives \$500 per day and members receive \$330 per day. This is 75 percent of each range.
- The proposed appointment process will be similar to that for Crown entities and follow Te Kawa Mataaho Public Service Commission's *Board Appointment and Induction Guidelines* and requirements under the Crown Entities Act 2004. This will include public advertising and seeking nominations for candidates. Once we review the applications, we will provide you with a recommended shortlist, then undertake interviews and due diligence checks for the preferred candidates.
- Subject to your approval of the recommended appointees, we will provide you with a Cabinet paper for the Cabinet Appointments and Honours Committee's consideration.

- Waka Kotahi has drafted the terms of reference for the SMC and the position description for SMC members. These are consistent with the requirements for the SMC as set out in the Land Transport (Setting of Speed Limits) Rule 2022.

Recommendations

We recommend you:

- | | | |
|---|---|----------|
| 1 | approve the proposed appointment process for the SMC | Yes / No |
| 2 | approve the SMC's draft terms of reference | Yes / No |
| 3 | approve the SMC's draft position description | Yes / No |
| 4 | approve fees of \$500 per day for the SMC Chair and \$330 per day for SMC members. | Yes / No |

pp [Signature]

Matt Skinner
Kaiwhakahaere | Acting Manager,
Mobility and Safety

6 / 7 / 2022

Hon Michael Wood
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
Matt Skinner, Kaiwhakahaere Acting Manager, Mobility and Safety	s 9(2)(a)	✓
Dominic Cowell-Smith, Kaitohutohu Adviser, Mobility and Safety	s 9(2)(a)	

TACKLING UNSAFE SPEEDS - ESTABLISHMENT OF SPEED MANAGEMENT COMMITTEE

The new speed management regulatory framework requires a Speed Management Committee

- 1 Cabinet recently agreed to implement the Tackling Unsafe Speeds programme of proposals, which is a priority action under the Government's *Road to Zero Action Plan 2020-2022*, under the Road to Zero strategy.
- 2 A fundamental aspect of Tackling Unsafe Speeds is introducing a new regulatory framework for speed management to improve how road controlling authorities (RCAs) plan for, consult on, and implement speed management changes. This is achieved through RCAs developing speed management plans (SMPs).
- 3 SMPs will be used to plan and consult on speed limit changes, along with improvements to safety infrastructure and using road safety cameras. This framework will allow RCAs to consult on three years of detailed changes, alongside a high-level ten-year vision for their network. Waka Kotahi will produce a State Highway Speed Management Plan (SHSMP), which will be provided to RCAs and regional transport committees for comment.
- 4 You recently signed the new Land Transport (Setting of Speed Limits) Rule 2022 (the Rule), which gives effect to the new speed management framework. The Rule came into force on 19 May 2022.

The SMC reviews and provides comment on the SHSMP

- 5 Section 159A(1) of the Land Transport Act 1998 allows for an ordinary rule to require Waka Kotahi establish a committee for the purposes of speed management. Clause 3.18(1) of the Rule requires Waka Kotahi to establish the SMC.
- 6 The Rule then provides that you may, as Minister of Transport, appoint members of the SMC (noting the Rule clarifies that Waka Kotahi cannot appoint members of the SMC).¹ Te Manatū Waka will facilitate the appointment process in consultation with the Director of Land Transport (the Director).

Waka Kotahi supports the effective functioning of the SMC

- 7 To fulfil the role of 'establishing' the SMC, Waka Kotahi has drafted the terms of reference (ToR) and the position description for SMC members (attached as **Annex One** and **Annex Two** respectively, for your review and approval). Earlier versions of these documents were provided to you in December 2021 (OC210979 refers).
- 8 The ToR must be consistent with the purpose, functions, powers and duties of the SMC provided for in the Rule. Waka Kotahi has included detail in the ToR as to how these are given effect. Te Manatū Waka endorses the ToR as being consistent with the Rule.

¹ Clause 3.18(2).

- 9 Waka Kotahi will also establish a secretariat to support the SMC and help the SMC's Chair perform their role. The secretariat will have various responsibilities, including arranging meetings, taking minutes, and maintaining an interests register.
- 10 Prior to the SMC performing its function, Waka Kotahi will help familiarise members with the new *Speed Management Guide: Road to Zero Edition* and its application, the template for the SHSMP and how recommendations on SHSMPs to the Director should be made.

The SMC will provide transparency and assurance to developing the SHSMP

- 11 The purpose of the SMC, as described in the Rule, is to:²
 - 11.1 provide assurance and transparency regarding the role of Waka Kotahi as the State Highway RCA and regulator
 - 11.2 review the draft SHSMP and provide advice to the Director, as well as any comment it considers the Director should make on the SHSMP in accordance with the Rule
 - 11.3 provide oversight of the information and guidance on speed management Waka Kotahi provides under the Rule, to ensure the information is up-to-date and fit-for-purpose
 - 11.4 provide comments to Waka Kotahi (as RCA) on consultation draft plans during the consultation process.
- 12 The SMC must review the SHSMP and may provide comment in writing on the extent to which, in its view, the SHSMP:³
 - 12.1 sets out the objectives, policies and measures for managing speed on relevant roads for at least 10 financial years from the start of the plan
 - 12.2 is consistent with the road safety aspect of the Government Policy Statement on land transport⁴
 - 12.3 takes a whole-of-network approach to changing speed limits, safety cameras and safety infrastructure
 - 12.4 will lead to speed limits being set in compliance with the Rule
 - 12.5 is likely to lead to speed limits outside schools being set in accordance with targets.⁵

² Clause 3.19.

³ Clause 3.11(1).

⁴ One of the current road safety aspects of the Government Policy Statement is Road to Zero. This means the SMC must review and provide comment on the extent to which the SHSMP is consistent with Road to Zero.

⁵ Clause 5.4. The targets are for RCAs to have 40 percent of speed limits outside schools to comply with the Rule by 30 June 2024 and all remaining schools to comply by 31 December 2027.

Your role as Minister of Transport is to appoint SMC members

- 13 As the Minister of Transport, you appoint the members and Chair of the SMC. Te Manatū Waka will consult with the Director during this process.
- 14 The SMC is to comprise no more than nine members, including the Chair. We recommend at this stage appointing approximately five members, to ensure efficiency in decision-making and reasonable costs. However, you will be able to determine the final number of members at the time we recommend candidates for appointment and after considering the skills and experience needed for the SMC.

SMC members need relevant skill and experience in speed management and road safety

- 15 SMC members are to be selected for their expertise in their specialist areas. This includes the following:
 - 15.1 appropriate knowledge, skills, and experience regarding speed management and road safety
 - 15.2 appropriate knowledge, skills, and understanding of the impacts of speed management on local government, motorists, rural communities, vulnerable road users, freight carriers, or enforcement matters
 - 15.3 other appropriate knowledge, skills, and experience to help the SMC achieve its purposes, perform its functions and duties, and exercise its powers.
- 16 To avoid concerns that SMC members may represent specific transport sector interests, members will not be appointed as representatives of their primary employer or any other organisation. They are to be independent in their role as an SMC member.
- 17 Other factors which may need to be considered include regional coverage, gender balance and representativeness regarding age and ethnicity. We will provide future advice that illustrates how candidates have been assessed against a competencies matrix.

The proposed appointment process

- 18 The proposed appointment process will be similar to one for Crown entities and follow the steps outlined in Te Kawa Mataaho Public Service Commission's *Board Appointment and Induction Guidelines*:
 - 18.1 **Candidate search:** We will publicly advertise the roles on the Te Manatū Waka website and LinkedIn page, and the Treasury's board appointments database. We will also seek nominations using internal and external networks, from nominating agencies such as Manatū Wāhine - Ministry for Women, and other organisations who would be interested in the SMC. You may wish to seek nominations from your colleagues.
 - 18.2 **Shortlisting:** We will review the applications and nominations and seek the Director's views. We will then provide you with a recommended shortlist.

18.3 **Interviews and due diligence:** We will arrange interviews with the agreed shortlisted candidates and undertake background checks, including potential conflicts of interest. Once these are completed, we will provide you with advice on proposed appointments to the SMC.

