

UNISCS timeline adjustment in response to COVID-19

Reason for this briefing	To inform Ministers of the impact of the COVID-19 crisis on the Upper North Island Supply Chain Strategy (UNISCS) work programme.
Action required	Note that the original timeline for officials to report back to UNISCS Ministers is untenable due to the still unfolding COVID-19 situation. Agree to a revised timeline for the project. Agree that a letter is sent by the Ministry of Transport advising stakeholders that a decision on the future of the Ports of Auckland will not be made until after the forthcoming general election.
Deadline	10 April 2020.
Reason for deadline	Early advice to cornerstone partners, iwi and wider stakeholders is highly desirable to provide a degree of certainty.

Contact for telephone discussion (if required) Withheld to protect the privacy of Natural Persons

Name	Position	Telephone
Nick Brown	Deputy Chief Executive, System Performance and Governance – Ministry of Transport	██████████
Jane Frances	Oversight Group Member, Provincial Development Unit – Ministry of Business, Innovation and Employment	██████████
Matthew Gilbert	Acting Director, Commercial, Infrastructure and Urban Growth – The Treasury	██████████

MINISTER'S COMMENTS:

Date:	30 March 2020	Briefing number:	OC200252 (MoT) T2020/700 (TSY)
Attention:	Hon Grant Robertson (Minister of Finance) Hon Phil Twyford (Minister of Transport) Hon Shane Jones (Minister for Regional Economic Development)	Security level:	In-Confidence

Ministerial office actions

- | | | |
|--|--|---|
| <input type="checkbox"/> <i>Noted</i> | <input type="checkbox"/> <i>Seen</i> | <input type="checkbox"/> <i>Approved</i> |
| <input type="checkbox"/> <i>Needs change</i> | <input type="checkbox"/> <i>Referred to</i> | |
| <input type="checkbox"/> <i>Withdrawn</i> | <input type="checkbox"/> <i>Not seen by Minister</i> | <input type="checkbox"/> <i>Overtaken by events</i> |

Purpose of report

1. To inform Ministers of the impact of COVID-19 on the Upper North Island Supply Chain Strategy (UNISCS) work programme, and seek agreement to a revised timeline.

Background

2. Cabinet agreed in December 2019 that the Ministry of Transport would lead a work programme to inform future decisions on the UNISCS, with Ministers reporting back to Cabinet by the end of May 2020. This work programme was initiated to resolve questions, gaps and uncertainties flagged by officials in response to the UNISCS Independent Working Group's analysis.
3. Officials had targeted the end of April 2020 for a report back to UNISCS Ministers prior to a proposed 2 June 2020 report back to Cabinet, as indicated in the last two UNISCS briefing papers (OC200017 and OC200127 refer). However, because of COVID-19, this is no longer realistic as the Ministry of Transport and Treasury have reprioritised their work programmes onto COVID-19 related work.
4. Specifically, key Ministry of Transport staff previously engaged in UNISCS work are now leading work on the resilience of critical air and sea supply chains. Officials in Treasury are focused on the wider economic impacts of COVID-19 and the government's response. In addition, engagement with cornerstone partners, iwi and other stakeholders has become significantly more complex due to the current level 4 self-isolation requirements.

Revised work programme timeline

5. The UNISCS work programme consists of three parts:
 - technical and analytical work is being undertaken primarily by Sapere, an economic consultancy
 - policy work, comprising a briefing paper to UNISCS Ministers and a Cabinet report back, which is being led by the Ministry of Transport, the Treasury and the Provincial Development Unit
 - communications and engagement, in particular with cornerstone partners.
6. The technical and analytical work will be around 80 percent complete as at the end of March, and is able to continue despite COVID-19 as it is largely being done by consultants. In addition, some of the stakeholder and iwi engagement work has been undertaken externally and can continue. However, officials will not be able to complete the policy analysis stage or continue extensive stakeholder engagement during the COVID-19 crisis.
7. We therefore seek Ministers' agreement to a deferred timeline for the project. In practice, although we do not know the timescales for the COVID-19 response and level 4 lockdown, we think it very unlikely that this advice will be available before the September election.

- [REDACTED]
9. The delay in UNISCS policy work will enable Ministers to consider any Crown investments under the five port relocation options being considered in the context of a much clearer picture of fiscal impacts from the COVID-19 response.

Withheld to maintain the constitutional conventions which protect the confidentiality of advice tendered by Ministers and Officials

Informing cornerstone partners and other stakeholders

10. We consider it important to inform cornerstone partners, iwi and other stakeholders on the impact of COVID-19 on the project. This is because of the high levels of interest and engagement we have experienced in the last 2-3 months. We recommend the Ministry of Transport send a letter on behalf of Ministers to all stakeholders, in consultation with your offices, clarifying that a decision on the future of the Ports of Auckland will not be made prior to the election.

Recommendations

11. The recommendations are that you:
- (a) **note** that in December 2019, Cabinet agreed that UNISCS Ministers would report back to Cabinet to resolve questions, gaps and uncertainties flagged by officials in response to the Independent Working Group's analysis
 - (b) **note** that a June 2020 report back date is untenable due to the still unfolding COVID-19 situation
 - (c) **agree** to a deferred timeline for the project, noting that officials are very unlikely to be able to provide policy advice to Ministers prior to the forthcoming general election Yes / No
 - (d) **agree** that officials draft a letter on behalf of Ministers to notify cornerstone partners, iwi and other key stakeholders of the impact of COVID-19 on the project, and that while analytical work continues in the short term, decisions on the future of Ports of Auckland will not now be taken prior to the general election. Yes / No

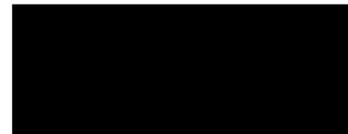
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DATE: