

OC230527

11 July 2023

Tēnā koe

I refer to your email dated 13 June 2023, requesting the following under the Official Information Act 1982 (the Act):

I would under the Official Information Act like to see a copy of the terms of reference for the following independent inquiry that has been established. (Reference is an article from RNZ website) – I would also like to see any correspondence between the Ministry and the Minister and between the Ministry and other agencies including but not limited to GWRC, Kiwirail, and NZTA.

The Terms of Reference for the "rapid review of KiwiRail's handling of recent disruptions to passengers" is available on the Ministry of Transport's website. This can be accessed here: https://www.transport.govt.nz/assets/Uploads/TERMS-OF-REFERENCE-RAPID-REVIEW-OF-KIWIRAILS-HANDLING-OF-RECENT-DISRUPTIONS-TO-PASSENGERS.pdf

Regarding your request for correspondence between the Ministry of Transport (the Ministry) and the Minister of Transport, and between the Ministry and other agencies, we have interpreted this to mean correspondence relating to the rapid review's Terms of Reference. Accordingly, two documents fall within the scope of this request, corresponding to two distinct email chains and the documents attached within them. The schedule below outlines how the documents you requested have been treated under the Act.

Doc	# Date Range	Title	Decision on release
1	1 May – 3 May	Independent Review into KiwiRail - proposed ToR	Some information withheld under Section 9(2)(a).
2	9 May – 10 May	KR Review TOR	Some information withheld under Section 9(2)(a).

As outlined in the table above, certain information within the two documents is withheld under the following sections of the Act:

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

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

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

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

Nāku noa, nā

Seona Ku

Principal Advisor, Supply Chain

'Document 1 - Independent Review into KiwiRail - proposed ToR

From: Amanda Wilson <Amanda.Wilson@parliament.govt.nz>

Sent: Monday, May 1, 2023 15:02

To: Bryn Gandy <<u>B.Gandy@transport.govt.nz</u>>; Leilani Frew [TSY] <<u>Leilani.Frew@treasury.govt.nz</u>> **Cc:** Matt Gilbert <<u>matthew.gilbert@treasury.govt.nz</u>>; Brent Johnston <<u>B.Johnston@transport.govt.nz</u>>;

Ann Webster [TSY] < Ann. Webster@treasury.govt.nz >; Michael Moore [TSY]

< <u>Michael.Moore@treasury.govt.nz</u>>; Tony Frost (Parliament) < <u>Tony.Frost@parliament.govt.nz</u>>

Subject: Independent Review into KiwiRail

Kia ora,

Ministers Wood and Webb have released a <u>Press Release</u> announcing the commencement of an independent review into KiwiRail's recent activities. This review is wider than the recent Wellington Metro incident, but will focus on that and other passenger rail services. The Interislander issues are not in scope of this review. Ministers are particularly concerned about the impacts the management of these incidents have had on passengers and stakeholders, as well as obviously the cause of the incidents themselves.

This review will be led by the Minister of Transport, in consultation with shareholding Ministers. We would appreciate if officials could work together to support this review, but seems sensible for MoT to take the lead on logistics (contracting, managing the review etc). Ministers have asked for the review to be completed within 30 days of the appointment of a reviewer. As a result, we need to move quickly to agree a Terms of Reference and Independent reviewer by the end of this week.

The Independent reviewer needs to be someone with expertise and/or experience in the operations of a customer facing logistics organisation and ideally someone with transport or metro rail expertise. Can you please provide a list of potential reviewers **by 12pm Wednesday 3 May 2023.** § 9(2)(a)

In addition, can officials please begin work on a more formal Terms of Reference based on the attached outline by **COP Wednesday 3 May 2023**. You may wish to consult KiwiRail on the Terms of Reference.

Please send all updates and/or documents to Tony and L I will leave it with MoT and TSY to work out roles and responsibilities on this.

Thank you in advance for your support on this review, I appreciate this is moving at pace and is adding to already large work programmes.

If you have any questions, please feel free to give me a call.



