

AGENDA – Auckland Light Rail Sponsors meeting

11 March 2022 : 08.00 – 09.00

Online via Zoom

Zoom details:

Out of Scope

Attendees: Minister Grant Robertson, Minister Michael Wood, Minister Megan Woods, Mayor of Auckland Phil Goff, Deputy Mayor of Auckland Bill Cashmore, Sponsor agency Officials and representatives of the ALR Unit

AGENDA:

Item	Time	Details	Paper prepared by
1.	08.00	Short welcome	
2.	08.05	Business Case Approach	ALR Unit
3.	08.25	ALR Organising Model – Sponsors Agreement and other governance matters	Ministry of Transport
4.	08.45	ALR Group Report	ALR Unit
5.	09.00	Close	



GROUP

To: Project Sponsors
 From: Auckland Light Rail Group
 Meeting date: 11 March 2022
 Title: Business case approach
 Pages: 6

A. Purpose

1. This paper sets out the proposed approach to the next phase of the Auckland Light Rail project, being a single “Corridor Business Case” incorporating both transport and urban interventions.
2. This paper also sets out the high-level scope of the business case by identifying the questions that the ALR Unit considers the business case (and by implication the broader ALR workstreams) will need to answer in order for the Sponsors to make a decision on funding.

B. Recommendations

3. It is recommended that Sponsors:

- **Note:**

- that Cabinet directed the Ministry of Transport, the Treasury and the Ministry of Housing and Urban Development to work with Auckland Council, mana whenua, Auckland Transport, Kāinga Ora, Waka Kotahi and the Establishment Unit to scope and initiate the next phase, including to confirm the mandate for the ALR Unit and the parameters of future business case work¹
- that Cabinet has authorised the Minister of Transport, the Minister of Finance and the Minister of Housing, in consultation with Auckland Council and mana whenua, to take decisions as required in relation to the detailed parameters of the next phase, the scope of the business case and the mandate to the new ALR Unit²
- that we have been working closely with policy agencies and staff from partner organisations to develop the business case approach and we will continue to seek their feedback and support

¹ Cabinet paper recommendation #31

² Cabinet paper recommendation #32

- that are seeking initial feedback from Sponsors on the business case approach
 - that it is expected that we will seek approval from Ministers for the business case approach ahead of the report back to Cabinet, which is expected to occur in April.
- **Discuss** the business case approach and provide feedback.

C. Context

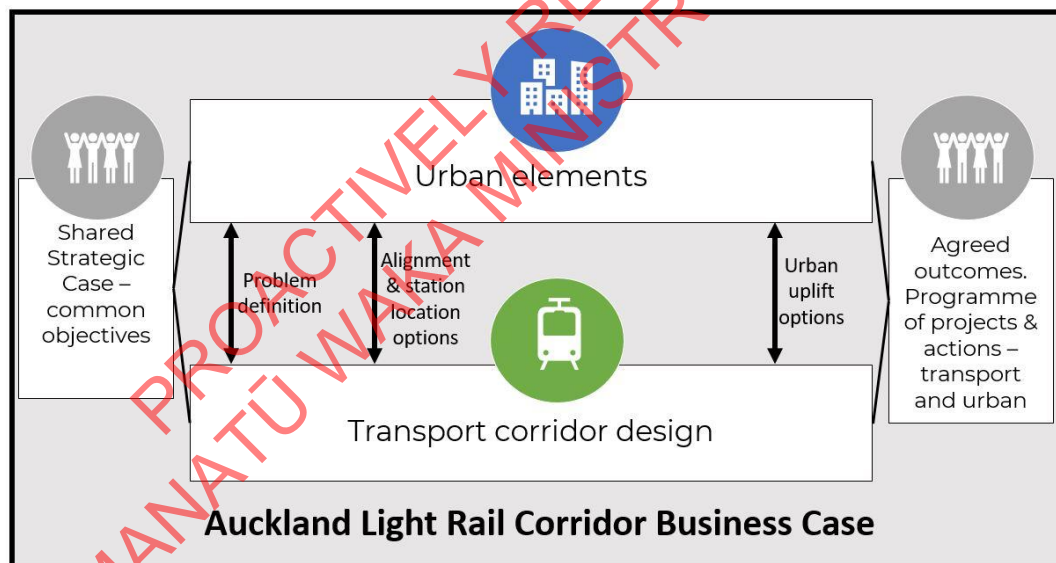
4. The ALR Establishment Unit has completed an Indicative Business Case (IBC) on transport interventions (light rail and active modes) which identified the need for other interventions, especially urban transformation initiatives, to achieve desired outcomes but did not fully assess those other interventions.
5. s 9(2)(ba)(i)

6. Similarly, the Cabinet paper requires that the business case reflect 'the nature of the project as an integrated transport and urban development initiative', but also that it 'ensure a robust evidence base for future decision making, including final investment decisions'.
7. In short, the business case needs to advance the transport interventions (light rail and active modes) to a level of detail consistent with final investment decisions (essentially to a Detailed Business Case (DBC) level) while also identifying urban interventions which will need to be progressed to support that transport investment (something closer to an Indicative Business Case (IBC)) and must bring those interventions together in one programme. This tension of differing levels of detail requires something of a bespoke process, still based on the Treasury's Better Business Case model, but bringing assessment of the range of varied transport and urban interventions together.
8. This paper outlines the Unit's proposed approach to the business case, with transport interventions developed and assessed in parallel with urban interventions, resulting in sufficient information on transport interventions to support a final investment decision, as well as a set of urban interventions developed to a level where the Ministers can have confidence that they have a pathway to delivery and that their benefits support and enable the transport investment.
9. At this stage the Unit is seeking endorsement from the Board (and Sponsors) that the approach and high-level scope is heading in the right direction,

rather than seeking endorsement of specific details or scope (which continues to be under development).

Proposed Approach

10. The Unit proposes a single ALR “Corridor Business Case” integrating the two broader ALR workstreams - transport and urban. Both elements will share a refreshed Strategic Case, with common problem definition, outcomes, and assessment criteria, ensuring a shared vision for both transport and urban matters.
11. The Corridor Business Case will bring the two workstreams together with an iterative approach at key points (for example, during assessments of alignment and station location options, recognising that there is a strong interaction between the desirability and development potential of station catchments and the ultimate performance and value of the transport investment).
12. Finally, the Corridor Business Case will bring the two workstreams together at the conclusion to demonstrate that appropriate urban development outcomes are achievable and how their delivery will be dependent on and support the transport investment.



13. This approach is informed by feedback from the peer review s 9(2)(ba)(i) of the ALR IBC, as well as responding to requirements of the Cabinet paper (in particular the requirement at paragraph 100.2 to 'refresh the Strategic Case to outline the urban development factors as well as transport, to help establish realistic and feasible benefits').
14. The transport work will be at a level consistent with a Detailed Business Case. Its key focus will be the technical work (primarily within the Economic Case) investigating the detailed design of alignment, stations, the depot and other

key features, inter-connectivity with the broader transport network, detailed costing and assessment of transport benefits.

15. The urban work will be a level consistent with an indicative business case, identifying the suite of interventions that will achieve the projects urban regeneration objectives and deliver sufficient development to justify the transport investment.
16. As noted above, it is anticipated that the Corridor Business Case process so structured will be a key point of interface between the Unit's broader transport (transport solution and network integration) and urban (corridor strategic and catchment development frameworks) teams.
17. Notwithstanding the bespoke arrangement of two workstreams at different levels of detail, the business case will otherwise follow the Treasury's Better Business Case approach and will include the collation and assessment of information within the standard 5 case model.

D. Scope – the questions to be answered

18. The intention is for the business case to enable the following high-level questions to be answered:
 - Does the investment in the transport intervention(s) support the transport and urban outcomes desired and deliver net benefits?
 - Which urban response best achieves the objectives, and can its components be delivered?
 - Does the overall response achieve the project objectives?
19. A more detailed summary of the questions that the urban and transport elements of the business case will need to answer is set out below (noting that there will be significant overlap and interaction).
20. The urban questions to be addressed by the business case are:
21. What overall urban outcomes are being sought to support the investment objectives?