18.4 **Cabinet process:** Subject to your approval of the recommended appointees, these will be submitted to the Cabinet Appointments and Honours Committee and Cabinet for their consideration.

18.5 **Finalise appointments:** If the appointments are confirmed by Cabinet, we will prepare appointment letters for you to send and once accepted, publish a notice in the *New Zealand Gazette*.

19 Several provisions of the Crown Entities Act 2004 will apply to SMC members⁶ and these will be reflected in the appointment documentation.

We have followed Cabinet guidelines to propose the level of remuneration for SMC members

20 Officials have determined the appropriate level of remuneration for the Chair and members of the SMC in accordance with the Cabinet Fees Framework (Cabinet Office circular CO(19)1).

21 Under the Framework, the SMC is classified as a Group Four body, which are non-governing committees and bodies. These may be advisory, technical or regulatory bodies with functions described in statute, or established by the Minister or Cabinet. The fee level for Group Four bodies is determined by the skills, knowledge and experience required for members; their function, level and scope of authority; the complexity of issues considered; and the public interest and profile of the committee.

22 There are five levels of fee ranges for Group Four bodies. Following the Cabinet Fees Framework, we have determined the SMC would be a Level Three committee. This means the appropriate fee range is between \$280-\$575 per day for the Chair and between \$205-\$395 per day for members. The Cabinet Fees Framework analysis is attached at **Annex Three**.

23 As our assessment for the SMC is at the higher end of these ranges, we propose a daily fee of \$500 for the Chair and \$330 for members. As you are the fee-setting authority for the SMC and the proposed fees are within the ranges prescribed in the Framework, we seek your approval to set these fee amounts.

There are some risks, but these can be mitigated

24 There are some risks in establishing the SMC, but we consider these are effectively mitigated by provisions already in the Rule. We outline these risks and mitigations below.

The SMC needs to be independent of Waka Kotahi as a RCA

25 There is a risk the SMC will not be seen to be completely independent of Waka Kotahi. To ensure this independence and to provide transparency regarding the role

⁶ Clauses 11.3, 11.4 and 11.5 of the Rule detail clauses and sections of the Crown Entities Act 2004 that will apply to the SMC and its members. These include requirements regarding the term of office, the validity of members' acts, and the validity of appointment of members.

of Waka Kotahi as a RCA and regulator, you as the Minister of Transport are to appoint candidates.

There needs to be transparency and independence in developing the SHSMP

- 26 Waka Kotahi is responsible for developing the SHSMP under the Land Transport Act 1998. Although during consultation on the Rule many stakeholders had confidence in the Director to maintain independence, it is important development of the SHSMP is, and is seen to be, transparent and independent.
- 27 The Director is statutorily independent of Waka Kotahi and Te Manatū Waka. As the Director is providing advice to Waka Kotahi (in its role as RCA), this independence will help to ensure the process of SHSMP development is transparent. The support other RCAs have shown for the role of the Director further strengthens this mitigation.
- 28 Functions of the SMC supporting this include that the SMC may comment on and make recommendations on the SHSMP to maintain transparency in its development. The Rule also requires the Director to explain why their decisions differ from the SMC's guidance, if they do.
- 29 Further, the SMC brings external and independent expert 'eyes' to the speed management process, providing practical advice and increasing the processes' legitimacy.

Members of the SMC are to be independent of any organisational or employer interests

- 30 During consultation on the Rule, some submitters raised a concern that if members represented specific transport sector interests, there would be a risk of bias toward decisions made to the detriment of the State Highway network.
- 31 To mitigate sectoral 'capture', SMC members will not be appointed as representatives of their primary employer or any other organisation, but for their skills and experience as noted in paragraph 15 above.

A review of the speed management framework will be conducted in three years' time

- 32 To assess these risks as the new speed management framework develops in practice, and to ensure it is functioning correctly, a review will be conducted three years from implementation. This review will consider how the SMC and Director roles are working, among other aspects of the speed management framework.

