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To: [Tommy Parker](#); [Leigh Auton](#)
Cc: [Lucy Riddiford](#); [Kerry Lambeth](#); [Erana Sitterle \[TSY\]](#); [Beth Houston](#); [Rob Carr](#); [David Lorier](#); [Leilani Frew \[TSY\]](#)
Subject: Follow on from Sponsor's meeting
Date: Tuesday, 21 September 2021 3:48:21 PM
Attachments: [image001.jpg](#)

Kia ora Leigh, Tommy and team,

The Minister of Finance apologises for not being able to attend the Sponsors meeting yesterday, and passes on his thanks to the team for the work completed to date. We have discussed the papers with him and we thought it would be useful to share with you what he is expecting to see in the final indicative business case, and for the next Sponsors meeting on 4 October.

On route/mode options, the Minister notes that affordability is a significant issue and is expecting to see the following in the business case to facilitate discussion amongst Sponsors:

- A clear recommendation for a preferred mode and route option to take forward to the detailed business case stage
- Trade-offs and differentiators between options (as set out in the Sponsors paper) clearly articulated and quantified where possible (e.g. what is the quantified difference in the scale of urban growth between options),
- Quantified/costed mitigants for trade-offs (e.g. mitigants to disruption for the light rail option; interchange options for Wynyard quarter if not tunnelled)

On delivery entity options, the Minister is expecting to see:

- In addition to the options being considered by the Board (Unit within Waka Kotahi, Waka Kotahi subsidiary or a new Schedule 4a company), CRLL should also be analysed against these options (including what is needed to repurpose CRLL to deliver this project). A short section on the options that have been analysed and discounted would also be helpful.
- Irrespective of delivery entity options, clearly outlined governance arrangements (including clear roles for Sponsors, delivery partners and stakeholders) and where decisions rights will sit. Specifically in terms of point 34 in your paper, Sponsors would need to clearly understand the roles and accountability of any board members not already including in the group.

On the next phases of the project:

- As noted on the call yesterday, the Minister's preference is that the EU make clear recommendations on route, and mode (and hence cost) and form to support Cabinet's decisions in November (point 46 of your paper).
- In terms of timeframes, it would be preferable that the project can show clear progress within 12 months, not 15 months (point 41 of your paper).

Given we are a few weeks out from finalising the Cabinet paper and the Minister is concerned that there remains a number of significant outstanding questions to be resolved, he has asked Treasury to brief the office on a weekly basis on how the above issues are being dealt with. He is expecting these updates to include how the team is progressing to finalise the indicative business case and other required information to facilitate the decisions that Ministers are expecting to make in November (specifically on route, mode and delivery entity options). Can you please provide the Treasury with the necessary information to support them to do this in a timely fashion.

Lastly, the office would please like viability of the announcement strategy for the decision in November, to ascertain the timeline of milestones leading back to now. Closer to the time of announcement, an idea of the collateral, including renders, photos, maps would be helpful.

Please get in touch if you need further clarification on these expectations.

Kind regards
Danni



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M: s 9(2)(a)

E: s 9(2)(a)

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