

OC220163 – Part Two

10 May 2022



Tēnā koe 

Part Two Response

I again refer to your request for information dated 8 March 2022 sent to the Minister of Transport Hon Michael Wood, which was transferred to Te Manatū Waka Ministry of Transport (the Ministry) on 14 March 2022. Pursuant to the Official Information Act 1982 (the Act), you requested the following:

*“...a copy of all 37 of the reports and briefings the Minister received between December 2021 and January 2022, which are listed at the following link:
<https://www.transport.govt.nz/assets/Uploads/BriefingListDecember2021January2022.pdf>”*

On 11 April 2022 we provided you with a decision on 26 of the documents in your request and released 15 to you. Within that letter we also notified you of an extension to the time period for responding to the remaining 11 documents. The extension was due to consultations necessary to make a decision on the request being such that a proper response could not reasonably be made within the original time limit. We have now completed the necessary consultations and our response is detailed below.

For clarity and completeness, all 37 documents within scope of your full request are detailed in the document schedule attached as Annex One. The schedule outlines how the documents have been treated under the Act, and notes where the decision was provided in Part One on 11 April 2022.

With regard to the decision on the 11 documents addressed in this letter (as Part Two of our response to your request), eight are being released to you, two are being withheld in full, and one is being refused. Certain information or full documents have been withheld or refused under the following sections of the Act:

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

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

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

You have the right to seek an investigation and review of this response by the Ombudsman, in accordance with section 28(3) of the Act, who can be contacted at:

Info@ombudsman.parliament.nz

This letter and the attached documents complete our response to your request.

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

Nāku noa, nā



Hilary Penman
Manager, Ministerial Services

Annex One – Document schedule

Doc #	Reference Number	Title of Document	Decision on request
1	OC210861	Enabling Drone Integration	Refer to Part One sent 11 April 2022.
2	OC210909	Auckland Light Rail - Proactive release of documents	Some information withheld under Sections 9(2)(a) and 9(2)(g)(i). The 11 attachments to this paper are all refused under section 18(d). They were part of a proactive release of a suite of documents related to Auckland Light Rail, and are all available online through the Auckland Light Rail project page of the Ministry's website at: www.transport.govt.nz/area-of-interest/auckland/auckland-light-rail-project/
3	OC210916	Budget 2022 Vote Transport - Initiatives for submission	Refer to Part One sent 11 April 2022.
4	OC210933	Half-year economic and fiscal update 2021 - forecast of National Land Transport Fund Revenue	Refer to Part One sent 11 April 2022.
5	OC210972	COVID-19- Extension of the Essential Transport Connectivity (ETC) Scheme to 2022 - Speaking notes for Cabinet Committee - 8 December 2021	Refer to Part One sent 11 April 2022.
6	OC210818	Summary of the review into Road Safety Investment and Delivery	Some information withheld from the briefing paper under Section 9(2)(a). Annexes One and Two are refused under Section 18(d). Annex One – Final MartinJenkins Report is available at: www.transport.govt.nz/assets/Uploads/Road-Safety-Investment-and-Delivery-Report-MartinJenkins-FINAL.pdf Annex Two – Agency Actions Responding to the Review is available at: www.transport.govt.nz/assets/Uploads/Road-Safety-Investment-and-Delivery-Report-Agency-Response-January-2022.pdf
7	OC210966	Clean Vehicle Bill Targets and Other Matters	Refer to Part One sent 11 April 2022.
8	OC210908	COVID-19- Extension of the Essential Transport Connectivity (ETC) Scheme to 2022	Refer to Part One sent 11 April 2022.
9	OC210976	Auckland Light Rail - meeting with Waka Kotahi Board Chair and Chief Executive	Refer to Part One sent 11 April 2022.

Doc #	Reference Number	Title of Document	Decision on request
10	OC210724	Civil Aviation Bill - Initial briefing to Select Committee	Refer to Part One sent 11 April 2022.
11	OC210980	Auckland Transport Alignment Project (ATAP) Three Year Implementation Update 2018-2021	Some information withheld under Sections 9(2)(a) and 9(2)(f)(iv).
12	OC210975	Air New Zealand Licence Variation - Hong Kong	Refer to Part One sent 11 April 2022.
13	OC210981	Air navigation system review- terms of reference and structure	Refer to Part One sent 11 April 2022.
14	OC210970	Update on Sustainable Aviation Aotearoa	Refer to Part One sent 11 April 2022.
15	OC210943	Programme assessment criteria for Waka Kotahi	Refer to Part One sent 11 April 2022.
16	OC210985 T2021/2951	Final approvals for loan facility for Waka Kotahi to support the National Land Transport Programme 2021-24	<p>Refused in full under Section 18(d) as the documents are publicly available on our website.</p> <p>Briefing paper: www.transport.govt.nz/assets/Uploads/REDACTED-Final-Approvals-for-loan-facility-for-Waka-Kotahi-to-support-the-National-Land-Transport-Programme-2021-24-MARKED-UP_Redacted.pdf</p> <p>Attachment - Notice of Facility: www.transport.govt.nz/assets/Uploads/WATERMARKED-Notice-of-Facility-Waka-Kotahi-NZTA-NLTF-December-20214583496.2.pdf</p> <p>Attachment - Variation Letter: https://www.transport.govt.nz/assets/Uploads/WATERMARKED-Variation-side-letter-December-2021-to-the-2020-Waka-Kotahi-NZTA-COVID-Loan4596274.1.pdf</p> <p>Attachment - Previous joint briefing (OC210860 / T20212309): www.transport.govt.nz/assets/Uploads/REDACTED-Loan-Facility-for-Waka-Kotahi-to-Support-the-National-Land-Transport-Programme-2021-24-MARKED-UP_Redacted.pdf</p>
17	OC210942	Clean Car Sector Leadership Group's fees and expenses	Refer to Part One sent 11 April 2022.
18	OC210986	Proposed transport sector amendments under the Covid Protection Framework	Some information withheld under Section 9(2)(a).
19	OC210803	S112 Crown Entities Act Direction - Coastal Shipping Activity Class	Refer to Part One sent 11 April 2022.

Doc #	Reference Number	Title of Document	Decision on request
20	OC210813	Road Safety Penalties Review - Proposed recommendations for public consultation	Refer to Part One sent 11 April 2022.
21	OC210988	Transport bids for 2022 legislative programme	Refer to Part One sent 11 April 2022.
22	OC211002	Procurement Work Programme - December Update	Refer to Part One sent 11 April 2022.
23	OC210991	Further information on North Shore Airport's application for airport authority status	Refer to Part One sent 11 April 2022.
24	OC211007	Rolling Contact Fatigue system issues review - Phase One final report	Refer to Part One sent 11 April 2022.
25	OC210978 T2021/2934	Crown response to the Office of the Auditor-General's draft report on the governance of the City Rail Link project	Refer to Part One sent 11 April 2022.
26	OC210949	Transport Regulatory Work programme update December 2021	Some information withheld under Sections 6(a), 9(2)(a), 9(2)(b)(ii) and 9(2)(f)(iv).
27	OC211018	Update on the alleviation of current supply chain issues	Refer to Part One sent 11 April 2022.
28	OC210982	Effective Transport Financial Penalties - Update	Some information withheld under Sections 9(2)(a), 9(2)(f)(iv) and 9(2)(g)(i).
29	OC211004	Development of the 2023 -2025 <i>Road to Zero</i> Action Plan	Refer to Part One sent 11 April 2022.
30	OC220019	Funding reallocation for "Redevelopment of Strategic Roads in the Far North - Ruapekapeka Road"	Some information withheld under Section 9(2)(a).
31	OC210884	Setting new objectives for the planning, procurement, and delivery of public transport	Some information withheld under Sections 9(2)(a), 9(2)(f)(iv) and 9(2)(g)(i).
32	OC211016	Research into the use and effectiveness of alcohol interlocks	Refer to Part One sent 11 April 2022.
33	OC211020	COVID-19 - Update on development of MIAC exit strategy	Refer to Part One sent 11 April 2022.
34	OC210903	Tackling Unsafe Speeds programme - final Policy decisions	Withheld in full under Section 9(2)(f)(iv).
35	OC210979	Tackling Unsafe Speeds - final Cabinet decisions	Withheld in full under Sections 9(2)(a), 9(2)(b)(ii), 9(2)(f)(iv), and 9(2)(h).
36	OC220011 T2022/52 BRF21/2201 1215	Auckland Light Rail Board Appointments: confirmation of position description and skills matrix	Refer to Part One sent 11 April 2022.
37	OC220014	Legislative Programme 2022 - Transport Bids for Lodging	Refer to Part One sent 11 April 2022.



2 December 2021

OC210909

Hon Michael Wood
Minister of Transport

Action required by:
Friday, 10 December 2021

AUCKLAND LIGHT RAIL - PROACTIVE RELEASE OF DOCUMENTS

Purpose

Seeks your agreement to proactively release 11 documents regarding advice the Ministry of Transport (the Ministry) provided in the lead up to the Auckland Light Rail (ALR) Cabinet Paper.

Key points

- This briefing provides you with a pack of 11 documents proposed for proactive release regarding the advice the Ministry provided in advance of the ALR Cabinet Paper.
- We have consulted with the Establishment Unit, the Treasury and the Ministry of Housing and Urban Development (HUD) to ensure they are comfortable with what we are proposing to release. s 9(2)(g)(i)
[Redacted] The Treasury and HUD raised no concerns.
- We are seeking feedback by midday 10 December 2021 to ensure that, if needed, we could have the documents ready to be proactively released by 13 December 2021, alongside the Cabinet paper. This would be consistent with Cabinet's guidance to proactively release the relevant Cabinet paper no later than 30 working days following a Cabinet decision.
- We have proposed redactions as if the documents for release were being considered under the provisions of the Official Information Act 1982 (the OIA). The proposed redactions are primarily for reasons of privacy, commercial sensitivity, confidentiality, or future negotiations. Public interest requirements have also been considered as part of determining withholding grounds.
- Given that these documents are second opinion advice from the Ministry, there are inevitable risks associated with how the Establishment Unit's outputs are interpreted and contextualised. This may draw media attention given the high levels of public interest in the project. We consider that the information prepared is consistent with your preferred approach to transparency around the ALR project, and reactive messaging will be prepared as required.

- The documents will be made available on the Auckland Light Rail project page of the Ministry website. Hyperlinks to the Ministry's website will be available on the Auckland Light Rail website (lightrail.co.nz), which is managed by the Establishment Unit.
- Appendix One** provides a full list of the documents, and the equivalent grounds for withholding under the OIA.

Recommendations

We recommend you:

- agree** that the Ministry of Transport will publish the list of briefings in Appendix One on its website. Yes / No
- note** the release of material will be coordinated alongside material released by the Establishment Unit and other agencies and in line with your announcement strategy.
- agree** that some material needs to be withheld, primarily for reasons of privacy, commercial sensitivity, confidentiality, or future negotiations. Yes / No

s 9(2)(g)(i)

Gareth Fairweather
Acting Director – System Strategy & Investment
 ..2.. / ..12.. / 2021

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
Bryn Gandy, Deputy Chief Executive, System Strategy & Investment	s 9(2)(a)	
Gareth Fairweather, Acting Director, System Strategy & Investment		✓
Jessica Ziegler, Project Coordinator, Auckland Light Rail		

AUCKLAND LIGHT RAIL - PROACTIVE RELEASE OF DOCUMENTS

We are seeking your agreement to the proactive release of 11 Ministry documents alongside the final Cabinet paper

- 1 The Ministry is proposing to proactively release the advice provided to you in preparation for Cabinet decisions. This advice is additional to the papers that have been produced by the Establishment Unit and the Treasury that will also be proactively released. In line with your announcement strategy, we are working with the Establishment Unit and the Treasury to coordinate the timing of the release of this material.
- 2 If you agree with the approach taken, we will work with your Office and the Establishment Unit to determine the appropriate timing for this proactive release. We anticipate this will be consistent with your preferred approach to making announcements following Cabinet decisions.
- 3 The Cabinet paper itself indicates that it too will be proactively released. Once this paper has been finalised, we will provide further advice on the timing of this and any proposed redactions.
- 4 A full table of all documents considered is appended to this briefing, including the equivalent grounds for withholding under the OIA.

Figure 1: Full list of grounds used to withhold information

- 9(2)(a) – “[to] protect the privacy of natural persons”
- 9(2)(ba)(i) – “[to] protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied”
- 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)(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).”

Public interest requirements have been considered as part of this proactive release

- 5 As this is a proactive release, the public interest considerations generally required when applying withholding grounds under section 9 of the OIA do not need to be considered. However, given that this release has been treated as if the information had been requested under the OIA, we have considered the public interest requirements in our review. We also have already started to receive OIA requests relating to ALR documentation.
- 6 For each of the redactions proposed, we consider that the reasons for withholding the information outweigh any countervailing public interest.

Risks

- 7 As noted above, there is ongoing public, market and media interest in the Auckland Light Rail project.
- 8 We believe that proactively releasing these documents is consistent with your preferred approach to transparency around the Auckland Light Rail project. Given that some of these documents represent second opinion advice from the Ministry, there are inevitable risks associated with how the Establishment Unit's outputs are interpreted and contextualised. We nevertheless consider that it is in the interests of transparency that this advice is publicly available.

s 9(2)(g)(i)



Consultation

- 12 This package of documents has been circulated to the Establishment Unit, the Treasury and HUD in relation to documents that mention their agency or contain named individuals.
- 13 In the interest of confidentiality, only the redacted versions were shared with the Establishment Unit.

s 9(2)(g)(i)



16 No other concerns were raised.

RELEASED UNDER THE
OFFICIAL INFORMATION ACT

Appendix One: Documents Considered for Proactive Release

Briefings

No.	OC number	Title	Document Date	Document type	Proposed action
1	OC210416	City Centre to Māngere Light Rail Project - Update on governance and draft Terms of Reference	31/05/2021	Briefing	Withhold officials' phone numbers under 9(2)(a).
2	OC210687	Auckland Light Rail – Third Sponsors meeting	17/09/2021	Briefing	Withhold paragraphs 13, 14 and 15 under 9(2)(ba)(i) and 9(2)(g)(i), Withhold officials' phone numbers under 9(2)(a).
3	OC210794	Auckland Light Rail – Fourth Sponsors meeting	01/10/2021	Briefing	Withhold part of paragraph 44 to protect Crown's negotiating position under 9(2)(j), Withhold officials' phone numbers under 9(2)(a).
4	OC210804	Auckland Light Rail – Meeting with Officials 6 October 2021	05/10/2021	Briefing	Withhold paragraph 12 and part of 22 under 9(2)(f)(iv) as information is under active consideration, Withhold officials' phone numbers under 9(2)(a).
5	OC210845	Auckland Light Rail – Preparing for Cabinet decisions	14/10/2021	Briefing	Withhold officials' phone numbers under 9(2)(a).
6	OC210840	Auckland Light Rail - Informing the Cabinet paper	22/10/2021	Briefing	Withhold officials' phone numbers under 9(2)(a).
7	OC210867	Auckland Light Rail – Speaking points to support you at Cabinet	22/10/2021	Briefing	Withhold officials' phone numbers under 9(2)(a).
8	OC210891	Draft Cabinet Paper to progress the Auckland Light Rail project	05/11/2021	Briefing	Withhold officials' phone numbers under 9(2)(a).

9	OC210918	Auckland Light Rail – speaking notes for meeting with Minister of Finance 15 November 2021	15/11/2021	Briefing	Withhold officials' phone numbers under 9(2)(a), Withhold paragraph 12 to protect Crown's negotiating position under 9(2)(j). Withhold the annex under 9(2)(f)(iv) as information is under active consideration.
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Other documents

No.	Title	Document Date	Document type	Proposed action
10	City Centre to Māngere - Terms of Reference for the governance arrangements	06/06/2021	Terms of Reference	Release in full.
11	Auckland Light Rail - Sponsors paper for meeting on 14 June 2021	10/06/2021	Email	Withhold attachment titles as they should be released by the Establishment Unit, Withhold officials' phone numbers under 9(2)(a).

RELEASED UNDER THE
OFFICIAL INFORMATION ACT



2 December 2021

OC210818

Hon Michael Wood

Action required by:

Minister of Transport

Friday, 10 December 2021

SUMMARY OF THE REVIEW INTO ROAD SAFETY INVESTMENT AND DELIVERY

Purpose

To provide you with a summary of the findings of the independent Road Safety Investment and Delivery Review (the Review) into the efficiency and effectiveness of road safety investments. It also advises you on the process for considering variations to the 2021-24 Road Safety Partnership Programme (RSPP) to respond to the Review findings.

Key points

- Earlier this year, Te Manatū Waka Ministry of Transport (Te Manatū Waka) commissioned MartinJenkins to carry out an independent Road Safety Investment and Delivery Monitoring Review (the Review).
- Overall, the Review identified that good progress has been made in setting a clear direction and alignment of agencies towards the key priorities required to lift New Zealand's road safety performance, as set out in Road to Zero.
- The Review has, however, identified several improvements and opportunities to further strengthen the delivery of road safety investments and activities. Te Manatū Waka, Waka Kotahi and NZ Police have committed to deliver several actions in response to the Review. This action plan document is set out at Annex Two.
- We now seek your feedback on the Review findings and recommendations. We would also like to specifically test your comfort with whether the proposed action plan in response to the findings delivers on your expectations.
- A lack of governance and monitoring, combined with increasing demands on Waka Kotahi and NZ Police, present potential risks in responding to the Review findings. Strong oversight and monitoring will be required to ensure the actions are effectively implemented.
- We recommend that the Road to Zero Chief Executives' Group takes a leading role to monitor progress against the Review recommendations. This includes providing advice on the impact of new priorities and additional organisational demands on the delivery of road safety activities.

- We recommend consulting with the Minister of Police to seek feedback on the Review, including the proposed action plan. We also recommend you provide a copy of the Review to the Waka Kotahi Board, along with a letter setting your expectations of the Board in response to the Review, including inviting the Board's views on any necessary amendments to the Road Safety Partnership Programme (RSPP).
- Te Manatū Waka, Waka Kotahi and NZ Police recommend that the Review is released, in full on Te Manatū Waka website. Subject to your direction, Te Manatū Waka can work with your Office to prepare a draft press release and back pocket questions and answers to support the release of the Review and action plan.

Recommendations

We recommend you:

- 1 **note** that Waka Kotahi NZ Transport Agency will work through the key findings made in the Review and provide advice to its Board on amendments to the Road Safety Partnership Programme (RSPP)
- 2 **agree** to Te Manatū Waka proactively releasing the Review on its website, along with the actions that each agency has committed to in response to the Review Yes / No
- 3 **advise** if you would like to issue a press release announcing the release of the Review Yes / No
- 4 **refer** this briefing to Hon Poto Williams, Minister of Police and consider any feedback prior to sending the attached letter to the Waka Kotahi Board Yes / No
- 5 **agree** to sign and send the attached letter setting out your expectations to the Waka Kotahi Board about the amended RSPP following any comments from the Minister of Police. Yes / No



Robert Anderson
Manager, Mobility and Safety

2 / 12 / 2021

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
Robert Anderson, Manager, Mobility and Safety	s.9(2)(a)	✓
Hugh Mazey, Senior Advisor, Mobility and Safety	s.9(2)(a)	

SUMMARY OF THE REVIEW INTO ROAD SAFETY INVESTMENT AND DELIVERY

Te Manatū Waka commissioned an independent Road Safety Investment and Delivery Review

- 1 Earlier this year, Te Manatū Waka Ministry of Transport (Te Manatū Waka) commissioned MartinJenkins to carry out an independent Road Safety Investment and Delivery Monitoring Review (the Review).
- 2 The Review was commissioned to enable Te Manatū Waka to provide Ministers with more detailed advice on the efficiency and effectiveness of investment in road policing and safety infrastructure treatments.
- 3 The Terms of Reference established three primary areas of focus for the Review. These included:
 - 3.1 assessing whether there has been an appropriate level of alignment between the Government's strategic direction and delivery of road safety priorities
 - 3.2 forming a view on the overall efficiency and effectiveness of investment, systems, structures, accountability mechanisms, culture, and governance to support the delivery of road safety activities and interventions
 - 3.3 identifying barriers or challenges that may be having an impact on the effective and efficient delivery of the Government's future investment in road policing activity and the next stage of network safety infrastructure treatments.
- 4 In the context of the focus areas noted above, the Review assessed the effectiveness of road safety investment through the Speed and Infrastructure Investment Programme (previously the SIP) and road policing funded through the Road Safety Partnership Programme (RSPP).
- 5 The Reviewers were asked to make recommendations within the context of the findings against the focus areas that would enable Waka Kotahi and NZ Police to improve the efficiency and effectiveness of investment in road safety interventions.

The Review found that work is underway to embed strong foundations, but further work is required to strengthen the governance and oversight of road safety investment

- 6 Overall, the Review found good progress has been made in setting a clear direction and alignment of agencies towards the key priorities required to lift New Zealand's road safety performance. These are articulated in the *Road to Zero* strategy and action plan.
- 7 The Review also notes that key initiatives and actions are underway to enhance delivery effectiveness of investment in road safety activities. This includes, for example, the establishment of more formalised governance, assurance, and accountability mechanisms across agencies.

- 8 The Review has identified several improvements and opportunities to further strengthen the delivery of road safety investments and activities. These primarily focus on strengthening governance across the road safety partnership, enabling more transparent insights and reporting on road safety investment and performance, and improving alignment in decision making and the delivery of road safety interventions and activities.
- 9 The Review found that:
- 9.1 there is alignment between the Government's strategic direction and the strategic focus for road safety outcomes in both NZ Police and Waka Kotahi
 - 9.2 there has been a recent resetting of previous arrangements in both Waka Kotahi and NZ Police to achieve safety outcomes
 - 9.3 there is good and aligned understanding in both Waka Kotahi and NZ Police at senior management levels of Road to Zero outcomes and the focus on road safety as a priority
 - 9.4 there is more work to be done to get consistent delivery against this intent within both organisations at operational levels through ensuring decisions at district and regional levels appropriately prioritise and allocate resource to road safety activity, and through an increased focus on working together at regional and district levels to achieve road safety outcomes
 - 9.5 both Waka Kotahi and NZ Police are aware of the work to be done and are actively putting in place governance, management, and delivery mechanisms to address this
 - 9.6 the RSPP is still bedding down as an initiative where the agencies work in equal partnership, with recently strengthened arrangements for governance and oversight across the portfolio
 - 9.7 historically other priorities have crowded out the allocation of road policing resources, with recent steps being taken to address this issue
 - 9.8 there is a lack of performance data and evaluation across the system at a granular level, including financial measures, and this presents a challenge for assessing performance efficiency and effectiveness for making investment decisions.

To address these key findings the Review identified several areas for improvement

- 10 The Review identified several areas for improvement:
- 10.1 all three agencies in the road safety partnership to strengthen efforts to work together to discharge accountabilities and achieve better alignment between investment planning and delivery against the outcomes sought in *Road to Zero*
 - 10.2 expedite the formation of the Chief Executive Governance Group and Ministerial Oversight Group on Road to Zero and clarifying roles and responsibilities for enabling cross governance arrangements and reporting

- 10.3 where data analysis and insights permit, review the measures of NZ Police activity in the RSPP and complement current output measures with activity and intervention deployment measures that better align towards achievement of *Road to Zero* outcomes
- 10.4 continue to strengthen reporting on performance on activity and achievement of results in Waka Kotahi and NZ Police
- 10.5 establish an assurance framework to complement governance arrangements that will provide a line of sight on performance from operational through to governance levels
- 10.6 expedite the development and implementation of the NZ Police Safe Roads operating model to guide focus and consistent approaches to road safety policing, particularly at district and area levels
- 10.7 NZ Police to pursue the opportunity to take evidence of effective road policing practice in some districts (as evidenced in performance results) and assess for applicability to other districts
- 10.8 Waka Kotahi to review its investment prioritisation methodology for being able to accommodate safety outcomes/benefits from social and regulatory programmes over a time horizon of ten years.

Each agency has committed to deliver on the Review findings and recommendations

- 11 The Review outlined key recommendations that each agency could progress to strengthen the effective delivery of road safety investment. The agencies have developed an action plan to release alongside the Review. A draft of the action plan, in response to the Review, is set out in Annex One.
- 12 The action plan provides a clear response that will enable the agencies to respond to the recommendations in the Review. If these actions are progressed, we are confident that the issues in the Review will be appropriately addressed in time.
- 13 Some of the issues identified through the Review are historic challenges that require active focus and effective governance to address. In some cases, both Waka Kotahi and NZ Police will need to enable changes at organisational and cultural levels to address the underlying issues.
- 14 We anticipate it will take around one year to implement the actions and a further six months to realise improvements, recognising the systemic nature of some of the issues. Maintaining momentum will require a concentrated effort and we are confident we can do this.
- 15 It is recommended that the refreshed Road to Zero Chief Executives' Group be responsible for monitoring the ongoing response to the Review, and that this group would report to the Road to Zero Ministerial Oversight Group on progress once in place.

There are some limitations in the Review that impacted the findings

- 16 As outlined in the key findings, the Review identified a lack of clear and consistent performance data and insights over the delivery of road safety investment. This presented a challenge for assessing performance efficiency and effectiveness for making investment decisions. As a result of this, the Review does not provide specific comment on activity levels.
- 17 Similarly, the Review noted challenges in identifying clear financial information to monitor the line-of-sight of road safety investment through the investment lifecycle, i.e. from investment decision making through to delivery. The Review makes comments on these matters at a high level, but it was unable to undertake any value-for-money analysis due to this information being unavailable.
- 18 Improvements are currently being progressed to address these matters. Waka Kotahi has established more robust delivery and performance reporting, which is still developing. This is overseen by an executive sub-committee of Waka Kotahi's Senior Leadership Team and is reported to the Waka Kotahi Board (the Board).
- 19 NZ Police has also signalled that it will be progressing an independent activity-based costing review to strengthen transparency over the allocation and use of dedicated road policing funding.

A lack of sustained progress to embed the Review recommendations presents risks to progressing *Road to Zero*

- 20 Investment in infrastructure safety treatments and road policing are key pillars to the delivery of the commitments set out in Road to Zero. It is critical that sustained efforts are made to ensure effective delivery of investment in these areas.
- 21 There is a risk that a lack of progress in responding to the Review findings could limit the realisation of the system targets signalled in Road to Zero. This could directly impact the achievement of the 40 percent reduction in deaths and serious injuries by 2030.

There are significant expectations on Waka Kotahi and NZ Police that need to be carefully balanced

- 22 Te Manatū Waka notes there are significant expectations on both Waka Kotahi and NZ Police to support a range of key Government priorities over the next year.
- 23 In the context of Waka Kotahi, alongside supporting the ongoing COVID-19 response, Waka Kotahi will have a significant role supporting the delivery of the Government's climate and environment priorities.
- 24 Te Manatū Waka recommends that you discuss these matters with the Board to assess how Waka Kotahi will balance existing and new priorities, and whether it is concerned about any delivery and performance trade-offs.
- 25 Diversion of road policing resource remains an ongoing challenge as NZ Police responds to additional priorities and increasing demand within districts (e.g. family harm incidents).

- 26 Currently, NZ Police is having to prioritise resource to balance competing demands, particularly as it plays an increasing role in supporting the ongoing response to COVID-19.
- 27 NZ Police is transparent about these challenges and is willing to work with the road safety partnership to support progress in this area. Te Manatū Waka recommends that Ministers may need to consider the broader expectations being placed on NZ Police, and the associated implications of these on the delivery of road policing activity. We suggest this is an item for discussion at the Road to Zero Ministerial Oversight Group on 14 February 2022.

Effective governance and oversight are required to address the Review findings

- 28 Te Manatū Waka considers that the action plan in response to the Review will provide a good basis for addressing the key issues impacting the delivery of road safety investment. However, without clear governance and oversight to monitor the delivery of these actions, there is a risk that progress will not be at the pace and scale required to bring about improvement.
- 29 Over the last few months, Te Manatū Waka, working with Waka Kotahi, NZ Police, and ACC, has made good progress in embedding the refreshed governance structure for Road to Zero.
- 30 We consider that the Road to Zero Chief Executives' Group has an important role in monitoring the effective delivery of progress under Road to Zero. Our view is therefore that this group would be the appropriate mechanism to monitor the ongoing response to the Review, and to provide Ministers with assurance on progress.
- 31 Subject to your feedback, Te Manatū Waka will work with Waka Kotahi and NZ Police to establish formal reporting and monitoring on progress against the review findings and recommendations to this group. It is intended that reporting will be provided on progress through the Road to Zero Ministerial Oversight Group.

We recommend you write to the Board to set out your expectations in response to the Review

- 32 The Board is accountable for the delivery of road safety investment made through the National Land Transport Fund (NLTF). This accountability sits in two capacities.
- 33 The first capacity relates to the Board's role overseeing investment in road safety interventions and activities delivered by Waka Kotahi, such as education campaigns and infrastructure treatments. The second capacity relates to the Board's role as purchaser of road policing activity from NZ Police through the RSPP.
- 34 Te Manatū Waka is aware that the has a focus on strengthening oversight and delivery of investment into road safety. The Board has a key role to play in responding to the Review through its statutory role and accountabilities in managing investment as part of the Road to Zero activity class.
- 35 We therefore recommend that you write to the Board to provide a copy of the Review, and to set your expectations of the Board in responding to the findings and recommendations. The letter also invites the Board's views in considering variations

to the 2021-24 RSPP. A draft letter is attached in Annex Two for you to provide to the Board.

Your feedback is sought on the Review findings, recommendations, and next steps

- 36 With the Review complete, we now seek your feedback on the findings and recommendations. We would like to specifically test your comfort with whether the action plan delivers on your expectations. We recommend consulting with the Minister of Police to also seek feedback on these matters.

There is significant external interest in the Review findings

- 37 We expect that there will be significant public and stakeholder interest in the conclusions from the Review and the actions that agencies will be taking in response. Given the high-profile nature of the issues covered in the Review, we consider that it would be in the public interest to release the Review in full.
- 38 On 26 October 2021 your Office received a request from s 9(2)(a) from Stuff for a copy of the Review under the Official Information Act 1984 (OIA). Our recommendation was that you refuse the request on the basis that the Review will soon be proactively released.
- 39 Based on general Ombudsman guidance, relying on this ground means the document should be released within six weeks of the refusal. Based on the date the response was sent to s 9(2)(a), to remain consistent with the Ombudsman guidance, the document would need to be released by 25 January 2022.
- 40 If you disagree to the proactive release of the Review, it will need to be prepared for release to s 9(2)(a) in response to the OIA request as the refusal ground will no longer be valid. Our recommendation would be that it is released in full.
- 41 We anticipate that there will be a high level of scrutiny over the Review given the nature of some of the findings. In response to these concerns, it is important to note that the Review was proactively initiated by Ministers and that many of the issues respond to systemic and historic challenges in the governance and oversight of road safety investment and delivery.

We can work with your Office to prepare communications material to support a proactive release

- 42 Subject to your direction, Te Manatū Waka can work with your Office to prepare a draft press release and supporting questions and answers to support the release of the Review and action plan. We will work with your Office on the preferred timing for the release of the Review.

IN CONFIDENCE

ANNEX ONE: FINAL MARTINJENKINS REPORT

Annex One refused under section 18(d) of the Official Information Act.

RELEASED UNDER THE
OFFICIAL INFORMATION ACT

UNCLASSIFIED

IN CONFIDENCE

ANNEX TWO: AGENCY ACTIONS RESPONDING TO THE REVIEW

Annex Two refused under section 18(d) of the Official Information Act.

RELEASED UNDER THE
OFFICIAL INFORMATION ACT

UNCLASSIFIED

IN CONFIDENCE

**ANNEX THREE: DRAFT LETTER TO THE CHAIR OF THE WAKA
KOTAHI BOARD**

RELEASED UNDER THE
OFFICIAL INFORMATION ACT

UNCLASSIFIED

Sir Brian Roche
Chair Waka Kotahi Board
boardsecretariat@nzta.govt.nz

Dear Brian,

Earlier this year, the Minister of Police and I jointly directed the commissioning of a review into the effectiveness and efficiency of investment into road safety (the Review). The Review was specifically intended to provide Minister's with more detailed insights on investment in road policing and safety infrastructure treatments.

The Review is now concluded. I have enclosed a copy for the Waka Kotahi Board's consideration.

Note: the Review referred to in this paragraph is refused under section 18(d) of the Official Information Act

Overall, the Review identified that good progress has been made in setting a clear direction and alignment of agencies towards the key priorities required to lift New Zealand's road safety performance, to deliver Road to Zero. The Review has, however, identified several improvements and opportunities to further strengthen the delivery of road safety investments and activities.

Road to Zero sets ambitious targets that aim to ensure there are no deaths or serious injuries on New Zealand roads. Effective enforcement and infrastructure improvements are key levers in being able to deliver these targets.

The findings from the Review highlight some challenges impacting the way in which road safety investments are being made and delivered. I acknowledge Waka Kotahi over the last 12 months has taken steps to strengthen its oversight and delivery of investment into Road Zero.

However, the Review highlights further improvements are required to realise the vision of Road to Zero. Without a concerted effort to respond to the Review findings, there is a risk that we will not make sufficient progress.

As the land transport funder, the Waka Kotahi Board also has an important role overseeing investment through the Road to Zero activity class. This includes approving the Road Safety Partnership Programme (RSPP).

When I conditionally agreed to the 2021-2024 RSPP, it was subject to the RSPP being amended to reflect the recommendations of the Review and matters raised by the Secretary for Transport. I would like the Waka Kotahi Board to provide me with advice on any potential variations to the RSPP within the context of the Review findings by 1 February 2022.

My strong expectation is that the Waka Kotahi Board will fully consider the Review findings and recommendations, and ensure genuine changes are put in place to realise improvements in the way investments in road safety are being made.

As a nation, we have significant progress to make to improve our road safety performance. Strong partnership and clear governance will be essential to harness the impact we can collectively have to achieve the Road to Zero vision.

I look forward to working with the Waka Kotahi Board, and the wider road safety partnership, over the next year to improve road safety in Aotearoa.

Yours sincerely

Hon Michael Wood
Minister of Transport

Copy to:

Hon Poto Williams
Minister of Police

Peter Mersi
Secretary for Transport

Andrew Coster
Police Commissioner

Nicole Rosie
Chief Executive, Waka Kotahi

RELEASED UNDER THE
OFFICIAL INFORMATION ACT



6 December 2021

OC210980

Hon Michael Wood

Minister of Transport

AUCKLAND TRANSPORT ALIGNMENT PROJECT (ATAP) THREE YEAR IMPLEMENTATION UPDATE 2018-2021

Purpose

This report provides you with a three-year summary of the Auckland Transport Alignment Project (ATAP) over the period 2018 to 2021.

The report details delivery progress at a project level, provides information against wider outcomes from the programme and details how funding and expenditure is tracking for the programme over the 2018-21 period.

Key points

- The ATAP 2018-28 investment programme is largely on-track despite the disruption from COVID-19. Twenty-nine percent of the planned 10-year ATAP capital expenditure has been spent over the first 3 years of the ATAP 2018 programme and 42% of the ten-year programme is currently in construction or has been delivered (Auckland Transport 44%, Waka Kotahi 41% and KiwiRail 33%).
- The first three years of the ATAP 2018-28 programme has seen several key Auckland projects delivered and programmes progressed. These include the delivery of new trains needed to optimise the network, the opening of the new downtown Ferry basin, a new Puhinui rail and bus interchange and progress on the much-needed renewal programmes for both KiwiRail and Auckland Transport. In addition, 75 of the 151 ATAP projects from the 2018-28 programme have progressed into the business case stage.
- Each year across the three-year period from 2018-21, Auckland Transport and KiwiRail reported an underspend in their capital programmes against planned expenditure. Some of this can be attributed to COVID-19 but underspend was apparent before COVID.
- There is an underspend of \$800 million across the three years for the Auckland Light Rail (ALR) project.
- Auckland Regional Fuel Tax (RFT) spending is low. Auckland Council has received \$485 million over the 2018-21 period of which \$195 million has been spent. The spend has contributed to the completion of some of Auckland's key transport projects including the Karangahape Enhancement Project (officially opened on 11 June 2021), Victoria Street cycleway (completed in late 2020) and the Auckland Downtown (Lower Albert Street) Bus Interchange project

(completed 2021). Although the spend is low, the planned expenditure has always been set to increase later in the decade.

- At an outcome level, three years is a relatively short period of time to measure the longer-term outcomes associated with the ATAP programme and so we consider longer-term trends as well as the last three years. A key success is public transport ridership that has significantly increased across all modes. In 2013, there were 70 million trips on public transport in Auckland and by 2019, this had increased to 100 million.
- Over the three years from 2018-21 there has been a significant increase of funding into the ATAP programme through Crown funding for the New Zealand Upgrade Programme (\$3.5 billion), the COVID-19 Response Recovery Fund (\$85 million) as well as Crown-Auckland Council increased funding for the City Rail Link (from \$2.9 billion to \$4.4 billion).
- Several NLTF funding decisions have been made over the three-year period which have resulted in Auckland Transport receiving favourable consideration on funding when other regions have experienced reductions in funding. In addition, a recent injection of loan funding to the National Land Transport Fund (NLTF) has meant increased certainty of funding for the 2021-24 ATAP programme. ^{s 9(2)(f)(iv)}
- Covid-19 has resulted in implementation of some projects slowing down and in a significant revenue decrease from public transport fares. It is expected that COVID-19 will have an impact on the delivery of the City Rail Link (CRL) and the renewals programme across Auckland and securing construction resources and materials will present an on-going challenge.

Recommendations

We recommend you:

- 1 **note** the content of this report
- 2 **share** this report with the Minister of Finance in his capacity as ATAP Sponsor Yes / No



Karen Lyons
Director Auckland

....6. / 12..... /2021...

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
Lou Lennane, Auckland Strategic Programme Lead	s 9(2)(a)	✓
Karen Lyons, Director Auckland	s 9(2)(a)	

AUCKLAND TRANSPORT ALIGNMENT PROJECT (ATAP) IMPLEMENTATION REPORT 2018-2021

Background

1. In April 2018, the Government and Auckland Council agreed the Auckland Transport Alignment Project package of investment priorities for Auckland (ATAP 2018-28). The indicative package of \$29 billion over 10 years is funded from sources including the NLTF, Crown funding, rates and the Auckland Regional Fuel Tax (RFT).
2. Over time, the Ministry of Transport has provided regular ATAP Implementation reports, generally two per year. This report provides the first view of a three-year period (2018-21).
3. The content in this report is based on data from Waka Kotahi the NZ Transport Agency, Auckland Transport, Auckland Council and KiwiRail. These organisations have contributed to this report. The ATAP Governance Group oversees and endorses the report.

The ATAP 2018-28 programme

4. The ATAP 2018 programme signalled \$29 billion of investment in Auckland's transport system over the 2018-2028 decade. Since the initial agreement, additional funding of \$1 billion for the City Rail Link (CRL) has been provided on a 50:50 basis by the Government and Auckland Council. The programme has also received additional Crown funding tagged to delivery of the New Zealand Upgrade Programme (NZUP) of \$3.5 billion and \$85 million from the COVID-19 Response Recovery fund.
5. This level of funding has enabled substantial progress towards transforming Auckland's transport system. Key investment priorities have been identified and available funding has been broadly allocated across major investment areas.
6. The allocation of expenditure across categories and funding sources is summarised in table one below.

Table 1: The ATAP 2018 package by investment area and funding source

Investment Area		Expenditure (inflated to year of spend)
Operational costs (net of revenue)		\$8.1 billion
Asset renewals		\$3.3 billion
Committed and new projects	Rapid transit (busway, rail and light rail)	\$9.8 billion
	Strategic and local road network	\$3.8 billion
	Greenfield transport infrastructure	\$1.3 billion
	Safety programmes	\$0.9 billion
	Walking, cycling and local board priorities	\$0.9 billion
	Bus and ferry improvements	\$0.7 billion
	Optimisation and technology	\$0.7 billion
Total		\$29.5 billion
Funding Sources		Revenue (inflated to year received)
Auckland Council	Rates, development contributions and borrowing	\$8.9 billion
	Regional Fuel Tax	\$1.5 billion
Government	National Land Transport Fund	\$16.3 billion
	Crown contribution to City Rail Link	\$2.6 billion
	Crown Infrastructure Partners (repaid by landowners)	\$0.36 billion
Total		\$29.5 billion

7. Underpinning the ATAP 2018 agreement between the Government and Auckland Council is an expected \$16.3 billion over 10 years from the NLTF, subject to the 'on merit' allocation process of the NLTF.
8. Of this, it was agreed that \$8.1 billion would be allocated to support the ATAP activities of Auckland Transport (both capital and operating expenditure) and \$7.3 billion allocated to Waka Kotahi, for Auckland's state highways and light rail. The remaining amount from the NLTF (\$0.9 billion) was allocated to KiwiRail to deliver rail network upgrades in Auckland.
9. The NLTF funding of \$16.3 billion combined with Crown funding for City Rail link saw a government contribution to transport in Auckland of \$18.9 billion in the original ATAP 2018-28 agreement. Since then, there has been additional Crown funding allocated to Auckland via the New Zealand Upgrade Programme (\$3.4 billion) and the COVID-19 Response Recovery Fund (\$85 million).

Progress against ATAP Outcomes 2018-21

10. To monitor how the ATAP package of investments is contributing to agreed outcomes, a set of key measures and indicators were identified in the ATAP Outcomes Framework, which was developed by a cross-agency group, endorsed by the ATAP Governance Group in May 2019 (OC190875 refers). Appendix 1 details the current ATAP Outcomes Framework.

11. The framework is based on the outcomes included in the ATAP 2018 investment package which were:
- enabling and supporting Auckland's growth
 - improving travel choice for Aucklanders
 - keeping Auckland moving
 - making Auckland's transport safe (environmental and human health).
12. It is recognised that progress at an outcome level requires a longer-term delivery period with progress starting to bed-in over a 5-10-year period. This report details some progress over 2018-2021 as well as some longer-term trends.

Improving travel choice for Aucklanders:

13. In the 2018 to 2021 period access to public transport has increased in some parts of Auckland, but not all as measured by the ability of people to access a rapid transit stop (RTN) or frequent network stop (FTN) within a 500m walk.
14. Significant improvements have been made in the central and northern areas, with the percentage of the population within a 500m walk increasing from 34% in 2018 to 70% in 2021 (147,100 people to 304,800 people), while the north shore has moved from 2% in 2018 to 34% in 2021 as a result of the new bus network connecting to the Northern Busway.
15. Regional discrepancies exist. West Auckland has the lowest percentage of population within 500m of public transport at just 17% and unchanged in the last three years while Central Auckland has the highest percentage of 70%, up from 34% in 2018.
16. Looking forward, access is projected to increase in other parts of the Auckland region however the central isthmus will be far ahead of other areas in terms of access to a rapid transit or frequent transit stop (70%). The other parts of Auckland are planned to all be between 40 and 46% access by mid-2024.
17. The table below indicates the variance in access across the Auckland region and the projections of change over time with increased ATAP investment.

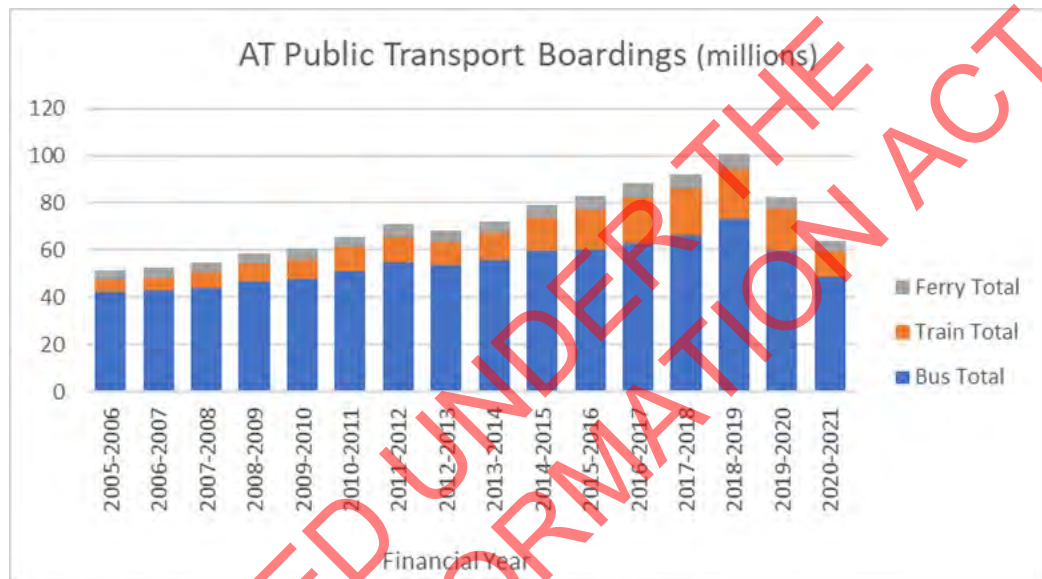
Region	1 st July 2018 Population within 500m	% of 2018 Population within 500m	31 st July 2021 Population within 500	% of 2021 Population within 500m	Projected Network 1 st July 2024 Population within 500m	% of Population within 500m
West	36,200	17%	36,200	17%	83,300	40%
North	4,000	2%	79,900	34%	97,200	41%
South	138,700	41%	138,800	42%	138,800	42%
East	62,700	46%	62,700	46%	62,700	46%
Central Isthmus	147,100	34%	304,800	70%	308,400	70%

Source: 2018 Census Population¹ Sub region definition

¹ Central region includes: Albert-Eden Local Board Area, Maungakiekie-Tamaki Local Board Area, Orakei Local Board Area, Puketapapa Local Board Area and Waitemata Local Board Area. North region includes: Devonport-Takapuna Local

Public Transport Ridership

18. Pre-COVID-19 total Public Transport ridership in Auckland showed strong growth, with ridership steadily increasing since 2013. Each year, across all modes, increased public transport trips occurred with a strong uptake in public transport resulting from improvements in the network, improved frequencies on routes and increased coverage.
19. Public transport trips increased from 70 million trips in 2013 to 100.8 million in 2019, an increase of 233 percent or approximately 30 million trips. With the recent COVID-19 restrictions in Auckland, ridership has been significantly reduced with trips dropping back to 2010 levels, sitting at around 60 million.



Cycling

20. Auckland Transport have added an additional 23.5 kilometres of infrastructure to the Urban Cycle Network over the past three years. This brings the total Urban Cycle Network to 348 kilometres. This has seen some increase in cycle numbers across the region between 2017 to 2019 with an increase of approximately 200,000 cycle trips. Since 2019 the cycle counts measured have been declining. A significant underspend occurred in the 2018/19 year with only 44% of the annual planned spend achieved. The total spend on the Auckland Transport cycling programme over the 2018-21 period is \$170 million which represents a cost of \$7.2 million per kilometre.

Board Area, Hibiscus and Bays Local Board Area (excluding Hibiscus Coast) and Kaipatiki Local Board Area. South region includes: Mangere-Otahuhu Local Board Area, Manurewa Local Board Area, Otara-Papatoetoe Local Board Area and Papakura Local Board Area. East Region includes Howick Local Board Area. West Region includes: Henderson-Massey Local Board Area and Waitakere Ranges Local Board Area. Whau Local Board Area is in both West and Central regions, while Upper Harbour Local Board Area is included in both North and West regions. Other areas such as Franklin Local Board Area, Great Barrier Local Board Area and Waiheke Local Board Area are excluded from this analysis

	FY 2017/2018	FY 2018/2019	FY 2019/2020	FY 2020/2021
	August 2017 to July 2018	August 2018 to July 2019	August 2019 to July 2020	August 2020 to July 2021
Total Cycle Movements annual (Million)	3.496	3.79	3.65	3.5
Percentage increase on previous financial year	5.2%	8.3%	-3.8%	-5.0%
Spend on cycle programme per year \$m (actual versus planned)	42m (act) 49m (budget)	23 (act) 52 (budget)	48 (act) 44 (budget)	57 (act) 52 (budget)

Keeping Auckland Moving

21. Auckland Transport data shows that the proportion of the Auckland arterial network subject to congested conditions² has steadily increased over time. In the year to June 2015, this was 19.5%, increasing to 22.9% in the year to June 2018 and to 24.2% in the year to June 2021. The COVID-19 lockdown impact was clearly evident in 2020 through monthly data. In April 2020 the measure dropped to 8% (compared to 22.9% in April 2019) but by November 2020 had risen to 32%, similar to the previous year.
22. The AA have calculated that time lost to congestion over a year by the average peak-hour motorway user was 78.6 hours in 2017 and 95 hours in 2019 before falling to 62 hours in 2020, with the COVID-19 impact reflected in the 2020 year.

Making Auckland's Transport Safe

23. The table below shows incidents that resulted in death and serious injury (DSI) had been trending down since 2017. Initial indications for 2021 are showing an increase.
24. While traffic on Auckland roads decreased following the second COVID-19 lockdown in 2020, the average speeds at which people travelled increased (Auckland Transport 2020/21 Annual Report) which is thought to contribute to the increase in DSIs.

² defined as travel at less than 50% of the speed limit in the AM peak on the Auckland arterial network

	2011-15 baseline	2016	2017	2018	2019	2020
Fatalities	46	47	64	54	40	36
Fatal and Serious Injuries (DSI)	493	673	832	649	607	525
Serious Injuries	447	626	768	595	567	489
Auckland as a % of NZ DSI	19%	23%	26%	22%	21%	21%

Auckland Deaths and Serious Injuries Data (source Auckland Transport)

ATAP Capital Programme – Delivery Progress 2018-21

25. Over the three-year period (2018-2021) significant capital spend has occurred across the three delivery agencies (Auckland Transport, Waka Kotahi and KiwiRail) which has seen the completion of key projects and as noted previously a large number now moving through the business case phases.
26. The ATAP 10-year investment programme is largely on-track despite the disruption from COVID-19. Twenty-nine percent of the planned 10-year ATAP capital expenditure has been spent over the first 3 years of the ATAP 2018 programme and 42% of the ten-year programme is currently in construction or has been delivered.
27. Auckland Transport and KiwiRail are underspent in their capital programmes across the 2018-21 period. There is also a significant underspend in the Auckland Light Rail project where \$41 million has been spent over three years out of a budget allocated of \$1.8 billion.
28. Auckland Transport planned to invest \$2.553 billion in the 2018-21 period of the ATAP 2018-28 programme. Of this, the actual spend was \$2.259 (88%). Auckland Transport received a reduction in funding from Auckland Council of approximately \$150m (as a result of an emergency COVID 19 budget decision) in the 2020/21 year which has affected the actual spend.
29. KiwiRail had a planned capital expenditure of \$309m over the 2018-21 period and have spent \$180m which shows an underspend across the three-years of 129m. In contrast to the other two delivery agencies, the 2020/21 financial year saw the largest capital spend for KiwiRail with only a small overspend at the end of the year of \$19m. This is a result of a ramp-up in the KiwiRail renewals programme and capital projects to ensure the operation of the City Rail Link when it opens.

CAPEX

Delivery entity	FY 2018-2019 Actual Spend (Millions)	FY 2018-2019 Planned Expenditure (Millions)	Variance	FY 2019-2020 Actual Spend (Millions)	FY 2019-2020 Planned Expenditure (Millions)	Variance	FY 2020-2021 Actual Spend (Millions)	FY 2020-2021 Planned Expenditure (Millions)	Variance	2018-21 Actual Spend (Millions)	2018-21 Planned Expenditure (Millions)	Variance	Percent of planned exp 2018-21	Ten Year Plan
Auckland Transport	667	744	-77	862	904	-42	729	905	-176	2,259	2,553	-294	88%	10,182
Waka Kotahi (including ALR)	469	713	-244	534	651	-117	471	927	-456	1,474	2,291	-817	64%	6,500
KiwiRail	1	34	-32	13	129	-116	166	147	19	180	309	-129	58%	1,337
City Rail Link	130	162	-32	516	385	131	790	822	-32	1,436	1,369	67	105%	4,419
TOTAL	1267	1653	-386	1925	2069	-144	2156	2801	-645	5349	6522	-1173	82%	22,438

ATAP Operational Spend 2018-21

30. Auckland Transport's net operational expenditure over the first three years (2018-21) is tracking over budget. The variance is driven by a combination of cost increases from higher than planned cost escalations for delivery of public transport (PT) services and loss of PT revenue due to COVID19. This has resulted in a \$186 million OPEX overspend for Auckland Transport as of 30 June 2021. The PT revenue shortfall and the cost increases have been supported by Auckland Council (\$120m) and Waka Kotahi (\$80m).
31. The Waka Kotahi ATAP operating expenditure across the three years (2018-21) was \$439 million, which is slightly above the planned expenditure of \$410m. Each of the three years has seen minimal variance in the Waka Kotahi operational spend from what was planned.

OPEX

Delivery entity	FY 2018-2019 Actual Net Expenditure (Millions)	FY 2018-2019 Planned Net Expenditure (Millions)	Variance	FY 2019-2020 Actual Net Expenditure (Millions)	FY 2019-2020 Planned Net Expenditure (Millions)	Variance	FY 2020-2021 Actual Net Expenditure (Millions)	FY 2020-2021 Planned Net Expenditure (Millions)	Variance	2018-21 Actual Net Expenditure (Millions)	2018-21 Planned Net Expenditure (Millions)	Variance	% of Planned Net Expenditure (Millions)	Ten Year ATAP Plan
Auckland Transport	558	549	9	642	572	70	694	588	106	1,895	1,709	186	111%	6,609
Waka Kotahi	142	127	15	151	143	8	145	140	5	439	410	29	107%	1,467
Total	700	676	24	794	715	79	839	728	111	2,333	2,119	214	110%	8,076

ATAP Funding Considerations

32. The additional Crown funding for ATAP over 2018-2021 is noted above. In addition, over the 2018-28 period, Auckland has benefited from decisions made with regards to NLTF funding.
33. In 2019, constraints on the NLTF saw proposals to reduce funding for projects across the country. This would have resulted in \$160m worth of ATAP projects not funded (or unlikely to be funded). All these projects were eligible to be funded based on Waka Kotahi funding rules but were deemed not of high enough priority given national funding constraints. After discussion both at an officials' level and politically, Waka Kotahi reversed their decision for the projects in Auckland.
34. The \$160 million sourced from the NLTF, provided Auckland Transport with greater funding certainty in the 2021 NLTP period to deliver the ATAP programme.
35. We reported in May 2019 that 18 projects had been added to the ten-year list of ATAP projects (post the ATAP agreement) but no additional NLTF or Auckland Council funding had

been added to the \$28 billion ATAP programme. Eleven projects were Waka Kotahi led projects with the remaining seven Auckland Transport-led. It was agreed that these projects would be considered for NLTF funding where appropriate and that Auckland Council would fund their local share in addition. This represented a further \$114m of Auckland Transport projects added to the ATAP programme.