Amanda Wilson - Finance and State Owned Enterprises Advisor
Office of Hon Grant Robertson | Office of Hon Dr Duncan Webb

Minister of Finance | Minister for State Owned Enterprises

Level 7.6 Executive Wing, Parliament Buildings, PO Box 18041, Wellington 6160, New Zealand \$9(2)(a)

E: amanda.wilson@parliament.govt.nz

From: Jacob Ennis < J.Ennis@transport.govt.nz > Sent: Wednesday, 3 May 2023 12:04 PM

To: Tony Frost < Tony.Frost@parliament.govt.nz >; Amanda Wilson < Amanda.Wilson@parliament.govt.nz > **Cc:** Bryn Gandy < B.Gandy@transport.govt.nz >; Nick Graham < N.Graham@transport.govt.nz >; Matt Gilbert < matthew.gilbert@treasury.govt.nz >; Brent Johnston < B.Johnston@transport.govt.nz >; Ann Webster [TSY < Ann.Webster@treasury.govt.nz >; Michael Moore [TSY] < Michael.Moore@treasury.govt.nz >

Subject: RE: Independent Review into KiwiRail

Kia ora

See attached our advice on potential reviewers for the KiwiRail review. A Terms of Reference will be sent through later today.

Ngā mihi

Jacob Ennis (he/his)

Kaiwhakaraere – Ngā Ara Whakarato | Acting Manager – Supply Chain **Te Manatū Waka Ministry of Transport**



| E: j.ennis@transport.govt.nz | transport.govt.nz



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From: Amanda Wilson < Amanda. Wilson@parliament.govt.nz>

Sent: Wednesday, 3 May 2023 12:07 pm

To: Jacob Ennis < J.Ennis@transport.govt.nz >; Tony Frost (Parliament) < Tony.Frost@parliament.govt.nz > **Cc:** Bryn Gandy < B.Gandy@transport.govt.nz >; Nick Graham < N.Graham@transport.govt.nz >; Matt Gilbert < matthew.gilbert@treasury.govt.nz >; Brent Johnston < B.Johnston@transport.govt.nz >; Ann Webster [TSY] < Michael.Moore@treasury.govt.nz >

Subject: RE: Independent Review into KiwiRail

Thanks.

Can I please check on the rationale for a Ministerial Advisory Committee over simply contracting the reviewers to deliver this piece of work? We have used the contracting model for SOE reviews in the past.



s 9(2)(a)

Amanda Wilson - Finance and State Owned Enterprises Advisor
Office of Hon Grant Robertson | Office of Hon Dr Duncan Webb

Minister of Finance | Minister for State Owned Enterprises

Level 7.6 Executive Wing, Parliament Buildings, PO Box 18041, Wellington 6160, New Zealand

E: amanda.wilson@parliament.govt.nz

From: Jacob Ennis < J.Ennis@transport.govt.nz > Sent: Wednesday, May 3, 2023 12:38 PM

To: Amanda Wilson < <u>Amanda.Wilson@parliament.govt.nz</u>>; Tony Frost (Parliament)

<Tony.Frost@parliament.govt.nz>

Cc: Bryn Gandy <<u>B.Gandy@transport.govt.nz</u>>; Nick Graham <<u>N.Graham@transport.govt.nz</u>>; Matt Gilbert <<u>matthew.gilbert@treasury.govt.nz</u>>; Brent Johnston <<u>B.Johnston@transport.govt.nz</u>>; Ann Webster [TSY <<u>Ann.Webster@treasury.govt.nz</u>>; Michael Moore [TSY] <<u>Michael.Moore@treasury.govt.nz</u>>; Daniel Madley <<u>Daniel.Madley@treasury.govt.nz</u>>;

Subject: RE: Independent Review into KiwiRail

Hi Amanda. This approach was based on the very quick turnaround advice from our governance team. After further discussion with them and TSY it looks like a contract model would be fine, and is probably preferable as it gives more flexibility for fees and process.

We'll provide some updated details on what this process looks like in the TOR.

