

Proactive Release

This document is proactively released by Te Manatū Waka the Ministry of Transport.

Some information has been withheld on the basis that it would not, if requested under the Official Information Act 1982 (OIA), be released. Where that is the case, the relevant section of the OIA has been noted and no public interest has been identified that would outweigh the reasons for withholding it.

Listed below are the most commonly used grounds from the OIA.

<u>Section</u>	<u>Description of ground</u>
6(a)	as release would be likely to prejudice the security or defence of New Zealand or the international relations of the New Zealand Government
6(b)	as release would be likely to prejudice the entrusting of information to the Government of New Zealand on a basis of confidence by <ul style="list-style-type: none"> (i) the Government of any other country or any agency of such a Government; or (ii) any international organisation
6(c)	prejudice the maintenance of the law, including the prevention, investigation, and detection of offences, and the right to a fair trial
9(2)(a)	to protect the privacy of natural persons
9(2)(b)(ii)	to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information
9(2)(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
9(2)(ba)(ii)	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 otherwise to damage the public interest
9(2)(f)(ii)	to maintain the constitutional conventions for the time being which protect collective and individual ministerial responsibility
9(2)(f)(iv)	to maintain the constitutional conventions for the time being which protect the confidentiality of advice tendered by Ministers of the Crown and officials
9(2)(g)(i)	to maintain the effective conduct of public affairs through the free and frank expression of opinions by or between or to Ministers of the Crown or members of an organisation or officers and employees of any public service agency or organisation in the course of their duty
9(2)(h)	to maintain legal professional privilege
9(2)(i)	to enable a Minister of the Crown or any public service agency or organisation holding the information to carry out, without prejudice or disadvantage, commercial activities
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)

Cabinet Committee Talking Points-Trial of the Vehicle Social Leasing Scheme

Cabinet Committee: Cabinet Environment, Energy and Climate Committee

Meeting: Thursday 1 September 2022

Paper Title: Seed funding to support work to establish a Social Leasing Scheme trial

Portfolio: Transport

Background

- This paper seeks approval for an initial draw down of some of the tagged operating contingency for the Cleaner Vehicles for Low-Income New Zealanders – Social Leasing Scheme trial so that the delivery agency, Waka Kotahi, can establish the trials design and develop the key relationships that will be necessary to deliver it.
- Social leasing is part of the effort toward providing equitable options in the transition to a low-emissions economy.
- A report back on the design for the trial will be given to Cabinet in February 2023. This will confirm the design, locations, and delivery model for the trial. Subject to Cabinet approval, the remaining contingency will be drawn down at that time. The intent is to commence the trial by April 2023.

Talking points

- In May 2022 we released the Emissions Reduction Plan for the period to 2025. One of the new actions to flow from the Plan in transport is a vehicle social leasing trial.
- The Plan reaffirms the Government's commitment to ensure an equitable transition to a low-emissions economy.
- To undertake the delivery agency role for social leasing, seed funding is necessary to enable Waka Kotahi to start meaningful work on the trial. This funding will be used to provide resources to conduct pre-trial engagement with representatives of people and households on low incomes and engage delivery partners, at a minimum.
- Waka Kotahi is delivering a range of transport-related initiatives funded in Budget 2022 via the Climate Emergency Response Fund (CERF) and is establishing a team to oversee and coordinate operational policy work, trial design and implementation.
- Seed funding will enable Waka Kotahi to add specialist expertise and capacity to the team's work on the CERF programme to design the trial.
- The social leasing trial will provide New Zealanders on low incomes with an opportunity to lease a safe, zero- or low-emissions vehicle at a set weekly cost. This will contribute to efforts to ensure vulnerable groups on low incomes are not left behind as we transition to zero-carbon economy
- We expect the trial will build on the Waka Aronui trial, a 20-car trial currently underway in South Auckland. The Waka Aronui trial was developed by the Ākina Foundation, local, and central government and is administered by the Manukau Urban Māori Authority.

Annex – additional details on the proposed social leasing trial

What is the intent of the social leasing trial?

It is intended that the trial will assess whether a targeted social leasing scheme is generally an effective way to support households on low incomes to shift to cleaner transport, including through the consideration of:

- The extent to which participants are likely to opt for social leasing over vehicle ownership.
- Any improvements that would make vehicle leasing more attractive to people with the greatest transport disadvantage, including design of the leasing arrangements and how the organisations engage with households.
- The robustness of the social leasing model across a range of diverse communities (especially Māori and Pasifika), including communities in rural areas, and across a range of zero- and low-emission vehicles, including entirely electric vehicles (EVs).
- The financial sustainability of a vehicle leasing scheme, without long-term government support, including the ability to replace vehicles over time.
- The most effective and efficient commercial and financial structures for a vehicle leasing scheme.
- The affordability of a vehicle leasing scheme for households on low incomes, relative to their transport costs prior to the trial.
- The challenges and opportunities for households on low incomes shifting to EVs, including access to home charging.

A funding agreement will formally establish Waka Kotahi and Te Manatū Waka's roles to deliver the trial

Subject to Cabinet agreement to seed funding, a funding agreement will be established to formally set out:

- the respective roles, responsibilities and obligations held by Te Manatū Waka and Waka Kotahi
- the activities funding can be used for
- how funding will be allocated and the basis on which it can be drawn down
- outline reporting, assurance, and monitoring arrangements.

How will the seed funding be set up?

A new appropriation will be established for the \$1.950 million seed funding as follows:

Vote	Appropriation Minister	Appropriation Administrator	Title	Type	Scope
Transport	Minister of Transport	Ministry of Transport	Social Leasing Scheme Trial	Non-Departmental Output Expense	This appropriation is limited to funding to Waka Kotahi NZ Transport Agency to meet the costs associated with implementing and operating a vehicle social leasing scheme trial.

The tagged operating contingency agreed through the CERF process of \$20 million is due to expire on 1 February 2023. However, an extension of the expiry of the tagged contingency to 20 June 2023 is being sought from Cabinet. This will allow time for the future report back and Cabinet decisions on the design of the social leasing trial to be considered.

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TE MANATU WAKA MINISTRY OF TRANSPORT