36. Waka Kotahi approved funding of \$135 million out of the NLTF for the Waka Kotahi-led projects that were omitted from the ATAP package. These were in the main previously committed contracts or part of the ongoing low-cost low-risk programme on Auckland's state highways. Waka Kotahi accommodated this through the state highway activity class, in addition to the \$5.7 billion of NLTF funding allocated to Waka Kotahi over the 10 years for Auckland's state highways.
37. In 2021, an additional \$2 billion of loan funding was added to the NLTF to help with pressures on the fund. This alleviated AT's earlier concerns of not being able to deliver the ATAP programme due to insufficient NLTF funding. As a result of this additional funding, the ATAP programme for 2021-2024 can be funded.
38. While there have been several one-off funding decisions supporting ATAP, s 9(2)(f)(iv) [REDACTED]
39. The nature of the ATAP programme over the next five years means it is largely local transport projects that are required in the region rather than Waka Kotahi-led state highway projects. The state highway network in Auckland is nearing completion and what is required is significant public transport, local road, walking and cycling and rail projects.
40. s 9(2)(f)(iv) [REDACTED]
41. s 9(2)(f)(iv) [REDACTED]

ATAP Delivery Highlights 2018 – 2021

Delivered by Waka Kotahi

SH1 Southern Corridor Improvements:

42. The opening of additional motorway lanes, between SH20 and the Papakura Interchange, as part of the SH1 Southern Corridor Improvements project in December 2019 was a key milestone in helping to ease congestion along this strategic corridor. The project saw upgrades to the Takaanini Interchange and Great South Road corridor which were completed in early 2021.
43. A key additional feature of the project was completion of a 4.5km shared walking and cycling path between Takaanini and Papakura, connecting local communities and providing greater travel choice. The 'Southern Path' as it is called was completed and officially opened in May 2021.

44. In April 2021 a further construction contract was awarded that on completion will extend the improvements to SH1 south for around 6km, between Papakura Interchange and Drury, helping to address capacity constraints and facilitating development of the area around Drury.

20Connect - SH20B Early Improvements:

45. 20Connect is a long-term project that will improve journey reliability, safety and travel choice along State Highways 20, 20A and 20B. Stage 1 Early Improvements, (the first stage of the project), was open to traffic in April 2021 after 15 months of construction.
46. The work involved the widening of State Highway 20B to provide new priority lanes for public transport, in both directions of travel, totalling 3km between Pukaki Creek (excluding Pukaki Creek Bridge) and the interchange with State Highway 20.
47. Stage 1 also included a new walking and cycling shared use path running along the corridor delivering increased travel choice, plus the signalisation and upgrade of the intersections at Campana Road and Manukau Memorial Gardens that will help improve safety for all users of the corridor.
48. A Single Stage Business Case leading to route protection of the other longer-term improvements proposed as part of the wider 20Connect project, including future rapid transit between Auckland Airport and Botany, was approved by both Waka Kotahi and AT boards in 2021.

Road to Zero Safety Programme:

49. SH1 Dome Valley is a high-risk corridor due to poor alignment. As part of the Road to Zero Programme to reduce the risk of death or serious injury, safety treatments are being implemented along this 15km length of SH1, including median and roadside barriers, widening of the centreline and shoulders, new right turn bays and removal of existing passing lanes. Construction work on two sections of the corridor was completed during 2020 and 2021. Two further sections are expected to be completed by early 2022. Design work on the final section is underway.
50. State Highway 22 between Drury and Paerata has a poor safety record and is rated as medium to high risk along its length. Speed limits were reduced from 100 to 80 kph (and to 60 kph at Paerata township and Drury interchange) in June 2020. Construction of a new roundabout intersection between SH22 and Glenbrook Road began in 2021 following exhaustive investigation of options. A total of 21 crashes were recorded within 400m of this intersection between January 2015 and December 2019 and the new intersection should significantly help improve safety. Other additional improvements are now under investigation including intersection upgrades and both median and side barriers to help reduce the risk of death and serious injury along this corridor.

Additional Waitemata Harbour Connections

51. Growth in the North Shore is placing increasing pressure on the transport system, including State Highway 1, the Northern Busway, and the Auckland Harbour Bridge. This is a joint study between Auckland Council (AC), Auckland Transport (AT) and Waka Kotahi NZ Transport Agency (Waka Kotahi). A key milestone was achieved in 2020 when the business case was completed and approved by both AT and Waka Kotahi Boards, and supported by AC's Planning Committee. Planning for next phase has started.

Supporting Growth Programme

52. Indicative business cases identifying the transport infrastructure required to support development proposed for the four growth areas identified for the Auckland Region (including South Auckland, North Auckland, North-West Auckland and Warkworth) were all completed and approved by the Boards of both Waka Kotahi and AT during 2019.
53. The Drury Arterials Detailed Business Case was completed and approved by both the Waka Kotahi and AT Boards in 2020. Notice of Requirements were also lodged at the end of January 2021. Work is progressing on the detailed business cases for the other growth areas that will pave the way for route protection.

Auckland Light Rail

54. The Auckland Light Rail project was reset at the beginning of 2021 with a focus on partnership between the Crown, Auckland local government and Mana Whenua. An Establishment unit housed within Waka Kotahi and a governance board comprising representatives from Mana Whenua, Waka Kotahi, Auckland Transport, Auckland Council (officials and elected representatives), Kainga Ora, Ministry of Transport and with observers from the Treasury and Te Waihangā Infrastructure Commission progressed the indicative business case.
55. \$40 million of the \$1.8 billion allocated in ATAP 2018-2028 for seed funding for Auckland Light Rail has been spent as at 30 June 2021.

Delivered by Auckland Transport

56. The first three years of the ATAP 2018-28 programme has seen a number of key Auckland projects delivered and programmes progressed, including; doubling the investment in safety towards achieving Vision Zero, addition of 23km of cycleway, delivery of 15 new electric trains, the opening of the new downtown Ferry basin, progressing Eastern Busway and the new Puhinui rail and bus interchange, and progress on the much needed renewal programmes. Sustainability has been a key focus with 87% of the streetlights changed to LED and electric bus services operating on the AirportLink, CityLink and WaihekeLink.

Completion of the Downtown Ferry Basin Redevelopment

57. The six projects delivered by the Downtown Programme reflect an investment of \$350 million by Auckland Transport and Auckland Council, \$42 million of which was provided by the COVID-19 Response Recovery Fund Government funding.

Auckland's Low Emission Bus Roadmap

59. In partnership with Bus Operators, Auckland Transport delivered new electric bus services for the Waiheke Link, Airport Link and City Link bus services. The new electric buses will help reduce carbon emissions and help Auckland work towards meeting its climate change goals.

The Eastern Busway

58. The Eastern Busway will create a dedicated seven-kilometre busway from Panmure Station to Botany Station, with a new station (Pakuranga Station) being built at the intersection of Pakuranga Road and Ti Rakau Road. The initial stage of the project included an upgrade to Panmure Station and Te Horeta Road, which was completed in 2014.

59. The first of two sections of the Eastern Busway project is the construction of the busway from Panmure Station to Pakuranga. This includes the first section of the busway along the north side of Lagoon Drive and Pakuranga Road and is due to be completed in December 2021.
60. The second section includes a new bus station at Pakuranga Town Centre, the Reeves Road Flyover, and remainder of the busway along Ti Rakau drive to Botany. This is due to be completed in 2025.
61. Auckland Transport signed an alliance agreement with partners Fletcher, Acciona, AECOM and Jacobs in October 2020. The alliance will draw on local and international expertise and this is a significant milestone given this model of delivery is a first for Auckland Transport. The Interim project alliance agreement phase is currently underway. The Pakuranga to Botany site investigation is currently underway along with community consultation on draft design. Early to middle of 2022 community consultation detailed design, consent application lodgement and early enabling works will be progressed with the expectation of starting construction by late 2022 at Pakuranga.
62. Securing s 9(2)(f)(iv) and increased funding will be crucial to the success and the timely delivery of this project.

Completed construction of the Puhinui bus/rail interchange

63. The Puhinui interchange opened in July 2021 enabling faster, more frequent, and easier connections to Auckland Airport with connections from the train to the electric Airport Link bus. The station opening also coincided with the recently upgraded State Highway 20B and Puhinui Rd/Lambie Drive improvements – providing dedicated T3/bus lanes and reliable travel times for customers on the Airport Link.

Innovating Streets Programme

64. The Innovating Streets for People programme saw several new pop-up trial projects rolling out to suburbs in Tāmaki Makaurau. The trials include a range of new designs to enhance the street environment, from safety improvements outside schools, to reducing speed and congestion through residential neighbourhoods, play-based events, place-making and new cycleways. Need more on this- where/what's worked what hasn't/

Delivered by KiwiRail

The Rail Network Growth Impact Management (RNGIM)

65. The RNGIM is the Catch-Up Rail Renewals Programme - an accelerated investment in rail network renewals to address historic formation, drainage, and track issues to bring the network up to a modern metro standard. Over the 2018-21 period, KiwiRail delivered 135 kilometres of urgent rail renewals. This has resulted in 30% of the sub-standard drainage being rectified. A new Auckland Metro renewal delivery plan has also been delivered.
66. KiwiRail and Auckland Transport began investigations into the state of the Auckland metro rail network in 2018 to support the RNGIM business case development. The initial investigation identified rolling contact fatigue (RCF), a type of wear and tear, was present on parts of the track.
67. Waka Kotahi was first made aware of potential issues in June 2019, and after an initial investigation, requested KiwiRail perform a detailed network analysis. The subsequent review revealed the extent of RCF was larger than initially surveyed.

68. In August 2020, after the risks on the network were better understood, KiwiRail placed a Temporary Speed Restrictions of 40km/h on 100km of track on the Auckland network and caused disruptions of train services. These speed restrictions will remain while urgent remediation work occurs, expected to take 12 months.
69. KiwiRail has completed the most urgent track replacement, replacing 135 kilometres of worn rail, and replacing 22,000 sleepers in 2020/21. This allowed train services to return, elevating much of the irritation of Auckland commuters.
70. KiwiRail expect to finalise the work schedule with AT in the first quarter of 2022 and agree new access arrangements. This will allow the RNGIM programme to proceed at pace over the next five years. The impact of RCF will likely increase the overall cost of this programme and may impact future sequencing of works in ATAP.

The Papakura to Pukekohe Rail Electrification Programme (P2P)

71. The P2P programme is an investment to improve the rail link on the North Island Main Trunk Line (NIMT) and includes overhead electrification and civil infrastructure. Across the past 12 months, design, consents and enabling works have been completed in preparation for significant planned works this Christmas. In addition, work has commenced at Pukekohe, the main Resource Management Act (RMA) consent package has been granted, secondary RMA applications have been submitted and the majority of required property agreements are in place (approximately 90% of the required property agreements are in place).

The Wiri to Quay Park Programme (W2QP)

72. The W2QP Programme's focus is designing and delivering a third railway line between Wiri and downtown Auckland, plus a host of other improvements to enhance capacity and efficiency on this corridor. This work is expected to be complete by 2024. Completed work to date includes drainage improvements, overhead electrification switches installed at Sylvia Park Road and Puhinui South installation and eight high-speed crossovers installed at Wiri and Westfield Junctions.

Additional Traction Feed (West)

73. The Business Case for an additional traction feed West (a project to ensure that the western line receives a power feed enhancement to allow for integration into the new CRL system due to open late 2024) is nearly complete and the solution will provide for future power needs past 2031. The project is expected to move into procurement in early 2022 and to be completed in December 2024.

City Rail Link Progress 2018-21

74. The estimated cost for the City Rail Link (CRL) project was revised in April 2019 to \$4.419 billion (from the previous \$3.4 billion estimate). The revised cost envelope reflected higher costs and included futureproofing by accommodating longer, nine-car trains. Stations at Maungawhau, Karangahape and Aotea in the central CBD are being designed for longer, nine-car trains to allow up to 54,000 people to move in and out of Auckland's CBD during peak.
75. A number of CRL project contracts have now been completed, including Contract C2 (Lower Albert Street), Contract C6 (Mt Eden Stormwater Diversion) and the Downtown Shopping Centre works. Contract C8 (wider network upgrades required to service the new train plan) is progressing, with the Strand and Ōtāhuhu works also now complete. Tunnel works are complete for Contract C1 (Britomart and Chief Post Office), with the focus now on finishing

urban realm works in the area, and design work has been completed for Contract C9 (Britomart East connection).

76. The C2 contract (Lower Albert Street) involved the construction of the cut and cover tunnels under and along Albert St from Customs Street to Wyndham Street and was completed in October 2020. The Infrastructure Sustainability Council of Australia awarded C2 an 'Excellent' 'as-built' rating. The Lower Albert Street urban realm was re-built and improved with wider paved footpaths to provide a more attractive and pedestrian-friendly destination.
77. The public square on lower Queen Street (Te Komititanga) was opened outside Britomart station in December 2020, and the Chief Post Office building (part of Britomart station) was re-opened to the public in April 2021.
78. In July 2019, the Link Alliance was awarded the C3 contract works (stations and tunnels). In October 2020, a contract variation was signed with the Link Alliance to incorporate the C5 (Western Line) and C7 (track work and railway systems integration) packages of work into a single alliance.
79. Dame Whina Cooper, the Tunnel Boring Machine (TBM) arrived in New Zealand in October 2020 and commenced operations at the Maungawhau site in May 2021. The TBM completed its first milestone in October 2021, after tunnelling from Maungawhau and arriving at the Karangahape station. It is now tunnelling through to Aotea. Once it reaches Aotea, the TBM will be dismantled and returned to Maungawhau in sections. It will then be reassembled and is expected to start excavating the second tunnel in March 2022.
80. Overall, the CRL project is tracking well, but has been significantly affected by the ongoing COVID-19 pandemic and this will have an impact on both cost and schedule. The full impacts are very hard to accurately quantify as there are many interrelated factors impacting the project. The costs of the recent Alert Level 4 and ongoing Alert Level 3 conditions will be much higher than those in 2020 due to the more advanced stage of project delivery in 2021. Delays are yet to be fully quantified. Broader and more complex long-term challenges as a result of the COVID-19 pandemic - around project costs, construction timetables and shortages of labour and materials - are also now becoming apparent. These include materials shortages, construction cost inflation, supply chain issues, port restrictions, a shortage of overseas workers, a shortage of local workers, competition from Australian infrastructure projects, and increased construction demand expected in the United States, China and India.
81. Reporting on the CRL Day One programme (the supporting projects to ensure CRL can operate effectively) will included in the first implementation report on the 2021-31 programme, due to be with you in March 2022. It will be critical to monitor the delivery of the CRL Day One programme to ensure day one operations remain on track.

Regional Fuel Tax (RFT) Spend 2018-21

82. Fourteen major projects (projects valued at \$250 million each or greater) that are being funded by the RFT are under construction or progressing through the investigation phases.
83. Auckland Council has received \$485 million in RFT over the 2018-21 period. Of this, \$195 million has been spent. In 2018, \$88 million was spent, in 2019 \$76 million and in 2020 \$31 million. This is low but is on-track with Auckland Council's planned spend which as set at low levels for the first three years of the 2018-28 decade.
84. Implementation has been slower than expected due to resourcing requirements, planning-related challenges, COVID-19 lockdowns and Covid-19 related budget reductions.

85. The programme ramps up over the ten years when projects move into the construction phase, and new projects such as a further tranche of new EMUs (trains), EMU stabling, Eastern busway stages two-four, Mill road and Penlink will progress.

Emissions Reduction

86. AT's public transport fleet emissions is estimated at 109,682 tons of CO₂, of which buses contribute to circa 79% of the PT fleets emissions. 2018-21 ATAP investment has seen projects progress which will have a contribution to emissions reduction in Auckland and nationally. These include:
- Auckland Transport has had the delivery of alternative fuel trial buses, including the first hydrogen fuel cell bus in Australasia and a purpose built 3-axle electric bus. In addition, Auckland Transport is investigating electric ferries to trial.
 - Delivery of electric services on the Waiheke Link, Airport Link and City Link. This brings the total to 34 zero carbon buses in service (including trial buses).
 - The Accelerated Low Emission Bus Roadmap has been approved by the Auckland Transport Board which aims to cut emission by 88%-90% by 2030. This is ten years quicker than the current Auckland Council approved plan but requires additional funding.
 - Fifteen new electric trains are now operating on the Auckland network bringing the total in operation to 72

Impact of COVID-19 on ATAP 2018-21

87. Since 2020, programme implementation has been slower than expected due to COVID-19 lockdowns which have led to delays in completing the initial phases, or important elements of construction which will impact later stages of delivery on many projects.
88. Increased civil construction costs have presented challenges for the delivery agencies which may result in them needing to make changes to projects including changes of scope, design, or approach to deliver projects within budget.
89. Local fare revenue has significantly decreased. The loss in PT fare revenue due to Covid-19 was approximately \$115 million in the three- year period, \$41 million in 2019/20 and \$74 million in 2020/21. This is based on using the 2019/20 budget as the pre COVID-19 revenue assumption for 2020/21. This was not only due to lockdown restrictions, but also as patronage only returned to circa 70% of pre-COVID levels when Auckland was at Alert Level One.
90. A shortage of construction workers and construction materials has and will continue to have an impact on delivery of the ATAP programme. COVID-19 has resulted in workers relocating back to their home countries and for the foreseeable future these roles will be a challenge to fill. Supply chain issues are causing concern for delivery agencies as construction materials remain hard to secure.
91. Across the ATAP programme, cost escalations are expected to be significant in the coming years. In addition, the availability of resources and pressure on funding is likely to be a significant headwind facing the delivery of infrastructure projects.

Looking Ahead

92. The 2021-31 ATAP Investment Programme was approved by Cabinet and Auckland Council in March 2021 and has been underway since 1 July 2021. The programme is largely a continuation of the 2018-28 programme and we propose to continue monitoring implementation of the programme through these reports.
93. In addition to the delivery (implementation) of the programme there is significant strategic work underway both through the government policy programme and work underway by Auckland Council and Auckland Transport. The upcoming Government Emissions Reduction Plan (ERP) and Council's work on emissions will need to be implemented across the ATAP programme. s 9(2)(f)(iv)

RELEASED UNDER THE
OFFICIAL INFORMATION ACT

Para 18 of the March report

Auckland Transport Alignment Project (ATAP) Outcomes Framework

Outcome	Outcome measure	How are we going to measure this?	Who holds the data/who will measure?		
Enabling and supporting Auckland's growth	An increase in the number of dwellings around rapid transit (TOD)	Proportion of consents granted in identified areas (within 1km of existing/planned rapid transit) (M) Note: ideally we would use Proportion of dwellings completed (certificate of completion) but this data is not currently available from AC	Auckland Plan 2050 – Homes and Places sub measure Auckland Council (AC)		
Improving travel choice for Aucklanders	An increase in PT ridership	total PT boardings (M)	Auckland Transport (AT) Auckland Plan 2050 – Transport and Access measure (AC)		
	An increase in cycling	number of movements past selected cycle count sites (M)	Auckland Transport Auckland Plan 2050 – Transport and Access measure (AC)		
	An increase in the % of people living within 500m of a rapid frequent PT network stop	GIS analysis - undertaken as part of RPTP (A)			
	A mode share change on key corridors	Key arterial corridors and Auckland Harbour Bridge	AT (productivity SOI measure, availability TBC)		
Keeping Auckland moving	Change in congestion levels since 2016 (proportion of arterial and motorway network operating at level of service E or F (congested) during the morning peak period and interpeak)	Congestion levels on motorway and key arterials (M)	AT (SOI/RLTP measure)		
	Increased access to jobs (jobs within 30 minute car trip and jobs within 45 minute PT trip of average Aucklanders at morning peak)	Real time measure of this still under development (NZTA)	New Zealand Transport Agency (NZTA) Auckland Plan Transport & Access measure (AC)		
Making Auckland's transport safe (environmental and human health)	A reduction is seen in the DSI index for Auckland (M)	MOT data (local road DIS is also tracked for AT SOI)	Ministry of Transport (MoT) Auckland Plan Transport & Access measure		
	total transport related fuel use in Auckland (M)	Regional Fuel sales data is provided as part of Regional Fuel Tax accounting (M)	Transport fuel use is a proxy for particulate emissions and carbon emissions AT		
	A reduction in per capita fuel use in Auckland	Regional Fuel Sales data (M)	AT		

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13 December 2021

OC210986

Hon Chris Hipkins

Action required by:

Minister for COVID-19 Response

Wednesday, 15 December 2021

cc Hon Michael Wood

Minister of Transport

PROPOSED TRANSPORT SECTOR AMENDMENTS UNDER THE COVID PROTECTION FRAMEWORK

Purpose

This briefing seeks your agreement to make amendments to the Covid Protection Framework Order (the Order) to:

- remove long haul scenic train services from the COVID-19 Vaccination Certificates (CVC) prohibited list, thereby enabling KiwiRail to require a COVID-19 vaccine certificate (CVC) for entry
- remove face mask requirements (when passengers are in allocated carriages) for long haul scenic train services

It also notes that there are potential issues in relation to driver licence testing and training that we intend to further investigate and monitor.

Key points

- Since the COVID-19 Protection Framework (the Framework) was announced and settings began to be embedded, a small number of transport operators or sector representatives have sought changes to settings, or highlighted issues for monitoring.
- The two proposals in this briefing relate to settings for KiwiRail's long haul scenic train services (and specifically the Tranz Alpine service, which KiwiRail plans to restart in mid-January 2022).
- As these trains are regarded as public transport services under the Order, they are currently prohibited from requiring a CVC from passengers. KiwiRail considers that given the tourism focus of these services (rather than them providing access to essential services like medical care or supermarkets/pharmacies), and their long haul nature, KiwiRail is seeking a change to this setting. Allowing KiwiRail to seek a CVC (not a negative test) will enable overseas customers (and wholesale agents) to book with confidence and align with the vaccine policy for workers that KiwiRail has already introduced. This proposal is supported by the Ministry of Health.

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- Passengers are also currently required to wear face coverings for the duration of these long haul services. Given the tourism nature of the service and that they are long haul services, Kiwirail would like requirements to be more akin to current hospitality requirements and allow passengers to remove masks when they are seated and within their allocated carriage. There are a number of other controls in place including allocated seating, needing to eat in allocated seating, and ventilation and cleaning protocols. This proposal is also supported by the Ministry of Health.
- If Ministers have concerns around all three long haul services being removed from the CVC prohibition list, and face covering requirements, there could be an exemption considered only for the Tranz Scenic service (which runs return from Christchurch to Greymouth). This service is scheduled to re-commence in mid-January 2022, and the others in late 2022 (if at all). The Tranz Scenic service is the operator's priority and has the lowest risk profile as the shortest of the three services and without any regional stops.
- If you agree with the proposals in this briefing, we understand there will be an amendment to COVID-19 Public Health Response (Protection Framework) Order 2021 (the Order) in mid/late December and these changes could be reflected then.
- We also wish to use this briefing to draw your attention to issues relating to driver licence testing and to licensing support services (such as driver training and community mentor programmes) that assist people to prepare for their driving test. We are working with Waka Kotahi NZ Transport Agency (Waka Kotahi) to understand the scale of the potential issue, as at present the Framework prohibits practical driver testing and training for those who are unvaccinated. We will monitor developments and keep you informed on this issue.

Recommendations

We recommend you:

- 1 **note** that some proposed changes to the Covid Protection Framework transport settings have been sought by the sector; with two relating to long haul scenic trains and one relating to driver licence testing

Long haul scenic trains

EITHER

- 2 **agree** that long haul scenic trains (namely the Northern Explorer, Coastal Pacific and Tranz Alpine) be removed from the Covid Vaccination Certificate prohibited services list (where these are currently included as public transport services), thereby enabling the operator (KiwiRail) to seek evidence of a COVID Vaccination Certificate from passengers

AND

Yes / No

- 3 **agree** that long haul scenic train passengers be exempt from face covering requirements when passengers are within their allocated carriage (but will still be required when boarding the train, and moving beyond their allocated carriage)

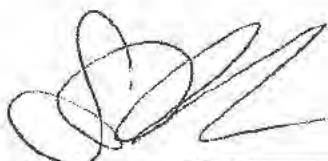
Yes / No

OR

- 4 **agree** that the Tranz Alpine train service be removed from the Covid Vaccination Certificate prohibited services list (where it is currently included as a public transport service), thereby enabling Kiwirail to seek evidence of a vaccine certificate from passengers Yes / No

AND

- 5 **agree** that passengers be exempt from face covering requirements for the Tranz Alpine train service when passengers are within their allocated carriage (but will still be required when boarding the train, and moving beyond their allocated carriage) Yes / No
- 6 **note** we understand there are a number of people not permitted to sit their drivers licence test as they have chosen to not be vaccinated against COVID-19, and possibly cannot now access training to support driver licensing, as a result of the service being a 'close proximity' one and COVID-19 vaccine certificates therefore being required. We will seek further information on the scale of the issue and impacts and keep you informed.
- 7 **note** any decisions you take through this briefing will be reflected in the pre Christmas amendment to the Order that is under development.



Shelley Tucker
Director: COVID-19 Response

13 / 12 / 21
11:11 AM

Hon Chris Hipkins
Minister for COVID-19 Response

13 / 12 / 21

Minister's office to complete:

☐ Approved

☐ Declined

☐ Seen by Minister

☐ Not seen by Minister

☐ Overtaken by events

Comments**Contacts**

Name	Telephone	First contact
Shelley Tucker, Director: COVID-19 Response	s 9(2)(a)	✓
Helen Presland, Principal Advisor: COVID-19 Response	s 9(2)(a)	

PROPOSED TRANSPORT SECTOR AMENDMENTS UNDER THE COVID PROTECTION FRAMEWORK.

Cabinet has taken recent decisions on the application of COVID-19 Vaccination Certificates (CVCs), and other settings under the Covid Protection Framework (the Framework)

1. Limiting access to certain settings to those who are vaccinated has been identified as a tool to help support the broader public health response to COVID-19. In a domestic context, CVCs can also be used as evidence to ensure people in those settings can demonstrate they are either fully vaccinated, or medically exempt from vaccination.
2. A range of decisions have been made to date on the policy approach and implementation of CVCs and the settings in which they may be required,
 - a) On 18 October, Cabinet considered high level advice relating to the use of CVCs, noting broad categories to define settings for the application of vaccine requirements, and agreeing high level settings in which to mandate a required use of CVCs. Cabinet also agreed to issue drafting instructions to support the introduction of CVCs and to prohibit their use in certain settings [CAB-21-MIN-0421 refers];
 - b) On 21 October, delegated Ministers agreed the final settings for the introduction of CVCs as part of a revised COVID-19 Protection Framework, which were announced publicly on 22 October; and
 - c) On 26 October, Cabinet took further decisions relating to the implementation of CVCs in domestic settings, agreeing that life preserving basic needs providers are not able to limit the type of service provided to customers/patrons based on a CVC vaccine requirements [CAB-21-MIN-0421 refers]
 - d) On 11 November, you agreed the specific application and recommended scope of prohibitions for the use of vaccine requirements (including CVCs) in order to protect people's access to life-preserving basic needs providers, irrespective of their vaccination status.

Public transport, other than air travel and Cook Strait Ferries, has been agreed as prohibited from using CVCs

3. Cabinet agreed that there are certain settings where denying entry on the basis of vaccination status will be prohibited. Where vaccine requirements are prohibited, a place/service/PCBU cannot limit the kind of service provided to patrons based on their vaccination status (e.g. making unvaccinated customers use the self-checkout counters only).
4. On the basis of subsequent advice from DPMC officials, you agreed that public transport services will be prohibited from requiring proof of vaccination (either via My Vaccine Certificate or another tool) as condition of entry, use or access. As such, all public transport (buses, trains, ferries, taxis/ubers, rental vehicles etc) apart from air travel was prohibited from using vaccination requirements as a condition of use/entry. This decision reflected that access to public transport is necessary to ensure access to life-preserving services.
5. In taking that decision, advice from officials noted that any option around excluding interregional travel from the prohibited services list would be complex. Since then, you

have removed Cook Strait Ferries from the CVC prohibited list, and both operators for the Strait have subsequently introduced vaccination or testing policies for their services.

6. We note there has also been a request to you from some parts of the small passenger services sector (e.g. taxis) that they should be allowed to require a CVC as a condition of using their services. These services are also considered public transport under the Order. We understand there is no proposal to change the settings for these services at this time, however, if you wish, further advice could be prepared for you on this.

We would recommend also removing KiwiRail's long haul scenic train services from the CVC prohibited list

7. Although none are currently operating, KiwiRail has three long haul scenic trains services:
 - The Tranz Alpine, a return service between Christchurch and Greymouth (4.5 hours each way);
 - The Northern Explorer, a return service between Wellington and Auckland (10.5 hours each way); and
 - The Coastal Pacific, a return service between Christchurch and Picton (6 hours each way).
8. We are now recommending that KiwiRail's long haul scenic trains are removed from the CVC prohibition list, or that the single service, the Tranz Alpine, is removed from the CVC prohibition list. Although the operator is particularly focussed on the Tranz Alpine (which is due to recommence in mid-January 2022), we have considered the three long haul scenic trains as a group of like services, and consider the current issue to exist across all three services (noting this is to greater and lesser degrees).
9. The issue is that these trains are currently regarded as public transport services under the Order, and they are therefore currently prohibited from requiring a CVC from passengers. KiwiRail's strong preference is for passengers to be vaccinated, which is in line with all workers being vaccinated, and the expectations of the overseas tourism operators, which is an important market for these services. For the international tourism market, even a negative test is insufficient. The ability to impose a vaccine only policy for passengers would enable overseas customers (and wholesale agents) to book with confidence.
10. There is a very strong tourist focus on these services. Passengers are not thought to be using these long haul trains to commute for example, or to access core services like medical care or supermarkets/pharmacies.
11. Officials agree that there is a distinction between these services and other public transport services, and that passengers are very likely to be on board for tourism reasons. We agree that these long haul scenic train services could be removed from the CVC prohibited list for this reason.
12. If Ministers have concerns around all three long haul services being removed from the CVC prohibition list, there could be an exemption considered only for the Tranz Scenic at this time. This service is scheduled to commence in mid-January 2022, and the others in

late 2022 (if at all). The Tranz Scenic service is KiwiRail's priority and has the lowest risk profile as the shortest of the three services and without regional stops.

There has also been a request for face coverings to not be required throughout the entire journey on these services

13. Under the Order, passengers will also be required to wear face coverings for the duration of the long haul services when they recommence.
14. Again, given the tourism nature of the service and that these are long haul services, Kiwirail would like requirements to be more akin to hospitality requirements and allow passengers to remove masks when they are within their allocated carriage. There are a number of other controls in place including allocated seating, crew wearing face masks in passenger areas, needing to eat in allocated seating, and ventilation and cleaning protocols.
15. Officials agree that (especially if CVCs are required, and given other protocols) that being able to remove masks within allocated carriages on these long haul services seems reasonable.
16. As with the CVC proposal above, Ministers could choose to only change face covering requirements for the Tranz Scenic service.

There is also an emerging issue around driver licence testing (and potentially also driver training) through the requirement for those sitting tests or undergoing training to be vaccinated

17. Ministers have agreed that Orange and Red levels, close proximity businesses and services can only open to the public if they operate with CVCs/My Vaccine Pass (MVP). At Green, a close proximity can operate without CVCs/MVP, however they must also operate with physical distancing limits. A close proximity business or service is one that carries out activities that require a worker being closer than 1 metre to the client. The Ministry of Business, Innovation and Employment considers that driver training and the practical test element of the driver licensing process constitutes a close proximity service.
18. The current CVC requirement for driver training and testing is expected to exacerbate delays in individuals obtaining their driver licence or, in some cases, being unable to obtain their driver licence altogether.
19. We have been advised by Waka Kotahi that VTNZ sent texts to 4,578 customers with tests booked between the 3 December 2021 and 10 December 2021. Two hundred and one customers responded to the text message prompt, due to not being able to produce a CVC in time for their test. Of these, 128 tests have been cancelled and will need to be rescheduled. Seventy-three people have chosen to wait until a CVC is not required. Other individuals may have already rescheduled their tests online.
20. For many New Zealanders, obtaining a driver licence plays an important role in accessing essential services such as education, healthcare and food. Some groups already find it hard to access the driver licensing system. These include Māori, Pacific people, sole parents, and rural cohorts. Some of these groups have lower-than-average vaccination rates.

21. The Ministry of Transport and Waka Kotahi are concerned about potential access and equity issues under the current settings and note that there is a potential impact on road safety due to non-compliance with the regulations (e.g. individuals driving unlicensed because they cannot obtain one under the Framework).
22. In addition to creating a transport disadvantage, not holding a valid driver licence can contribute to a range of other negative outcomes for the individuals involved with wider impacts for New Zealand society. For example, driver licence offending (e.g. driving without a licence or breaching licence conditions) can result in financial penalties and loss of licence, which in turn may hinder an individual's ability to access or retain employment. Driver licence-related offending can result in an individual's first interaction with the criminal justice system, for example, through referral of unpaid infringements to the court system. Police infringement data (2019 and 2020) shows that 74 percent of Graduated Driver Licence infringements are referred to court unpaid and 79 percent of unlicensed driver infringements are referred to court unpaid.
23. We are also aware that the issue extends to those support people needed to complete the practical test, including anecdotal examples of a support person of a chaperoned Muslim woman and refugees needing an interpreter. This extends to those who are acting as a reader/translator during a Driver Theory Test. These tests are currently unable to be completed at either AA or VTNZ centres as the distancing requirements under the Framework are unable to be met.
24. We are also monitoring issues relating to driver training and driver assessment (for example, driving schools, driving instructors, course providers, and community mentor programmes). Waka Kotahi advises that these operations form a significant part of the driver testing system alongside VTNZ.
25. Neither the Ministry nor Waka Kotahi yet have a full understanding of the scale and impact of the issue in relation to driving training, including the extent to which unvaccinated people cannot prepare for driving tests if they do not have access to these services. If issues continue to present, options may include exempting some or all of these services from the close proximity service requirements, or enabling some or all of these services to be offered to vaccinated or *tested* individuals.
26. We will work with Waka Kotahi to engage with the sector on both of these issues – driver licence training and testing, to understand the extent of the issue. We will also work with other agencies to understand the impact on particular groups, such as Pacific people and Māori. The Ministry of Social Development is also providing advice. We will update you following completing the further work in the New Year.

Public health advice

27. Public health advice is supportive of the three long-haul, scenic train services being removed from the CVC prohibited list. It is recognised that these services focus on the tourism market and are not generally used to commute or to access essential services. In addition, there are alternative air and land transport providers that service these routes. Public health is also supportive of the proposal to not require passengers to use face masks when in their allocated carriage. This advice takes account of the other control measures outlined, including the proposal to allow CVCs to be required.

Next steps

28. If you agree with the proposals in this briefing, the changes can be reflected in the Order amendment that is under development, and the change communicated through updated guidance and other operator material.
29. We understand this amendment will be completed before Christmas 2021.
30. Kiwirail is aware of and supports the proposal in this paper. We will convey Ministerial decisions to them.

RELEASED UNDER THE
OFFICIAL INFORMATION ACT



20 December 2021

OC210949

Hon Michael Wood

Action required by:

Minister of Transport

Monday, 7 February 2022

TRANSPORT REGULATORY WORK PROGRAMME UPDATE DECEMBER 2021

Purpose

Updates you on the Transport Regulatory Work Programme (the Programme) for land, maritime, and aviation.

Key points

- This briefing continues the series of quarterly updates you have received on the Programme. Good progress has been made on most projects in the Programme since the last update in September 2021.
- The recent resurgence of COVID-19 and the shift to the new traffic-light framework have put some pressure on the Ministry of Transport (the Ministry) and transport agencies, which has caused and will continue to cause delays. This pressure has led to the adjustment of items on the Programme and on the Output Plan 2021/22.
- The October A3s will be published on the Ministry's website in December 2021 (OC210296 refers). We will publish the A3s attached to this briefing (with appropriate redactions) following your approval.

Recommendations

We recommend you:

- 1 **agree** the Ministry of Transport publishes the clean versions of the attached A3 summaries of the Regulatory Work Programme on the Ministry of Transport's website.

Yes / No



Megan Moffet
Manager, Regulatory Policy
20 / 12. / 2021

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
Megan Moffet, Manager, Regulatory Policy	s 9(2)(a)	✓
Michael Machin, Senior Adviser, Regulatory Policy	s 9(2)(a)	

TRANSPORT REGULATORY WORK PROGRAMME UPDATE DECEMBER 2021

Overview of the Regulatory Work Programme's current state

- 1 The Ministry of Transport (the Ministry) and the transport agencies are responsible for the maintenance and renewal of the transport legislative framework, to ensure it is fit-for-purpose and designed to deliver government priorities and outcomes.
- 2 The Transport Regulatory Work Programme (the Programme) brings together the aspects of the Ministry and transport agencies' work that includes, or may result in, legislative changes.
- 3 We last briefed you on the Programme on 8 October 2021.¹ The attached A3s summarise the land, aviation, and maritime programmes in detail (showing changes since the October update).
- 4 Since the October update, steady progress has been made on the Programme. But we expect that the recent COVID-19 resurgence, Alert Level changes and the need for urgent response work, will continue to cause some disruption. This is further detailed in paragraphs 27-28 below.

In the land programme...

Good progress has been made on high impact and priority work...

- 5 Consultation on potential changes to the Road User Charges Act 2012 will commence in January 2022 and is expected to continue until mid-2022. Consultation on enabling bilingual school signs concluded on 17 December 2021. The Land Transport (Clean Vehicles) Amendment Bill is due to be reported back to the House in February 2022.

...while some projects have been delayed

- 6 The Sustainable Biofuels project [s 9\(2\)\(b\)\(ii\)](#)
The Ministry of Business, Innovation and Employment is currently preparing drafting instructions for primary legislation and a discussion document for the review of the regulations related to biofuels for submission to Cabinet in [s 9\(2\)\(f\)\(iv\)](#).
- 7 Due to a busy legislative programme, the Land Transport (Drug Driving) Amendment Bill is still awaiting Committee of the whole House stage. This Bill was originally expected to be enacted by the end of 2021.

We have made progress on Road to Zero-aligned projects

- 8 Tackling Unsafe Speeds – We expect to provide final advice and the draft Land Transport: Setting of Speed Limits Rule 2021 by the year's end. We expect to have

¹ You have received the following briefings: December 2020 (OC 2011017 refers), 18 June 2021 (OC210296 refers), 8 October 2021 (OC210949 refers).

papers for Cabinet to consider by mid-March 2022 with the rule being in place in May 2022.

- 9 Motorcycle licensing – We have commenced the motorcycle licensing review which will ensure motorcyclists are prepared for the risks they face on our roads. This piece of work is at the initial scoping stages and we are hoping to brief you in early 2022.
- 10 Heavy Vehicle Licencing Amendments – The Land Transport: Driver Licencing Amendment Rule 2019 includes proposals to streamline the heavy licencing regime and reduce the frequency of mandatory eyesight testing. We recently restarted this work and expect to complete the policy process (including Cabinet) and implement the amended Rule by mid-2022.
- 11 Road safety penalties review – We provided preliminary advice on 15 December [OC210813 refers] which will feed into a public discussion document. We intend to have a discussion document ready for Cabinet consideration by s 9(2)(f)(iv) and expect to have developed final proposals for Cabinet consideration by s 9(2)(f)(iv).
- 12 Vehicle Standards Package – We are scoping a vehicles work programme to meet the Road to Zero commitments, including improving the uptake of modern vehicle safety technologies. This work is also an opportunity to address related vehicle standards issues and update our approach to vehicle regulation. Initial advice will be provided in February 2022.

The parking regulation review is complete

- 13 The review of the parking regulatory system is now complete [OC210623 refers]. To address the issues found in the review, we have identified six new workstreams and two aspects for inclusion in existing legislative change projects. These new workstreams have been added to the work programme. These are:
 - 13.1 Parking penalties and offences review
 - 13.2 Towage and storage framework for road controlling authorities (RCAs)
 - 13.3 Towage and storage framework for Police
 - 13.4 Legislative tools for RCA decision-making
 - 13.5 Parking categories review
 - 13.6 Carshare regulatory framework review.
- 14 The review of parking penalties and offences (13.1) is underway and workstreams 13.2 – 13.6 are scheduled to begin scoping in the first half of 2022 (resource dependent).
- 15 Two aspects were also identified for inclusion in existing projects:
 - 15.1 Targeted primary legislation changes to enable the use of technology and the effective use of permit parking (via the Regulatory Systems (Transport) Amendment Bill Two)

15.2 Experimental street changes and trials (via Reshaping Streets).

In the maritime programme...

The Maritime Transport (MARPOL Annex VI) Amendment Bill has become law.

- 16 This Bill had its Committee of the whole House in October and its third reading in November. The Act received its Royal assent on 15 November 2021. The associated Rules will be sent to your office for signature in February 2022.

Progress has been made on other projects

- 17 Progress has been made on high-impact work: a discussion document and Cabinet paper for the Part 91 Navigation Safety Rules amendment are being drafted, while planning for public consultation on the 40 Series Reform project in Q4 2023/4 is underway. The Maritime and Marine Protection Offences Regulations discussion document is being finalised for Cabinet's approval in early 2022.
- 18 The Cape Town Agreement Rules and the Maritime Rule Part 53 (pilot transfer arrangements) amendment to respond to the Regulations Review Committee are both on track for completion by October 2022.

Funding review moratorium has been lifted

- 19 s 9(2)(f)(iv) [REDACTED]
[REDACTED] We are working with MNZ to establish timelines for the review which will include a review of the Oil Pollution Levy. s 9(2)(f)(iv) [REDACTED]
[REDACTED]

One project has been passed to another lead

- 20 Leadership of the Small Craft Identification project has been passed to the Maritime Security Oversight Committee to govern, under the oversight of the Joint Maritime Advisory Group (JMAG)². JMAG is currently considering the priority of this project in their wider work programme.

One project remains on hold

- 21 The work on Rule Part 90 - safety risks in pilotage water has been de-prioritised due to the delivery of other high impact projects. This project will be reconsidered in Q3 or Q4 of 2021/2.

In the aviation programme...

Submissions have closed on the Civil Aviation Bill

- 22 On 29 September 2021 the Civil Aviation Bill was referred to the Transport and Infrastructure Select Committee. Submissions closed on 2 December 2021. The Committee received 94 written submissions. The initial briefing of the Committee took

² JMAG advises the Maritime Security Oversight Committee. Its members are a mixture of Ministries, Government Departments, and Crown Entities including the Ministry of Transport and MNZ.

place on 16 December 2021. Report back to the House is currently due on 29 March 2022. You have written to the Chair of the Select Committee asking to change the report back date for the Bill to 2 June 2022.

- 23 The entire set of Civil Aviation Rules will need to be 'remade' following the passing of the Civil Aviation Bill. They need to be updated for consistency with the new Bill, and there are also opportunities to amend the Rules, including for example, adding provisions empowering the making of transport instruments. We are taking initial steps to determine the scope of the project and the roles and expertise needed for the project team.

The Civil Aviation Authority (CAA) and Aviation Security Service funding review will commence in Q4 2021/2...

- 24 Scoping through to consultation is likely to take at least 18 months. Due to resourcing and funding constraints the CAA will not be in a position to commence the review until April/May 2022. s 9(2)(f)(iv)

...while the drone regulatory programme policy papers are being considered by Cabinet.

- 25 The project to update current drone rules so they are fit for purpose is being progressed. You received a Cabinet paper seeking policy approval and the Regulatory Impact Statement on 1 December 2021 for Cabinet's consideration in early 2022.

The COVID-19 resurgence continues to put the delivery of the Programme under considerable pressure

The ongoing resurgence still requires additional resourcing from the Ministry for urgent COVID-19 response work

- 26 The Ministry's COVID-19 Response Team continues to support all-of-government response efforts and transport sector-specific response activities. This continues to place pressure on the delivery of projects within the existing agreed timelines for both the Ministry and the transport agencies.

We have adjusted timeframes to reflect the impact of COVID-19 and resource pressures...

- 27 Ministry and transport agency teams responsible for the delivery of the projects on the programme have assessed the impact of the COVID-19 resurgence across the Ministry's commitments. Generally, the COVID-19 work has negatively impacted the progression of work, with agencies' reporting significant disruption to their delivery of the work programme.
- 28 However, there is uncertainty about the duration of the ongoing response work and the ongoing level of resourcing this may require. This makes it difficult to accurately gauge the impact on the Work Programme projects' timelines. Where we have known delays, these are reflected in the tracked changes to the projects in the Annexes.

...and work continues to identify changes to the system to enable better responsiveness to unforeseen events.

- 29 The COVID-19 Response (Management Measures) Legislation Bill was passed under urgency on 28 October 2021. Proposals in the Bill amended the Land Transport Act 1998 to allow for infringement notices and other important regulatory notices, such as driver licence suspensions and revocations (including on medical grounds), medical notices, and demerit point suspension and infringement notices to be serviced to licence holders electronically by email.
- 30 The Ministry provided further guidance to road controlling authorities in December 2021 on the ability to deliver infringement and reminder notices by email.
- 31 The Ministry has carried out initial scoping on changes to the land transport regulatory system to enable the system to be more responsive to unforeseen disruptive events. Further advice will be provided to you in Q3 2021/2022 as part of the Regulatory Systems (Transport) Amendment Bill.

Publication of the Programme A3s

- 32 In response to a previous briefing (OC210296) you agreed to a more efficient process than the previous practice of Cabinet noting the annual Rules Programme. This new process sees the Ministry publishing the summary A3s on the Ministry's website each quarter.
- 33 The October quarter A3s (clean versions) will be published in December 2021 with the necessary redactions. The A3s attached to this briefing will also be published following your agreement.

ANNEXES 1 TO 3

- 1 Land Regulatory Work Programme A3 December 2021 (clean and tracked versions)
- 2 Maritime Regulatory Work Programme A3 December 2021 (clean and tracked versions)
- 3 Aviation Regulatory Work Programme A3 December 2021 (clean and tracked versions)

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Scoping Policy development Consultation Legislative change Operational design Implementation Evaluation

Reshaping Streets

Primary and secondary legislative changes to make it simpler and quicker for Road Controlling Authorities (RCAs) to make street changes that support public transport, active modes and placemaking. This work includes addressing some issues identified in the parking system assessment.

Outcomes: Accelerating widespread street changes in New Zealand to enable mode shift, emission reduction, public health improvements, and urban intensification.

Linkages: This is a key deliverable in the Government's proposed Emissions Reduction Plan.

Timeline: Most changes will be progressed through a new rule. Public consultation on proposed secondary legislation changes is planned for early-mid 2022. Depending on legislative priorities, a Bill could be introduced in late 2022 or early 2023. The new rule will likely be progressed more quickly than the Bill.

Current stage: Policy development. We are finalising the scope of regulatory changes to be included in the prospective rule.

Next steps: We will brief you on the progress of proposed legislative changes in early 2022. We will work closely with Waka Kotahi to commence rule drafting in early-mid 2022.

Replace the Fuel Consumption Information Rule

To support the implementation of the Clean Vehicles Bill, we need to revoke and replace the Fuel Consumption Information Rule (FCIR) with the new Vehicle Efficiency and Emissions Data Rule 2022. This will enable accurate, reliable and robust information to be collected about vehicle fuel consumption and carbon dioxide emissions – and it is needed to support the clean car policies.

Outcomes: Informing accurate charges, rebates and data gathering as part of the Clean Vehicles Bill.

Linkages: Clean Vehicles Bill.

Timeline: Rule replacement is expected to be in place by 1 April 2022 in line with the full Clean Vehicle Discount Scheme and associated regulations.

Current stage: Policy development - Cabinet has agreed that the FCIR be replaced and to targeted consultation with motor vehicle industry representatives.

Next steps: Drafting the new Vehicle Efficiency and Emissions Data Rule 2022, targeted consultation with motor vehicle industry representatives, and finalisation of amendments.

Waka Kotahi Funding Review (Waka Kotahi-led)

Waka Kotahi NZ Transport Agency is experiencing significant funding and resourcing pressures in its regulatory function. The lack of adequate funding was one of a number of issues identified as impacting Waka Kotahi's ability to deliver its regulatory function. Capital injections from Government are supporting a rebuild of the regulatory function. Waka Kotahi, with the support of the Ministry, is undertaking a funding review to develop funding proposals that sustain the strengthened regulatory function to deliver improved compliance and safety outcomes across the land transport system.

Outcomes: Funding an effective regulator.

Linkages: Regulatory stewardship, giving effect to the findings of the Waka Kotahi Review.

Timeline: Review started late 2019 and is planned to be implemented by October 2023.

Current stage: Policy development.

Next steps: Briefing and Cabinet paper seeking approval for delegation to MoF and MOT to commence consultation. Cabinet decisions expected in late December 2021. Consultation is planned for early 2022, pending Cabinet approval.

PTOM Review Phase Two

Policy & legislative review, including an assessment of how barriers to the decarbonisation of the bus fleet can be minimised.

Outcomes: Inclusive access, economic prosperity, environmental sustainability, Land Transport Management Act, and the Employment Relations Act.

Linkages: PTOM Review Phase One (complete).

Timeline: Likely to take 18-24 months.

Current stage: Consultation on the PTOM Review discussion paper closed 18 June 2021. We provided you post consultation advice on 17 September 2021. Following feedback from you, we have been refining policy options and engaging with key sector stakeholders. We are providing advice on new objectives, potential labour market interventions, [§ 9\(2\)\(f\)\(iv\)](#) in your summer reading bag.

Next steps: We will provide advice on outstanding policy issues in March 2022. Subject to your decisions, we will prepare a Cabinet paper seeking policy decisions [§ 9\(2\)\(f\)\(iv\)](#).

Road to Zero Strategy

Vehicle Fleet Safety & Standards Package

Nearly half of New Zealand's vehicle fleet has a poor safety rating, and these vehicles are overrepresented in our road death statistics. This work programme aims to improve the safety of New Zealand's vehicle fleet. Many unsafe vehicles are also poor emissions performers.

Outcomes: Reducing death and serious injury on our roads.

Linkages: Road to Zero Strategy.

Timeline: Likely to take 18-24 months, depending on consultation and extent of regulatory proposals.

Current stage: Initial scoping work underway. Preparing initial advice which will confirm scope and set direction for policy development and consultation.

Next steps: Briefing on proposed approach expected to be provided by end of February 2022.

Road Safety Penalties Review

Existing financial penalties may not be well aligned with the risk of harm and with society's expectations. This review of road safety penalties will prioritise distraction-related penalties – such as cell phone use while driving in the first instance. This will ensure that these penalties reflect the levels of road safety risk created by the offending behaviour.

Outcomes: Reducing death and serious injury on our roads and improving equity outcomes within the penalty system.

Linkages: Road to Zero Strategy, Effective Financial Penalties Framework.

Timeline: Regulation-level changes will likely be implemented from early 2023 - 2024, with primary legislative change implemented from mid-late 2023 through to 2024.

Current stage: Policy development – we provided preliminary advice to you on 15 December 2021, which will feed into a public discussion document.

Next steps: Following feedback from you, we will develop consultation materials for public consultation in late 2022.

Accessible Streets

This programme of work is designed to improve safety for footpath users, encourage active modes of transport (such as walking or cycling), and support the creation of more liveable and vibrant towns and cities. It clarifies types of vehicles allowed on footpaths, enables e-scooters to be used in cycle lanes and paths, bus egress, and improves the safety of vulnerable users at intersections.

Outcomes: Reducing death and serious injury on our roads and reduce vehicle kms travelled.

Linkages: Road to Zero Strategy, Emissions Reduction Plan.

Timeline: Potential to introduce rule changes in mid 2022 - pending policy decisions.

Current stage: Policy development. Drafting Cabinet paper seeking approval to finalise the package, and updating the RIS.

Next steps: Cabinet paper and RIS seeking approval to finalise the package is expected in February 2022.

Tackling Unsafe Speeds

This project implements a new regulatory framework to create a more streamlined, transparent and coordinated approach to speed management.

Outcomes: Reducing death and serious injury on our roads.

Linkages: Road to Zero Strategy.

Timeline: Rule and associated regulations expected to be in-force by mid 2022, due to the changes sought via feedback received in consultation.

Current stage: Rule and regulations finalisation and final decisions on policy proposals.

Next steps: Final policy advice on proposed changes to the Rule is being drafted for submission to Cabinet in March 2022, with the Rule expected to be in place in May 2022.

Motorcycle Licensing

A 2018/19 Ministry of Transport review found high crash rates for both learner and full licensed motorcycle riders. Questions were raised about whether current licensing requirements adequately prepare novice motorcyclists for the risks they face on the road. There will be a review of the motorcycle licensing system intended to improve road safety outcomes for motorcyclists.

Outcomes: Reducing death and serious injury on our roads.

Linkages: Road to Zero Strategy.

Timeline: Expected to take 12-24 months.

Current stage: Scoping and early policy development. Initial discussions held between Ministry, Waka Kotahi, and ACC. Research to look into motorcycle safety and licensing interventions has been commissioned.

Next steps: Initial briefing to you on proposed scope of work in early 2022.

Access to Driver Licensing

The project involves several workstreams where the Ministry is (1) reviewing the regulatory settings of the graduated driver licensing system (GDLS) to remove unnecessary barriers to entry and progression through the system while maintaining safety outcomes, (2) Looking to reintroduce the 2019 Land Transport (Driver Licensing) Amendment Rule into our work programme, (3) Working alongside Waka Kotahi to remove the time-limited licence policy, effective from 1 December 2021.

Outcomes: Improving equity of access and reducing death and serious injury on our roads.

Linkages: Road to Zero Strategy.

Timeline: Expected to take 18-24 months.

Current stage: Policy development – drafting joint Cabinet paper with Waka Kotahi and MSD. The time-limited licence policy has been revoked.

Next steps: Advice on reintroducing the 2019 Driver Licence Rule Amendment expected in Jan 2022. Further advice on outcomes of safety analysis of GDLS proposals and Waka Kotahi's proposed operational changes expected to be provided in early 2022. Draft joint Cabinet paper expected to be provided in early-mid 2022.

Work Related Road Safety

This project aims to strengthen the current regulatory settings applying to commercial transport services, such as freight and passenger services.

A project to determine the scope and appropriateness of Waka Kotahi being potentially designated a HSWA regulator, including determining the 'defined industry, sector, or type of work or circumstance' as per section 191 of HSWA and assessing cost implications.

Outcomes: Reducing death and serious injury on our roads.

Linkages: Road to Zero Strategy.

Timeline: [§ 9\(2\)\(f\)\(iv\)](#)

Current stage: [§ 9\(2\)\(f\)\(iv\)](#)

Work has re-started in collaboration with MBIE.

Next steps: Briefing on initial policy options [§ 9\(2\)\(f\)\(iv\)](#)

Drug Driving

The Bill establishes a new random roadside oral fluid testing regime for drug driving. It is consistent with the existing approach to drink driving enforcement.

Outcomes: Reducing death and serious injury on our roads.

Linkages: Road to Zero Strategy.

Timeline: The Bill is expected to be enacted in early 2022 and the regime will be in force 12 months later.

Current stage: Legislative change and implementation planning for Waka Kotahi and NZ Police.

Next steps: The Bill passed its Second Reading on 11 August 2021. Next stage is the Committee of the whole House.

Scoping Policy development Consultation Legislative change Operational design Implementation Evaluation

Vehicle Lighting Rule – Transport Instrument Pilot

This project will put in place the first transport instrument in the land regulatory regime. The Vehicle Lighting Rule has been identified as a suitable candidate.

Outcomes: Regulatory stewardship.

Linkages: Maritime Drug & Alcohol Regime transport instrument pilot.

Timeline: Transport instrument likely in place mid 2023.

Current stage: Policy development. Developing an amendment for the VL Rule to allow for the making of transport instruments (TIs), and identifying those components of the current VL rule that could become TIs.

Next steps: Policy development continues. We will utilise learnings from the maritime pilot before progressing to consultation.

Digital Identity Licensing

Assess the impact of the Digital Identity work, being led out of DIA, on driver licences.

Outcomes: Digital Identity Trust Framework (DITF) will outline and underpin identity requirements across government with DIA to provide secure identity verification across public sector. Ability for Waka Kotahi to accept identity and other customer information digitally.