From: Seona Ku <<u>S.Ku@transport.govt.nz</u>>
Sent: Wednesday, May 3, 2023 4:52 PM

To: Amanda Wilson < Amanda. Wilson@parliament.govt.nz >; Tony Frost (Parliament)

<Tony.Frost@parliament.govt.nz>

Cc: Nick Graham < N.Graham@transport.govt.nz >; Bryn Gandy < B.Gandy@transport.govt.nz >; Matt Gilbert < matthew.gilbert@treasury.govt.nz >; Brent Johnston < B.Johnston@transport.govt.nz >; Ann Webster [TSY < Ann.Webster@treasury.govt.nz >; Daniel Madley < Daniel.Madley@treasury.govt.nz >; Michael Moore [TSY] < Michael.Moore@treasury.govt.nz >

Subject: RE: Independent Review into KiwiRail - proposed ToR

Hi Amanda, Tony,

Please find attached, for the Ministers' consideration, a proposed Terms of Reference (ToR) for a review of KiwiRail's handling of recent disruptions to passengers.

We have endeavoured to write the ToR in a manner that is faithful to Ministers' instructions and that will provide the assurance they are seeking, while being feasible to deliver within 30 days. This is a challenging balance to get right, and there may be aspects where the reviewer or reviewers would like to suggest a change in emphasis. We think Ministers should be open to this in light of timeframes, and we think delivery within 30 days will be a challenge.

We have consulted with KiwiRail today. Their strong preference, indicated by the Chair, is for a review that focuses on the April 2023 event and does not consider KiwiRail's broader support for passenger rail delivery. We understand he has communicated this to the shareholding Minister. Given the length of time the review will be carried out over, the review will necessarily be limited in scope, however, we believe it is important to give the reviewers some scope to use the particular incident as a way into looking at some of the broader and more systematic issues. We feel the current ToR reflects a sensible balance in this regard.

We are very aware that the successful delivery of passenger rail services involves a number of parties working together well. We have tried to ensure there is scope in the Terms of Reference for this to be taken into account by the reviewers, but bearing in mind that it is a review of KiwiRail that Ministers have sought.

We will wait until the Ministers have provided feedback on the ToR and approach before starting the procurement process (but we are obviously doing what we can to prepare for this now).

Seona Ku

Kaiārahi Whakatutuki Kaupapa Here — Ngā Ara Whakarato | Policy Delivery Lead — Supply Chain **Te Manatū Waka Ministry of Transport**



| E: s.ku@transport.govt.nz | transport.govt.nz



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Email attachment (Independent Review into KiwiRail – proposed ToR)

TERMS OF REFERENCE – RAPID REVIEW OF KIWIRAIL'S HANDLING OF RECENT DISRUPTIONS TO PASSENGERS

Context

KiwiRail Holdings Limited (KiwiRail) is a state-owned enterprise responsible for rail operations and rail network infrastructure in New Zealand. To do this, KiwiRail works closely with Councils and operators who deliver passenger rail services on KiwiRail assets.

On Friday 28 April 2023, KiwiRail advised the public that speed restrictions would be required on sections of the Wellington Metro rail network from Monday 1 May 2023, due to KiwiRail's only track evaluation safety car (EM80) being unavailable. These speed restrictions led to passenger rail services to operate on a reduced timetable and resulted in significant disruption to passengers. KiwiRail lifted the temporary speed restrictions on Thursday 4 May 2023, enabling Metlink to resume regular scheduled services.

These events follow other service disruptions to commuters on the KiwiRail network in recent years. These have been experienced as the heavy rail system is being restored from a period of underinvestment, but have also cumulatively led to questions about:

- whether KiwiRail has given appropriate priority to metro passenger rail operations and can reliably support their delivery
- what if any barriers need to be removed or enablers put in place for KiwiRail to provide effective, reliable support for metro passenger rail.

KiwiRail plays a significant role in providing metro passenger rail services to New Zealand's cities. The successful delivery of these services is important to their growth. Sponsoring Ministers have directed that an investigation be undertaken into the causes of the April 2023 disruption to ensure that lessons are learned from this incident and to ensure public confidence is maintained in passenger rail delivery.

