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Auckland Transport's Interests in the Waitematā Harbour Connections Project

For decision: For noting:

Ngā tūtohunga / Recommendations

That the Auckland Transport Board (board):

- a) Endorses Auckland Transport's (AT's) interests in and requirements for the Waitematā Harbour Connections (WHC) project, relating to consideration of AT's statutory responsibilities, environmental sustainability, financial sustainability, customer impacts and transport system integration.
- b) Delegates authority to the board chair to finalise and communicate these interests to the WHC sponsor, Waka Kotahi New Zealand Transport Agency (Waka Kotahi) board chair and the WHC project director
- c) Notes that directors are invited to a workshop with the WHC team on 26 May 2023 to review project progress, have an overview of options and have the opportunity to provide feedback.
- d) Notes that the WHC project team will be making recommendation on a preferred option to WHC sponsors in July 2023.

Te whakarāpopototanga matua / Executive Summary

1. The WHC is one of four externally led Mega Rapid Transit Network Projects (MRTNPs) that will significantly change the shape and function of the Auckland transport system. It will deliver a multi-modal system solution for connections to, from and within the North Shore, including active mode (long-term solution), light rail, and road network improvements for resilience and reliability.
2. The Indicative Business Case (IBC) commenced in late 2022 with scenarios being developed early 2023 and public engagement undertaken in April 2023. The emerging preferred option is expected to be selected by the WHC project team in mid-June 2023 and enter the process for a Ministerial decision in July 2023.
3. There are multiple players in planning and delivering Auckland's transport system. AT however plays a key role in integrating the transport system for the benefit of our customers, taking an overview to ensure a seamless system; as an operator of critical services; and a guardian of critical assets for the city. AT must ensure its role in the project is commensurate to the potential impact on its ability to effectively discharge its role as the expected owner operator of the public transport infrastructure and its statutory responsibility for the co-ordination, integration, and management of Auckland's transport systems, infrastructure, facilities, and services.

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4. The WHC Project Alliance Board identifies the Waka Kotahi board as the approver for the overall project. AT has no formal decision-making rights on the project. However, the Alliance Board is recognising that AT is an affected road controlling authority and likely network operator of the public transport system, and as such AT has an approval/endorsement role for some elements. In practice however, given the pace of the project, no agreement has been reached on these elements.
5. To that end, AT's key interests in this project relate to our statutory obligations; environmental sustainability; reflecting the needs of our customers; transport system integration; and retaining approval roles for elements that could materially impact our ability to discharge any of our statutory obligations or elements that require material contribution of AT's resources. It is important that these interests are communicated to the project's sponsors as early as possible in the decision-making processes.

Ngā tuhinga ō mua / Previous deliberations

Date	Report Title	Key Outcomes
October 2022 Board	Waitematā Harbour Connections	Noting commencement of IBC and relevant matters for AT
March 2023 Board	Waitematā Harbour Connections engagement on concepts	Seeking briefing on consultation and greater understanding of AT's roles in project decision-making.
May 2023 Design and Delivery Committee (committee)	Auckland Transport's Interests in Waitematā Harbour Connections Project	The committee requested that the need for equity of access outcomes for all of Aucklanders is also emphasised as a key interest for AT. Members also requested that the communication to Waka Kotahi and the Minister of Transport include an example of the implications of not considering the matters raised, noting the possibility of highlighting our experience with City Rail Link, or Rosedale station.

Te horopaki me te tīaroaro rautaki / Context and strategic alignment

6. AT works closely with Auckland Council (Council), Waka Kotahi and the Ministry of Transport to develop and implement transport plans and policies that meet the needs of Auckland's growing population and support the city's economic, social, and environmental objectives. The relationship between AT and these organisations is defined by a range of legal and statutory documentation, including the Local Government

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(Auckland Council) Act 2009 (The Act) and the Land Transport Management Act 2003, which establishes AT as the statutory body responsible for "the co-ordination, integration, and management of Auckland's transport systems, infrastructure, facilities, and services."