Next steps and timeline for the appointment process

- 33 Subject to your agreement on the proposed appointment process, we will:
- 33.1 advertise the positions and seek nominations
 - 33.2 seek your agreement on the shortlist
 - 33.3 interview the candidates and undertake due diligence and background checks, including identifying any conflicts of interest
 - 33.4 make final recommendations on preferred candidates for you to consider for appointment.

- 34 Following your confirmation of which candidates to appoint, we will prepare a Cabinet paper to be considered by the Cabinet Appointment and Honours Committee (APH).
- 35 These actions and timetable for 2022 for the process are shown in the table below:

Table 1: Timeline for appointment process

Milestone	Timing
Advertise positions and seek nominations	July
Begin shortlisting process	August
Minister confirms shortlisted candidates	August
Interviews held	September
Minister approves final candidates	September
Cabinet Appointment and Honours Committee	October
Minister appoints successful candidates	November

Annexes

Annex One: Speed Management Committee Draft Terms of Reference

Annex Two: Speed Management Committee Draft Position Description

Annex Three: Cabinet Fees Framework Analysis for the Speed Management Committee

ANNEX ONE – SPEED MANAGEMENT COMMITTEE DRAFT TERMS OF REFERENCE

Terms of Reference for the Independent Speed Management Committee

Context

1. In November 2019, the Government agreed to the Tackling Unsafe Speeds programme. The programme includes three components:
 - 1.1. Introducing a new regulatory framework for speed management to improve how road controlling authorities (RCAs) plan for, consult on and implement speed management changes.
 - 1.2. Transitioning to lower speed limits around schools to improve safety and encourage more children to use active modes of transport.
 - 1.3. Adopting a new approach to road safety cameras to reduce excessive speeds on our highest risk roads.
2. As part of the new regulatory framework, the speed management process will be closely aligned with the land transport planning process, bringing together decisions about infrastructure investment and speed management. The aim of this alignment is to ensure a more transparent process for speed management infrastructure, planning and implementation around New Zealand.

Description of speed management plans and clarification of Waka Kotahi roles and responsibilities

3. Waka Kotahi NZ Transport Agency (Waka Kotahi) is both the Regulator of the road network and the RCA for the State Highway network in New Zealand.
4. All RCAs, including Waka Kotahi (as an RCA), are required under the Land Transport Rule: Setting of Speed Limits 2022 (the Rule) to produce a Speed Management Plan (SMP) every three years.
5. Waka Kotahi will continue to provide RCAs with guidance and information on speed management, and increased engagement and encouragement for best practice speed management planning.
6. Waka Kotahi will work collaboratively with territorial authority RCAs and Waka Kotahi (as an RCA) in the development of SMPs. SMPs will be developed jointly by RCAs and Waka Kotahi (as an RCA), to best reflect and accommodate the interactions between the State Highway and local road networks.
7. Waka Kotahi (as an RCA) will work with RTCs and RCAs to enable speed management interventions to be applied consistently across the network. For example, this could involve Waka Kotahi (as RCA) working with an RCA to ensure that a local road with no safety infrastructure does not have a higher speed limit than an adjoining State Highway with safety infrastructure.
8. Regional Transport Committees (RTCs) will provide a forum to encourage consistency across the network and to manage interactions and timing across RCAs, including

interactions between local roads and the State Highway network, and through boundary issues with bordering regions.