Participation in the Review

This Review will be sponsored by the Minister of Transport, in consultation with KiwiRail's shareholding Ministers (the Minister of Finance and the Minister for State Owned Enterprises) (collectively Sponsoring Ministers). Sponsoring Ministers will appoint independent experts to conduct this review (the Reviewers).

The Reviewers will work with KiwiRail to undertake the Review and respond to the purpose of the Review. The Ministry of Transport – Te Manatū Waka and The Treasury – Te Tai Ōhanga will provide the Reviewers with secretariat support as required.

Purpose and scope of the Review

The Review will inquire into the causes and management of recent service issues due to the disruption to Wellington's Metro rail network arising from maintenance issues with KiwiRail's track evaluation safety equipment.

In particular, the Review will consider, but is not limited to:

- How well is KiwiRail, across the organisation, aware of the importance of their role in supporting and enabling high performing metro passenger rail services?
- How well did KiwiRail, Metlink and Transdev manage the situation, in the timeframes available, to
 minimise disruption to commuters? What changes to the relationships between them are advisable to
 limit the risk of reoccurrence, ensure impacts on passengers are minimised and build confidence in
 reliability of services?
- Do broader arrangements and practices in KiwiRail give appropriate regard to supporting metro passenger rail services? In particular, how does KiwiRail balance the priority for track maintenance in the interests of all rail users? Is this prioritisation adequately and transparently represented in the agreements between the relevant parties with appropriate governance oversight? To the degree that there is an agreed process for prioritisation of maintenance between freight and passenger networks, has this been followed correctly by KiwiRail?
- How is the maintenance scheduling carried out with respect to:
 - The EM80 within its asset management lifecycle approach (including whether actions that contributed to the asset's failure, such as lathing its wheels, could have been avoided or undertaken earlier)
 - The timing of the track inspection across the Wellington Metro network, and whether this inspection could have occurred earlier and not immediately before certification expired.
- Is the current track inspection methodology in relation to the metro passenger network consistent with International best practice? What is the supporting analysis behind the required frequency of these inspections and the requirement to limit speeds if these inspections are not carried out within a certain number of days?
- Does KiwiRail have a clear view of the critical points of failure to deliver passenger outcomes on the
 Metro networks and a plan to address and manage these points of failure?
- Is there sufficient redundancy within the plant and equipment to manage disruption in the context of the growing passenger network demand?

The overall focus of this Review is to be at the operational level to inform actions that can be taken quickly to improve the performance of, and confidence in, the passenger rail network. As such, matters such as the performance of the Interislander ferries and KiwiRail's rail tourism services, wider Transport system settings, KiwiRail's entity form, and structural separation of KiwiRail's activities, are outside the review's scope.

Although not the focus of the review, the Reviewers are invited to identify wider issues if the issues are a significant underlying factor or cause of performance problems on the national network. The reviewers may refer to the findings of KiwiRail's review of the incident of Wellington disruptions and the Independent Review into Auckland Metro Rail System Issues (February 2022).

Deliverables and timing

The Reviewers will deliver to Sponsoring Ministers a written report outlining the findings of the Review within 30 calendar days of the appointment of the Reviewers.

Reviewers will engage with any relevant external agencies and experts as the Reviewers consider necessary. Where the reviewers make findings in respect of any agency, that agency will have an opportunity to comment on those findings prior to the report being finalised.

Confidentiality and next steps

All personal information collected through the Review is subject to an obligation of confidence. All people interviewed or spoken to as part of this Review will be advised that notwithstanding the above commitment to confidentiality, the report, its findings and recommendations are intended to be released by the Sponsoring Ministers in due course. The Review will not make any findings nor make any comment on the conduct, performance or competence of any individual.

Sponsoring Ministers, having considered the Review's findings, will agree on the next steps, including the timing to make announcements, if any, and the timing to proactively release the Review's findings.

Sponsoring Ministers reserve the right through the course of the Review to amend these Terms of Reference.

