

Auckland Transport Alignment Project

Terms of reference

1 Parties

- 1.1 The Minister of Transport, the Hon Simon Bridges
- 1.2 The Minister of Finance, the Hon Bill English
- 1.3 The Mayor of Auckland, Len Brown
- 1.4 Auckland Councillor, Bill Cashmore

2 Background

- 2.1 Planning, funding and developing Auckland's transport system is one of central and local government's biggest transport challenges.
- 2.2 Auckland accounts for 34 percent of New Zealand's population and generates 35 percent of GDP. Therefore the performance of Auckland's transport network has implications for the whole economy. Over the next 30 years, Auckland's population is expected to increase by roughly three quarters of a million people. This growth will put significant pressure on the city's transport system.
- 2.3 Auckland Council has identified the need for additional funding from 2018 onwards to deliver its preferred future transport network and has sought to engage with the Government to enable implementation of an alternative funding system by 2018/19.
- 2.4 The Government is committed to ensuring Auckland's transport system is able to meet the region's needs and recognises Auckland will need significant investment in its transport system in the coming decades to provide for its forecast growth. The Government needs to be confident that investment in Auckland's transport system will address the region's transport challenges and provide value for money before it will consider providing Auckland with additional funding or funding tools.
- 2.5 The Government and Auckland Council have agreed to work together to identify an aligned strategic approach for the development of Auckland's transport system that delivers the best possible outcomes for Auckland and New Zealand.

3 Purpose of this Terms of Reference

- 3.1 The Parties wish to record their mutual intentions and understanding in relation to the Auckland Transport Alignment Project and the terms of reference that will govern it in the form of this non-contractual document.

4 Purpose of the Auckland Transport Alignment Project

- 4.1 The purpose of the project is to improve alignment between the Parties over the way Auckland's transport system should develop, including testing whether better returns from transport investment can be achieved.

- 4.2 The project will be led by the Secretary for Transport and the Chief Executive of Auckland Council. It will assess alternative packages of interventions and recommend to the Parties an aligned strategic approach, including preferred indicative package(s), for the long-term development of Auckland's land transport system.
- 4.3 This project will not replace the statutory decision making responsibilities of Auckland Transport regarding the activities within the Auckland Regional Land Transport Plan or the NZ Transport Agency regarding the National Land Transport Programme.
- 4.4 The Parties would like to:
- i. ensure that the aligned strategic approach meets both the Government's and Auckland Council's objectives, results in best possible outcomes for users of the transport system and delivers the best possible value for money
 - ii. have an understanding of the costs, benefits and other implications of implementing the aligned strategic approach and its main alternatives
 - iii. receive a set of recommendations on how to implement the aligned strategic approach (including consideration of further work and any changes to statutory documents).

5 Objectives for the Auckland Transport Alignment Project

- 5.1 The Parties broadly agree that the focus of the project is to test whether better returns from transport investment can be achieved in the medium and long-term, particularly in relation to the following objectives:
- i. to support economic growth and increased productivity by ensuring access to employment/labour improves [relative to current levels] as Auckland's population grows
 - ii. to improve congestion results [relative to predicted results], in particular travel time and reliability, in the peak period and to ensure congestion does not become widespread during working hours
 - iii. to improve public transport's mode share [relative to predicted results], where it will address congestion
 - iv. to ensure any increases in the financial costs of using the transport system deliver net benefits to users of the system.

6 Governance of the project

- 6.1 The Parties agree to establish a governance structure comprising:
- i. a Governance Group consisting of the Secretary for Transport, Deputy Secretary Treasury, the State Services Commission Deputy Commissioner Auckland, and the Chief Executives of Auckland Council, the NZ Transport Agency and Auckland Transport

- ii. a Steering Group consisting of a senior manager from the Ministry of Transport, the Treasury, Auckland Council, the NZ Transport Agency and Auckland Transport, supported by a project manager.
- 6.2 The Secretary for Transport and the Chief Executive of Auckland Council will act as 'Executive Chairs' of the Governance Group and:
- i. ensure the Parties are regularly advised on the project's progress
 - ii. provide the Parties with the deliverables (as set out in paragraph 8.1)
 - iii. resolve differences in position and agree the preferred position.
- 6.3 The Governance Group will:
- i. agree a project plan detailing the working protocols for the agencies, the project scope, funding arrangements for the project, approach and timeframes
 - ii. consider the key findings of the project and make recommendations to the Parties as required
 - iii. ensure the project is delivered to the agreed scope and timeframes
 - iv. endeavour to resolve issues, or refer where necessary to the Executive Chairs.