9. State Highway SMPs (SHSMPs) must identify speed management proposals and set out the objectives, policies, and measures for managing speed on the State Highway network for at least 10 financial years from the start of the SHSMP.
10. SHSMPs must also include an implementation programme for at least three financial years from the start of the plan, setting out changes (if any) being proposed to speed limits and safety infrastructure on the State Highway network and the timeframe within which each change is proposed to occur.
11. Once consulted and finalised, SMPs will be sent to Waka Kotahi (as regulator). If the Speed Management Committee (SMC) has been formed, the SHSMP will be provided to the SMC. If the SMC has not been formed, the SHSMP will be provided to the Director of Land Transport (the Director).
12. The SMC will confirm whether the SHSMP meets the process-related criteria of the Rule and may comment as required on SHSMP content-related criteria. The Director will confirm whether Regional SMPs meet the process-related criteria in the Rule. It is not the role of the SMC or the Director to re-evaluate each individual speed management intervention proposed in SMPs.
13. The Director will be responsible for certifying all Regional and SHSMPs.
14. Once a SHSMP has been certified and published, Waka Kotahi (as an RCA) will be responsible for implementing the agreed changes in the plan. RCAs are responsible for implementing agreed changes in Regional SMPs once certified and published.
15. All speed limits formally come into force through inclusion on a national register (known as the Register of Land Transport Records). Speed limits records contained in the Register of Land Transport Records are known as the National Speed Limits Register (NSLR). Waka Kotahi (as regulator) is the Registrar of the NSLR.
16. The SMC can request Waka Kotahi, if deemed necessary, to procure an independent review of the speed management information and guidance Waka Kotahi will provide/provides to RCAs.

Establishment of an independent speed management committee

17. Cabinet agreed to establish the SMC to assess Waka Kotahi (as an RCA) SHSMPs against process-related criteria in the Rule. This needs to occur prior to the Director providing final certification and comment.
18. The Rule (clause 3.18 (1)) requires Waka Kotahi to establish the SMC, with members appointed by the Minister of Transport. Te Manatū Waka facilitates the appointment process in consultation with the Director (though consultation with the Director is not required by the Rule).
19. A review of the speed management framework will be scheduled three years after the Rule has come into force, including consideration of how the SMC and Director roles are working.

20. The Rule sets out the functions, powers, and duties of the SMC. This, together with the fact members are appointed by the Minister of Transport is intended to provide the SMC with independence from Waka Kotahi and the Director.

The SMC will be established to:

- review the draft SHSMP and provide advice to the Director, as well as any comment it considers the Director should make in accordance with the Rule
- provide oversight of the information and guidance on speed management Waka Kotahi provides under this Rule, to ensure the information is up-to-date and fit-for-purpose.

The SMC may also provide comments to Waka Kotahi (as RCA) on consultation draft plans during the consultation process.

SMC responsibilities

21. The SMC has the following responsibilities:

- Reviewing the draft SHSMP and providing advice to the Director.
- Providing any comment the SMC considers the Director should make in accordance with the Rule prior to the Director providing final certification.
- Providing oversight of the information and guidance on speed management Waka Kotahi provides under the Rule, to ensure this information is up-to-date and fit-for-purpose.
- If the SMC considers it necessary, requesting Waka Kotahi to procure independent reviews of the information and guidance on speed management Waka Kotahi produces.

22. The review of SHSMPs by the SMC will provide confirmation to the Director that SHSMPs meet the process-related criteria in the Rule. It is not the role of the SMC to re-evaluate each individual speed management intervention proposed in SHSMPs.

23. The SMC may comment on process-related criteria including:

- an implementation programme for at least three financial years from the start of the SHSMP which sets out:
 - the changes (if any) being proposed to speed limits
 - information about speed limits includes the geographic area, the type of speed limit, and the proposed speed limit expressed in kilometres per hour
 - for a seasonal or variable speed limit, additional information includes the conditions under which each speed limit will apply.
 - the changes (if any) to safety infrastructure on the relevant roads and
 - the timeframe within which each change is proposed to occur.