Timeline: DITF Bill mid-2022. Supporting regulatory regime (rules/regulations) and new digital identity services in place by end of 2022.

Current stage: finalisation of policy and funding bid to establish cross-government DITF services.

Next steps: Assess impact on Waka Kotahi, Driver Licensing Rule, and Land Transport Act 1998.

Regulatory Systems (Transport) Amendment Bill Two

The next Bill in our ongoing regulatory stewardship work. It contains a range of amendments to support an effective and efficient land transport system. Includes proposed amendments identified as part of parking system assessment.

Outcomes: Maintenance and renewal of the land transport regulatory framework, including tools to support an effective regulator.

Linkages: Regulatory stewardship.

Timeline: Likely to complete the legislative process in mid-2023, with ongoing implementation work.

Current stage: Policy development.

Next steps: Drafting consultation document, Regulatory Impact Statement, and Cabinet paper.

Bilingual Signage

Enabling the Traffic Control Devices Rule to allow for bilingual signage where appropriate.

Outcomes: Greater visibility of te reo Māori to support revitalisation of the language in New Zealand.

Linkages: Traffic Control Devices Rule Review and Speed Management Framework.

Timeline: Enable and implement a selection of bilingual signs by the end of this Government term.

Current stage: Policy development – consultation on bilingual school signs closed on 17 December 2021.

Next steps: Submissions analysis and drafting of rule changes underway. You will receive a briefing and draft rule for signing alongside Speed rule changes, likely in May 2022.

United Nations Type Approvals

As a signatory to the 1958 Agreement, New Zealand complies with regulations developed through UN working parties to harmonise vehicle standards globally. New Zealand does not however provide for automatic recognition of UN type approvals. Accepting type approvals which meet our specific safety and compliance standards would reduce regulatory barriers and administrative overheads.

Outcomes: Realising the benefits of technology to support a safe system and compliance with international standards.

Linkages: International strategy and technological benefits.

Timeline: Expected to take 24-48 months.

Current stage: Policy development (ongoing discussions with MBIE and Waka Kotahi).

Next steps: Pending MFAT decisions on the EU FTA.

Autonomous Vehicles

Regulatory work in the AV space will be informed by the Long-term Insights Briefing (LTIB) currently under development. This document will provide guidance on the requirements for regulatory reform over the near and medium-term. The LTIB is due to be tabled in Parliament in June 2022.

Outcomes: Realising the benefits of technology to support a safe system and compliance with international standards.

Linkages: Vehicle Repair Rule, Vehicle Safety Standards, International strategy and technology benefits, Clean Vehicles Package.

Timeline: Expected to take 24 months.

Current stage: Scoping of longer term work programme underway. Crown Law advice about liability confirms no immediate changes are required in the short term. Medium term, regulatory work will be required.

Next steps: Updates through weekly report while we continue scoping the issues.

Traffic Control Devices Rule Review

This hugely detailed Rule would benefit from a content and structural review. This review could include the use of transport instruments and experimental traffic orders. This is also the Rule that would need changing to allow for signs in te reo Māori.

Outcomes: Maintenance and renewal of the land transport regulatory framework, including tools to support an effective regulator.

Linkages: Regulatory Systems (Transport) Amendment Bill Two, Bilingual Signage.

Timeline: Likely to take 12-18 months. Scoping late 2021.

Current stage: Scoping – exploring options about how to progress this work most effectively.

Next steps: Continue scoping.

Amendments to Road User Charges Act 2012

This project proposes legislative and regulatory change that, among other things would enable the extension of the end date of road user charges (RUC) exemptions for heavy electric vehicles (EVs), enable exemption of low-emissions vehicles from RUC, and create the ability to set partial RUC rates for certain types of low emission vehicles.

Other amendments seek to reduce compliance costs, improve RUC enforcement capability, simplify the RUC system, and improve Waka Kotahi's regulatory functions in relation to the RUC Act.

Outcomes: Supporting transport's contribution to the Emissions Reduction Plan required under the Climate Change Response Act and improving efficiency. Incentivising EV uptake.

Linkages: Hīkina te Kohupara, the Climate Change Response Act, and the Clean Car Package.

Timeline: We expect a paper with detailed proposals for changes to the RUC Act and new regulations will be submitted to Cabinet for approval in late 2022. Ideally new legislation should be in place before the light EV RUC exemption expires on 31 March 2024.

Current stage: Consultation preparation.

Next steps: Cabinet has agreed to release a discussion document on a large package of potential changes to the RUC system in January 2022. It is expected that consultation will continue until mid 2022.

Rail

Railway Rules Identification

The National Rail Industry Advisory Forum has identified 24 safety focused initiatives to progress. The focus of these initiatives include, among other things, the promotion of safety systems, standards, and interoperability.

Outcomes: Supporting healthy and safe people – TAIC recommendation for rail.

Linkages: Protecting people from harm, improving the safety and efficiency of the land transport system.

Timeline: Likely to take 18-24 months.

Current stage: Scoping – assessing issues.

Next steps: The Forum is working to prioritise its work areas which may lead to the development of rules under the Railways Act 2005.

Auckland Light Rail

The public service delivery of Light Rail in Auckland connecting Māngere to Auckland CBD. This includes deciding the form of public service entity that will be responsible for the delivery of the project, as well as critical policy decisions relating to project scope, consenting, land acquisition, funding & financing, value capture, ownership and operation, governance and delivery entity matters.

Outcomes: Improving the performance of the land transport network by supporting growth, reducing emissions and improving access in the City Centre to Māngere Corridor, and as an enduring feature of Auckland's Long Term Rapid.

Linkages: Auckland Transport Alignment Project.

Timeline: Cabinet decision and your announcement expected by end of 2021. Set up governance arrangements by end of April 2022. Anticipated transition to final delivery entity December 2022.

Current stage: Policy development alongside detailed project development assessment. Waiting on Cabinet decisions and subsequent announcements on a preferred way forward.

Next steps: Subject to Cabinet approval, the project will progress into detailed planning phase, including business case and design development. Policy development will continue alongside this.

Sustainable Biofuels Mandate

This project progresses implementation of a biofuels mandate for the purposes of reducing emissions from transport fossil fuels through the uptake of sustainable biofuels. Note that this work may be transferred to MBIE following the legislative drafting process.

Outcomes: Supporting transport's contribution to the Emissions Reduction Plan required under the Climate Change Response Act.

Linkages: Hīkina te Kohupara, Engine Fuel Specifications Regulations 2011 review, and the Climate Change Response Act.

Timeline: Cabinet consideration of regulations expected ~~late 2022~~. Mandate expected to be in force from 1 April 2023.

Current stage: Legislative change – preparing drafting instructions for primary legislation, and preparing cabinet paper and discussion document of regulations for Cabinet review by

s 9(2)(iv)

s 9(2)(f)(iv)

Clean Vehicles Package

Reducing the emissions profile of New Zealand's light vehicle fleet by introducing a clean car standard and discount.

Outcomes: Supporting transport's contribution to the Emissions Reduction Plan required under the Climate Change Response Act 2002.

Linkages: Hīkina te Kohupara (previously named the Transport Emissions Action Plan), Climate Change Response Act, Road User Charges Act and the Road to Zero Vehicle Safety Standards.

Timeline: The Bill is expected to be in force by April 2022. The Fuel Consumption and Information Rule will be amended alongside associated regulations.

Current stage: Legislative change is underway. The Bill has had its first reading. Drafting of related regulations and rule is also underway.

Next steps: Transport and Infrastructure Committee received the revision-tracked version of the Bill no 16 December, with deliberation on 20-21 December. The Bill is due to be reported back to the House in February 2022.

Scoping Policy development Consultation Legislative change Operational design Implementation Evaluation Proposed Future Work

New Parking workstreams formed based on the findings of the Parking Regulation Review

Parking Penalties and Offences Review

A review and potential amendment of on-street parking offences and their associated penalties (infringement fees and fines).

Outcomes: Fair and effective penalty levels for parking.

Linkages: Effective Financial Penalties Framework and Tool, and Parking Regulation Review and associated workstreams.

Timeline: Aiming to have regulations ready for your signature in late 2022 / early 2023, coming into force 28 days later.

Current stage: Early policy development – including targeted stakeholder engagement.

Next steps: Policy work to assess existing penalties against the Effective Financial Penalties Framework in early 2022, followed by Cabinet approval to consult.

Car-sharing Regulatory Investigation

Reviewing the regulatory framework for car-sharing including international examples and best practice models. There is currently no targeted regulatory framework for car-share companies and customers in New Zealand. This work will investigate whether a regulatory intervention would be appropriate to address any barriers to the uptake of car-sharing, in order to support mode shift and emissions targets.

Linkages: Parking regulation review and associated workstreams.

Timeline: TBC.

Current stage: Proposed future work.

Next steps: Scoping planned to commence mid-late 2022.

Towage and Storage (RCA)

Reviewing and revising the framework for road controlling authority (RCA) - ordered towage and storage. This includes considering the appropriate authority for the setting of fee limits and re-setting penalty levels to enable cost recovery.

Linkages: Parking regulation review and associated workstreams.

Timeline: Project likely to take 24 months.

Current stage: Drafting the project plan.

Next steps: Scoping to begin in early 2022.

Legislative tools for RCA decision-making

Assessment of the legislative grounds, processes, form, and consultation requirements associated with the bylaws change-process, as well as the requirements for the enforcement of bylaws.

Linkages: Parking regulation review and associated workstreams, including in particular, Reshaping Streets.

Timeline: TBC.

Current stage: Proposed future work.

Next steps: Scoping planned to commence in early-mid 2022.

Parking Categories Review

A review to consider whether the current regulatory framework for parking types and associated requirements are sufficiently flexible to allow RCA's to best manage roadside space.

Linkages: Parking regulation review and associated workstreams.

Timeline: TBC.

Current stage: proposed future work.

Next steps: Scoping planned to commence early 2022, including development of a project plan.

Towage and Storage (Police)

Reviewing and revising the framework for police-ordered towage and storage. This includes considering the role of the Court in fee allocation and conviction, and re-setting penalty levels to enable cost recovery.

Linkages: Parking regulation review and associated workstreams.

Timeline: Project likely to take 24 months.

Current stage: Drafting the project plan.

Next steps: Scoping to begin in early 2022.

Regulatory System Transport Amendment Rules

As part of our ongoing regulatory stewardship work, this project will contain a range of rule amendments to support and effective and efficient land transport system.

Outcomes: Maintenance and renewal of the land transport regulatory framework.

Linkages: Regulatory stewardship.

Timeline: TBC when scoping begins.

Current stage: Scoping on hold until resource allows.

Next steps: Issues assessments will commence in early 2022.

Vehicle Repair Rule

Review and potential re-design of the Vehicle Repair Rule.

Outcomes: Maintenance and renewal of the land transport regulatory framework.

Linkages: Autonomous Vehicles, Raise Vehicle Fleet Safety Standards, and Road to Zero.

Timeline: Scoping to restart in early 2022.

Current stage: Scoping paused due to resource constraints.

Next steps: On hold until resource allows. When scoping commences, finalising recommendations about whether a review is required.

Entry to and exit from the Land Transport System

Review entry and exit provisions in the land transport regulatory system, including fit and proper person test and vehicle classification work.

Outcomes: Maintenance and renewal of the land transport regulatory framework.

Linkages: Accessible Streets, Autonomous Vehicles, Raise Vehicle Fleet Safety Standards, Motorcycle Licensing, UN Type Approvals, Clean Vehicles Package, and Road to Zero.

Timeline: Scoping to restart early 2022.

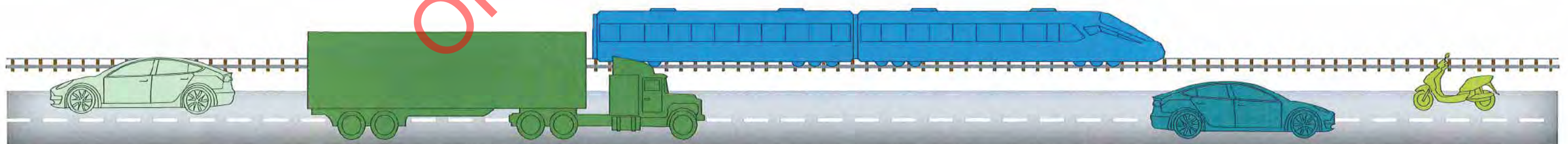
Current stage: Scoping paused due to resource constraints.

Next steps: When scoping commences, Waka Kotahi will review the enabling legislation, the purpose of vehicle classification, linkages, and impacts.

TSL Review

Review of the regulatory framework associated with land transport service licensing.

The Parking Regulation Review which assessed the performance of the parking system is now complete. The above workstreams have been formed up following this system assessment. One is in policy development, with the remaining five scheduled to begin in 2022.



Land Transport Regulatory Work Programme

Scoping Policy development Consultation Legislative change Operational design Implementation Evaluation

Autonomous Vehicles

We are currently reviewing and building our understanding on the regulatory approaches being taken in other jurisdictions. Alignment with Waka Kotahi programmes is also underway. We have received Crown Law advice on liability for crashes using autonomous vehicles. Regulatory work in the AV space will be informed by the Long-term Insights Briefing (LTIB) currently under development. This document will provide guidance on the requirements for regulatory reform over the near and medium-term. The LTIB is due to be tabled in Parliament in June 2022.

Outcomes: Realising the benefits of technology to support a safe system and compliance with international standards.

Linkages: Vehicle Repair Rule, Vehicle Safety Standards, International strategy and technology benefits, Clean Vehicles Package.

Timeline: Expected to take 24 months.

Current stage: Scoping of longer term work programme underway. Crown Law advice about liability confirms no immediate changes are required in the short term. Medium term, regulatory work will be required.

Next steps: Updates through weekly report while we continue scoping the issues.

Reshaping Streets

Primary and secondary legislative changes to make it simpler and quicker for Road Controlling Authorities (RCAs) to make street changes that support public transport, active modes and placemaking. This work includes addressing some issues identified in the parking system assessment.

Outcomes: Accelerating widespread street changes in New Zealand to enable mode shift, emission reduction, public health improvements, and urban intensification.

Linkages: Key deliverable in Government's proposed Emissions Reduction Plan.

Timeline: Legislation entering the House from July 2022. Most changes will be progressed through a new rule. Public consultation on proposed secondary legislation changes is planned for early-mid 2022. Depending on legislative priorities, a Bill could be introduced in late 2022 / early 2023. The new Rule can be progressed more quickly than the Bill.

Current stage: Scoping Policy development. We are finalising the scope of regulatory changes to be included in the prospective rule.

Next steps: Briefing on summary of feedback from scoping and proposed changes for formal consultation expected October 2021. We will brief you on the progress of proposed legislative changes in early 2022. We will work closely with Waka Kotahi to commence rule drafting in early-mid 2022.

Traffic Control Devices Rule Review

This hugely detailed Rule would benefit from a content and structural review. This review could include the use of transport instruments and experimental traffic orders. This is also the Rule that would need changing to allow for signs in te reo Māori.

Outcomes: Maintenance and renewal of the land transport regulatory framework, including tools to support an effective regulator.

Linkages: Regulatory Systems (Transport) Amendment Bill Two, Bilingual Signage.

Timeline: Likely to take 12-18 months. Scoping late 2021.

Current stage: Scoping - exploring options about how to progress this work most effectively.

Next steps: Information on this proposal and linkages expected in late 2021. Continuing scoping.

Vehicle Lighting Rule – Transport Instrument Pilot

This project will put in place the first transport instrument in the land regulatory regime. The Vehicle Lighting Rule has been identified as a suitable candidate.

Outcomes: Regulatory stewardship.

Linkages: Maritime Drug & Alcohol Regime transport instrument pilot.

Timeline: Transport instrument likely in place late 2022/early mid 2023.

Current stage: Policy development. Developing an amendment for the VL Rule to allow for the making of transport instruments (TIs), and identifying those components of the current VL rule that could become TIs.

Next steps: Policy development continues and will utilise learnings from the maritime pilot before progressing to consultation.

Bilingual Signage

Enabling the Traffic Control Devices Rule to allow for bilingual signage where appropriate.

Outcomes: Greater visibility of te reo Māori to support revitalisation of the language in New Zealand.

Linkages: Traffic Control Devices Rule Review and Speed Management Framework.

Timeline: Enable and implement a selection of bilingual signs by the end of this Government term.

Current stage: Policy development – consultation on bilingual school signs closed on 17 December 2021.

Next steps: Consultation on bilingual school signs expected October / November 2021. Submissions analysis and drafting rule changes underway. You will receive a briefing and draft rule for signing alongside Speed rule changes, likely in May 2022.

Waka Kotahi Funding Review (Waka Kotahi-led)

Waka Kotahi NZ Transport Agency is experiencing significant funding and resourcing pressures in its regulatory function. The lack of adequate funding was one of a number of issues identified as impacting Waka Kotahi's ability to deliver its regulatory function. Capital injections from Government are supporting a rebuild of the regulatory function. Waka Kotahi, with the support of the Ministry, is undertaking a funding review to develop funding proposals that sustain the strengthened regulatory function to deliver improved compliance and safety outcomes across the land transport system.

Outcomes: Funding an effective regulator.

Linkages: Regulatory stewardship, giving effect to the findings of the Waka Kotahi Review.

Timeline: Review started late 2019 and is planned to be implemented by July October 2023.

Current stage: Policy development.

Next steps: Briefing and Cabinet paper seeking approval for delegation to MoF and MOT to commence consultation. Cabinet decisions expected in late December 2021. To consult expected in October/November 2021. Consultation is planned for the 4th quarter of 2021/early 2022, pending Cabinet approval.

Update Replace the Fuel Consumption Information Rule

To support the implementation of the Clean Vehicles Bill, we need to update revoke and replace the Fuel Consumption Information Rule (FCIR) with the new Vehicle Efficiency and Emissions Data Rule 2022. Updating the FCIR This will enable accurate, reliable and robust information to be collected about vehicle fuel consumption and carbon dioxide emissions – and it is needed to support the clean car policies.

Outcomes: Informing accurate charges, rebates and data gathering as part of the Clean Vehicles Bill.

Linkages: Clean Vehicles Bill.

Timeline: Rule amendment replacement is expected to be in place by 1 April 2022 in line with the full Clean Vehicle Discount Scheme and associated regulations.

Current stage: Policy development – rule drafting. Cabinet has agreed that the FCIR be replaced and to targeted consultation with motor vehicle industry representatives.

Next steps: Cabinet paper in October noting that the Rule will need to be updated to support the Clean Vehicles Bill, and permission to engage in targeted consultation on the rule changes. Drafting the new Vehicle Efficiency and Emissions Data Rule 2022, targeted consultation with motor vehicle industry representatives and finalisation of amendments.

Parking Regulation Review

Complete

The legislative provisions relating to parking, and the associated issues of bylaw creation and towage and storage are very outdated, and have been identified as causing issues.

Outcomes: Maintenance and renewal of the land transport regulatory framework, including tools to support an effective regulator.

Linkages: Financial Penalties Framework, regulatory stewardship.

Timeline: Likely to take 18-24 months.

Current stage: Policy development. Review now complete. Six new workstreams and two aspects for current work projects have been formed up following this system assessment – one workstream is underway and the remaining five will begin in 2022, resource dependent.

Next steps: You received a briefing on the outcome of the scoping phase. The Ministry is developing a more detailed programme for regulatory change.

Amendments to Road User Charges Act 2012

This project proposes legislative and regulatory change that, among other things would enable the extension of the end date of road user charges (RUC) exemptions for heavy electric vehicles (EVs), enable exemption of low-emissions vehicles from RUC, and create the ability to set partial RUC rates for certain types of low emission vehicles.

Other amendments seek to reduce compliance costs, improve RUC enforcement capability, simplify the RUC system, and improve Waka Kotahi's regulatory functions in relation to the RUC Act.

Outcomes: Supporting transport's contribution to the Emissions Reduction Plan required under the Climate Change Response Act and improving efficiency. Incentivising EV uptake.

Linkages: Hikina te Kohupara, the Climate Change Response Act, and the Clean Car Package.

Timeline: Minister has agreed to the development of a package of potential reforms to RUC legislation. We expect a paper with detailed proposals for changes to the RUC Act and new regulations will be submitted to Cabinet for approval in late 2022. Ideally new legislation should be in place before the light EV RUC exemption expires on 31 March 2024.

Current stage: Consultation planning.

Next steps: Cabinet has agreed to release a discussion document on a large package of potential changes to the RUC system in January 2022. It is expected that consultation will continue until mid 2022. A paper seeking approval to consult on possible changes will be put forward to once Cabinet is able to consider it with consultation to follow. Final decisions on scope of any legislative change are expected mid 2022.

PTOM Review Phase Two

Policy & legislative review, including an assessment of how barriers to the decarbonisation of the bus fleet can be minimised.

Outcomes: Inclusive access, economic prosperity, environmental sustainability, potential amendments to the Road User Charges Act, Land Transport Management Act, and the Employment Relations Act.

Linkages: PTOM Review Phase One (complete).

Timeline: Likely to take 18-24 months.

Current stage: Consultation on the PTOM Review discussion paper closed 18 June 2021. We provided you post consultation advice on 17 September 2021. Following feedback from you, we have been refining policy options and engaging with key sector stakeholders on these. We are providing advice on new objectives, potential labour market interventions, § 9(2)(f)(iv) in your summer reading bag.

Next steps: Briefing with summary of submissions and advice on next steps expected September 2021. Report back to Cabinet on outcomes of consultation and next steps expected 4th quarter of 2021 (oral item). We will provide advice on outstanding policy issues in March 2022. Subject to your decisions, we will prepare a paper for Cabinet seeking policy decisions § 9(2)(f)(iv).

Digital Identity Licensing

Assess the impact of the Digital Identity work, being led out of DIA, on driver licences.

Outcomes: Digital Identity Trust Framework (DITF) will outline and underpin identify requirements across government with DIA to provide secure identity verification across public sector. Ability for Waka Kotahi to accept identity and other customer information digitally.

Timeline: DITF Bill mid-2022. Supporting regulatory regime (rules / regulations end 2022). New digital identity services in place end 2022.

Current stage: finalisation of policy and funding bid to establish cross-government DITF services.

Next steps: Assess impact on Waka Kotahi, Driver Licensing Rule and Land Transport Act 1998.

Land Transport Regulatory Work Programme

Scoping Policy development Consultation Legislative change Operational design Implementation Evaluation Proposed Future Work

United Nations Type Approvals

As a signatory to the 1958 Agreement, New Zealand complies with regulations developed through UN working parties to harmonise vehicle standards globally. New Zealand does not however provide for automatic recognition of UN type approvals. Accepting type approvals, which meet our specific safety and compliance standards, would reduce regulatory barriers and administrative overheads.

Outcomes: Realising the benefits of technology to support a safe system and compliance with international standards.

Linkages: International strategy and technological benefits.

Timeline: Expected to take 24-48 months.

Current stage: Policy development (ongoing discussions with MBIE and Waka Kotahi).

Next steps: Pending MFAT decisions on the EU FTA.

Regulatory Systems (Transport) Amendment Bill Two

The next Bill in our ongoing regulatory stewardship work. It contains a range of amendments to support an effective and efficient land transport system. Includes proposed amendments identified as part of parking system assessment.

Outcomes: Maintenance and renewal of the land transport regulatory framework, including tools to support an effective regulator.

Linkages: Regulatory stewardship.

Timeline: Likely to complete the legislative process in mid-2023, with ongoing implementation work.

Current stage: Policy development.

Next steps: Drafting consultation document, Regulatory Impact Statement and Cabinet paper.

Clean Vehicles Package

Reducing the emissions profile of New Zealand's light vehicle fleet by introducing a clean car standard and discount.

Outcomes: Supporting transport's contribution to the Emissions Reduction Plan required under the Climate Change Response Act 2002.

Linkages: Hikina te Kohupara (previously named the Transport Emissions Action Plan), Climate Change Response Act, Road User Charges Act and the Road to Zero Vehicle Safety Standards.

Timeline: The Bill is expected to be in force by April 2022. The Fuel Consumption and Information Rule will be amended alongside associated regulations.

Current stage: Legislative change is underway. The Bill has had its first reading. Drafting of related regulations and rule is also underway.

Next steps: The Bill is expected to pass by early 2022, in tandem with associated regulations and rules. Transport and Infrastructure Committee received the revision-tracked version of the Bill on 16 December, with deliberation on 20-21 December. The Bill is due to be reported back to the House in February 2022.

Parking Penalties and Offences Review

A review and potential amendment of on-street parking offences and their associated penalties (infringement fees and fines).

Outcomes: Fair and effective penalty levels for parking.

Linkages: Effective Financial Penalties Framework and Tool, and Parking Regulation Review and associated workstreams.

Timeline: Aiming to have regulations ready for your signature in late 2022 / early 2023, coming into force 28 days later.

Current stage: Early policy development – including targeted stakeholder engagement.

Next steps: Policy work to assess existing penalties against the Effective Financial Penalties Framework in early 2022, followed by Cabinet approval to consult.

Sustainable Biofuels

This project progresses development implementation of a biofuels mandate for the purposes of reducing emissions from transport fossil fuels through the uptake of sustainable biofuels. Note that this work may be transferred to MBIE following the legislative drafting process.

Outcomes: Supporting transport's contribution to the Emissions Reduction Plan required under the Climate Change Response Act.

Linkages: Hikina te Kohupara, Engine Fuel Specifications Regulations 2011 review, and the Climate Change Response Act.

Timeline: Cabinet consideration of regulations expected 24 October 2021. s 9(2)(f)(iv) Mandate expected to be in force from 1 Jan April 2023.

Current stage: Legislative change – preparing drafting instructions for primary legislation, and preparing cabinet paper and discussion document for Cabinet review of Regulations by s 9(2)(f)(iv)

s 9(2)(f)(iv)

Regulatory System Transport Amendment Rules

As part of our ongoing regulatory stewardship work, this project will contain a range of rule amendments to support an effective and efficient land transport system.

Outcomes: Maintenance and renewal of the land transport regulatory framework.

Linkages: Regulatory stewardship.

Timeline: TBC when scoping begins.

Current stage: Scoping on hold until resource allows.

Next steps: Issues assessments will commence in early 2022.

Entry to and exit from the Land Transport System

Review entry and exit provisions in the land transport regulatory system, including fit and proper person test and vehicle classification work.

Outcomes: Maintenance and renewal of the land transport regulatory framework.

Linkages: Accessible Streets, Autonomous Vehicles, Raise Vehicle Fleet Safety Standards, Motorcycle Licensing, UN Type Approvals, Clean Vehicles Package, and Road to Zero.

Timeline: Scoping to restart early 2022.

Current stage: Scoping paused due to resource constraints.

Next steps: Restart once resource allows. When scoping commences, Waka Kotahi will review the enabling legislation, the purpose of vehicle classification, linkages, and impacts.

Car-sharing Regulatory Investigation

Reviewing the regulatory framework for car-sharing including international examples and best practice models. There is currently no targeted regulatory framework for car-share companies and customers in New Zealand. This work will investigate whether a regulatory intervention would be appropriate to address any barriers to the uptake of car-sharing, in order to support mode shift and emissions targets.

Linkages: Parking regulation review and associated workstreams.

Timeline: TBC

Current stage: Proposed future work.

Next steps: Scoping planned to commence mid-late 2022.

Vehicle Repair Rule

Review and potential re-design of the Vehicle Repair Rule.

Outcomes: Maintenance and renewal of the land transport regulatory framework.

Linkages: Autonomous Vehicles, Raise Vehicle Fleet Safety Standards, and Road to Zero.

Timeline: Scoping to restart in first half of 2022 – early 2022.

Current stage: Scoping paused due to resource constraints.

Next steps: On hold until resource allows. When scoping commences, finalising recommendations about whether a review is required.

TSL Review

Review of the regulatory framework associated with land transport service licensing.

Rail

Railway Rules Identification

The National Rail Industry Advisory Forum has identified 24 safety focused initiatives to progress. The focus of these initiatives include, among other things, the promotion of safety systems, standards, and interoperability.

Outcomes: Supporting healthy and safe people – TAIC recommendation for rail.

Linkages: Protecting people from harm, improving the safety and efficiency of the land transport system.

Timeline: Likely to take 18-24 months.

Current stage: Scoping – assessing issues.

Next steps: The Forum is working to prioritise its work areas which may lead to the development of rules under the Railways Act 2005.

Auckland Light Rail

The public service delivery of Light Rail in Auckland connecting Māngere to Auckland CBD. This includes deciding the form of public service entity that will be responsible for the delivery of the project, as well as critical policy decisions relating to project scope, ownership, land acquisition, funding & financing, value capture, operation, governance and delivery arrangements.

Outcomes: Improving the performance of the land transport network by supporting growth, reducing emissions and improving access in the City Centre to Māngere Corridor, and as an enabling feature of Auckland's Long Term Regional Plan.

Linkages: Auckland Transport Alignment Project.

Timeline: Ministerial and Cabinet decisions over the next 12-18 months. Legislation likely to be introduced 2022 at earliest. Cabinet decision and announcement expected by end of 2021. Set up governance arrangements by end of April 2022. Anticipated transition to final delivery entity December 2022.

Current stage: Policy advice on next steps of the project. Policy Development alongside detailed project development assessment. Waiting on Cabinet decisions and subsequent announcements on a preferred way forward.

Next steps: Direction to be provided by Ministers in 2021. Subject to Cabinet approval, the project will progress into detailed planning phase, including business case and design development. Policy development will continue alongside this.

Track User Charges

COMPLETE

Advice on track user charges for rail to be reflected in legislation. These changes support the new planning and funding framework for rail through recent changes to the Land Transport Management Act 2003. A Track User Charge (TUC), payable by KiwiRail's freight business, came into effect on 15 November 2021. The TUC supports the new planning and funding framework for rail through changes made to the Land Transport Management Act 2003.

Outcomes: Improving the performance of the land transport network.

Linkages: Future of Rail Review

Timeline: Implementation expected to be complete in late 2024. Implemented 15 November 2021.

Current stage: Regulations Gazetted. Regulations took effect 15 November 2021.

Next steps: Review regulations when developing the GPS 2024.

Towage and Storage (Police)

Reviewing and revising the framework for police-ordered towage and storage. This includes considering the role of the Court in fee allocation and conviction, and re-setting penalty levels to enable cost recovery.

Linkages: Parking regulation review and associated workstreams.

Timeline: Project likely to take 24 months.

Current stage: Drafting the project plan.

Next steps: Scoping to begin in early 2022.

Land Transport Regulatory Work Programme

Scoping Policy development Consultation Legislative change Operational design Implementation Evaluation

Road to Zero Strategy

Vehicle Fleet Safety & Standards Package

Nearly half of New Zealand's vehicle fleet has a poor safety rating, and these vehicles are overrepresented in our road death statistics. This strategy aims to improve the safety of New Zealand's vehicle fleet. Many unsafe vehicles are also poor emissions performers.

Outcomes: Reducing death and serious injury on our roads.

Linkages: Road to Zero Strategy.

Timeline: Likely to take 18-24 months, depending on consultation and extent of regulatory proposals.

Current stage: Initial scoping work underway. Preparing initial advice which will confirm scope and set direction for policy development and consultation.

Next steps: Briefing on proposed approach expected to be provided in February 2022.

Road Safety Penalties Review

Existing financial penalties may not be well aligned with the risk of harm and with society's expectations. This review of road safety penalties will prioritise distraction-related penalties – such as cell phone use while driving in the first instance. This will ensure that these penalties reflect the levels of road safety risk created by the offending behaviour.

Outcomes: Reducing death and serious injury on our roads and improving equity outcomes within the penalty system.

Linkages: Road to Zero Strategy, Effective Financial Penalties Framework.

Timeline: Expected to take 12-18 months. Regulation level changes will likely be implemented from early 2023 - 2024, with primary legislative change implemented from mid-late 2023 through to 2024.

Current stage: Policy development – We provided preliminary advice to you on 15 December 2021, which will feed into a public discussion document.

Next steps: Ministry will run an initial cross-agency workshop. Following feedback from you, we will develop consultation materials for public consultation in late 2022.

Accessible Streets

This programme of work is designed to improve safety for footpath users, encourage active modes of transport (such as walking or cycling), and support the creation of more liveable and vibrant towns and cities. It clarifies types of vehicles allowed on footpaths, enables e-scooters to be used in cycle lanes and paths, bus egress, and improves the safety of vulnerable users at intersections.

Outcomes: Reducing death and serious injury on our roads and reduce vehicle kms travelled.

Linkages: Road to Zero Strategy, Emissions Reduction Plan.

Timeline: Potential to introduce rule changes in early-to-mid 2022 – pending policy decisions.

Current stage: Policy development – developing further advice.

Next steps: Cabinet paper and RIS seeking approval to finalise the package, and updating the RIS.

Next steps: Cabinet paper and RIS seeking approval to finalise the package is expected in November 2021/February 2022.

Tackling Unsafe Speeds

This project implements a new regulatory framework to create a more streamlined, transparent and coordinated approach to speed management.

Outcomes: Reducing death and serious injury on our roads.

Linkages: Road to Zero Strategy.

Timeline: Rule and associated regulations expected to be in-force by early mid 2022, due to the changes sought via feedback received in consultation.

Current stage: Rule and regulations finalisation and final decisions on policy proposals.

Next steps: Final policy advice on proposed changes to the Rule following consultation has been provided. Is being drafted for submission to Cabinet in March 2022, with the Rule expected to be in place in May 2022.

Motorcycle Licensing

A 2018/19 Ministry of Transport review found high crash rates for both learner and full licensed motorcycle riders. Questions were raised about whether current licensing requirements adequately prepare novice motorcyclists for the risks they face on the road. There will be a review of the motorcycle licensing system intended to improve road safety outcomes for motorcyclists.

Outcomes: Reducing death and serious injury on our roads.

Linkages: Road to Zero Strategy.

Timeline: Expected to take 12-24 months.

Current stage: Scoping and early policy development. Initial discussions held between Ministry, Waka Kotahi and ACC. Research commissioned to look into motorcycle safety and licensing interventions.

Next steps: Restart scoping in late 2021. Initial briefing to you on proposed scope of work in early 2022.

Access to Driver Licensing

This project involves several workstreams where the Ministry is:

- undertaking a regulatory review. Reviewing the regulatory settings of the graduated driver licensing system (GDLS) to reduce/remove unnecessary barriers to entry and progression through the system while maintaining road safety outcomes
- alongside Waka Kotahi, proposing removal of the time limited licence policy
- looking to re-introduce the 2019 Land Transport (Driver Licensing) Amendment Rule into our work programme, likely as part of the GDLS regulatory review.

Outcomes: Improving equity in access, and reducing death and serious injury on our roads.

Linkages: Road to Zero Strategy.

Timeline: Expected to take 24-36/12-24 months.

Current stage: Policy development – drafting joint Cabinet paper with Waka Kotahi and MSD. The time limited licence policy has been revoked.

Next steps: Briefing on initial policy options expected in late 2021. Waka Kotahi is publicly consulting. Consultation on the proposal to revoke the time limited licence policy has closed. Advice on reintroducing the 2019 Driver Licence Rule Amendment expected in Jan 2022. Further advice on outcomes of safety analysis of GDLS proposals and Waka Kotahi's proposed operational changes expected to be provided in early 2022. Draft joint Cabinet paper expected to be provided in early-mid 2022.

Work Related Road Safety

This project aims to strengthen the current regulatory settings applying to commercial transport services, such as freight and passenger services.

The project has three elements: the first is a review of logbook and work-time requirements (particularly to address driver fatigue), the second is a review of the roles and powers of regulations (and the merits of designating Waka Kotahi to take on HSWA functions). The third piece of work will bring these threads together to recommend a draft designation to the Ministry and MBIE for their consideration. A project to determine the scope and appropriateness of Waka Kotahi being potentially designated a HSWA regulator, including determining the 'defined industry, sector, or type of work or circumstance' as per section 191 of HSWA and assessing cost implications.

Outcomes: Reducing death and serious injury on our roads.

Linkages: Road to Zero Strategy.

Timeline: Work has restarted, due for completion by end of 2021. s 9(2)(f)(iv)

Current stage: s 9(2)(f)(iv)

Work has restarted in collaboration with MBIE.

Next steps: Briefing on initial policy options for all elements s 9(2)(f)(iv)

Drug Driving

The Bill establishes a new random roadside oral fluid testing regime for drug driving. It is consistent with the existing approach to drink driving enforcement.

Outcomes: Reducing death and serious injury on our roads.

Linkages: Road to Zero Strategy.

Timeline: The Bill is expected to be enacted by October 2021 in early 2022 and the regime will be in force 12 months later.

Current stage: Legislative change and implementation planning for Waka Kotahi and NZ Police.

Next steps: The Bill passed its Second Reading on 11 August 2021. Next stage is the Committee of the Whole House.

Towage and Storage (RCA)

Reviewing and revising the framework for road controlling authority (RCA) - ordered towage and storage. This includes considering the appropriate authority for the setting of fee limits and re-setting penalty levels to enable cost recovery.

Linkages: Parking regulation review and associated workstreams.

Timeline: Project likely to take 24 months.

Current stage: Drafting the project plan.

Next steps: Scoping to begin in early 2022.

Legislative tools for RCA decision-making

Assessment of the legislative grounds, processes, form, and consultation requirements associated with the bylaws change-process, as well as the requirements for the enforcement of bylaws.

Linkages: Parking regulation review and associated workstreams, including in particular, Reshaping Streets.

Timeline: TBC

Current stage: Proposed future work.

Next steps: Scoping planned to commence in early-mid 2022.

Parking Categories Review

A review to consider whether the current regulatory framework for parking types and associated requirements are sufficiently flexible to allow RCA's to best manage roadside space.

Linkages: Parking regulation review and associated workstreams.

Timeline: TBC.

Current stage: Proposed future work.

Next steps: Scoping planned to commence mid 2022, including development of a project plan.

Maritime Transport Regulatory Work Programme

Adoption Policy development Consultation Legislative change Operational design Implementation Evaluation Proposed Future Work

MNZ Funding Review (Including Oil Pollution Levy)

MNZ usually undertakes a review of its funding every six years (with a mid-point review every three).

Outcomes: MNZ is appropriately funded to meet regulatory, compliance and response capability, and performance expectations to operate as an effective modern regulator.

Linkages: Regulatory stewardship, regulatory reform programme, Avsec & CAA funding review, and Waka Kotahi funding review.

§ 9(2)(f)(iv)

Current stage: § 9(2)(f)(iv)

Next steps: § 9(2)(f)(iv)

International Omnibus II

Implementing IMO obligations that were adopted from 2018 to 2022, amending minor/technical issues in rules and implementing MLC amendments.

Linkages: International strategy.

§ 9(2)(f)(iv)

Current stage: Scoping / policy development.

Next steps: Complete policy investigation / scoping by § 9(2)(f)(iv)

Rule Part 91 - Navigation Safety Rules

Issues have been identified with the workability of the Navigation Safety Rules. This includes consideration of changes to the rules regarding personal flotation devices.

Outcomes: Supporting healthy and safe people.

Linkages: Other rule changes, e.g. Part 90.

Timeline: Rule drafting and consultation in early 2022. If this work progresses new rules should be in place § 9(2)(f)(iv)

Current stage: Policy development and rule drafting.

§ 9(2)(f)(iv)

Maritime/Marine Offences Regulations

The Maritime/Marine Offences Regulations need to be reviewed and updated to ensure the enforcement system is fit for purpose.

Outcomes: Maintenance and renewal of the regulatory framework, including tools to support an effective regulator.

Linkages: Financial Penalties Framework, regulatory stewardship.

Timeline: Expect completion by mid to late 2022.

Current stage: Policy development.

§ 9(2)(f)(iv)

Maritime Drug and Alcohol Regime for Commercial Operators

This project will enable the Director of MNZ to conduct drug and/or alcohol testing of safety-sensitive workers.

Outcomes: Supporting healthy and safe people.

Linkages: TAIC recommendations, transport instrument pilot.

Timeline: Expected to be in force by the end of 2022.

Current stage: Policy Development - initial work on implementation options has begun.

Next steps: PCO to draft rules for consultation based on Ministry instructions.

40 Series Reform Project

A multi-year project to reform the rules that set design, construction, and equipment standards for New Zealand domestic commercial ships. Development of a performance-based approach to setting standards will allow for adaptable regulation and harmonisation of requirements across ship types, reducing the complexity and volume of rules.

Outcomes: Re-design of the regulatory framework to support a safe and effective transport system.

Linkages: Regulatory stewardship.

Timeline: Development expected to be completed by the end of 2023. § 9(2)(f)(iv)

Current stage: Policy development and early drafting of rules and transport instruments.

Next steps: We will continue to explore change in these areas and will be engaging with surveyors, owners, and operators to discuss these areas further.

Regulatory Systems (Transport) Amendment Bill

Seeks to amend the Maritime Transport Act to improve the effectiveness of the monitoring and enforcement regime for maritime transport.

Outcomes: Maintenance and renewal of the regulatory framework, including tools to support an effective regulator.

Linkages: Financial Penalties Framework, regulatory stewardship, merged with the RSTA proposals for land.

§ 9(2)(f)(iv)

§ 9(2)(f)(iv)

§ 9(2)(f)(iv)

Maritime Rule Part 53 Pilot Transfer Arrangements

This rule is being amended to provide greater certainty than is currently provided by the general exemption that was issued for Maritime Rule 53.4(2)(a). The rule amendment will replace the exemption.

Outcomes: Maintenance and renewal of the regulatory framework, including tools to support an effective regulator.

Linkages: Regulatory stewardship.

§ 9(2)(f)(iv)

Current stage: Policy development - early engagement with key stakeholders. Current work is focussed on Maritime Rule 53.4(2)(a) and minor proposals for improving the Rule.

§ 9(2)(f)(iv)

Cape Town Agreement Rules

Rule change to support New Zealand's accession to Cape Town Agreement which sets minimum safety standards for fishing vessels.

Outcomes: Giving effect to New Zealand's international obligations.

Linkages: International Strategy.

Timeline: Rule change is expected by mid 2022, followed by implementation.

Current stage: Legislative change. Consultation occurred in late 2020. Rules are to be finalised in mid-2022 with implementation planning completed until statutory details are confirmed.

Next steps: Rules finalisation. Please note that implementation timing depends on whether other countries accede to the Cape Town Agreement (expected to be 1 October 2022).

MARPOL Annex VI Rules and Regulations

New Marine Protection Rules, and amendments to the Marine Protection (Offences) Regulations to implement obligations arising from accession to MARPOL Annex VI.

Outcomes: Environmental sustainability.

Linkages: International strategy, MARPOL Annex VI, and Effective Financial Penalties Framework.

Timeline: Rules and regulations to be approved by early 2022, coming into force early-mid 2022.

Current stage: Rules package is being finalised by MNZ. We are awaiting a replacement letter of transmittal to finalise the briefing.

Next steps: Briefing and Rules package will be ready for your signature in early 2022.

Small Craft Identification

Investigating voluntary and mandatory measures to increase use of Automatic Identification Systems (AIS) by small craft - these are New Zealand registered craft under 300 gross tonnes not currently required to carry and operate AIS equipment.

Outcomes: Minimise and manage the various human, health, environmental, and economic risks posed by small craft.

Linkages: Maritime Security Strategy.

Current stage: On hold - this project has been passed over to MSOC to govern, with JMAG's oversight. JMAG is currently considering the priority of this project in their wider work programme.

Maritime Transport Act Review

This review will provide the opportunity to modernise the legislation and ensure the regulatory framework is fit-for-purpose for MNZ to effectively perform its role as the national maritime regulatory, compliance and response agency.

Linkages: A reviewed Act will share many features of the new Civil Aviation Act, which has served as the model for modal transport statutes.

Timeline: TBC - review, consultation, and policy development likely to take 24 months, depending on resources and competing priorities.

Current stage: proposed future work - no documents relating to the review are being drafted at present.

Next steps: The first step will be to develop an initial outline of scope, terms of reference, project plan, resource requirements, and timeline. This is expected in late 2021/22.

Regulatory System Transport Amendment Rules

Necessary minor updates to rules to ensure the system is fit for purpose (Omnibus and Assorted Issues).

Hazardous and Noxious Substances (HNS) Protocol

Consider whether New Zealand should accede to the 2010 HNS Protocol, to align New Zealand to the international framework for liability and compensation for harm and losses resulting from maritime HNS transportation.

SeaCert Review

Address safety issues, inconsistencies, and inefficiencies under Rule parts 31, 32, 34 and 35 that relate to crewing, qualifications, medical standards, and approved training and assessments.

Protocol for Preparedness, Response and Cooperation to Hazardous and Noxious Substances (HNS) Pollution Incidents

Developing a national HNS strategy would identify the measures required for preparedness and a response framework to address the risk to New Zealand of maritime HNS incidents.

Rule Part 90 - Safety Risks in pilotage waters

Safety risks in pilotage waters have been identified as an issue for further investigation through intelligence analysis by MNZ and TAIC reporting.

Outcomes: Supporting healthy and safe people, and anticipating risks in the system.

Linkages: Other rule changes e.g. Part 91 (navigation safety).

Timeline: Project is on MNZ's multi-year work programme.

Current stage: On hold due to the need to prioritise other key regulatory work.

Next steps: The priority of this project on the work programme will be reconsidered in the second half of the 2021/22 year.

Reframing Commercial Regulation Stage 1 - new Rule Part One

Consider a new rule to ensure consistency of treatment and proportionality of requirements for those operating small craft.

Marine Protection Rules - Oil Spill Contingency Plans

Seeks to clarify issues identified with the application and administration of the marine protection rules (Rule Parts 103, 130A, 130B, and 131).



Maritime Transport Regulatory Work Programme

Scoping Policy development Consultation Legislative change Operational design Implementation Evaluation Proposed Future Work

Maritime/Marine Offences Regulations

The Maritime/Marine Offences Regulations need to be reviewed and updated to ensure the enforcement system is fit for purpose.

Outcomes: Maintenance and renewal of the regulatory framework, including tools to support an effective regulator.

Linkages: Financial Penalties Framework, regulatory stewardship.

Timeline: Expect completion by mid to late 2022.

Current stage: Policy development.

s 9(2)(f)(iv)

40 Series Reform Project

A multi-year project to reform the rules that set design, construction and equipment standards for New Zealand domestic commercial ships. Development of a performance-based approach to setting standards will allow for adaptable regulation and harmonisation of requirements across ship types, reducing the complexity and volume of rules.

Outcomes: Re-design of the regulatory framework to support a safe and effective transport system.

Linkages: Regulatory stewardship.

Timeline: Development expected to be completed by the end of 2023. s 9(2)(f)(iv)

Current stage: Policy development and early drafting of rules and transport instruments.

Next steps: Current work is focussed on the development of content for life-saving appliances, electrical, survey, and fire. We will continue to explore change in these areas and will be engaging with stakeholders surveyors, owners and operators to discuss these areas further.

Maritime Drug and Alcohol Regime for Commercial Operators

This project will enable the MNZ Director to conduct drug and/or alcohol testing of safety-sensitive workers.

Outcomes: Supporting healthy and safe people.

Linkages: TAIC recommendations, transport instrument pilot.

Timeline: Expected to be in force by end of 2022.

Current stage: Policy development. Initial work on implementation options and transport instrument has begun.

Next steps: PCO to draft rules for consultation based on Ministry instructions. s 9(2)(f)(iv)

Maritime Rule Part 53 Pilot Transfer Arrangements

This rule is being amended to provide greater certainty than is currently provided by the general exemption that was issued for Maritime Rule 53.4(2)(a). The rule amendment will replace the exemption.

Outcomes: Maintenance and renewal of the regulatory framework, including tools to support an effective regulator.

Linkages: Regulatory stewardship.

s 9(2)(f)(iv)

Current stage: Scoping. Policy development – early engagement with key stakeholders.

s 9(2)(f)(iv)

Small Craft Identification

Investigating voluntary and mandatory measures to increase use of Automatic Identification Systems (AIS) by small craft – these are New Zealand registered craft under 300 gross tonnes not currently required to carry and operate AIS equipment.

Outcomes: Minimise and manage the various human, health, environmental, and economic risks posed by small craft.

Linkages: Maritime Security Strategy.

Timeline: Expected to be in force by end of 2022.

Current stage: Policy development. Initial work on implementation options and transport instrument has begun. On hold. This project has been passed over to MSOC to govern, under JMAG's oversight. JMAG is currently considering the priority of this project in their wider work programme.

Next steps: PCO to draft rules for consultation based on Ministry instructions. Consultation is expected to take place late 2024.

Maritime Transport Act Review

This review will provide the opportunity to modernise the legislation and ensure the regulatory framework is fit-for-purpose for MNZ to effectively perform its role as the national maritime regulatory, compliance and response agency.

Linkages: A reviewed Act will share many features of the new Civil Aviation Act, which has served as the model for modal transport statutes.

Timeline: TBC - review, consultation and policy development likely to take 24 months, depending on resources and competing priorities.

Current stage: Proposed future work - no documents relating to the review are being drafted at present.

Next steps: The first step will be to develop an initial outline of scope, terms of reference, project plan, resource requirements and timeline. This is expected in late 2021/22.

MNZ Funding Review (Including Oil Pollution Levy)

A funding review of MNZ (inclusive of all activities and revenue streams) is undertaken on a 3 (mid-point) and 6 (full) year cycle. MNZ usually undertakes a review of its funding every six years (with a mid-point review every three).

Outcomes: MNZ is appropriately funded to meet regulatory, compliance and response capability and performance expectations to operate as an effective modern regulator.

Linkages: Regulatory stewardship, regulatory reform programme, Avsec & CAA funding review, and Waka Kotahi funding review.

s 9(2)(f)(iv)

Current stage: s 9(2)(f)(iv)

Next steps: s 9(2)(f)(iv)

Regulatory Systems (Maritime Transport) Amendment Bill

Seeks to amend the Maritime Transport Act to improve the effectiveness of the monitoring and enforcement regime for maritime transport.

Outcomes: Maintenance and renewal of the regulatory framework, including tools to support an effective regulator.

Linkages: Financial Penalties Framework, regulatory stewardship, merged with the RSTA proposals for land.

s 9(2)(f)(iv)

s 9(2)(f)(iv)

s 9(2)(f)(iv)

Cape Town Agreement Rules

Rule change to support New Zealand's accession to Cape Town Agreement which sets minimum safety standards for fishing vessels.

Outcomes: Giving effect to New Zealand's international obligations.

Linkages: International Strategy.

Timeline: Rule change expected early mid 2022, followed by implementation.

Current stage: Legislative change - consultation occurred in late 2020. Rules to be finalised in mid-2022.

Next steps: Consultation has occurred, now in final stages of rule development. Implementation planning has begun. Rules finalisation. Note implementation timing depends on when other countries accede to Cape Town Agreement (expected to be 1 October 2022).

Rule Part 91 - Navigation Safety Rules

Issues have been identified with the workability of the Navigation Safety Rules. This includes consideration of changes to the rules regarding personal flotation devices.

Outcomes: Supporting healthy and safe people.

Linkages: Other rule changes, e.g. Part 90.

Timeline: Rule drafting and consultation in early 2022. If this work progresses new rules should be in place s 9(2)(f)(iv)

Current stage: Policy development and rule drafting.

s 9(2)(f)(iv)

MARPOL Annex VI Amendments

Complete

Changes to the MTA and associated regulations and rules to enable New Zealand to accede to, and implement, its international obligations with respect to air pollution and emissions from ships.

Outcomes: Environmental sustainability.

Linkages: International Strategy, Annex VI Rules and Regulations.

Timeline: Bill likely to progress through the House by the end of 2021; with New Zealand's accession 3 months following the deposit of the instrument of accession.

Current stage: Select Committee reported back on 14 September; awaiting second reading. Royal Assent was attained 15 November.

Annex VI Rules and Regulations

New Marine Protection Rules, and amendments to the Marine Protection (Offences) Regulations to implement obligations arising from accession to MARPOL Annex VI.

Outcomes: Environmental sustainability.

Linkages: International strategy, MARPOL Annex VI, and Effective Financial Penalties Framework.

Timeline: Rules and regulations to be approved by end-2021/early 2022, coming into force early-mid 2022.

Current stage: Submission analysis and rule finalisation. Implementation design well progressed. Rule package is being finalised by MNZ. We are waiting for a replacement letter of transmittal to enable drafting.

Next steps: Final rule presented for your approval October 2021. Drafting and Rules package will be ready for your signature in early 2022.

MARPOL Annex VI

Maritime Transport Regulatory Work Programme



International Omnibus II

Implementing IMO obligations that were adopted from 2018 to 2022, amending minor/technical issues in rules and implementing MLC amendments.

Linkages: International strategy

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

Current stage: Scoping / Policy development.

Next steps: Complete policy investigation/scoping by the s.9(2)(f)(iv)

Rule Part 90 - Safety Risks in pilotage waters

Safety risks in pilotage waters have been identified as an issue for further investigation through intelligence analysis by MNZ and TAIC reporting. Initial changes regarding Bunker Barges are complete.

Outcomes: Supporting health and safe people, and anticipating risks in the system.

Linkages: Other Rule changes e.g. Part 91 (navigation safety).

Timeline: Project is on MNZ's multi-year work programme.

Current stage: On hold due to the need to prioritise other key regulatory work.

Next steps: The priority of this project on the work programme will be reconsidered in the second half of the 2021/22 year.

Regulatory System Transport Amendment Rules

Necessary minor updates to Rules to ensure the system is fit for purpose (Omnibus and Assorted Issues).

SeaCert Review

Address safety issues, inconsistencies, and inefficiencies under Rule parts 31, 32, 34 and 35 that relate to crewing, qualifications, medical standards, and approved training and assessments.

Hazardous and Noxious Substances (HNS) Protocol

Consider whether New Zealand should accede to the 2010 HNS Protocol, to align New Zealand to the international framework for maritime HNS response capability, liability and compensation for harm and losses resulting from maritime HNS transportation.

Reframing Commercial Regulation Stage 1 - new Rule Part One

Consider a new rule to ensure consistency of treatment and proportionality of requirements for those operating small craft.

Protocol for Preparedness, Response and Cooperation to Hazardous and Noxious Substances (HNS) Pollution Incidents

Developing a national HNS strategy would identify the measures required for preparedness and a response framework to address the risk to New Zealand of maritime HNS incidents.

Marine Protection Rules - Oil Spill Contingency Plans

Seeks to clarify issues identified with the application and administration of the marine protection rules (Rule Parts 103, 130A, 130B, and 131).



Aviation Regulatory Work Programme [RESTRICTED]



Avsec & CAA Funding Review

The Authority usually undertakes a review of its funding every six years (with a mid-point review every three). These alternate between a pricing review (which predominantly looks at the rates for any fees, levies, and charges), and a full funding review that aims to achieve the below outcomes.

Outcomes: To ensure that the entity is efficiently and effectively resourced and funded; the entity recovers costs; effective and efficient levies and charges are implemented; and the rates for fees, levies, and charges do not under or over-recover costs and are equitably distributed.

Linkages: Regulatory stewardship, MNZ funding review, Waka Kotahi funding review.

Timeline: Scoping through to consultation is likely to take at least 18 months. **s 9(2)(f)(iv)**

Current stage: Scoping – We are undertaking work around the approach to the funding review. Due to resourcing and funding constraints, CAA will not be in a position to commence the review until April/May 2022.

Next steps: We are working with CAA to identify the policy decisions that should be made in advance of the funding review commencing.

s 6(a), s 9(2)(f)(iv)

ICAO Alignment (including Part 139)

A series of amendments to New Zealand Civil Aviation Rules to align them with ICAO Standards and Recommended Practices (SARPs).

Outcomes: New Zealand Civil Aviation Rules will be aligned with ICAO SARPs.

Current stage: Policy development.

Next steps: Draft a RIA-lite and send it to sponsor for approval.

Assorted Issues Rule Amendment

Necessary minor updates to rules framework to ensure the system is fit for purpose (Omnibus and Small Issues).

Outcomes: Maintenance and renewal of the regulatory framework.

Linkages: Regulatory stewardship.

Timeline: Likely to take 12-18 months.

Current stage: Consultation / legislative change.

Next steps: Draft the notice of proposed rule-making and consult on the draft rule, which is expected to happen after Runway Condition Reporting is completed, May/June 2022.

Runway condition reporting

Rule change to require aerodromes (when specified) to provide standardised runway condition reporting.

Outcomes: Protecting people from harm and improving the safety and efficiency of the aviation system.

Linkages: International Civil Aviation Organisation Alignment.

Timeline: Final rule expected to be ready for signature in May 2022.

Current stage: Legislative change.

Next steps: This project has been handed over to the rules programme. We expect to re-start drafting a Notice of Proposed Rule Making (NPRM) in January 2021 once 13 additional draft Notices of Performance Based Navigation has been completed.

Drone Regulatory Programme

Project to update current drone Rules and introduce new requirements to ensure the regulatory framework is fit for purpose. **s 9(2)(f)(iv)**

Outcomes: Realising the benefits of technology change to deliver transport outcomes.

Linkages: Taking Flight, Financial Penalties Framework.

Timeline: Rules re-design and update expected to be complete by mid 2023 (resource dependent).

Current stage: Post-consultation. Cabinet paper and RIS sent to you on 1/12/2021.

Next steps: Cabinet approval of final policy recommendations expected early 2022.

Civil Aviation Bill

A complete rewrite of the Civil Aviation Act and Airport Authorities Act, including a range of new policy measures across aviation safety, security and economic regulation.

Outcomes: To improve the safety, security and efficiency of New Zealand's civil aviation system, and modernise and improve the usability of aviation legislation.

Linkages: Associated rule changes.

Timeline: Royal Assent likely to occur in second half of 2022. Implementation will follow over 12-18 months.

Current stage: Legislative change – referred to Select Committee on 29 September. Written submissions closed on 2 December. Officials' initial briefing to the Select Committee occurred on 16 December 2021.

Next steps: Hearings of evidence will be held in February 2022, with report-back to the House currently due on 29 March 2022.

Performance Based Navigation (PBN) Rule

Rule change to modernise regulatory framework and encourage uptake of PBN, especially by smaller aircraft operators.

Outcomes: Realising the benefits of air management and navigation technologies to deliver transport outcomes.

Linkages: New Southern Sky.

Timeline: Rule change complete and in force by December 2021.

Current stage: Came into force on 1 December 2022.

Next steps: There are 13 additional draft Notices in the process of being finalised. We are planning to have these drafts complete in January 2022.

Portable Electronic Devices

Consider and assess whether a different approach is required to regulate portable electronic devices on aircraft in the future. There is expected to be an increased demand for the use of portable electronic devices on flights as new technologies are developed that are safe to use on aircraft.

Cybersecurity Regulatory Framework

Scoping of cybersecurity risks and issues within the regulatory system and what might be required to address them.

Light Sport Aircraft Certification

Initiate a policy project to determine which certification model would be most appropriate for LSA, and any regulatory change required to support this.

Dangerous Goods (Rule Part 92)

Review of the aviation-related regulatory framework, and the corresponding resource available to the CAA to carry out its regulatory functions, for Dangerous Goods.

International Civil Aviation Organisation (Annex 17)

Assessment of New Zealand's aviation regulatory framework to ensure it is consistent, where appropriate, with ICAO security standards specified in Annex 17 to the Convention on Civil Aviation.

This project has been deferred until 2022.

ACAS/TCAS (Airborne Collision Avoidance System / Terrain Collision Avoidance System)

Review current Civil Aviation Rules relating to ACAS/TCAS systems which are out of date and do not incorporate current technology standards.

Rule Part 21 (Certification of Products and Parts) Review

Review this Rule Part and identify opportunities for amendments that will contribute to a well-functioning Rule Part that aligns with government expectations for good regulatory practice. These opportunities include improving safety outcomes, reducing regulatory burden, providing flexibility, aligning with international standards and modernising the Rule.

Mapping Appendix A.9 of Part 91

Identify how best to address an issue with existing civil aviation rules related to how technical standards for navigation and communication equipment are prescribed.

Electronic Aeronautical Information Management (AIM)

Undertake further policy work with respect to costs and benefits associated with regulation of electronic AIM.

Air Navigation Services Regulatory Framework

Review a range of rule parts relating to the provision of air navigation services and associated information, with the aim of putting in place a more modern and performance-based rules framework.

Outcomes: New Zealand's regulatory framework is aligned with the most up to date ICAO standards and recommended practices (SARPs) and technical standards for air navigation services, where appropriate. We effectively identify, mitigate, and manage safety and security risks related to air navigation services. We enable effective safety and security oversight of air navigation service providers.

Timeline: This will be a multi-year project due to significance and complexity.

Current stage: Scoping.

Next steps: CAA are developing a project initiation and problem scoping document.

s 6(a), s 9(2)(f)(iv)

Remaking the Civil Aviation Rules

The entire set of Civil Aviation Rules need to be 'remade' following the passing of the Civil Aviation Bill, for consistency with the new Bill. There are also some wider opportunities (such as the use of transport instruments) that could be taken advantage of as part of this work. However, the scope of this work is still to be determined.

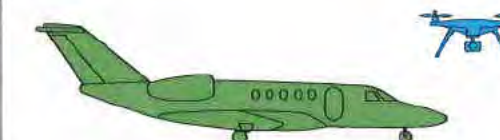
Outcomes: Remaking the Civil Aviation Rules is necessary to support the enactment of the Civil Aviation Bill.

Linkages: Civil Aviation Bill.

Timeline: Likely to take 18-24 months after the Civil Aviation Bill is enacted.

Current stage: Taking initial steps to determine scope and roles and expertise needed for project team.

Next steps: Senior officials have formed a steering group to oversee each stage of this programme, including scoping.



Aviation Regulatory Work Programme [RESTRICTED]

Scoping

Policy development

Consultation

Legislative change

Operational design

Implementation

Evaluation

Proposed Future Work

Avsec & CAA Funding Review

Previously called a pricing review, this work is a full funding review of Avsec and the CAA, which happens every six years with the aim of achieving four specific outcomes. The Authority usually undertakes a review of its funding every six years (with a mid-point review every three). These alternate between a pricing review (which predominantly looks at the rates for any fees, levies and charges), and a full funding review that aims to achieve the below outcomes.

Outcomes: To ensure that the entity is efficiently and effectively resourced and funded; that the entity recovers costs; that effective and efficient levies and charges are implemented; and that the rates for fees, levies and charges do not under or over recover costs and are equitably distributed.

Linkages: Regulatory stewardship, MNZ funding review, Waka Kotahi funding review.

Timeline: A draft report back to lift the moratorium on the CAA funding review is likely to be considered by DEV in October 2021 (TBC). If Cabinet agrees to recommence the funding review, we expect that Scoping through to consultation is likely to take at least 18 months. We expect that s 9(2)(f)(iv)

Current stage: Scoping and information gathering. We are undertaking work around the approach to the funding review. Due to resourcing and funding constraints, CAA will not be in a position to commence the review until April/May 2022.

Next steps: Holding progress until Cabinet decision. We are working with CAA to identify the policy decisions that should be made in advance of the funding review commencing.

Air Navigation Services Regulatory Framework

Review a range of rule parts relating to the provision of air navigation services and associated information, with the aim of putting in place a more modern and performance-based rules framework.

Timeline: This will be a multi-year project due to significance and complexity.

Current stage: Scoping.

Next steps: CAA are developing a project initiation and problem scoping document.

Rule changes associated with the Civil Aviation Bill Remaking the Civil Aviation Rules

The Civil Aviation Bill has a large range of consequential changes for rules. This is also an opportunity to review outdated aviation rules. The entire set of Civil Aviation Rules need to be 'remade' following the passing of the Civil Aviation Bill, for consistency with the new Bill. There are also some wider opportunities (such as the use of transport instruments) that could be taken advantage of as part of this work. However, the scope of this work is still to be determined.

Outcomes: Remaking the Civil Aviation Rules is necessary to support the enactment of the Civil Aviation Bill.

Linkages: Civil Aviation Bill.

Timeline: Likely to take 18-24 months after the Civil Aviation Bill is enacted.

Current stage: Policy development. Taking initial steps to determine scope and roles and expertise needed for project team.

Next steps: This will be progressed once the CAB has passed through the House. Senior officials have formed a steering group to oversee each stage of this programme, including scoping.

s 6(a), s 9(2)(f)(iv)

ICAO Alignment (including Part 139)

A series of amendments to New Zealand civil aviation rules to align them with ICAO Standards and Recommended Practices.

Current stage: Policy development.

Next steps: Draft a RIA-lite and send it to sponsor for approval.

Assorted Issues Rule Amendment

Necessary minor updates to rules framework to ensure the system is fit for purpose (Omnibus and Small Issues).

Outcomes: Maintenance and renewal of the regulatory framework.

Linkages: Regulatory stewardship.

Timeline: Likely to take 12-18 months.

Current stage: Policy development. Consultation / Legislative change.

Next steps: Briefing to seek agreement to officially add the project to the programme. Draft notice of proposed rule-making and consult on the draft rule, which is expected to happen after Runway Condition Reporting is completed. May/June 2022.

Runway condition reporting

Rule change to require aerodromes (when specified) to provide standardised runway condition reporting.

Outcomes: Protecting people from harm and improving the safety and efficiency of the aviation system.

Linkages: International Civil Aviation Organisation Alignment.

Timeline: Final rule expected to be ready for signing May 2022.

Current stage: On hold. Legislative change.

Next steps: This project will be able to resume once the PBN project is complete.

s 6(a), s 9(2)(f)(iv)

Drone Regulatory Programme

Project to update current drone Rules and introduce new requirements to ensure the regulatory framework is fit for purpose. s 9(2)(f)(iv)

Outcomes: Realising the benefits of technology change to deliver transport outcomes.

Linkages: Taking Flight, Financial Penalties Framework.

Timeline: Rules re-design and update expected to be complete by mid 2023 (resource dependent).

Current stage: Post-consultation. Cabinet paper and RIS sent to you on 1/12/2021.

Next steps: Cabinet approval of final policy recommendations expected end of 2021 early 2022.

Civil Aviation Bill

A complete rewrite of the Civil Aviation Act and Airport Authorities Act, including a range of new policy measures across aviation safety, security and economic regulation. **Outcomes:** To improve the safety, security and efficiency of New Zealand's civil aviation system, and modernise and improve the usability of aviation legislation.

Linkages: Associated rule changes.

Timeline: Legislative change likely to take until end 2021 with range of implementation in the following 12 months. Royal Assent likely to occur in second half of 2022.

Implementation: will follow over 12-18 months. **Current stage:** Legislative change – referred to Select Committee on 29 September. Written submissions closed on 2 December. Officials' initial briefing to the Select Committee occurred on 16 December 2021.

Next steps: Prepare for Select Committee. Hearings of evidence will be held in February 2022, with report back to the House currently due on 29 March 2022.

Performance Based Navigation (PBN) Rule

Rule change to modernise regulatory framework and encourage uptake of PBN, especially by smaller aircraft operators.

Outcomes: Realising the benefits of air management and navigation technologies to deliver transport outcomes.

Linkages: New Southern Sky.

Timeline: Rule change complete and in force by December 2021.

Current stage: Post-consultation final rule drafting. Came into force 1 December 2021.

Next steps: Rules package for your signature expected September 2021. There are 13 additional draft Notices in the process of being finalised. We are planning to have these drafts complete in January 2022.

Electronic Aeronautical Information Management (AIM)

Undertake further policy work with respect to costs and benefits associated with regulation of electronic AIM.

Portable Electronic Devices

Consider and assess whether a different approach is required to regulate portable electronic devices on aircraft in the future. There is expected to be an increased demand for the use of portable electronic devices on flights as new technologies are developed that are safe to use on aircraft.

Cybersecurity Regulatory Framework

Scoping of cybersecurity risks and issues within the regulatory system and what might be required to address them.

Dangerous Goods (Rule Part 92)

Review of the aviation-related regulatory framework, and the corresponding resource available to the CAA to carry out its regulatory functions, for Dangerous Goods.

International Civil Aviation Organisation (Annex 17)

Assessment of New Zealand's aviation regulatory framework to ensure it is consistent, where appropriate, with ICAO security standards specified in Annex 17 to the Convention on Civil Aviation.

This project has been deferred until 2022.

ACAS/TCAS (Airborne Collision Avoidance System / Terrain Collision Avoidance System)

Review current Civil Aviation Rules relating to ACAS/TCAS systems which are out of date and do not incorporate current technology standards.

Mapping Appendix A.9 of Part 91

Identify how best to address an issue with existing civil aviation rules related to how technical standards for navigation and communication equipment are prescribed.

Rule Part 21 (Certification of Products and Parts) Review

Review this Rule Part and identify opportunities for amendments that will contribute to a well-functioning Rule Part that aligns with government expectations for good regulatory practice. These opportunities include improving safety outcomes, reducing regulatory burden, providing flexibility, aligning with international standards and modernising the Rule.

Light Sport Aircraft Certification

Initiate a policy project to determine which certification model would be most appropriate for LSA, and any regulatory change required to support this.



21 December 2021

OC210982

Hon Michael Wood

Action required by:

Minister of Transport

15 February 2022

EFFECTIVE TRANSPORT FINANCIAL PENALTIES – UPDATE

Purpose

To provide you with updated information on the Effective Financial Penalties Policy Framework (the Framework) and Categorisation Tool (the Tool), and its use.

To provide you with a set of talking points to discuss the Framework and Tool with your Cabinet colleagues.

Key points

- We have previously engaged with you on the Framework and Tool [OC210050 and OC210414 refers].
- Financial penalties are just one enforcement option as part of a risk-based, responsive, and flexible regulatory system. The Framework and Tool enables consistency and fairness across all transport modes when a financial penalty is pursued.
- We have made further refinements to the Tool since you last saw it. We have added more nuanced categories for lower-level penalties to respond more sensitively to the large number of low-level land transport (traffic) offences.
- We have used the Framework and Tool to inform proposed penalty levels for some offences in the aviation, maritime and land contexts. We consider that this approach has proven effective in proposing more consistent, fit-for-purpose penalty levels.
- s 9(2)(f)(iv) [REDACTED]
- We recommend releasing the Framework and Tool on the Ministry's website s 9(2)(f)(iv) [REDACTED]. While there are some risks associated with releasing these documents, it will help the wider transport sector, government agencies, and interested members of the public understand the rationale behind adjusting transport financial penalties.
- We invite you to discuss the Framework and Tool with your Cabinet colleagues.

Recommendations

We recommend you:

- 1 **agree** to the Framework and Tool being publicly released on the Ministry's website
s 9(2)(f)(iv) Yes / No
- 2 **consider** discussing the Framework and Tool with your Cabinet colleagues. Yes / No



 Megan Moffet
 Manager Regulatory Policy
 .21 / .12. / 2021

 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
Megan Moffet, Manager Regulatory Policy	s 9(2)(a)	✓
Emma Bray, Adviser	s 9(2)(a)	

EFFECTIVE TRANSPORT FINANCIAL PENALTIES – UPDATE

We have previously engaged with you on the Effective Financial Penalties Policy Framework and Categorisation Tool

1. We first provided you with a draft of the Effective Financial Penalties Policy Framework (the Framework) and Categorisation Tool (the Tool) in March 2021 [OC210050 refers]. We addressed further questions you had on transport related penalties in July 2021 [OC210414 refers].
2. We have since made a small amendment to the penalties categories outlined in the Tool to provide more scope for appropriate penalties for lower-level land transport (traffic) offences.

Financial penalties support a safe and effective transport system, but many are inconsistent, disproportionate, or otherwise unfit-for-purpose

3. To help ensure a safe and effective transport system, participants need to follow the requirements set in legislation that establish that system.
4. Regulators have a broad range of tools and approaches – from education and awareness to licence revocation and prosecution – to use in designing a risk-based, responsive, and flexible transport regulatory system to support compliance and respond to offending. Regulatory and enforcement agencies also have wide discretion in applying enforcement approaches and associated penalties.
5. Financial penalties (infringement fees and maximum fines before a court) are a specific intervention tool. They support the system by encouraging positive and responding to negative behaviour (particularly of a more serious nature). Infringement fees in particular provide an intermediate step between education and prosecution that allow regulatory agencies more discretion in their enforcement approaches.
6. We have identified various issues with the process by which financial penalties across transport legislation have been developed and maintained. This has included:
 - Isolated, arbitrary development
 - Lack of review to ensure currency
7. These process issues have led to problems that reduce the effectiveness of transport-related financial penalties, including:
 - Inconsistency across legislation
 - Disproportionality to level and risk of harm
 - Inappropriate penalty levels for different offender types

To address these problems, we have developed the Framework and Tool

8. The Framework and Tool provide the Ministry with a systematic approach to address problems with financial penalties across the transport system. The Framework has undergone a comprehensive policy development process over more than two years.

9. The Framework supports reviewing existing, and setting new, financial penalties in transport legislation. It enables penalties that are better aligned to levels of harm and more consistent across transport modes, as well as with other relevant, modern, regulatory regimes. The Framework involves a process to determine financial penalty levels based on considering four effectiveness principles.
10. We have provided you with detail about the framework previously [OC210050 refers], and a high-level outline is contained in Annex 1.

The Framework and Tool will help ensure consistency and fairness when a financial penalty is pursued

11. The Framework and Tool support a regulatory stewardship approach focussed on supporting more effective financial penalties. When considering a piece of work, the Ministry may determine, after weighing up all possible enforcement options, that a financial penalty is the best option to pursue. If this is the case, then the Framework and Tool guide penalty setting and ensure the determined financial penalty is proportionate, consistent, and better targeted to address specific offending and groups of offenders.
12. The eventual long-term outcome will be that every financial penalty in the transport regulatory system will have a common connecting factor and be consistent across all transport modes. This is in line with the Ministry's stewardship role.

We have made further refinements to the Tool since you last saw it

13. We have designed the Tool to support the Ministry and transport regulatory agencies to effectively implement the Framework. The Tool outlines a stepped process to categorise financial penalties according to the Framework's principles.
14. We have added in more nuanced categories (see 1A, 1B, 2A and 2B in Table 1 below) for lower-level penalties to respond more sensitively to the large number of low-level offences in the land transport regime. These categories recognise that traffic offences make up the bulk of all transport penalties and are also mostly committed by individuals. Consequently, relatively small penalty level variations can have large impacts on how the penalties are viewed by the public, enforced, and the social consequences that can result from unpaid penalties.

Table 1: Penalty scale for harm and types of offenders

Harm category	Fee			Fine		
	Individual	Special Reg Ind ¹	Business or undertaking	Individual	Special Reg Ind	Business or undertaking
1A	\$50	\$150	\$500	\$250	\$750	\$2,500
1B – new	\$150	\$450	\$1,500	\$750	\$2,250	\$7,500
2A	\$250	\$750	\$2,500	\$1,250	\$3,750	\$12,500
2B – new	\$350	\$1,050	\$3,500	\$1,750	\$5,250	\$17,500
3	\$500	\$1,500	\$5,000	\$2,500	\$7,500	\$25,000
4	\$700	\$2,100 ²	\$7,000	\$3,500	\$10,500 ³	\$35,000
5	\$1,000	\$3,000 ²	\$10,000	\$5,000	\$15,000 ³	\$50,000
6	N/A	N/A	N/A	\$10,000	\$30,000	\$100,000
7	N/A	N/A	N/A	\$20,000	\$60,000	\$200,000
8	N/A	N/A	N/A	\$30,000	\$90,000	\$300,000
9	N/A	N/A	N/A	\$50,000	\$150,000	\$1,500,000
10	N/A	N/A	N/A	\$60,000	\$180,000	\$3,000,000

We have used the Framework and Tool to inform proposed penalty levels for offences

15. We have already used the Framework and Tool to inform proposed penalty levels for some serious offences in the Civil Aviation Bill and a series of lower-level offences in civil aviation, and similar serious and lower-level offences in the maritime area. The Framework and Tool have also been used, alongside other considerations, to inform proposed penalty levels in the Road Safety Penalties review (OC210813 refers).
16. We consider that the Framework and Tool's approach has been effective in proposing more consistent, up-to-date, and fit-for-purpose penalties. This has included some significant proposed penalty level changes.

¹ Special Regulated Individual.

² Note this penalty level is above maximum amounts currently allowed in transport regulations for fees, with limits of \$2000 (individual) and \$12,000 (body corporate). Therefore, the lesser limits will apply.

³ Note this penalty level is above maximum amounts currently allowed in transport regulations for fines, with limits of \$10,000 (individual) and \$50,000 (body corporate). Therefore, the lesser limits will apply.

17. For example, using the Tool to guide penalty levels in reviewing some offences in regulations has led to penalty proposals up to seven times current levels,⁴ and some lowered penalties. Proposals for increased or lowered penalties may result where, for example, penalties have not been reviewed for decades or are currently disproportionate to likely harm.

We plan to consult on proposed penalty changes in 2022, initially maritime and marine protection penalties

18. We have used the Framework and Tool to assess a small selection of penalties in the Maritime Transport Act, and a wider suite of offences in the maritime and marine protection regulations. The proposed penalty adjustments will address the differing levels of financial penalties under the *Maritime Transport Act 1994* compared to the *Health and Safety at Work Act 2015* (HSWA) and modernise our approach to a range of penalties for offences that generally apply to large and/or international shipping vessels.
19. s 9(2)(f)(iv) [REDACTED]
20. s 9(2)(f)(iv) [REDACTED]
We have also proposed to consult on the Road Safety Penalties review later in 2022, subject to your agreement [OC210813 refers].
21. The Framework and Tool will be clearly referenced s 9(2)(f)(iv) [REDACTED] to explain how and why some financial penalties are being proposed for adjustment.

We recommend releasing the Framework and Tool on the Ministry's website s 9(2)(f)(iv) [REDACTED] and invite you to discuss them with your Cabinet colleagues

22. We recommend publicly releasing the Framework and Tool as documents on the Ministry's website s 9(2)(f)(iv) [REDACTED], so they are available to the wider transport sector, other government agencies, and interested members of the public. This is an important step to set out our operational policy informing how and why we set fees and fines, 'socialising' it, and supporting effective implementation of the Framework and Tool.
23. s 9(2)(g)(i) [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

⁴ For example, there is a \$100 fee for using a craft where there is a safety risk to persons on board (such as in rough seas, adverse weather, or emergencies), without every person wearing a properly secured personal flotation device - Maritime (Offences) Regulations, Rule Part 91.4(6). Due to this offence's high safety risk, using the Tool's assessment process recommended a \$700 fee.

24. s 9(2)(g)(i) .
25. We do not consider that these risks override the benefits of publication. This is because the Framework provides a strong process to actually fix problems with financial penalties in the transport system, and we intend to address these problems by reviewing penalty levels across transport legislation.
26. We will also develop communications messages for release of the Framework and Tool. This material will emphasise their objectives and benefits to mitigate publication and implementation risks.
27. You have previously mentioned you would like to discuss the Framework and Tool with your Cabinet colleagues before the Ministry publicly releases the documents. We invite you to take the Framework and Tool to your Cabinet colleagues and have attached talking points to this briefing to help aid your discussions (ANNEX 1).

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ANNEX 1

Talking Points to use in discussions with your Cabinet Colleagues

1. Financial penalties (infringement fees and fines) are important tools to support the transport system, as they can encourage compliance and respond to negative behaviour.
2. To be effective, financial penalties need to be up-to-date, consistent, proportionate to harm and fit-for-purpose.
3. Current penalty levels across transport legislation are inconsistent, were developed arbitrarily and in isolation, and are often disproportionate to their severity and risk of harm.
4. The Ministry has developed the Effective Financial Penalties Policy Framework (the Framework) and Categorisation Tool (the Tool) to help ensure financial penalties across all transport modes are proportionate, consistent, and better targeted to address particular offending and groups of offenders.

The Framework

5. The Framework has four principles for determining effective financial penalties. The financial penalty needs to:
 - respond to the offence's severity
 - act as a deterrent to undesirable behaviour
 - be proportionate
 - consider the responsibilities and financial capacity of the person or entity in the system
6. The Framework assesses offences' severity by considering three types of possible harm:
 - *System* – harm to the transport regulatory system itself from breaching any transport requirements or rules.
 - *Safety* – actual harm, or risk of harm, to people.
 - *Environmental and property* - actual harm, or risk of harm, to the environment or property
7. The Framework identifies two new categories of potential offenders that penalties can apply to:
 - *Special regulated individuals (SRIs)* – commonly individuals with professional responsibilities in the transport system
 - *Businesses or undertakings (BUs)* – commercial operators or not-for-profit organisations

The Tool

8. We have designed the Tool to support the Ministry and transport regulatory agencies to effectively implement the Framework. The Tool outlines a stepped process to:

- categorise financial penalties according to the Framework principles
 - assign penalty levels by points
9. The Tool's categorisation process links recommended penalty amounts to:
- severity of harm
 - likelihood of harm occurring should the offence occur
 - types of potential offenders (individuals, SRIs, BUs)
10. The Tool would bring transport penalty levels, if reviewed and with legislative amendments, up to HSWA levels for comparable offending which occurs in the transport system. This would, for example, enable better addressing serious offending by large commercial entities.

Consideration of public policy contextual factors

11. The Framework supports an objective, logical approach to set consistent and fit-for-purpose transport related financial penalties. However, it also allows penalties to reflect wider public policy context where necessary.
12. The Tool guides users through a staged process to propose penalty levels that respond to an offence's severity, are a deterrent, are proportionate, and applicable to either 'regular' individuals, SRIs, or BUs. Following that process, the Framework and Tool propose that any broader public policy contextual factors, where relevant, are considered to inform the final proposed penalty levels.
13. These may be factors relevant to the transport sector or wider society. For example, this might include the most likely type of offenders (such as vulnerable population groups) and the underlying causes of their offending.
14. Financial penalties are just one enforcement approach the Ministry can use to encourage compliance and respond to negative behaviour. The Ministry assesses all options before deciding to pursue a financial penalty. If the Ministry determines a financial penalty is the best option, then the Framework and Tool should be used to guide penalty setting.



MINISTRY OF BUSINESS,
INNOVATION & EMPLOYMENT
MŌHĀNA WIRAKATITITĀ



Kānoa
Regional Economic Development
& Investment Unit

BRIEFING

Funding reallocation for “Redevelopment of Strategic Roads in the Far North - Ruapekapeka Road”

Date:	21 December 2021	Priority:	Medium
Security classification:	In Confidence	Tracking number:	2122-2006
Action sought			
	Action sought	Deadline	
Hon Stuart Nash Minister for Economic and Regional Development	Agree to transfer \$1.0 million within appropriation for Far North District Council local road projects, from Priority 1 Routes project to Ruapekapeka Road project.	21 January 2022	
Hon Michael Wood Minister of Transport	Agree a minor contract variation for Ruapekapeka Road out to 30 April 2021.		
Hon Grant Robertson Minister of Finance			
Contact for telephone discussion (if required)			
Name	Position	Telephone	1st contact
Mark Jacobs	Director Regional Development	s 9(2)(a)	✓
Tony Frost	Principal Advisor, Programme Assurance and Commercial	s 9(2)(a)	
The following departments/agencies have been consulted			
Far North District Council, NZTA Waka Kotahi, Ministry of Transport.			