Document 2 - KR Review TOR

From: Bryn Gandy < B.Gandy@transport.govt.nz >

Sent: Tuesday, 9 May 2023 3:01 PM

To: Tony Frost < Tony.Frost@parliament.govt.nz >

Cc: Jacob Ennis < J.Ennis@transport.govt.nz >; Matt Gilbert < matthew.gilbert@treasury.govt.nz >; Nick

Graham < N.Graham@transport.govt.nz >

Subject: KR Review TOR

Kia ora Tony,

See attached a copy of the TOR that includes some minor suggestions from the two reviewers.

I have left track changes on. You will need to accept the changes if the office is comfortable with this version.

If you do use this version, can you please let us know so we can distribute the right one to stakeholders

Bryn

Bryn Gandy (he / his / Mr)

Pou Turuki | Deputy Chief Executive,

Te Rautaki Pūnaha Waka me te Pūtea Haumi | System Strategy & Investment

Te Manatū Waka Ministry of Transport

s 9(2)(a)

| E: b.gandy@transport.govt.nz | transport.govt.nz



Hāpaitia ana ngā tāngata o Aokaroa kia eke Enabling New Zealanders to Nowish

From: Tony Frost < Tony.Frost@parliament.govt.nz>

Sent: Wednesday, 10 May 2023 9:58 am

To: Bryn Gandy <B.Gandy@transport.gov.nz>

Cc: Jacob Ennis < J.Ennis@transport.govt.nz >; Matt Gilbert < matthew.gilbert@treasury.govt.nz >; Nick Graham < N.Graham@transport.govt.nz >; 'Jess Lee [TSY]' < Jess.Lee@treasury.govt.nz >; Claire Szabo < Claire.Szabo@parliament.govt.nz >

Subject: RE: KR Review TOR

Hi Bryn

Thanks for this. Hon Wood is ok with the suggested changes. In addition to these:

- Please address KiwiRail's request to the office for a change in the context section that should read: KiwiRail lifted the Kāpiti Line temporary speed restriction on Wednesday 3 May 2023, enabling Metlink to resume regular scheduled services on Thursday 4 May 2023.
- Happy for you to make a minor wording change as discussed to clarify the constraint of scope in the sentence: Sponsoring Ministers have directed that an investigation be undertaken into the causes of continued disruptions to passenger services, including, but not limited to, the April 2023 disruption.

The ToR need to be ready for publication on the MoT website this afternoon, and a final copy sent to me by midday for a final check. We'll work with comms on making a reference to it on the Beehive site.

On the reivewers, our line is that MOT are in final stages of locking down the two reviewers, and sorting their contracts.

Ngā mihi

Tony Frost (he/him) | Private Secretary (Transport) tony.frost@parliament.govt.nz | s 9(2)(a)

Office of Hon Michael Wood

Minister of Immigration | Minister of Transport | Minister for Workplace Relations and Safety Minister for Auckland | Associate Minister of Finance

Private Bag 18041 | Parliament Buildings | Wellington 6160 | New Zealand Office Phone: \$9(2)(a) | Email: michael.wood@parliament.govt.nz

From: Bryn Gandy < B.Gandy@transport.govt.nz > Sent: Wednesday, 10 May 2023 10:24 AM

To: Tony Frost < Tony.Frost@parliament.govt.nz >

Cc: Jacob Ennis < J.Ennis@transport.govt.nz >; Matt Gilbert < matthew.gilbert@treasury.govt.nz >; Nick Graham < N.Graham@transport.govt.nz >; 'Jess Lee [TSY]' < Jess.Lee@treasury.govt.nz >; Claire Szabo < Claire.Szabo@parliament.govt.nz >

Subject: RE: KR Review TOR

Hi Tony,

See attached – I have removed a comma in the sentence on constraint. Having read it all again, I think the string of bullet points further down provides good guidance to the reviewers on scope.

Let us know if the attached is good to go.