7 Project scope

- 7.1 The project will test options, seek alignment on, and make recommendations in relation to a strategic approach to the development of Auckland's transport system over three ten-year bands from 2018.
- 7.2 The project will include consideration of:
- i. likely long term changes in demand for travel
 - ii. all land transport interventions, including roads, rail, public transport, personal mobility services, walking, cycling, technology, network optimisation and demand management (including pricing for demand management purposes)
 - iii. alternative combinations of these interventions and their broad timing and scale
 - iv. costs and benefits
 - v. the nature, scale and timing of any funding gap for the recommended strategic approach and its alternatives.
- 7.3 The project may identify further work needed to successfully implement the recommended strategic approach.

- 7.4 Existing plans to 2017/18 including the National Land Transport Programme, Long Term Plan, Regional Land Transport Plan and Regional Public Transport Plan are out of scope.

8 Project deliverables and timing

- 8.1 The work will be undertaken in three broad phases, with the following deliverables to the Parties at the end of each phase:
- i. an overview of the context (including the impact of technology), problem definition, desired outcomes and measures
 - ii. initial advice reporting on the testing and evaluation of the broad intervention packages, seeking feedback to inform the next deliverable
 - iii. a final report detailing the best performing intervention packages, a preferred strategic approach and recommendations including necessary changes to achieve implementation.
- 8.2 Timing of the two early deliverables is to be identified in the project plan. The final report will be presented to the Parties approximately one year from the date of this terms of reference.

9 Further work to implement an aligned strategic approach

- 9.1 If the Parties agree to an aligned strategic approach, further work is likely to be required to consider, agree and implement a coordinated package of changes to achieve the aligned approach. This work may include consideration of changes to statutory and strategic documents, such as the 2018 Government Policy Statement, the Auckland Plan and Auckland Council's Long-Term Plan, funding mechanisms, governance arrangements and/or legislation. Ideally, changes that are not dependent on any legislative processes should be in place in time to inform development of the 2018 Regional Land Transport Plan and National Land Transport Programme.
- 9.2 The Parties recognise that an aligned strategic approach that provides a compelling case for additional transport investment is a prerequisite for any future Government consideration of additional funding or funding tools.

10 External advice and stakeholder engagement

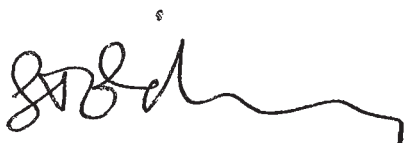
- 10.1 The Steering Group will commission external advice and peer review throughout the delivery of the project to support the development of options and the recommended strategic approach.
- 10.2 The Steering Group may engage with external stakeholders to receive feedback as appropriate throughout the development of options and the recommended strategic approach.

11 Protocols for the project

- 11.1 Parties agree to participate in the project in good faith and recognise the need to examine existing policies and strategies to achieve alignment between Parties.
- 11.2 Parties acknowledge the sensitivities involved in this project and agree to ensure information is only released by agreement or in accordance with statutory duties.
- i. The Governance Group is delegated responsibility for ensuring there is joint agreement for the proactive release of any information, for example for stakeholder engagement.
 - ii. Parties recognise that Ministers and agencies are subject to the Official Information Act 1982 and Auckland Council and Auckland Transport are subject to the Local Government Meetings and Official Information Act 1987.

12 Amending the terms of reference

- 12.1 If required, the Executive Chairs may recommend changes to this document to the Parties for consideration.
- 12.2 Ministers will need to refer any substantive proposed changes to the terms of reference to Cabinet for agreement.



Hon Simon Bridges
Minister of Transport

Date: 26 August 2015



Len Brown
Mayor of Auckland

Date: 27/8/15



Hon Bill English
Minister of Finance

Date: 4/9/2015



Bill Cashmore
Auckland Councillor

Date: 27.8.15