



22 October 2021

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Hon Michael Wood

Action required by:

Minister of Transport

Tuesday, 26 October 2021

AUCKLAND LIGHT RAIL - SPEAKING POINTS TO SUPPORT YOU AT CABINET

Purpose

- 1 This briefing provides you with speaking points to support the oral item you are presenting at Cabinet on Tuesday 26 October regarding Auckland Light Rail (ALR).
- 2 We understand that you wish to provide an update on the progress of the project in advance of Cabinet decisions in November, to ensure that your Ministerial colleagues are aware of the work that has been undertaken.
- 3 We also understand that you wish to inform Cabinet of your intention to release a summary of the findings of the Indicative Business Case later in the week.

Gareth Fairweather
Acting Director System Strategy & Investment
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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
Bryn Gandy, Deputy Chief Executive System Strategy & Investment	██████████	
Gareth Fairweather, Acting Director System Strategy & Investment	██████████	✓
Chris Gulik, Auckland Strategic Adviser	██████████	

Withheld to protect the privacy of Natural Persons

UPDATE ON AUCKLAND LIGHT RAIL – SPEAKING POINTS

- 1 In order to make progress on the Auckland Light Rail project, Cabinet agreed in March this year that an Establishment Unit should be set up.
- 2 The Unit was given a mandate to take forward an Indicative Business Case to identify costs and benefits associated with a shortlist of investment options, as well as undertake stakeholder and community engagement, and provide advice on how the project could be funded and delivered.
- 3 Collaboration has been at the heart of the Establishment Unit's set up. The Minister of Finance and I have worked as project sponsors, alongside the Mayor and Deputy Mayor of Auckland, and with input from the Minister of Housing.
- 4 The Establishment Unit itself has been governed by an inclusive Board made up of representatives from the Crown, local government and mana whenua. The Board is chaired by an independent chairperson, Mr Leigh Auton.
- 5 I have now received the Indicative Business Case and the Chair's report. This confirms that the Unit has considered three alternative investment options, which are surface light rail, light metro, and a hybrid referred to as tunnelled light rail. The Unit has recommended the hybrid option as its preferred mode option, although concludes that all options would achieve the investment objectives.
- 6 I am considering advice on how best to proceed but overall, I am satisfied that the business case presents a strong case to progress the project to the next phase.
- 7 As requested by Cabinet earlier in the year, I am now intending to report back to the Cabinet Economic Development Committee on 24 November with recommendations on a preferred way forward.
- 8 As part of this, I will be seeking decisions in relation to mode and route, and how the project can be taken forward. This will include a future work programme for the detailed planning phase, the arrangements for governance and Ministerial oversight, and an indication of the key policy considerations needing to be made in the coming months.
- 9 The Auckland Light Rail project will be transformative, with wide-ranging benefits. It has the potential to deliver increased access to jobs, education and recreation, including for some of the most disadvantaged neighbourhoods in Auckland.
- 10 However, if we are to progress this project, Cabinet will need to make bold decisions. There is the potential to realise significant benefits from this project on housing, congestion and access, but this comes with challenges and risks, high costs, and will depend on a strong partnership with Auckland Council and mana whenua.
- 11 In advance of Cabinet decisions, I intend to publicly release a summary of the business case later this week. I want to socialise understanding of the project, sell the core case for investment, and front-foot the debate on costs and benefits.
- 12 The material we release should outline the options that have been considered, including their costs, explain their benefits in relation to housing and congestion, and summarise the feedback that the Unit received through its stakeholder engagement.
- 13 I am seeking Cabinet's agreement to release this information before making a final decision on the option to proceed to the next phase.