Bryn

Bryn Gandy

s 9(2)(a)

E:b.gandy@transport.govt.nz | transport.govt.nz



Hāpaitia ana ngā tāngata v Aotearoa kie eke Enabling New Zealanders to flourish

From: Tony Frost < Tony.Frost@parliament.govt.nz>

Sent: Wednesday, 10 May 2023 11:02 AM

To: 'Bryn Gandy' < B.Gandy@transport.govt.nz>

Cc: Jacob Ennis < J.Ennis@transport.govt.nz >; Matt Gilbert < matthew.gilbert@treasury.govt.nz >; Nick Graham < N.Graham@transport.govt.nz >; Jess Lee [TSY]' < Jess.Lee@treasury.govt.nz >; Claire Szabo < Claire.Szabo@parliament.govt.nz >

Subject: RE: KR Review TOR

Hi Bryn

We're happy those ToR be published on MOT's website this afternoon thanks.

Can you please confirm what language we are going to use about talking about the reviewers? Something like: *Ministers have identified two reviewers and the Minister of Transport are finalising their engagement to lead the review*

Ngā mihi

Tony Frost (he/him) | Private Secretary (Transport) tony.frost@parliament.govt.nz | \$9(2)(a)

Office of Hon Michael Wood

Minister of Immigration | Minister of Transport | Minister for Workplace Relations and Safety Minister for Auckland | Associate Minister of Finance

Private Bag 18041 | Parliament Buildings | Wellington 6160 | New Zealand Office Phone: \$9(2)(a) | Email: michael.wood@parliament.govt.nz

From: Tony Frost < Tony.Frost@parliament.govt.nz >

Sent: Wednesday, 10 May 2023 11:50 am **To:** Bryn Gandy < B.Gandy@transport.govt.nz >

Cc: Jacob Ennis < J.Ennis@transport.govt.nz >; Nick Graham < N.Graham@transport.govt.nz >

Subject: RE: KR Review TOR

Hi Bryn – the Office is suggesting publication by 2.00pm. Please let me know if this is doable.

Ngā mihi

Tony Frost (he/him) | Private Secretary (Transport) tony.frost@parliament.govt.nz | \$9(2)(a)

Office of Hon Michael Wood

Minister of Immigration | Minister of Transport | Minister for Workplace Relations and Safety Minister for Auckland | Associate Minister of Finance

Private Bag 18041 | Parliament Buildings | Wellington 6160 | New Zealand Office Phone: \$9(2)(a) | Email: michael.wood@parliament.govt.nz

From: Jacob Ennis < J.Ennis@transport.govt.nz > Sent: Wednesday, May 10, 2023 12:04 PM
To: Bryn Gandy < B.Gandy@transport.govt.nz >

Cc: Nick Graham < N.Graham@transport.govt.nz >; Tony Frost (Parliament)

<<u>Tony.Frost@parliament.govt.nz</u>>; Mike Anderson <<u>M.Anderson@transport.govt.nz</u>>; James Macleod

<<u>J.Macleod@transport.govt.nz</u>> **Subject:** RE: KR Review TOR

Hi Bryn. Nick is working with Mike on this and I understand it's doable to have the TOR on the website by 2pm.

From: Nick Graham < Nick.Graham@parliament.govt.nz>

Sent: Wednesday, 10 May 2023 12:38 pm

To: Tony Frost <Tony.Frost@parliament.govt.nz>; Mike Anderson <M.Anderson@transport.govt.nz>

Cc: Jacob Ennis < J.Ennis@transport.govt.nz >; Nick Graham < N.Graham@transport.govt.nz >

Subject: RE: KR Review TOR

Hi Tony

The attached PDF will be published on the Ministry's website at 2pm (produced from the document you sent at 12:12pm with all tracked changes accepted).

As we have done with similar reviews, this will be located in the "documents and publications" section of the website and will be classified as a Terms of Reference.

The title will be "Terms of Reference – Rapid Review of KiwiRail's handling of recent disruptions to passengers"

There will the following description below the tile (but above the download link to the actual document).

On May 1 2023 the Government announced it would launch a rapid review into KiwiRail following a breakdown of critical equipment that led to major disruptions for Wellington passenger rail users. These are the Terms of Reference for this review. Ministers have identified two reviewers and the Ministry of Transport is finalising their engagement to lead the review.

We will send you a link to the document after publication. (<u>@Mike Anderson</u> could you please send out the link to everyone on this email when you publish).

Cheers

Nick