- the outcome of reviews of speed limits of 70 km/h or 90 km/h (as required by clause 4.3(2) of the Rule)
 - any designation of a category two school, including the explanation for why, having regard to any guidance provided by Waka Kotahi about speed limits outside schools, the speed limit outside the category two school is safe and appropriate for the road
 - the outcome of review of any school speed limits that have been left at 40km/h (as required by clause 5.2(4))
 - for any changes being proposed to a speed limit that do not align with Waka Kotahi's confirmed assessment of the safe and appropriate speed limit for the road, an explanation for why Waka Kotahi (as RCA) proposes a different speed limit.
24. The SMC must also be satisfied that Waka Kotahi (as an RCA) has confirmed it undertook appropriate consultation on the SHSMP.
25. If the SMC is satisfied Waka Kotahi has met these requirements, the SMC must provide advice to the Director. The Director then certifies the SHSMP and provides a certificate to that effect.
26. If the Director is not satisfied Waka Kotahi (as RCA) has met the Rule requirements, it must refer the final draft plan back to Waka Kotahi (as RCA) with recommendations about how Waka Kotahi (as RCA) can meet the requirements in the Rule. The Director may seek further SMC advice at this point.
27. If the Director disagrees with a material aspect of the SMC's advice, the Director must provide an explanation of why they disagree with the SMC and publish the explanation.
28. When assessing a final draft SHSMP, the SMC may also provide comment in writing on the extent to which, in its view, the SHSMP:
- sets out the objectives, policies, and measures for managing speed on relevant roads for at least 10 financial years from the start of the SHSMP
 - is consistent with the road safety aspects of the current Government Policy Statement on Land Transport and any current Government road safety strategy
 - takes a whole-of-network approach to changing speed limits, safety cameras and safety infrastructure
 - will lead to speed limits set in compliance with the Rule
 - has had regard to the desirability of a road under the control of one RCA and an adjoining road under the control of another RCA having the same speed limit, unless there is good reason for different speed limits
 - is likely to lead to compliance with the timeframes for when safer speed limits around schools must be implemented and each RCA must use reasonable efforts to ensure:
 - at least 40 percent of schools under its control have speed limits that comply with the Rule by 30 June 2024 and
 - 100 percent schools under its control have speed limits compliant with the Rule by 31 December 2027.

29. The SMC may also provide comments to Waka Kotahi (as RCA) on consultation draft plans during the consultation process, limiting its comments to the same matters it can advise the Director on.
30. A Secretariat based at Waka Kotahi, and independent of Waka Kotahi (as RCA), will support the SMC.

Appointment of SMC Chairperson

31. The Minister of Transport appoints one member as the Chair of the SMC and may appoint one member as the Deputy Chair.
32. The Chair is responsible for:
- setting the agenda for SMC meetings
 - presiding at each SMC meeting
 - casting a deciding vote in the event of a tied vote on a particular issue
 - facilitating discussion and effective decision-making
 - managing members' conflicts of interest where necessary.
33. The Chair is expected to work collegially with the Secretariat Director, and the Minister of Transport.
34. Should the Chair be unable to exercise their functions because they are either unavailable or interested in a matter, the meeting will be chaired by the Deputy Chair the Minister has appointed or, if there is no Deputy Chair, by a temporary Chair appointed by the SMC members. This is to be noted in the minutes where relevant.

Appointment of SMC members

35. The Minister of Transport will appoint the members by written notice, which will state the term of the appointment (to be three years or less).
36. Te Manatū Waka facilitates the appointment process in consultation with the Director. All appointments are considered by the Cabinet Appointments and Honours Committee and Cabinet.
37. The SMC will comprise of members selected for their expertise in their specialist areas. This includes the following:
- Appropriate knowledge, skills, and experience in relation to speed management and road safety.
 - Appropriate knowledge, skills, and understanding of the impacts of speed management on local government, motorists, rural communities, vulnerable road users, freight carriers or enforcement matters.
 - Other appropriate knowledge, skills, and experience to assist the SMC to achieve its purposes, perform its functions and duties, and exercise its powers.
38. Members are not appointed as representatives of their primary employer or any other organisation.