Urban Interventions

- What are the urban responses (including urban interventions) that will best meet the investment objectives? (This will require an assessment of options)

Delivery

- Who will deliver those interventions and what are the interdependencies?
- What confidence do we have that those interventions will be delivered by the relevant parties?
- What needs to be done to ensure that we will achieve the right level of development and in the right places, especially as it is delivered over a long period of time?
- What is the optimal staging strategy for the urban interventions?

Benefits

- How do we qualify, quantify and monetise the urban benefits?

Infrastructure

- What is the additional enabling infrastructure, the costs, how will this be funded and what are the urban implications?

22. The transport questions to be addressed by the business case are:

Options

- What is the route alignment, extent of tunnelling, form of operations and station locations that will enable the optimal development and best support network integration.
- What are the key components of the alignment which require particular risk management, consenting or engagement effort or construction complexity?
- Which stations are fixed in their locations, and which are flexible in being able to achieve a better urban outcome?

Integration

- How do we ensure integration with the existing and future rapid transit network, particularly the direct connection to a future Northwest corridor and the direct connection to the planned North Shore corridor?
- How do we ensure integration with the broader transport network, including patronage implications of how parts of the network are delivered?
- What supporting transport interventions are required and how could these interventions be funded / financed?

Delivery

- What is optimal staging strategy and how should the delivery of the transport and urban interventions be linked?
- What is the optimal delivery model and how should each key intervention component be procured, including operations?
- Who will own and operate the future CC2M services and will this also apply to connecting corridor services?

Broader Outcomes

- How could these interventions lower emissions during construction and operations?
- How could these interventions support a regional reduction in vehicle kilometres travelled (VKT)?

23. Additionally, the business case will seek to answer supplementary questions, including:

- What are the property acquisitions required for the transport intervention?

- What are the consenting outputs we require for the transport intervention?
- How will engagement processes feed in and how will that affect the planning of the intervention?
- What are the aspirations of mana whenua both in terms of transport and urban regeneration and how can those views help shape the interventions?
- What contractual outputs does the business case need to shape up to enable future procurement phases?

24. A separate issue that will need to be resolved, is whether there is alignment between Sponsors as to the aspirations for the corridor and the proposed interventions. This is not an output of the Business Case per se, but it will need to be addressed in order to complete both the Business Case and Urban workstreams.

E. Next steps

25. Following the Board and Sponsor's confirmation of the proposed ALR Corridor Business Case approach the team will finalise the scoping documents ready for procurement and bring the final Business Case approach and scope back to the Board for review and Sponsors for approval.
26. While the tender is out to market, it is proposed that a revised Investment Logic Map (ILM) is undertaken, to refresh the project vision and objectives. This process will incorporate all ALR central and local government partners. The resulting vision and objectives will inform the assessment criteria and consenting objectives, ready for use by the successful tenderers.
27. During that same phase, the team also propose a further workstream to seek agreement around the best approach to benefits assessment, recognising that the integrated transport and urban nature of the project is somewhat unique in the New Zealand context and that there are differing views about how best to capture the benefits. The team will provide the Board with more information on this workstream in due course.

ALR Organising model: Sponsors Agreement and other governance matters

11 March 2022

Purpose

- Provide an update on the progress that has been made since Cabinet’s decisions in December 2021 on establishing the organising model for the detailed planning phase.
- Seek endorsement of the Heads of Terms of a Sponsors Agreement in advance of further engagement with Auckland Council elected members and mana whenua.

Recommendations

ALR Sponsors are invited to:

- **Endorse** the Heads of Terms of the ALR Sponsors Agreement (Detailed Planning Phase)
- **Agree** that the Heads of Terms of the Sponsors Agreement can be consulted on with the wider Auckland Council elected members and mana whenua

Background

- 1 In December, Cabinet agreed the parameters of a new governance and organising model to take forward the Detailed Planning Phase of the Auckland Light Rail (ALR) project. A diagram summarising the model is attached at Appendix A.
- 2 Cabinet has authorised the Ministers of Transport, Finance and Housing to take decisions as required to set up this organising model, in consultation with Auckland Council and mana whenua.

Progress on establishing the organising model for the detailed planning phase

- 3 Since the Cabinet decision, the Ministry of Transport (the Ministry), the Treasury, Ministry of Housing and Urban Development (MHUD) and Auckland Council have been working to clarify and implement various aspects of the agreed governance and organising model. This has involved extensive engagement between the Crown and Auckland Council, as well as with Waka Kotahi and the ALR Unit.
- 4 The table below provides a summary of the progress that has been made in implementing the different components of the organising model.

Component of model	Progress	Next steps
Sponsors Group and Sponsors Agreement	A detailed Heads of Terms of a Sponsors’ Agreement has been prepared and is presented for endorsement by Sponsors	Once endorsed by Sponsors, the Heads of Terms will be translated into a draft Sponsors Agreement for engagement with Auckland Council and mana whenua

	A process to confirm mana whenua Sponsor representatives is being developed by the Ministry of Transport, in consultation with Auckland Council, Te Arawhiti, and mana whenua representatives of the ALR Unit's Board	Engagement with mana whenua during March and April to confirm Sponsor representation Wider consultation across Crown and local government agencies to inform a detailed Sponsors Agreement, to be considered by Cabinet and Auckland Council in April.
Sponsors' Representatives Forum	The Forum has met in January and March	A detailed terms of reference will be confirmed alongside the Sponsors Agreement (by April/May) Membership of the Forum may expand to ensure appropriate support for mana whenua representatives at the Sponsors level (once appointed)
ALR Board	A recruitment campaign has been initiated, and the selection process is underway. 15 iwi with an interest in the corridor have been contacted directly regarding the opportunity.	Priority appointments of the Board will be confirmed by Cabinet in April Terms of reference to be ready for engagement with the newly appointed chair, before ministerial approval
ALR Unit	The Ministry is working with Waka Kotahi and the ALR Unit to clarify the role of Waka Kotahi as host for the ALR Unit, as well as how the Crown appropriation will be administered	A Hosting and Funding Agreement between the Ministry of Transport and Waka Kotahi will be signed ALR Unit to confirm arrangements with partner agencies to formalise roles and responsibilities and ways of working together

Establishing the new ALR Board

- 5 The appointment of the new competency-based ALR Board is critical to implementing the new organising model. A position description for these roles, including the skills sought on the board, was approved by the Ministers of Transport, Finance and Housing in December 2021.
- 6 A recruitment campaign was initiated in February 2022. The Ministers of Transport, Finance and Housing will shortly be invited to confirm a shortlist of candidates for interview, which will commence next week.
- 7 Prioritisation has been given to appointing the new chair and a member with a credible voice with mana whenua by April, as well as clarifying the continuation of any existing board members. The remainder of the appointments will likely occur in the months afterwards.

- 8 Confirmation of the preferred priority candidates will be sought through the April Appointments and Honours Committee and Cabinet.

The roles and responsibilities of Sponsors

- 9 Delivering Auckland Light Rail as an integrated transport and urban development programme requires close coordination between the Crown, Auckland Council and mana whenua. Representatives of these partners will comprise the ALR Sponsors.
- 10 This partnership is critical to the success of the project and is to be formalised through the ALR Sponsors Agreement.
- 11 There is an important role for Sponsors to work together throughout the planning and delivery of the project, reflecting their collective guardianship of a broad programme of work (ALR programme) which includes:
- the ALR project itself (primarily the light rail transport infrastructure project)
 - the investments and interventions required to realise the benefits of investment in ALR project
 - the associated interactions between ALR/CC2M and decisions made elsewhere in respect of Auckland's growth and development, including large scale projects (LSPs) underway with Kainga Ora and other rapid transit projects in Auckland such as the alternative Waitematā harbour crossing (AWHC) and the City Rail Link (CRL).
- 12 In providing this guardianship, Sponsors will set the outcomes for the ALR programme and be responsible for:
- the success of the detailed planning phase and readying for the delivery and operation phases
 - ensuring ALR outcomes align to Sponsors' vision and objectives
 - enabling all Sponsors (for example Cabinet and Governing Body) to exercise their decision-making rights
 - championing ALR.
- 13 Decision making by Sponsors will be underpinned by both delivery and policy workstreams over the course of the detailed planning phase. This will involve a collective effort from central and local government agencies and mana whenua to deliver against ambitious timeframes.