Minister's office to complete:

☐ Approved

☐ Declined

☐ Noted

☐ Needs change

☐ Seen

☐ Overtaken by Events

☐ See Minister's Notes

☐ Withdrawn

Comments:

BRIEFING

Funding reallocation for “Redevelopment of Strategic Roads in the Far North - Ruapekapeka Road”

Date:	21 December 2021	Priority:	Medium
Security classification:	In Confidence	Tracking number:	2122-2006

Purpose

This joint paper with Ministry of Transport (MoT) seeks agreement to reallocate \$1.0 million within appropriation between Far North District Council (FNDC) local road upgrade projects; from Redevelopment of Strategic Roads in the Far North, Priority 1 Routes Required for Economic Development, to Ruapekapeka Road.

Additionally, approval is sought to extend the end date for Ruapekapeka Road out to 30 April 2022.

Executive summary

As part of the COVID-19 reset, on 4 June 2020 Regional Economic Development (RED) Ministers approved Provincial Growth Fund (PGF) funding of \$20.7 million for two Far North District Council (FNDC) Local Road Upgrade projects:

- \$14.2 million for Redevelopment of Strategic Roads in the Far North – Priority 1 Routes Required for Economic Development, and
- \$6.5 million for Redevelopment of Strategic Roads in the Far North – Ruapekapeka Road.

\$0.5 million was paid to FNDC directly from the Provincial Development Unit (PDU), now Kānoa-Regional Economic Development & Investment Unit (RDU), in July 2020. The remaining \$20.2 million was transferred to Vote Transport in August 2020 for distribution provided through the NZ Transport Agency Waka Kotahi (Waka Kotahi) system.

When the budgets for the projects were estimated, there were a number of unknown factors to be clarified in the ‘detailed design stage’ through a robust design and value engineering process. This process has now confirmed that:

- Priority 1 Routes project has \$1.0 million of cost savings. This saving arose after thorough analysis, testing and assessment of 21 bridges determined that only eight of these bridges require strengthening to meet HPMV loading capacity.
- The Ruapekapeka Road project exceeds the budget allocation by \$1.0 million for completion. This is due to additional consenting requirements for road alignment and safety-in-design considerations, geotechnical challenges, and complexities in the environment including the archaeological significance of the area. The final estimated cost is \$7.5 million.

Additional funding is not necessary as there is scope to transfer funds within appropriation to allow up to \$1.0 million of the Priority 1 Routes project be re-applied to the Ruapekapeka Road project. MoT has authority to reallocate funds up to \$1.0 million within existing appropriations, however, this authority does not include the Enabling Infrastructure Projects category of the Tuawhenua

Provincial Growth Fund – Transport Projects Multi Category Appropriation, and therefore your approval is sought [Briefing OC200898 refers].

Reprioritisation of funding for the projects was considered by Kānoa-RDU. However, this option is not preferred as the Ruapekapeka Road Project is important to connectivity within the district and safeguards access to Ruapekapeka Pā, an iconic site of historic and cultural significance in New Zealand.

Reallocation of \$1.0 million available funds within existing appropriations and budget will deliver a positive outcome with both projects completed to initially agreed scope, expected outcomes and projected benefits. Reallocation also secures delivery of the full \$20.7 million budget as originally allocated for FNDC Local Road Upgrade Projects.

Recommended action

We recommend you:

- a **Note** funding of \$20.7 million from the PGF was approved by RED Ministers for two Far North District Council Local road upgrade projects on 4 June 2020; Ruapekapeka Road and Priority 1 Routes Required for Economic Development. *Noted*
- b **Note** that the Far North District Council local road upgrade projects has a:
- i. final estimated cost of \$1.0 million above budget for Ruapekapeka Road project completion, and
 - ii. cost saving of \$1.0 million for the Priority 1 Routes Required for Economic Development project. *Noted*
- c **Note** allocating up to \$1.0 million to the Ruapekapeka Road project from Priority 1 Routes Required for Economic Development will not impact on overall appropriations or local road deliverables. *Noted*
- d **Note** that Ministry of Transport has authority to reallocate funds up to \$1.0 million within existing appropriations, however, this authority does not include the Enabling Infrastructure Projects category of the Tuawhenua Provincial Growth Fund – Transport Projects Multi Category Appropriation, therefore your approval is sought. [Briefing OC200898 refers]. *Noted*
- e **Note** all residual funding will be returned to Vote BSI. *Noted*
- f **Agree** to one of the following options available to complete the Ruapekapeka Road project:
- i. Option One - Agree to the reallocation of \$1.0 million PGF funding from 'Priority 1 Routes' to 'Ruapekapeka Road' to deliver within budget and appropriation, including a contract extension out to 30 April 2022 **[preferred option]**. *Agree/ Disagree*
 - ii. Option Two - Rescope the Ruapekapeka road to minimum viable delivery. *Agree/ Disagree*



- g **Note** Option Two to rescope the Ruapekapeka Road project would sacrifice overarching outcomes beyond what is acceptable for environmental protection, safety and capacity of the road, and accessibility.

Noted

Robert Pigou
**Deputy Chief Executive and Head of Kānoa-
RDU
MBIE**

21 / 12 / 2021

Fleur D'Souza
**Manager, Programme Assurance and
Commercial
Ministry of Transport**

21 / 12 / 2021

Hon Stuart Nash
**Minister for Economic and Regional
Development**

..... / /

Hon Michael Wood
Minister of Transport

..... / /

Hon Grant Robertson
Minister of Finance

..... / /

Background

1. On 4 June 2020, RED Ministers approved \$20.7 million of Provincial Growth Fund (PGF) funding to redevelop strategic roads in the far north as part of the COVID-19 reset.
2. RED Ministers agreed that these projects with Far North District Council (FNDC) would be delivered as:
 - a. \$14.2 million for Priority 1 Routes Required for Economic Development, to provide an alternative safe and resilient route suitable for Heavy Commercial Vehicles (HCVs) and High Productivity Motor Vehicles (HPMV) from SH15 south of Kaikohe, to an upgraded rail hub at Otiria, Moerewa via Ngapipito Road and SH1 Otiria Road, and
 - b. \$6.5 million for Ruapekapeka Road, "to widen and seal 4.7 km of Ruapekapeka Road from SH1 at Towai to the Ruapekapeka Pā Battle Memorial site. This includes drainage improvements, shape corrections and corner improvements, bridge strengthening or replacement of the single lane bridge".
3. \$0.5 million was paid directly to FNDC: \$0.35 million for Priority 1 Routes and \$0.15 million for Ruapekapeka. \$20.2 million was transferred from Vote Business, Science and Innovation (BSI) to Vote Transport 'Enabling Infrastructure Projects' appropriation in August 2020 to be distributed through Waka Kotahi system and assurances.
4. When the project budgets were estimated, there were a number of unknown factors to be clarified. The detailed design was peer reviewed over the 2021 winter season with value engineering opportunities investigated for both projects. This confirmed cost savings of \$1.0 million for Priority 1 Routes and Ruapekapeka Road exceeding its budget by \$1.0 million.
5. The Ministry of Transport has authority to reallocate funds up to \$1.0 million within existing appropriations however, this authority does not include the Enabling Infrastructure Projects category of the Tuawhenua Provincial Growth Fund – Transport Projects Multi Category Appropriation, and therefore your approval is sought [Briefing OC200898 refers].
6. Project information for Ruapekapeka Road and Priority 1 Routes is at Annex 1.

Current state

7. FNDC has requested a transfer of funding from Priority 1 Routes to Ruapekapeka Road following the results of the design and value engineering process which confirmed:

Priority 1 Routes

8. \$1.0 million in cost savings for Priority 1 Routes after thorough analysis, testing, and assessment of 21 bridges that were candidates for strengthening to meet High Productivity Motor Vehicles (HPMV) loading capacity. This confirmed that only eight of the bridges required strengthening.

Ruapekapeka Road

9. The final estimated cost to complete the project is \$7.5 million which exceeds the budget allocation by \$1.0 million. This is due to additional consenting requirements for road alignment and safety in design considerations, geotechnical challenges and complexities in the environment including the archaeological significance of the area.
10. A number of key items have been identified as requiring special attention in the Ruapekapeka Road Project including;

- a. The design of retaining wall structures below the Pā site to accommodate two traffic lanes at this narrow section of the road,
 - b. A 'permeable pavement' design at Monument Road intersection to protect the root system of old puriri trees,
 - c. The SH1 intersection design requires realignment of an existing stream, undergrounding the existing overhead power lines and incorporating the location of the new Pou, and
 - d. A significant volume of earthworks is scheduled to enable the construction of a safe, two lane sealed road capable of carrying heavy traffic, including for example tourist buses.
11. These additional works will:
- a. improving visitor experience to the Pā, building on existing investment at the Pā ;
 - b. improving the safety of the road for local and visitor users;
 - c. reducing the dust created from dirt roads which can have negative health impacts on those living near the road, and
 - d. further encourage tourist visitors to this site of national and historic significance, by providing a safe, sealed road access.

Options to manage cost-overruns

12. The additional funding required for Ruapekapeka Road can be managed through the reallocation of funding from the Priority 1 Routes to the Ruapekapeka Road project. The reallocation of funding will deliver a positive outcome, with both projects completed to initially agreed scope, expected outcomes and projected benefits (BR 3476 19-20) and secure delivery of the full \$20.7 million budget as originally allocated for FNDC Local Road Upgrade Projects
13. Agencies consider there are two options to manage the Ruapekapeka delivery:
- a. **Option One** - Agree the transfer of funds between FNDC local road upgrade projects Priority 1 Routes and Ruapekapeka road to deliver revised scope resulting in expected and additional project outcomes **[preferred option]**
 - b. **Option Two** - Rescope the Ruapekapeka road to minimum viable delivery.
14. Option One is the preferred approach as rescoping and reprioritising at a critical stage means sacrificing overarching outcomes for Ruapekapeka Road, beyond what is acceptable for environmental protection, safety and capacity of the road, and accessibility for the future. This option will result in a one-month extension, from March 2022 to April 2022.
15. Waka Kotahi supports transferring funding for the Ruapekapeka Road project. Waka Kotahi works in tandem with FNDC and Hoskin Civil as part of a local initiative to assist with leading the delivery of projects, as the project includes SH1 intersection improvements. All parties have carried out extensive liaison and consultation, particularly with Ngati Hine, Ngati Manu, Te Kapiti, Ngati Hau and the local hapū trustees of the nearby DoC historic site. Personnel from Waka Kotahi Safety Network Operations and Project Delivery have also been involved delivery discussions where the delivery mechanism for these projects is under the NZTA Northland Delivery Framework (NDF).

Next steps

16. If you agree to the transfer of funds within appropriation, the transfer of \$1.0 million will be actioned by Ministry of Transport through the Waka Kotahi system and the variation including updated delivery timeline will be executed by Kānoa-RDU.

Annex

Annex One: Project Information for Ruapekapeka Road and Priority 1 Routes

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Annex One: Project Information for Ruapekapeka Road and Priority 1 Routes

Ruapekapeka Road

1. The Ruapekapeka Road project addresses a significant resilience and access gap on nationally significant social and economic connections including access to one of New Zealand's iconic historic heritage sites. The project is approved to complete:
 - a. Widening and sealing 4.7km including drainage improvements, road shape correction and corner improvements, and
 - b. Bridge strengthening or replacements of the single lane bridge at the southern end.
2. Ruapekapeka Pā is one of Northland's most historically significant pā sites, and the best-preserved Land War battlefield, with features remaining visible on the surface. The palisaded, trenched, and tunnelled hilltop is the site of the last battle (and first major armed conflict) of the Northern Wars. It is considered a significant site of Māori military engineering.
3. The Pā is governed by the Te Ruapekapeka Pā Management Trust. The Trust has undertaken a number of PGF-funded improvements to the wayfinding and informational signage in and around the locale, in an effort to increase visitor numbers to the Pā. Improvements will lead to increased visitor numbers in future years. However, the access road to the Pā (Ruapekapeka Road) was considered dangerous and not fit for purpose.
4. The project had a higher cost and risk compared to other unsealed road projects due to its complex geography and its rich archaeology. This risk materialised when unforeseen delays with consenting and archaeological authority requirements affected the project programme impacted the start of scheduled earthworks and drainage.
5. Ruapekapeka Road is often used as a diversion route, which means it needs to have the capability to accommodate large trucks and traffic volumes.

Priority 1 Routes

6. The Priority 1 Routes project will upgrade two routes to be suitable for High Productivity Motor Vehicles (HPMV) and Heavy Commercial Vehicles (HCV), which will create operating efficiencies, improve route security and provide safer access:
 - a. South of Kaikohe, along Ngapipito Road from State Highway 15 to Otiria Road and the Otiria rail head and freight hub; achieved through:
 - i. Widening and sealing 5km of unsealed road on Ngapipito Road, including drainage improvements, road shape correction and corner improvements,
 - ii. Minor works to some sealed sections of Ngapipito and Otiria Roads, including water tables, signage, and guardrails, and
 - iii. Intersection improvements at each end of Ngapipito road.
 - b. South of Kaitia, from State Highway 1 at Pamapurua to State Highway 10 at Taipa; achieved through:
 - i. Widening and sealing the 6.3km unsealed section of Peria Road, including drainage improvements, road shape correction, and corner improvements,
 - ii. Bridge strengthening or replacement of seven bridges,
 - iii. Two slip repairs, and
 - iv. Safety improvements at the intersections of State Highway 1/Fairburn Road and State Highway 10/Oruru Road



22 December 2021

OC210884

Hon Michael Wood

Action required by:

Minister of Transport

Monday, 28 February 2022

SETTING NEW OBJECTIVES FOR THE PLANNING, PROCUREMENT, AND DELIVERY OF PUBLIC TRANSPORT

Purpose

To seek agreement on new overarching objectives for the planning, procurement and delivery of public transport and provide advice on the implications of these objectives. This briefing also provides advice on progressing labour market interventions s 9(2)(f)(iv)

Key points

- Following your direction we have developed revised objectives for the new framework for planning, procuring, and delivering public transport services (the new public transport framework) that target s 9(2)(f)(iv)
- These new objectives will guide the development of operational policy s 9(2)(f)(iv)
- The labour market objective can be supported by more specific interventions. You have three options to achieve this: through amendments to the LTMA; through including bus drivers in the Part 6A provisions of the Employment Relations Act; or through Waka Kotahi NZ Transport Agency's (Waka Kotahi) procurement policy. These options are not mutually exclusive.
- s 9(2)(f)(iv) and s9(2)(g)(i)
- We propose you invite Waka Kotahi to develop operational policy to progress labour market interventions in the first instance. This will provide the fastest pathway to establishing labour market protections and will be required even if the interventions are legislated.

- s 9(2)(f)(iv) [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- We previously signalled a two-stage process for policy decisions, s 9(2)(f)(iv) [REDACTED]. However, this will delay progress with reforms, particularly from a legislative perspective. We recommend a single Cabinet process to enable all policy decisions to be taken s 9(2)(f)(iv) [REDACTED]
- Operational policy will be critical to the implementation of the new public transport framework. We propose to establish a working group on operational policy, with membership to include public transport authorities, unions, and bus operators.

Recommendations

We recommend you:

- 1 **agree** to set the following objectives for the planning, procurement, and delivery of public transport services:
 - a) s 9(2)(f)(iv) [REDACTED] ☐
 - [REDACTED] ☐
 - [REDACTED] ☐
 - [REDACTED] ☐
 - [REDACTED] ☐
 - [REDACTED] ☐
- 3 **invite** Waka Kotahi NZ Transport Agency to develop operational policy for labour market interventions Yes / No
- 4 s 9(2)(f)(iv) [REDACTED] :

- a) [REDACTED] [REDACTED]
- [REDACTED] [REDACTED] [REDACTED]
- [REDACTED] [REDACTED] [REDACTED]
- [REDACTED] s 9(2)(f)(iv) [REDACTED] [REDACTED]
- [REDACTED] [REDACTED] [REDACTED]

7 **agree** to establish a Working Group on operational policy focused on implementing reforms to the planning, procurement, and delivery of public transport services Yes / No

8 **agree** to a single Cabinet process, seeking decisions on all policy matters s 9(2)(f)(iv) Yes / No



Robert Anderson
Manager, Mobility and Safety
22 / 12 / 2021

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
Robert Anderson, Manager, Mobility and Safety	s 9(2)(a)	✓
Jacob McElwee, Principal Adviser, Mobility and Safety	s 9(2)(a)	

SETTING NEW OBJECTIVES FOR THE PLANNING, PROCUREMENT AND DELIVERY OF PUBLIC TRANSPORT

We have drafted new objectives for the new public transport framework based on your direction

- 1 In September 2021, we provided you with advice on the outcomes of consultation and next steps for the PTOM review. In this advice we proposed new objectives for the planning and procurement of public transport incorporating feedback from consultation (OC210669 refers).
- 2 You provided feedback on the new proposed objectives and we met with you to further understand your direction for reform. The table below sets out the objectives proposed in OC210669, your feedback, the revised objectives, and our rationale for the proposed wording.

Table One: Revised objectives for the new public transport framework

[illegible]

s 9(2)(f)(iv) [REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

The new objectives will guide the development of operational policy s 9(2)(f)(iv)

3 Together the new proposed objectives target:

s 9(2)(f)(iv)
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

4 One of the key purposes of establishing these objectives is to guide the development of operational policy, which will sit behind any legislative reforms. We propose to establish a Working Group on operational policy. This would focus on how to give effect to the new objectives, along with any other more detailed policy changes (see paragraphs 52-53 and Appendix One for more detail).

5 s 9(2)(f)(iv) [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED] Section 115 currently includes two principles that relate to the founding objectives of PTOM:

- 5.1 competitors should have access to regional public transport markets to increase confidence that public transport services are priced efficiently
- 5.2 incentives should exist to reduce reliance on public subsidies to cover the cost of providing public transport services.

6 s 9(2)(f)(iv) [REDACTED]
[REDACTED] . We provide further advice around the labour market and the value for money objectives below.

The labour market objective can be supported by more specific interventions

7 s 9(2)(f)(iv) [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

8 As part of the PTOM review discussion paper, we consulted on options to establish these protections, namely:

- 8.1 amending the Land Transport Management Act
- 8.2 extending the Part 6A protections in the Employment Relations Act 2000 (ERA) to public transport bus drivers
- 8.3 changes to Waka Kotahi procurement policy.

9 Feedback on these options was mixed and, as we have noted above, the options are not mutually exclusive.

10 s 9(2)(f)(iv) [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

s 9(2)(g)(i) [REDACTED]

11 Section 237A of the ERA stipulates that the relevant Minister may only recommend inclusion of a new occupation in Schedule 1A, which lists the occupations subject to the Part 6A protections, if:

- 11.1 the Minister receives a request to do so from a person or an organisation; and

[illegible][illegible]

We recommend inviting Waka Kotahi to develop operational policy for labour market interventions

15 s 9(2)(g)(i) [REDACTED]
[REDACTED] we propose that labour market interventions are established through Waka Kotahi procurement policy in the first instance. This will provide the fastest pathway to protecting bus driver wages and conditions in future procurements and will be necessary even if the interventions are legislated.

16 s 9(2)(f)(iv)

s 9(2)(f)(iv)

- 17 Should you agree to this approach, we recommend inviting Waka Kotahi to develop operational policy to give effect to these outcomes. We note that the Bus Driver Terms and Conditions Steering Group, which is chaired by Waka Kotahi, was established to progress outcomes consistent with 16.3. We envisage this Steering Group could be tasked with informing the development of operational policy.
- 18 We consider the development of operational policy should precede Cabinet decisions on reforms because:
- 18.1 the Government's objectives for the public transport labour market have been well signalled
- 18.2 this will enable the sector to plan for implementing labour market interventions in upcoming service procurements²
- 18.3 the development of operational policy can further inform future Cabinet policy decisions, should they be required.

s 9(2)(f)(iv)

² Auckland Transport and Nelson City Council are developing plans for upcoming service procurements.

■ s 9(2)(g)(i)

[REDACTED]

■ s 9(2)(f)(iv)

[REDACTED]

■ s 9(2)(f)(iv)

[REDACTED]

■ [REDACTED]

[REDACTED]

■ [REDACTED]

[REDACTED]

■ [REDACTED]

[REDACTED]

[REDACTED]

■ [REDACTED]

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

-

s 9(2)(f)(iv)

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

s 9(2)(f)(iv)

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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[REDACTED]

[REDACTED]

[REDACTED]

s 9(2)(g)(i)

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

s 9(2)(g)(i)

We will provide advice on remaining policy proposals for the PTOM review in March 2022

48 To date we have provided advice on:

48.1 the design and initial implementation of the 2025 zero-emission bus mandate (OC210795 refers)

48.2 setting new objectives, progressing labour market interventions, s 9(2)(f)(iv)

49 Subject to your decisions on this paper, in March 2022 we will provide advice on:

49.1 enabling decarbonisation of the public transport bus fleet

49.2 improving roles and relationships between key players in the public transport sector

49.3 whether changes are required to the framework for exempt services

49.4 how on-demand public transport services should be treated under the new framework.

50 Table Three below outlines a revised project timeline, including the provision of advice in March 2022.

We propose a single Cabinet process to seek policy decisions for the new framework

51 We previously signalled a two-stage process for policy decisions

s 9(2)(f)(iv)

However, this will ultimately delay progress with reforms, particularly from a legislative perspective. We expect moving to a single Cabinet process would enable policy decisions by Cabinet s 9(2)(f)(iv)

We propose to progress development of some operational policy in tandem with refining the remaining policy proposals

52 Operational policy will be critical to the implementation of the new public transport framework. You have indicated that implementing labour market interventions should be a priority. To achieve this, we have recommended inviting Waka Kotahi to develop operational policy that supports your desired outcomes. We envisage Waka Kotahi may task the Bus Driver Terms and Conditions Steering Group with guiding the development of this operational policy.

53 We also propose to establish a Working Group to develop broader operational policy, for example enabling decarbonisation and reviewing the Waka Kotahi Procurement Manual. This Working Group will be directed by Cabinet policy decisions, and will be comprised of representatives from Te Manatū Waka, Waka Kotahi, public transport

authorities, unions, and bus operators. A draft Terms of Reference is attached in Appendix One for your information.

Table Three: Revised PTOM review project timeline

Activity/Output	Indicative Timing
Stakeholder engagement on policy options	Commenced in October 2021 and ongoing
Decisions on s 9(2)(f)(iv), objectives, labour market intervention	February 2022
Confirm membership of working group on operational policy	February 2022
Commence development of operational policy for labour market intervention	February/March 2022
Advice on outstanding policy issues	March 2022
Initial meeting of the operational working group	March 2022
Draft Cabinet paper seeking policy decisions	Late April 2022
Cabinet paper seeking policy decisions	s 9(2)(f)(iv)

**Appendix One: Draft Terms of reference for the PTOM review Working Group
on Operational Policy**

RELEASED UNDER THE
OFFICIAL INFORMATION ACT

s 9(2)(f)(iv)

[REDACTED]

[REDACTED]

- [REDACTED]

[REDACTED]

- [REDACTED]

- [REDACTED]

- [REDACTED]

- [REDACTED]

- [REDACTED]

[REDACTED]

- [REDACTED]

-
- | Government | Percentage |
|---------------------|------------|
| Current government | 80% |
| Previous government | 20% |

- THE AC


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- [illegible]



- _____

Appendix Two: Independent research found tendered contracts cost significantly less than negotiated contracts under PTOM

- 1 Research by Ian Wallis⁵ compared the impacts of alternative procurement methods (tendered vs negotiated contracts) under PTOM on contract prices in Auckland and Wellington.
- 2 The research found that:
 - 2.1 for the tendered contracts, significant cost reductions were achieved compared with previous tendering rounds, reflecting the considerable increase in the number of bidders per contract; and
 - 2.2 for the negotiated contracts, gross costs averaged 10–15 percent higher in Auckland and 30–35 percent higher in Wellington than the equivalent tendered costs.
- 3 According to Ian Wallis' research these cost disparities reflected the weak position of the regional councils in their contract negotiations with operators. He concluded that this was a result of the councils not having recourse to tendering as a fallback negotiating position and coming under considerable time pressures to introduce the new services.
- 4 Ian Wallis has further estimated the resulting increase in costs to public transport authorities in Wellington and Auckland. This has been estimated as an increase to gross costs of approximately \$50 million per annum for both Wellington and Auckland.
- 5 s 9(2)(g)(i)
A large area of the document is redacted with grey bars. A diagonal watermark reading 'RELEASED UNDER THE OFFICIAL INFORMATION ACT' is overlaid across the redacted area.

⁵ Wallis, I (2020) Value for money in procurement of urban bus services – Competitive tendering versus negotiated contracts: Recent New Zealand experience. *Research in Transportation Economics* 83.

Appendix Three: A comparison of approaches for safeguarding employment and terms and conditions at the end of the contract term

Features	Auckland Metro Rail Special Purpose Vehicle	Typical Australian private metro bus contract
Description of mechanism	<p>Auckland Transport (AT) has a call option under its rail services contract to require the incumbent private operator to sell to the incoming operator either the shares or assets of its Special Purpose Vehicle (SPV) used to deliver the rail services. A template Sale Purchase Agreement (SPA) is prescribed to support the sale of shares.</p> <p>AT exercised its option to require the sale of shares in the SPV in its recent rail services procurement.</p>	<p>Contractual obligation on government to require the incoming operator to make offers of employment to existing contract staff.</p>
Occupations	<p>Includes all staff employed by the SPV to deliver the rail services, except for named senior management positions.</p>	<p>Contract staff are generally defined as all employees employed to carry out the contract services. In some cases, senior management, administration and non-operational staff are excluded.</p>
Terms and conditions	<p>With the option for the sale of shares in the SPV there is no change of employment or employer, leaving terms and conditions unchanged.</p> <p>With the option for a sale of assets held by the SPV, the incumbent operator terminates staff employment, who are then entitled to redundancy, and AT requires the new operator to make offers of employment.</p> <p>However, if offers are made on the same or more favourable terms and conditions, and service is treated as continuous, then employees are not entitled to redundancy under the Rail and Maritime Transport Union Collective Employment Agreement.</p>	<p>Employment offers are required to be on equivalent terms and conditions.</p>
Leave entitlements	<p>Under the share sale option, leave entitlements remain unchanged.</p> <p>Under the asset sale option, staff employment will be terminated</p>	<p>Leave entitlement balances transfer to the incoming operator if an employee accepts an offer of employment from the incoming operator.</p>

	and leave entitlements required to be paid out. However, the incoming operator, union and its members could agree to transfer leave entitlements to the new employer.	
Funding of entitlements	Historically, the liability for funding and accruing leave entitlements has been held by AT. The new operator is responsible for leave management and differences between actual and forecast leave balances.	The outgoing operator is required to transfer funds to the incoming operator for the value of leave entitlements for transferring employees.
Information for procurement	Vendor financial and taxation due diligence information is provided to assist bidders assess the commercial implications of the sale of shares for the SPV. Noting that the preference of bidders was for a sale of assets to avoid uncertainties around the quantification and transfer of tax and other undischarged liabilities of the SPV.	The operator is required to provide information on employees for disclosure as part of a procurement process, including, occupation, terms and conditions, years of service, leave entitlements, payroll, etc.
Implications for contract prices	<ul style="list-style-type: none"> • Potential for bidders to request an indemnity from AT in relation to assets and liabilities under the sale of either the shares or assets of the SPV (or include a bid premium). • Sales of shares in the SPV or offers on the same or more favourable terms and conditions removes the risk of redundancy costs. 	<ul style="list-style-type: none"> • The outgoing operator does not need to include end of term redundancy costs in the contract price. • The operators bidding for the new contract have information to accurately price the labour cost of contract employees. • The incoming operator will inherit the existing terms and conditions of employment and may seek to negotiate changes over the contract term.
Implications for contract structure	<ul style="list-style-type: none"> • Requires an SPV structure and supporting reporting regime with ring fencing of staff, assets and liabilities. 	<ul style="list-style-type: none"> • Employees need to be dedicated to a specific contract.