39. The SMC must have no more than nine members.
40. SMC membership will be listed on the Waka Kotahi website.

Responsibilities of all SMC members

Meetings

41. SMC meetings will normally be held in Wellington. Members may attend the meeting in person or by videoconference/teleconference link.
42. The timing of meetings will align with the certification of Waka Kotahi SHSMPs. This will require meetings to certify plans approximately every three years in accordance with the Rule.
43. The SMC will also be required to meet to review and provide comments on the information and guidance on speed management Waka Kotahi provides. These meetings will occur on an as-needed basis.
44. All members are expected, prior to each meeting, to have:
 - critically appraised all information provided to the SMC to be considered at the meeting
 - analysed the subject and formed an initial professional view for discussion at the meeting.
45. All members are required to provide their view on SHSMPs and/or the information and guidance on speed management Waka Kotahi provides. Members must be prepared to discuss these topics with other members in a professional and constructive manner.
46. A quorum for a meeting of the SMC is the number that is:
 - half the number of members (if the SMC has an even number of members), or
 - a majority of the members (if the SMC has an odd number of members), or
 - if the board has only two members, the quorum is both members.
47. If one or more members cannot attend a meeting but there is still a quorum, the Chair may agree to hold the meeting in the members' absence and forward notes of the SMC's preliminary deliberations to the absent member(s).
48. A substitute or proxy cannot represent members who are unable to attend a SMC meeting.
49. The SMC is expected to reach a consensus on whether a SHSMP has met the requirements of the Rule and on its comments on the information and guidance on speed management Waka Kotahi provides.
50. If a consensus cannot be reached, a recommendation may be advanced based on a majority view. Any minority views can be recorded in the Minutes.
51. Following the meeting, all members are expected to contribute to the finalisation of the meeting Minutes before the next meeting, when the Minutes are confirmed.

Interest reporting

52. SMC members must declare any interests prior to each meeting.

53. If a conflict of interest is identified, the Crown Entities Act 2004 may require a member to be removed from matters and not vote unless the Chair (or in some cases the Minister) gives permission otherwise.
54. In the case of lesser conflicts (where the Crown Entities Act 2004 provisions do not apply), the Chair may determine, in consultation with Waka Kotahi and the Ministry of Transport, the appropriate mitigation steps required for managing each interest that arises. This may include whether the member participates in the discussion or remains in the room but does not participate in the discussion.
55. If members of the SMC develop new, relevant interests, whether they might lead to real, potential or perceived conflicts, they are expected to inform the Secretariat and Chair as soon as is reasonably practicable and declare them at the start of the next meeting.

Media

56. Only the Chair is authorised to comment publicly on the affairs of the SMC, and as a matter of no surprises, the Chair is expected to advise the Secretariat, the Director, and the Minister of Transport in advance.
57. Members are expected not to take any action or make any public statement that is derogatory of or in any way damaging to the SMC, Waka Kotahi, Te Manatū Waka, or the Minister of Transport. Doing so may result in the Minister removing the member from the SMC.

Conduct

58. Members must perform their functions in good faith, honestly and impartially, and avoid situations that might compromise their integrity or otherwise lead to conflicts of interest. Proper observation of these principles will protect the SMC and its members and will ensure it retains public confidence.
59. Members must conduct themselves in accordance with the SMC Terms of Reference at all times.

Confidentiality

60. Advice provided by the SMC is confidential until the final decision is made by the Director. SMC members are expected to adhere to the relevant individual and collective obligations of boards under the Crown Entities Act 2004. This includes maintaining the confidentiality of information disclosed to SMC members, and not disclosing information that would not otherwise be available to SMC members.

Membership

Reappointment, removal, and resignation

61. Any member of the SMC (including the Chair) continues in their role despite the expiry of their term as specified in their letter of appointment until the first of the following events to occur:
- they are reappointed
 - their successor is appointed

- the Minister of Transport informs the member by written notice the member is not to be reappointed and no successor is to be appointed at that time.

62. Any member may be reappointed at the discretion of the Minister of Transport.

63. Any SMC member will cease to hold office if they resign, are removed from office, or become disqualified for appointment through a conflict of interest or any other matter as identified in their disclosure and consent letter.

64. A member of the SMC may resign from office by written notice to the Minister of Transport (with a copy to the Secretariat and the Ministry of Transport) signed by the member. The resignation is effective on receipt by the Minister of Transport of the notice, or at any later time specified in the notice.

65. The Minister of Transport may, at any time and entirely at their discretion, remove a member or cancel an appointment if they consider the member to be no longer fit to fulfil the role as a SMC member. This removal will be made by written notice and will state the date of removal.

66. Members are not entitled for any reason to any compensation or other payment of benefit if they are removed, resign, or are not reappointed.