7. To effectively discharge these responsibilities, AT requires the ability to influence activities that may materially impact its ability to do so, particularly large transport infrastructure projects for which AT will have ongoing accountabilities and/or responsibilities.
8. There are currently four externally led mega projects underway in Auckland, being City Rail Link (CRL), WHC, Auckland Light Rail (ALR) and the Northwest Rapid Transit Network. The capital cost of each is over \$1b and they each have significant impact on the wider transport system, as such they are MRTNPs. Given the impact of these MRTNPs on the Auckland transport system it is critical that AT has role in the MRTNPs that enables it to effectively discharge its statutory obligations.
9. The WHC project will deliver a multi-modal system solution for connections to, from and within the North Shore, including active mode (long-term solution), light rail, and road network improvements for resilience and reliability.
10. WHC is funded and governed by Waka Kotahi and the Ministry of Transport. The sponsors are the Waka Kotahi board chair and Minister of Transport. The board is a Governance Partner Organisation, along with Council, iwi and Waka Kotahi. This is the highest level of decision-making bodies from each of the partners, through which all recommendations from the Partner Steering Group are to pass before reaching the Minister of Transport. The governance structure is provided in Attachment 1.
11. AT has a role as a non-owner partner on the project steering group, but AT does not have a role on the Project Alliance Board, which has the authority to make decisions within the scope of the Alliance. AT staff are also providing technical input into the Alliance.
12. The project is currently in the IBC phase, focussing on broad scenarios and options. Public consultation on potential options took place in April 2023. The project sponsors are expected to make a decision on the preferred option in July 2023.

Ngā matapakinga me ngā tātaritanga / Discussion and analysis

13. There are multiple players in planning and delivering Auckland's transport system. AT however plays a key role in integrating the transport system for the benefit of our customers, taking an overview to ensure a seamless system; as an operator of critical services; and a guardian of critical assets for the city. As such, our key interests in this project relate to: our statutory obligations; environmental sustainability; reflecting the needs of our customers; transport system integration; and retaining approval roles for elements that could materially impact our ability to discharge any of our statutory obligations or elements that require material contribution of AT's resources.
14. As the statutory body responsible for managing and delivering transport services in the Auckland region and the likely network operator of the public transport system being delivered by the WHC, AT has interest in any element that could materially impact its ability to discharge these obligations or any element that requires material contribution of AT resources (people/funding/assets). *AT seeks assurance that impacts upon AT's ability to discharge its statutory obligations are raised in the analysis are articulated to sponsors and considered in the decision-making process.*

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15. Effective communication to our customers and stakeholders is critical. With multiple organisations delivering and operating transport networks within our system, communication and accountabilities can become confused. *AT seeks an assurance that Aucklanders will have clarity and consistency in communication, and that the role of all the organisations is clear.*
16. This project will have a material impact on Auckland's performance against its carbon emission reduction targets set by Council in the Transport Emissions Reduction Pathway (TERP) and nationally through the Emissions Reduction Plan (ERP). However, while Auckland's TERP pathway has committed to a goal of 64% reduction in emissions by 2030, Governments targets differ in that they seek to achieve only a 17 percent reduction by 2030. *AT seeks assurance that Council's emission reduction targets are integral to the preferred solution and that the project contributes to a net emissions reduction across the Auckland transport system.*
17. Investments in Auckland's transport system needs to be driven from a deep understanding of what matters most to Aucklanders. Whilst public engagement plays an important role, understanding and integrating customer needs must go deeper. *AT seeks assurance that the decision on the preferred options is based on a deep understanding of customer needs through research, evidence, and involvement of customers in the outcomes the project is seeking to achieve.*
18. There is a risk that consideration of *whole of life costs* in significant projects such as this is not robust or comprehensive. If whole of life costs does not influence the capital solution, the cost to operate and maintain the assets to the owner operators will be potentially unsustainable. *AT seeks assurance that the whole of life costs are robustly identified and that the optimisation of incidental opex costs will influence the capex solution.*
19. AT will be likely be required to adapt its wider transport network to support the success of the AWHC. The investments required may not be prioritised within available funding against other investments and priorities, including significant existing commitments, many of which are currently being considered in the Tāmaki Makaurau Joint Transport Plan Process. *AT seeks assurance that the total investments across the Auckland transport system required to achieve the benefits of the WHC are identified and articulated in future business cases.*
20. Finally, as network integrator for the customer, AT needs to ensure that all the MRTNPs are integrated across the transport system, and not considered in isolation. *AT seeks assurance that WHC project team will collaborate with other MRTNPs to ensure optimal overall transport system outcomes, minimised adverse impacts on Aucklanders during construction and ensure best whole of live value is achieved.*

Ngā tūraru matua / Key risks and mitigations

The key risk outlined below form the basis for AT interests in the project and are described above.

Key Risks	Proposed mitigations
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AT is interests in the project are not considered when a decision is made on the preferred option resulting in a sub optimal decision that is challenging to integrate into the transport system, and leaves AT with unaffordable and unallocated delivery and operating costs.

Ensuring our interests are clearly communicated in the early stages of the project.

An active presence on the project Steering Group to ensure risk and opportunities are identified.

Ngā ritenga-ā-pūtea me ngā rauemi / Financial and resource impacts

21. Although expected to be primarily funded by Central Government, the project will have substantial financial implications for AT. This will include dependent investments required to adapt the AT system during construction and more so once the project is complete, to enable maximise utilisation of the new infrastructure. There will also be additional costs to operate and maintain any infrastructure for which AT becomes the owner as well as increased operational costs for provision of any new public transport services on and to the new infrastructure.

Ngā whaiwhakaaro ō te taiao me te panonitanga o te āhuarangi / Environment and climate change considerations

22. This project will have a material impact on Auckland's performance against its carbon emission reduction targets set by Council in the TERP and nationally through the ERP.

Ngā whakaaweawe me ngā whakaaro / Impacts and perspectives

Mana whenua

23. Six mana whenua representatives have been appointed to the Project Steering Group (alongside AT and Council) by Waka Kotahi, enabling greater engagement and partnering. Relatively late involvement of mana whenua places pressure on both mana whenua and the Steering Group to quickly understand key relevant issues.

Ngā mema pōti / Elected members

24. Project briefings by the WHC team for elected members, including local boards, have occurred through April 2023, to raise awareness of the project. Council's Transport and Infrastructure Committee will also receive briefings in parallel.

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Ngā rōpū kei raro i te Kaunihera / Council Controlled Organisations

25. Both the WHC and ALR project teams have engaged with Eke Panuku regarding how the projects may relate to Wynyard Quarter planning, where Eke Panuku has ongoing programmes of work.

Ngā kiritaki / Customers

26. Community and stakeholder engagement to date shows broad public support for a multi-modal system solution and a desire to 'just get on with it'. The most recent consultation on scenarios is still being analysed but is expected to provide insights into community or stakeholder preferences and views, which are an important input for the project team in determining the preferred way forward.

Ngā whaiwhakaaro haumaruru me ngā whaiwhakaaro hauora / Health, safety and wellbeing considerations

27. There are no current health and safety considerations with this matter.

Ā muri ake nei / Next steps

28. The emerging preferred option is expected to be selected by the WHC project team in mid-June 2023, with a decision expected from the Minister in July 2023.

29. Prior to that, the project options will be presented to the board at a workshop on 26 May 2023.

30. The full Indicative Business Case (IBC), once completed, will be presented to the board later in 2023 before also being presented to Council and the Waka Kotahi board, with the final project decision resting with the Minister of Transport and Cabinet. If the project proceeds, the next step will be the commencement of more detailed planning.

Ngā whakapiringa / Attachments

Attachment number	Description
1	Project Alliance Board governance structure

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Te pou whenua tuhinga / Document ownership

Submitted by	Chris Watson General Manager Investment Development	
Recommended by	Jenny Chetwynd Executive General Manager Planning and Investment Mark Lambert Executive General Manager Integrated Networks	 
Approved for submission	Mark Laing Acting Chief Executive	

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Attachment 1: WHC Project Alliance Governance Structure