The Heads of Terms of a Sponsors' Agreement is proposed for your endorsement

- 14 The purpose of the Sponsors' Agreement is to formalise the relationship and role of Sponsors, acknowledging their collective guardianship and oversight of the ALR programme. A Heads of Terms that sets out the core components of the Sponsors Agreement is attached at Appendix B.

- 15 Officials from the Sponsor agencies (the Ministry, the Treasury, MHUD and Auckland Council) have worked closely as a group to develop these Heads of Terms.
- 16 Officials are seeking Sponsors' views on and endorsement of the Heads of Terms. Following this endorsement officials will undertake wider consultation with Auckland Council elected members and mana whenua, other Crown and local government agencies, and the ALR Unit, in order to prepare a full agreement.

17 s 9(2)(j)



- 18 This Sponsors Agreement will only cover the detailed planning phase of the programme. A revised Sponsors' Agreement will be developed for the delivery and operating phase which will be informed by policy positions decided in this phase (e.g. funding mechanisms and ownership of the transport asset).
- 19 As the Heads of Terms addresses only principles and not detailed approaches, the next step is for officials from Sponsor agencies to work through this detail to inform the final Sponsors' Agreement. The following areas in particular will require careful consideration:
- Setting out the specific decisions in the detailed planning phase that are the reserve of the Crown and those that are the reserve of Auckland Council.
 - Determining how Sponsor direction will be communicated to the ALR Board, and where this responsibility sits in the organising model.

- The level of detail necessary in the Sponsors Agreement in relation to resource commitments of Sponsors and Sponsor agencies (as opposed to other agreement(s) being used to implement the organising model).
- How to confirm the programme's objectives to take account of the views of all Sponsors.

Workstreams underpinning the detailed planning phase

- 20 A list of workstreams, which together will describe the detailed planning phase work programme, is being developed. This will be added as a schedule to the Sponsors' Agreement. This is intended to give effect to the direction given by Cabinet in December 2021, and will categorise the principal workstreams of the detailed planning phase underpinning Sponsors' decisions as either:
- **a delivery workstream**, including technical assessment and design, masterplanning, communications and engagement, and consenting; or
 - **a policy workstream**, including the entity and governance arrangements for delivery, funding and finance, asset ownership and the final operating model for the light rail system.
- 21 Combined, the workstreams represent the ALR Programme, and there will be clear roles and responsibilities assigned for each central and local government agency. The list of workstreams will also make clear the interdependencies between policy and delivery aspects of the programme, assisting all parties to work together.
- 22 Once agreed, the workstreams will be developed into an integrated work programme to be co-created with Crown, Auckland Council, the ALR Unit and the partner agencies. The integrated work programme will be used to report progress during the detailed planning phase and will enable Sponsors to hold individual agencies and the ALR Unit to account for the commitments they have made.

Engagement with the ALR Board, March 2022

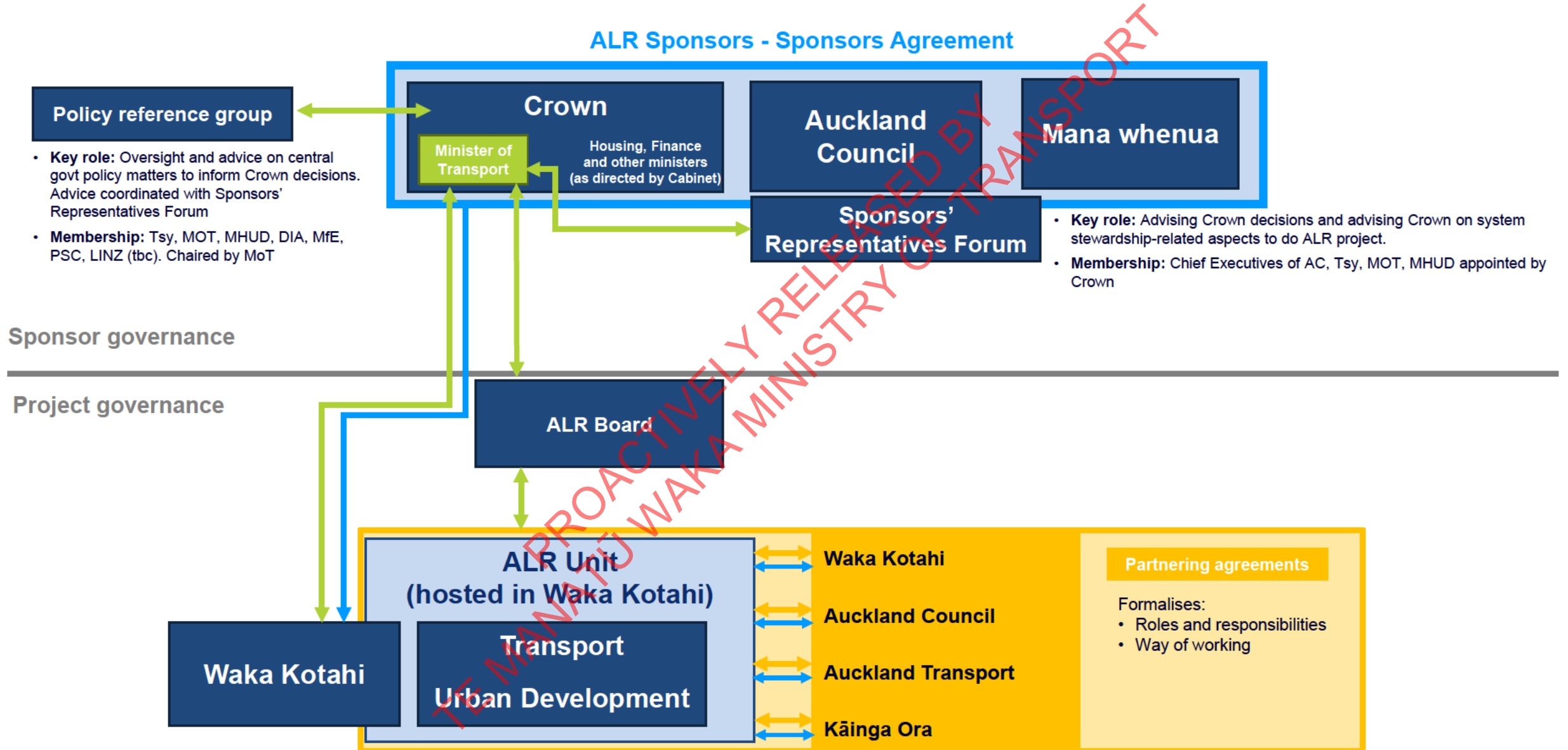
- 23 The Ministry took an "in progress" draft of these workstreams for discussion by the ALR Board at its meeting on 8 March. This is attached at Appendix C.
- 24 In the time available, consultation up until this point had been limited to the Crown working closely with Auckland Council and the ALR Unit. The feedback provided by the ALR Board, including from delivery agencies such as Kāinga Ora, Waka Kotahi and Auckland Transport, focused on the further engagement that's needed, as well as more clarity on how agencies will work in partnership.
- 25 In continuing to work closely with the Treasury, MHUD and Auckland Council, the Ministry has undertaken to work directly with Waka Kotahi, Kāinga Ora, Eke Panuku and Auckland Transport to finalise the workstreams, prior to a further discussion at the April meeting of the ALR Board.
- 26 Officials will then seek Sponsors endorsement of the workstreams prior to taking them to Cabinet and Auckland Council for approval as part of the Sponsors' Agreement. Amendments are likely to be made from time to time, following an agreed change control process (which will be confirmed at a later date).

Engaging with mana whenua and finalising the Sponsors Agreement

- 27 It is critical that mana whenua are engaged appropriately and respectfully in relation to the terms of this agreement. The extent to which the full Sponsors Agreement can be agreed by Cabinet and Auckland Council in April will depend on:
- the timeframes needed to both confirm mana whenua representation at Sponsors level; and
 - the timeframes to reach agreement with these representatives on the terms of the Sponsors agreement.
- 28 The Ministry is engaging with other Sponsor agencies, the ALR Unit and Te Arawhiti to develop a suggested process to identify mana whenua representation at Sponsor level by April. Ministers will consider advice on this matter shortly.
- 29 The Sponsors Agreement will be presented to Cabinet and an Auckland Council Committee of the Whole in April for approval. To allow for meaningful engagement with the mana whenua Sponsor representatives, it is possible that both Cabinet and Auckland Council will be asked to agree to the parameters of the Sponsors Agreement in April, but that a delegation is given to the Crown and Auckland Council Sponsor representatives to negotiate the detail of this with the nominated mana whenua representatives beyond April.
- 30 The views of Sponsors on this point is welcomed.

Appendix A

Agreed organising model and governance for ALR detailed planning phase



Key

Contractual Accountability

Machinery of government accountability

Appendix C

Auckland Light Rail Workstream Schedule: Sponsors' Agreement (Detailed Planning Phase)

The below tables sets out the key workstreams identified for the Detailed Planning Phase. Findings of these workstreams will support a series of investment decisions over approximately 24 months.

- Part A sets out the key delivery workstreams are predominantly undertaken by the ALR Unit, together with Council and relevant stakeholders.
- Part B sets out the key policy workstreams predominantly undertaken by agencies and/or the Council, together with relevant stakeholders.

Key assumptions for the purpose of the workstreams are:

- The **Delivery workstreams** include components of the ALR Unit's work programme, and will require involvement other Council and Crown stakeholders. This work is a subset of the detailed planning phase and will cover matters like the scope of urban development and supporting infrastructure.
- The **Policy workstreams** will be solutioned by agencies of the crown and council representatives, and will be informed by the work of the ALR Unit as well as other source data. Parties intend to work collaboratively with one another to set policy positions per workstream.
- The Delivery and Policy workstreams will include the scope of the ALR Project, and will include consideration of other programme components as set out in the cabinet paper.

Reference to ALR Unit in the "who" column of the table means staff from partner agencies (Auckland Council, Auckland Transport, Waka Kotahi) who have been seconded into the Unit under contract. All other references to other agencies are external to the ALR Unit. This demonstrates that a wider combined range of agency expertise will be needed for specific workstreams, and that it is intended that agencies work together to deliver outputs of workstreams, to inform Sponsors decision-making.

Once finalised, these workstream tables will be appended to the Sponsors Agreement to be entered into between Sponsors in relation to the ALR Project and related projects that each require investment decisions.

Shared planning

It is intended that there be shared high level planning for this work, which will be centrally managed by the ALR PMO. It is expected that deliverables will be defined and will be submitted to the Sponsors forum against timelines set by the ALR PMO.

Scoping, resourcing, commissioning

It is intended that each of these workstreams will be scoped, resourced, and commissioned by those agencies named as 'Responsible'. It is expected that those who are nominated as Consult will also be included from initiation, and will support the process with information and advice as required. The ALR PMO will provide scoping templates to ensure uniform capture of requirements.

Once adopted into the Sponsors Agreement, this Workstream document will become a controlled document. It is anticipated changes will be possible, but via a formal change control process managed by the ALR PMO.

Part A – Delivery Workstreams

#	Workstream	Description	Who	Timeframes / milestones / dependencies	Further considerations / comments
1.	<p>Programme business case TBC</p> <p>Note, includes responsibility for coordinating / compiling business case.</p> <p>Cabinet Paper References:</p> <ul style="list-style-type: none"> • 107.1 • 107.2 • 107.3 • 107.4 • 108 • 110 <p>Definition of projects within programme business case including ALR Project and related projects that each require investment decisions</p> <p>(and)</p> <p>Provision of business case information to Sponsors, via the Sponsors Forum, to allow Sponsors to make decisions on projects within the programme</p>	<p>To determine:</p> <ul style="list-style-type: none"> • scope and benefits according to transport and urban outcomes • form of business case • scope of related investment decisions • detailed benefit realisation • Examine and optimise preferred proposal including consideration of cost reduction • Further work as indicated by the Gateway review (revisit of Strategic Case - review against Enabling Housing Act • Consider extent of land acquisition and corridor widening required in contest of moving towards low emissions transport system. • consideration / accommodation of 	<p>Responsible: ALR Unit</p> <p>Consult: Ministry of Transport, Auckland Council Treasury & MHUD, who will review outputs</p> <p>Strong link to Auckland Council Vision (Workstream 17)</p>	<p>Timeframes: TBC</p> <p>Milestones:</p> <ul style="list-style-type: none"> • Provide advice contributing to cabinet papers April 2022 <p>Dependencies:</p> <ul style="list-style-type: none"> • Workstreams 2, 3, 16, 20 	<p>Scope and parameters to be agreed by Sponsoring ministers</p> <p>Treasury has BBC stewards (Better Business Case) and can assist in business case scoping</p> <p>Helps inform benefits across wider programme and multiple policy decisions (e.g. Funding and Finance, Delivery Entity)</p>

#	Workstream	Description	Who	Timeframes / milestones / dependencies	Further considerations / comments
		integration with wider central and local government initiatives			
2.	Options for staging Cabinet Paper Reference: <ul style="list-style-type: none"> • 107.13 	Consideration of options to stage route of ALR Project, and the project as a whole (both transport and urban interventions). Consider Kainga Ora alignment and staging with LSPs	Responsible: ALR Unit Consult: Auckland Council, Auckland Transport, MHUD, Kainga Ora, Ministry of Transport	Timeframes: Milestones: Dependencies: <ul style="list-style-type: none"> • Workstreams #7,8 	
3.	Masterplanning activities (Including costs and opportunities of urban development on corridor / and local infrastructure planning and zoning) Cabinet Paper References: <ul style="list-style-type: none"> • 24 • 95 • 95.1 • 95.2 • 95.3 • 100 • 100.1 – 100.11 • 107.6 	<ul style="list-style-type: none"> • Revisiting land use scenarios, including methodologies, modelling and feasibility assessment of scenarios • Analysis of viability of development sites that make up the enabled housing capacity, providing indication of phasing of development sites • Likely effectiveness and feasibility of urban interventions including analysis of urban interventions. • Costs of urban interventions including enabling infrastructure and other amenities 	Responsible: Auckland Council Consult: ALR Unit, MHUD, Kainga Ora, Ministry of Transport.	Timeframes: Milestones: Dependencies: <ul style="list-style-type: none"> • Workstreams 1, 2, 11 	Auckland Council has resolved to lead the masterplanning work. The split of activities and integration with the Unit's work and the role of Kainga Ora to be discussed.

#	Workstream	Description	Who	Timeframes / milestones / dependencies	Further considerations / comments
		<p>required to support development (including water infrastructure, urban parks, schools, other utilities.</p> <ul style="list-style-type: none"> • Analysis of social, well-being, economic costs and benefits of different interventions • Recommended implementation plan with partners focussed on infrastructure and land use initiatives. • Consideration of opportunities at each node. • Identification of partnering arrangements in relation to each opportunity. • Identifying interventions required to facilitate market development benefits (including increased housing capacity). Interventions to be focussed on infrastructure and land use initiatives and 			

#	Workstream	Description	Who	Timeframes / milestones / dependencies	Further considerations / comments
		<p>including zoning changes.</p> <ul style="list-style-type: none"> To determine: <ul style="list-style-type: none"> zoning requirements costs associated with planning and zoning 			
4.	<p>Costs of the ALR Project</p> <p>Cabinet Paper References:</p> <ul style="list-style-type: none"> 96 + 97 106 107.2 	<p>To determine:</p> <ul style="list-style-type: none"> costs of the ALR Project benefits realisation plan Consider alternative procurement models 	<p>Responsible: ALR Unit</p> <p>Consult : Ministry of Transport, Treasury, MHUD, Auckland Council, Auckland Transport</p>	<p>Timeframes:</p> <p>Milestones:</p> <ul style="list-style-type: none"> Provide advice contributing to Cabinet decisions, including Final Investment Decisions <p>Dependencies:</p> <ul style="list-style-type: none"> workstream 16, 20 Options for staging the project 	
5.	<p>Technical assessment and design to deliver the ALR Project</p> <p>Cabinet Paper Reference:</p>	<p>To determine:</p> <ul style="list-style-type: none"> technical assessment design of ALR Project 	<p>Responsible: ALR Unit</p>	<p>Timeframes:</p> <p>Milestones:</p>	

#	Workstream	Description	Who	Timeframes / milestones / dependencies	Further considerations / comments
	<ul style="list-style-type: none"> 24 	<ul style="list-style-type: none"> costs associated with design and technical solution 	Consult: Ministry of Transport	Dependencies: <ul style="list-style-type: none"> Policy Workstream 20 Policy Workstream 21 Policy Workstream 23 	
6.	Communications and stakeholder engagement Cabinet Paper References: <ul style="list-style-type: none"> 24 28 95.4 107.6 111 Recommendation 7 (7.4) 	To determine: <ul style="list-style-type: none"> market engagement strategy engagement strategy for community, Maori and other stakeholders 	Responsible: ALR Unit Consult: Mana Whenua Representatives, Auckland Council Ministry of Transport, MHUD, Treasury	Timeframes: Milestones: Dependencies: <ul style="list-style-type: none"> Delivery Workstream 1 	Ensure alignment with comms and engagement with other projects: <ul style="list-style-type: none"> LSPs AWHC AC local planning
7.	Consenting and land acquisition Cabinet Paper References: <ul style="list-style-type: none"> 28 107.5 111 142-3 Cabinet Paper References (Policy) <ul style="list-style-type: none"> 107.5 111 	To determine: <ul style="list-style-type: none"> corridor protection consenting strategy / options, including corridor protections land acquisition strategy / options 	Responsible: ALR Unit/MHUD Consult: Ministry of Transport, Auckland Council, Kāinga Ora.	Timeframes: Milestones: Dependencies: <ul style="list-style-type: none"> Delivery Workstream #1 Delivery Workstream #2 	Combined policy and delivery workstream. Requires consideration of Urban Development Act (UDA) as informed by Policy Workstreams.

#	Workstream	Description	Who	Timeframes / milestones / dependencies	Further considerations / comments
	<ul style="list-style-type: none"> 142-143 166 168.4 168.12 Recommendation 7 (7.11) 	<ul style="list-style-type: none"> opportunities for route protection, including early land acquisition 		<ul style="list-style-type: none"> Policy Workstream #16 Policy Workstream #21 	Note, MHUD has a specialist team on UDA matters which can inform Unit work.
8.	Procurement Cabinet Paper References: <ul style="list-style-type: none"> 103 107.4 107.12 Recommendation 6 Recommendation 7 (7.12) 	To determine: <ul style="list-style-type: none"> procurement strategy / options (including any early work packages) options to minimise disruption to business 	Responsible: ALR Unit Consult: Infrastructure Commission, Treasury.	Timeframes: Milestones: Dependencies: <ul style="list-style-type: none"> Policy Workstream #20 	
9.	Partnering agreements Cabinet Paper Reference: <ul style="list-style-type: none"> 73 	Nature and scope of partnering agreements for ALR project delivery	Responsible: ALR Unit	Timeframes: Milestones: Dependencies:	Dependent upon Sponsor decisions / commitments Crown will create the partnership at Sponsors level
10.	Information for policy workstream Cabinet Paper Reference:	Provision of information to Sponsors as required to facilitate policy workstreams	Responsible: ALR Unit	Timeframes: ongoing, process TBC Milestones:	

#	Workstream	Description	Who	Timeframes / milestones / dependencies	Further considerations / comments
	<ul style="list-style-type: none"> 167 			Dependencies: <ul style="list-style-type: none"> All Policy Workstreams 	
11.	Utilities relocation Cabinet Paper References: <ul style="list-style-type: none"> 62 100 100.8 		Responsible: ALR Unit Consult: Ministry of Transport, Auckland Council, Auckland Transport, Waka Kōtahi	Timeframes: Milestones: Dependencies: May link to legislation workstream if indicated.	Consider shared trenching/ ownership of trenching
12.	Reporting Cabinet Paper Reference: <ul style="list-style-type: none"> 167 	Provision of information to Sponsors, Sponsors forum, steering groups, policy reference groups, as serves agendas and data requirements	Responsible: all parties, supported by ALR PMO.		Note, the ToR for the ALR Board and the Funding and Hosting Agreement with Waka kōtahi have explicit reporting requirements. This workstream captures the specific requirements for reporting to the ALR PMO to inform Sponsors Forums and Sponsors meetings.
13.	Reduce embodied emissions	Investigate opportunities to reduce embodied	Responsible: ALR Unit	Timeframes:	

#	Workstream	Description	Who	Timeframes / milestones / dependencies	Further considerations / comments
	Cabinet Paper References: <ul style="list-style-type: none"> 107.8 155 CIPA: 177-189 Appendix 4 Recommendation 7.8	emissions across the integrated transport and urban development programme	Consult: , Auckland Council, Ministry of Transport, Ministry for the Environment	Milestones: Requirement to produce CIPA Dependencies:	
14.	Zero tolerance for harm and supports workers to thrive Cabinet Paper References: 107.14	Develop approach to the design, delivery and operation of the project in a way that has zero tolerance for harm and supports workers to thrive	Responsible: ALR Unit Consult: MHUD, Kāinga Ora		
15.	Partnering Strategy TBC		Responsible: ALR Unit		To get clarity on this – suggestion from the Unit that this is separate to partner agreements and is more about procurement?

Part B - Policy Workstreams

#	Workstream	Description	Who	Timeframes / milestones / dependencies	Further considerations / comments
16.	Vision for corridor / Corridor parameters / scope of urban development Cabinet Paper References: <ul style="list-style-type: none"> 23 100.8 123 	To determine/confirm: <ul style="list-style-type: none"> corridor definition vision for corridor, including urban development ambition (extent of urban 	Responsible: Auckland Council Consult: Ministry of Transport, MHUD, Kāinga Ora, Treasury	Output: To be defined by Council as relates to the Auckland Plan, Long Term Plan (LTP) Timeframes: Direction needed to inform scope of works being procured by Unit April 2022	Consider which decisions are of the Council and which are of the Crown. Advice to inform Crown decisions as to programme scope and

#	Workstream	Description	Who	Timeframes / milestones / dependencies	Further considerations / comments
	<ul style="list-style-type: none"> 123.1 – 123.7 124-127 Recommendation 36 (36.1 – 36.7) 	transformation, growth and intensification)	The ALR Unit will interface with this workstream with respect to Workstream #1 (Project definition, business case information)	<p>Milestones: Provide advice contributing to Cabinet papers April 2022</p> <p>Dependencies:</p> <ul style="list-style-type: none"> Confirmation of Auckland Council's strategic vision for the corridor, including ambition for urban density and economic vision, what matters it needs to consider to reach these decisions, and the timeframe for doing so. Masterplanning (3) Consenting (7) 	<p>deliverables purchased as part of ALR Project and related projects / investment decisions to deliver programme benefits outcomes]</p> <p>Note this is critical path item and will inform a number of workstreams e.g. master planning (3) land acquisition, consenting (7) etc.</p>
17.	<p>Sponsor roles for programme delivery / development of Sponsors Agreement for delivery phase</p> <p>Cabinet Paper References:</p> <ul style="list-style-type: none"> 29 115-122 168.1 168.2 168.3 168.7 	<ul style="list-style-type: none"> Sponsors Agreement for delivery phase including role of Crown and sponsors. Respective roles / contributions of sponsors / stakeholders for programme delivery (including ALR Project and related projects/ investment decisions). 	<p>Responsible: Ministry of Transport</p> <p>Consult: MHUD, Treasury, Auckland Council, Mana whenua representative</p>	<p>Timeframes:</p> <p>Milestones:</p> <p>Dependencies:</p>	Includes responsibility for delivery of urban development as between delivery entity and others (eg. Kainga Ora, Panuku, private sector)

#	Workstream	Description	Who	Timeframes / milestones / dependencies	Further considerations / comments
		<ul style="list-style-type: none"> Ensuring Treaty obligations and iwi partnership commitments are met. Integration with wider government initiatives including harbour crossing and Kainga Ora projects. 			
18.	Organising model including board appointments	<p>Organising model for all components of the programme</p> <p>Board appointments for ALR Board – Delivery phase</p>	<p>Responsible: Ministry of Transport</p> <p>Consult: Treasury, MHUD, Auckland Council, Mana Whenua</p>	<p>Dependencies</p> <p>Workstream 19 Workstream 17</p>	
19.	<p>Delivery Entity and governance</p> <p>Cabinet Paper References:</p> <ul style="list-style-type: none"> 107.9 107.10 115-122 130-136 137-145 168.3 	<p>To determine:</p> <ul style="list-style-type: none"> form and powers of Delivery Entity governance arrangements for Delivery entity transition arrangements from ALR Unit to Delivery Entity assurance / accountability 	<p>Responsible: Ministry of Transport</p> <p>Consult: Treasury, MHUD, Auckland Council, Auckland Transport</p>	<p>Timeframes:</p> <p>Milestones:</p> <p>Dependencies:</p> <ul style="list-style-type: none"> Workstream 7 (consenting and land acquisition) - consider authority status for mass rapid transit. 	

#	Workstream	Description	Who	Timeframes / milestones / dependencies	Further considerations / comments
20.	Funding (including value capture) and financing Cabinet Paper References: <ul style="list-style-type: none"> • 151 - 157 • 158 – 165 • 168.6 • 172 - 175 	Funding tools and funding package <ul style="list-style-type: none"> • Options for mechanisms for funding programme; confirming role of existing funding mechanisms such as the NLTF; recommending funding mechanisms including use of value capture tools with a view to creating consistency to how all rapid transit projects are funded in the future. • Consideration of IAF 	Responsible: Treasury/Ministry of Transport Consult: , MHUD, Auckland Council, Auckland Transport, NZTA, ALR Unit	Timeframes: Milestones: Dependencies: <ul style="list-style-type: none"> • Linked to Transport Revenue programme separately being undertaken (Ministry of Transport) • Legislative options • Details from ALR, land use, properties affected. 	Principles required to guide Unit's work. For example, what is the balance that needs to be struck between the project's design 'chasing' station locations where the greatest value can be created, versus design being focussed purely on the project outcomes, thereby taking a more neutral approach to value capture?
21.	Land acquisition Cabinet Paper References: <ul style="list-style-type: none"> • 100 • 100.4 • 107 • 107.2 • 107.4 • 111 • 142 – 143 • 168.9 • Recommendation 7 (7.12) • Recommendation 11 (11.5) 	Considering approaches to land acquisition. <ul style="list-style-type: none"> • Considering Crown's appetite for early land acquisition. 	Responsible: MHUD Consult: ALR Unit, Treasury, Ministry of Transport, Auckland Council.	Timeframes: Milestones: Dependencies: <ul style="list-style-type: none"> • Delivery Workstream 7 (Consenting) . 	To determine what questions need to be answered in order for Sponsors to approve land acquisition (e.g. who will buy land and how). ALR Unit to develop land acquisition strategy for approval by Sponsors – this will follow

#	Workstream	Description	Who	Timeframes / milestones / dependencies	Further considerations / comments
	<ul style="list-style-type: none"> Recommendation 37 				confirmation of the rail corridor.
22.	Rail regulation and standards Cabinet Paper References: <ul style="list-style-type: none"> 168.11 176.3 	<ul style="list-style-type: none"> Ensuring rail regulations and standards support construction and operation of mode to be built and operated / integration into existing network. Confirmation of regulator (assumed to be Waka Kotahi) 	Responsible: Ministry of Transport Consult: Waka Kōtahi, Auckland Transport	Timeframes: Milestones: Dependencies: <ul style="list-style-type: none"> Delivery Workstream #5 Policy Workstream #26 	Consideration of role of Kiwirail required
23.	Business disruption Cabinet Paper References: <ul style="list-style-type: none"> 55 – 56 107.7 107.12 Recommendation 7 (7.7) 	Crown to determine: <ul style="list-style-type: none"> approach to targeted assistance for business disruption approach to compensation for business disruption Second aspect of this is to reduce disruption through design and project refinement (ALR Unit)	Responsible: Ministry of Transport Consult: Auckland Council, ALR Unit, Waka Kōtahi, Treasury	Timeframes: Milestones: <ul style="list-style-type: none"> Provide advice contributing to Cabinet papers April 2022 Dependencies: <ul style="list-style-type: none"> Workstream 1 	Discuss with Sarah Allen (MOT)
24.	Ownership of transport infrastructure Cabinet Paper References:	To determine:	Responsible: Ministry of Transport	Timeframes: <ul style="list-style-type: none"> Confirmed by FID at latest. Milestones:	This is intended to consider national perspectives on rapid transit network ownership

#	Workstream	Description	Who	Timeframes / milestones / dependencies	Further considerations / comments
	<ul style="list-style-type: none"> 120 120.1 123 123.5 164 Recommendation 36 (36.5) Recommendation 41 	<ul style="list-style-type: none"> definition of transport infrastructure assets ownership arrangements for transport infrastructure assets 	<p>Consult: Treasury, Auckland Council, Auckland Transport</p>	<p>Dependencies:</p> <ul style="list-style-type: none"> Workstream #25 Workstream #20 	<p>and operation. Also links to funding models.</p> <p>Ownership may be in whole or in part – some examples where funding models link to ownership in part.</p>
25.	<p>Operating model for transport infrastructure</p> <p>Cabinet Paper References:</p> <ul style="list-style-type: none"> 120 120.1 123 123.5 164 Recommendation 36 (36.5) Recommendation 41 	<p>To determine:</p> <ul style="list-style-type: none"> operating roles and responsibilities infrastructure assets financing of operation Role of Kiwirail 	<p>Responsible: Ministry of Transport</p> <p>Consult: Treasury, Auckland Council, Auckland Transport</p>	<p>Timeframes:</p> <ul style="list-style-type: none"> Confirmed by FID at latest. <p>Milestones:</p> <p>Dependencies:</p> <ul style="list-style-type: none"> Linked to Workstream #24 	<p>This is intended to consider national perspectives on rapid transit network ownership and operation.</p>
26.	<p>Legislative pathway for programme / project delivery</p> <p>Cabinet Paper Reference:</p> <ul style="list-style-type: none"> 176 176.1 – 176.3 Appendix 2 	<p>Determining options for legislative framework for delivery of programme (including ALR Project)</p> <p>To determine:</p> <ul style="list-style-type: none"> Scope of policy work to inform Crown decisions and possible legislative change 	<p>Responsible: Ministry of Transport</p> <p>Consult: All parties will be consulted on any legislative change considerations.</p> <p>Consult: MHUD, Treasury MfE, DIA, LINZ, Auckland Council</p>	<p>Timeframes:</p> <p>Milestones:</p> <p>Dependencies:</p>	

#	Workstream	Description	Who	Timeframes / milestones / dependencies	Further considerations / comments
27.	Implementation pathway / programme Cabinet Paper Reference <ul style="list-style-type: none"> • 107 • 108 • Recommendations 29, 31, 37 • Appendix 2 	Includes timeframes / key milestones/ timing of FID (for all projects within programme including ALR Project)	Responsible: Ministry of Transport (ALR PMO) Consult: ALR Unit, Auckland Council, Auckland Transport, MHUD, Kainga Ora Treasury	Timeframes: Milestones: Dependencies:	
28.	Co-ordination with wider central and local government initiatives. Cabinet Paper References: <ul style="list-style-type: none"> • 79 - 93 • Appendix 2 	To consider integration with: <ul style="list-style-type: none"> • national rapid transport strategy • ATAP • wider government initiatives including harbour crossing and Kainga Ora projects 	Responsible: Ministry of Transport Consult: Auckland Council, Auckland Transport, Treasury, Waka Kotahi	Timeframes: Milestones: Dependencies: <ul style="list-style-type: none"> • Delivery Workstream #3 	



GROUP

To: Project Sponsors
From: Auckland Light Rail Group
Meeting date: 11 March 2022
Title: ALR Group report
Pages: 12 + 1 appendix

A. Purpose

1. This is the ALR Group report for the sponsors meeting on 11 March 2022.

B. Contents

2. This paper covers:
 - Strategic context
 - Recommendations
 - Update and key milestones
 - Opportunities to accelerate the consenting and construction of the light rail
 - City Centre Network Integration Study
 - Key risks

C. Strategic context

3. Auckland Light Rail (ALR) will be New Zealand's largest and most complex infrastructure project. ALR has the potential to transform Auckland's transport network, bringing far-reaching benefits to communities and increasing access across the region. This integrated urban development and transport project is critical not only to Tāmaki Makaurau, but also to the economic prosperity of Aotearoa.
4. ALR will connect and enable Tāmaki Makaurau to continue to develop into a sustainable and world class city as it grows by creating quality compact urban places, communities, and destinations.
5. Cabinet has agreed to a preferred way forward for the delivery of the ALR project. The project is now entering a detailed planning phase, or pre-construction planning phase, which will include work to inform final investment decisions, expected in mid-2024.

D. Recommendations

6. We recommend that the Sponsors:
- **note** the update and key milestones
 - **note** and **discuss** the opportunities to accelerate the consenting and construction
 - **note** the findings of the City Centre Network Integration Study:
 - i. the combined North Shore, Northwest and CC2M passenger demand through the city centre cannot be met by using surface running Light Rail;
 - ii. A tunnel light rail alignment through the City Centre is compatible with either a future tunnel or bridge crossing of the Waitemata Harbour crossing in the future.
 - iii. A shorter tunnel (unescaled cost of \$9.5Bn) would cost \$1.9Bn less than the Preferred Option. The capacity would be reduced by 50%. Benefits would reduce by \$2.4Bn to \$9.3Bn. The shorter tunnel option does not perform as well as the Preferred Option, primarily due to reduced capacity through the City Centre because of operational constraints in the Central Isthmus section from street running. This option will not be taken forward in the detailed business case.
 - **note** the key risks and mitigations.

E. Update and key milestones

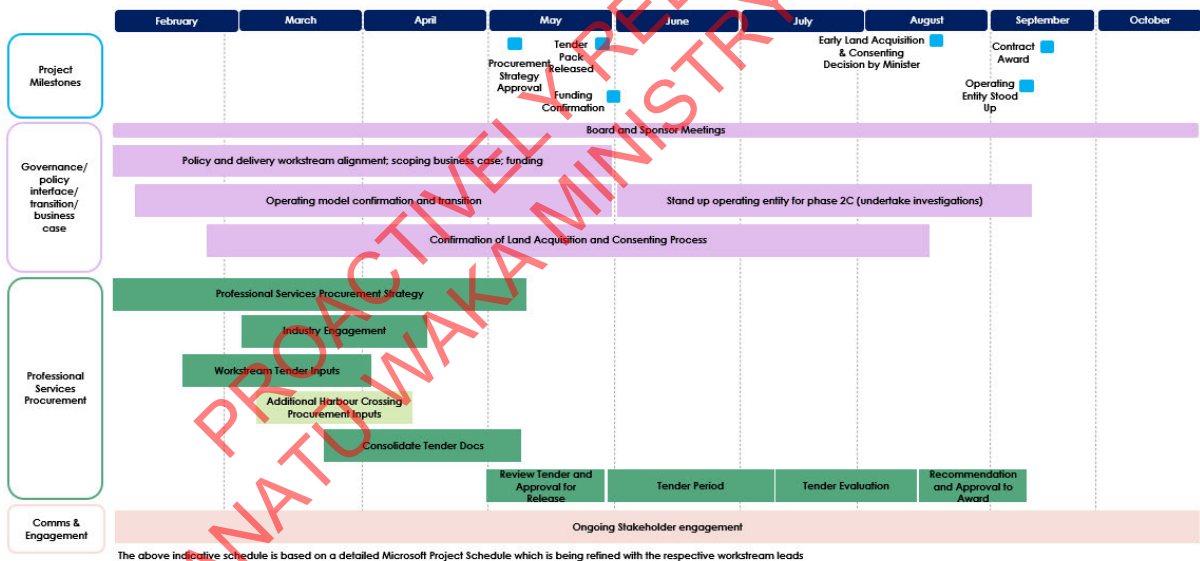
7. We have been preparing for the next phase of the project since we submitted the business case in October 2021. With the announcement of Cabinet's decision, we have been working closely with Te Manatū Waka, the Treasury and the Ministry of Housing and Urban Development, as well as our partners to shape up the pre-construction planning phase.
8. The immediate focus of the team is on the procurement of professional services to undertake the work necessary to support investment decisions. Key activities for the ALR Group are set out in the Cabinet paper¹ and will include work to support:
- The development of partnerships with Mana Whenua
 - Collaborative working with partner agencies
 - Refreshing the strategic case to outline urban development factors as well as transport, to help establish realistic and feasible benefits
 - Masterplan or urban framework, which will include identifying the interventions to deliver a quality compact urban form for the corridor

¹ Paragraph 107

- Ongoing development of social licence for the project
- A reference design for the transport solution
- The business case
- Consenting/ property strategy – including route protection and the preparation of associated applications for consenting
- Further investigation of the opportunities to reduce embodied emissions across the integrated urban and transport development programme
- Developing options to stage the route
- Establishing a workforce strategy to support zero harm and thriving infrastructure and to address potential skills, capability and capacity gaps for future phases of the project
- Delivery/ operations plan – including the operating model for the delivery entity.

9. A high-level timeline, with milestones from now until October is set out below. The intention is to develop an integrated work programme, combining the policy workstreams with the delivery workstreams and we expect to be able to provide further detail, including critical milestones at the next Sponsors' meeting.

SCHEDULE SUMMARY (indicative)



Board Report: 08 March 2022

10. We hope to have the full consultant team contracted and in the office by September 2022. This is aspirational in terms of procurement, but important, to maintain the programme to get to a final investment decision in 2024.

F. We have started exploring opportunities to accelerate the consenting and construction of the light rail

Context and caveats

11. The ALR Group has been considering options to progress consenting and other early works, in part in response to public statements that sponsors want to see tangible progress on the project in 2023.
12. The IBC phase identified the need for the identification of innovations that could be used to enable early progress of the project. A set of ideas is set out in this paper, each of which will need further consideration to ascertain the likelihood of successful implementation and the potential benefits and risks. The team will also need to engage with Mana Whenua to understand whether any of the proposed innovations raise concerns.
13. This is very early thinking and the considerations need to be investigated, tested and analysed before any decisions are made. The ALR Board will be discussing the same information at its meeting on 8 March, so this represents early thinking from management in the ALR Group and will be informed by input from the ALR Board. In addition, we are very conscious that some of the ideas would need to be led by partners (for example Auckland Council or Kāinga Ora), working with the ALR Group.
14. This is an opportunity to share some early thinking and seek feedback as to whether there are any ideas that should not be progressed.

Categories

15. The map which accompanies this paper sets out the potential early activities.
16. Broadly speaking, the emerging innovations for enabling early progress, fall into the following categories (shown in Figure 1):
 - Innovations using existing processes and legislation;
 - Innovations to provide certainty and consistency for the Project through resource management reform; and
 - Legislative amendments.

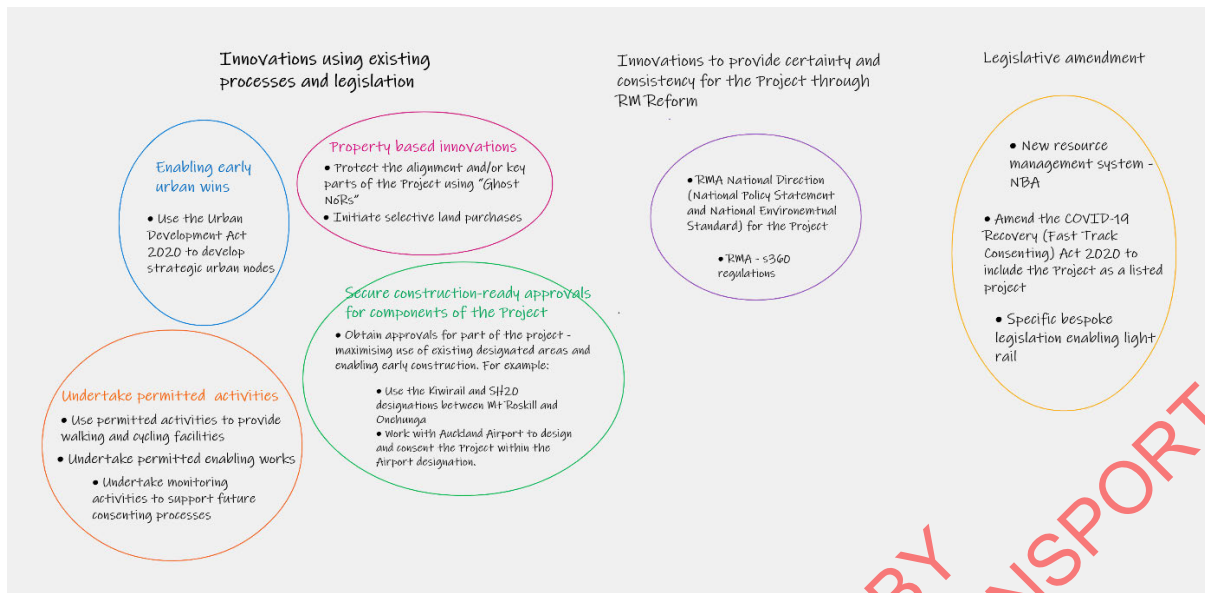


Figure 1

Table of Innovations

Innovation	Benefits	Risks and Trade-offs
SDP - With Kainga Ora, establishing a Specified Development Project to plan and consent urban regeneration at Dominion Junction.	Builds social licence by shifting discussion to urban regeneration opportunities. Supports certainty in planning, consenting and land acquisition. It is a big urban move for a project that has previously been seen as transport focused.	s 9(2)(g)(i)
Ghost NOR - Protect the alignment using a route protection notice of requirement, lodged with limited information to prevent activities which may prevent or hinder the development of the transport infrastructure.	Builds social licence by signaling intent, secures alignment against unhelpful development and may assist with property acquisition.	

Innovation	Benefits	Risks and Trade-offs
<p>Land acquisition - Acquisition of strategic land purchases for stations or the depot (e.g. at Wynyard Quarter) subject to a change in LINZ approach.</p>	<p>Secures sites that may be at risk of development creating greater certainty.</p> <p>May support value capture.</p> <p>Signals intent on building social licence.</p>	<p>s 9(2)(g)(i)</p>
<p>Permitted Activities - Use permitted activities rules to construct walking and cycling facilities along the route, to construct supporting transport infrastructure (like bus interchanges) or to construct enabling works like utility relocation.</p>	<p>Gets works underway without a consent process.</p> <p>Walking and cycling improvements deliver usable benefit to corridor communities early building social licence.</p> <p>Enabling works speeds up later construction programme.</p>	
<p>Early approvals- Securing construction ready approvals for areas where we can utilise parts of existing designations (for example the KiwiRail designation alongside SH20), or in locations where limited effects may make obtaining consent easier (including potentially the Carr Road depot, or the mined stations at Aotea and University).</p>	<p>A range of opportunities to be explored where the planning context (zoning or existing designations) may make obtaining early consent easier.</p> <p>The Carr Rd depot in particular may create an opportunity for not just consenting but early works to prepare the depot. The depot is also on the critical path.</p>	
<p>NPS or NES – A National Policy Statement or National Environmental Standard.</p>	<p>Signals intent.</p> <p>Provides increased certainty for consenting applications, particularly through RMA reform.</p> <p>Limits opportunities for challenge.</p>	
<p>Regulations – regulations to streamline consenting.</p>	<p>Signals intent.</p> <p>Provides increased certainty for consenting</p>	

Innovation	Benefits	Risks and Trade-offs
	<p>applications, particularly through RMA reform.</p> <p>Limits opportunities for challenge.</p>	<p>s 9(2)(g)(i)</p>
<p>New Built Environment Act (NBA) incorporation - Providing expressly for the ALR project in the NBA (which is replacing the RMA) either by enabling the project in some way or through transitional provisions to avoid uncertainty.</p>	<p>Provides certainty through RMA reform.</p> <p>Avoids risks that ALR is the first big project to lodge under the new legislation and becomes tied up in appeals for years.</p>	
<p>Fast track listing - Listing the project in the Covid-19 Recovery (Fast Track Consenting) Act.</p>	<p>Avoids RMA reform uncertainty and means that the project could not be declined (as distinct from having conditions imposed).</p>	
<p>Bespoke legislation - Introducing bespoke legislation to enable the project as occurred with Pukeahu National War Memorial Park and the Arras Tunnel, with hearings limited to conditions.</p>	<p>Avoids RMA uncertainty. Creates maximum certainty that the project will proceed.</p>	

G. We have undertaken a further study on City Centre Network Integration

Background

17. The purpose of this study was to support an evidenced based conversation on integration of the proposed Auckland Light Rail CC2M line with the future rapid transit network connections to the North Shore and Northwest. We provided a paper to project sponsors on 5 November 2021 about Rapid Transit Network Integration, which was discussed at our meeting on 22 November 2021.
18. That paper described options to address challenges in the city centre if Cabinet had preferred a surface light rail option. The paper outlined the further work that would be needed to understand the implications of adopting a surface light rail option. That work has now been completed.

19. The further study provides further support for the Government's decision supporting tunnelled light rail as the Government's preferred way forward, with further detailed work to follow to refine the Establishment Unit's recommended Sandringham road corridor.

Findings

20. The study addressed 3 questions and the findings are summarised below:

- **Question 1 - Could the combined North Shore, Northwest and CC2M passenger demand through the city centre be met by using surface running Light Rail?**

No. While physically possible to provide a second surface running route in the central city, the operational constraints and unacceptable impacts on the wider transport network mean the theoretical capacity of a second route cannot be realised, and future demand not met.

- **Question 2 - Does a city centre tunnel have flexibility to connect to either a future tunnel or bridge option to cross the Waitemata Harbour?**

Yes. A tunnel light rail alignment through the City Centre is compatible with either a future tunnel or bridge crossing of the Waitemata Harbour crossing in the future.

- **Question 3 - What are the costs, capacity, benefits and operational implications for a shorter CC2M tunnel from Wynyard Quarter to Dominion Junction?**

A shorter tunnel (unescalated cost of \$9.5Bn) would cost \$1.9Bn less than the Preferred Option. The capacity would be reduced by 50%. Benefits would reduce by \$2.4Bn to \$9.3Bn. The shorter tunnel option does not perform as well as the Preferred Option, primarily due to reduced capacity through the City Centre because of operational constraints in the Central Isthmus section from street running. This option will not be taken forward in the detailed business case.

Next steps

21. We will be producing a technical note summarising these findings that will be made available on the ALR Group website.

H. Key risks and mitigations

22. The key risks and mitigations are set out in the appendix. The risk themes are:

- Mandate and operating model
- Accelerated timeframes
- Timing of Mana Whenua appointments
- Funding/ procurement

- Decisions from the Crown/ Policy work programme
- RMA Legislation Update/Change
- Resourcing
- Covid-19
- Procurement

Appendix is withheld in full

PROACTIVELY RELEASED BY
TE MANATŪ WAKA MINISTRY OF TRANSPORT