Remuneration of members

67. SMC members will be remunerated in recognition of the services they provide to the Government on the matters outlined in this document. This includes attendance at meetings, time spent preparing for meetings, and for performing any other work as requested by the Minister of Transport or officials.

68. The Cabinet Fees Framework, administered by Te Kawa Mataaho Public Service Commission, determines the level of fees paid. The fees for the SMC have been set at \$500 per day for the Chair, and \$330 per day for the members.

69. Waka Kotahi will also cover reasonable travel and accommodation expenses for members to attend meetings.

70. One to two days preparation is expected for each meeting. The SMC is expected to keep the Secretariat informed of the number of days worked.

Secretariat support

71. Waka Kotahi will establish a Secretariat to support the SMC and assist the Chair in performing their role.

72. The Secretariat will liaise with SMC members to arrange meetings at a suitable time and frequency.

73. The Secretariat is responsible for ensuring Minutes of each meeting of the SMC (including by videoconference or other means of communications) are kept and for liaising with the SMC to agree the final version of the Minutes. The Secretariat will ensure the finalised Minutes is published at an appropriate time.

74. The Secretariat will maintain a SMC interests register for members.

75. The Secretariat will support the preparation of any requests for information regarding the SMC and will arrange publication or release of any necessary information.

76. The Secretariat will provide support by sending the agenda and related papers to SMC members and managing correspondence between SMC members and third parties.
77. The Secretariat is not a member of the SMC and does not have voting rights at any SMC meeting.
78. Prior to carrying out its roles, the SMC will be informed of the following:
- 78.1. the Speed Management Guide and how it should be applied
 - 78.2. the template for the SHSMP
 - 78.3. how recommendations to the Director of Land Transport on SHSMPs should be carried out.

Official Information Act 1982 (OIA) requests

79. The Secretariat will arrange for publishing of SMC meeting minutes and any formal written advice prepared by the SMC at an appropriate time on the Waka Kotahi website. Certain information may be withheld in accordance with the OIA.
80. Communications and advice of the SMC will be subject to OIA requests, which Waka Kotahi will compile.

RELEASED UNDER THE
OFFICIAL INFORMATION ACT 1982

ANNEX TWO – SPEED MANAGEMENT COMMITTEE DRAFT POSITION DESCRIPTION

INDEPENDENT SPEED MANAGEMENT COMMITTEE

POSITION DESCRIPTION FOR MEMBERS

Context

In November 2019 the Government agreed to the Tackling Unsafe Speeds programme. The programme includes three components:

- Introducing a new regulatory framework for speed management to improve how road controlling authorities (RCAs) plan for, consult on, and implement speed management changes.
- Transitioning to lower speed limits around schools to improve safety and encourage more children to use active modes of transport.
- Adopting a new approach to road safety cameras to reduce excessive speeds on our highest risk roads.

The first two components are established by the new Land Transport Rule: Setting of Speed Limits 2022 (the Rule), which came into force on 19 May 2022.

As part of the new regulatory framework, the speed management process will be connected to the regional land transport planning process, bringing together decisions about infrastructure investment and speed management. The aim of this alignment is to ensure a more transparent and connected process for speed management infrastructure, planning, and implementation around New Zealand.

Waka Kotahi NZ Transport Agency (Waka Kotahi) is the RCA for the State Highway network in New Zealand, and reports to the Waka Kotahi Board. Under the Rule, in its role as an RCA, Waka Kotahi will be required to produce a State Highway speed management plan every three years.

State Highway speed management plans must identify speed management proposals and set out the objectives, policies, and measures for managing speed on the State Highway network for at least 10 financial years from the start of the plan. Once a State Highway speed management plan has been finalised and published, Waka Kotahi (as RCA) will be responsible for implementing the agreed changes in the plan.

State Highway speed management plans must also include an implementation programme for at least three financial years from the start of the plan, setting out:

- changes being proposed to speed limits and safety infrastructure on the State Highway network
- the timeframe within which each change is proposed to occur.

All speed limits formally come into force through inclusion in the National Speed Limit Register.

Purpose of Speed Management Committee

The purpose of the Speed Management Committee (the SMC) is to: