

# Ministerial Oversight Group for Auckland Light Rail

In June 2019, Cabinet agreed to a process to progress its decision making on a preferred approach for delivering light rail in Auckland. This process will involve parallel development of proposals led by NZTA (building on and enhancing its current business case), and by NZ Infra (a joint venture between the New Zealand Super Fund and CDPQ Infra, a Canadian institutional investor).

Advice will be prepared for Cabinet by February 2020 so decisions can be taken on a preferred delivery partner. It is important that this is the result of a thorough and robust process. Ministers have signalled their intention to take decisions on the preferred approach for light rail in February 2020.

The Ministry of Transport is leading the process, working with other officials, to advance both proposals to a stage that enables a formal evaluation to be undertaken. The Ministry of Transport will provide guidance to both NZTA and NZ Infra on the information that will be required to support the evaluation of their proposals. This is to enable, to the extent possible, the development of comparable proposals.

NZTA and NZ Infra will have access to expertise and information from officials (including local government agencies), and engagement will be fronted by a 'lead team' appointed by the Secretary of Transport.

The discussions with NZ Infra will be commercial in nature, so it is important they are conducted in the most rigorous way possible, so that Ministers can be confident that the final proposals are the best that can be achieved.

Governance and oversight of the project consists of:

- **A Ministerial Oversight Group** which will receive regular updates and provide direction to officials on the government's expectations and key outcomes for light rail.
- **An Advisory Group**, comprising central government and local government Chief Executives (including Auckland Council and Auckland Transport). This group is focused on ensuring that the process yields the best result for both Auckland and New Zealand. This group will support the Secretary of Transport to ensure that the advice provided to Ministers takes account of relevant public policy and system issues.

The tiered nature and transparency of these arrangements is intended to foster market confidence in the process, and ensure that the key agencies remain informed as they participate in the process. It also balances the need to engage with Ministers in the outcomes sought and the key public policy questions, with the need to preserve their independence and impartiality.

## Terms of reference

The Ministerial Oversight Committee will receive regular updates from officials on the progress of the two different proposals (NZTA and NZ Infra) and provide advice and direction as required. Specifically it will:

- Confirm the government's key outcomes for light rail in Auckland
- Provide guidance on the Government's requirements for proposals, and acceptable (or potentially acceptable) public policy trade-offs
- Provide an early point of engagement, prior to Cabinet in early 2020, for discussing the potential further process beyond February 2020

In addition, to enable the discussions with NZ Infra to take place in a robust and independent manner, the Ministerial Oversight Group will:

- As required, provide guidance to the lead team on any emerging matters.
- Direct all communications with NZ Infra through the lead team, so as to not compromise the Government's independent decision making.

## Meetings

Meetings will only be held on an 'as required' basis.

The Ministry of Transport will develop a schedule of meetings, reflecting key milestones where Ministerial guidance is required. Papers will be provided at least 5 days in advance of the meetings.

## Members

Minister of Finance

Minister of Transport, Urban Development (convenor)

Minister for the Environment

Minister for Infrastructure

Associate Minister of Transport