

# Delivery Entity Governance and Partner Roles

DRAFT

15 September 2021

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# Agenda

- A.** Introduction
- B.** Recap on scope
- C.** CC2M roles and responsibilities
- D.** Governance framework
- E.** Partners roles and responsibilities

This paper was prepared to inform the discussion on the 9 August hui on governance and partnering principles for the IBC.

Minor changes to this paper have been made to reflect discussion and input from the 9 August hui and following further development by the Establishment Unit on mana whenua partnership.

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# A. Introduction

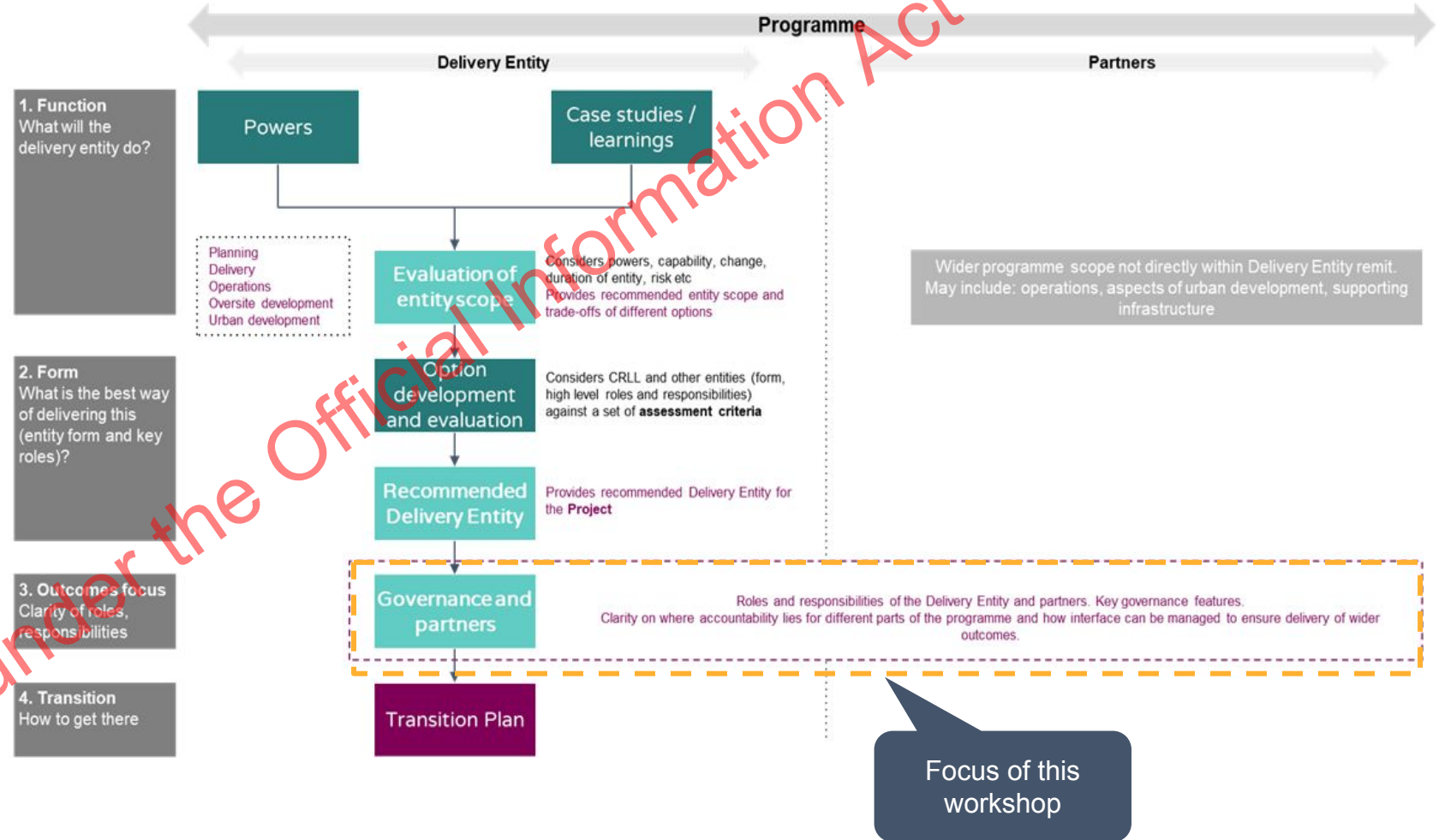
This workshop builds on the governance and partnership principles reviewed during Workshop 4 (21 July).

The focus of today is to share current thinking with you and receive your feedback on:

- Sponsor roles & responsibilities
- Partner roles & responsibilities
- Governance features (forums and agreements)

**The contents provided are draft and subject to change.** Particularly in light of:

- Feedback from the Sponsor and Board meetings.
- Development of the 'Urban Story' by the UD workstream.
- Continued engagement with Partner agencies.
- Transition arrangements further developed.



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# A. Delivering CC2M outcomes

Sponsors, the DE and Partners all have a role to play in delivering CC2M outcomes

The governance framework needs to reflect the importance, scale and complexity of the project, and mitigate risks to delivering the outcomes



**Sponsors**

**Delivery Entity**

**Partners**

**Selected risks to be mitigated**

- Lack of integration with the wider network
- Lack of consideration of operations and ultimate ownership through design and construction
- Urban outcomes not met / Auckland grows haphazardly
- Mode shift not achieved / emissions reductions not achieved
- Lack of community buy-in (including disruption during construction)
- Missed opportunity to build and develop skills in New Zealand and provide for local, including mana whenua, business participation
- Time and cost overruns in delivery
- Entities / agencies operating in silos
- Ultimately an expensive stranded asset

**How the governance framework will address this**

- Clarity of roles, responsibilities and accountabilities (Sponsors, DE, Partners)
- Governance / oversight framework
- Capability within entities governance forums
- Monitoring and assurance
- Incentives to drive the right behaviours to achieve outcomes

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# C. Sponsor Roles & Responsibilities

## What is a Sponsor?

Sponsors are the ultimate decision makers on the outcomes being sought, the nature and scope of the project. They are the parties that ultimately own the risk (to outcomes and / or financial) if they materialise. Sponsors have oversight and monitoring responsibility for the project. Sponsors can be funders.

## Sponsors role:

- Clearly define CC2M vision
- Provide clarity on requirements and role DE and Partners have to play and hold DE accountable. Outcomes broader than delivery focused and measurable benefits.
- Create and encourage a culture of trust and openness
- Monitor and oversee DE performance and obligations - DE retains operational decision making rights
- Ensure appropriate protections in place to safeguard investment
- Provide strategic direction and funding to respective agencies to partner with and support the DE in achieving the objectives (e.g. to Waka Kotahi, Kāinga Ora, AT, Panuku).
- Monitor performance and hold their respective agencies (Partners) to account. Proactively communicate with other Sponsors and the DE of any impending issues with Partners delivering on their areas of responsibility
- Utilise influence with central and local government to advise or assist DE and Partners in achieving CC2M objectives

**Who are Sponsors and why?** The following Sponsors are proposed:

- Local government vision and oversight
- Understanding and vested interest in impact on Auckland
- Protection of ratepayers and focus on customer experience and emissions reductions
- Has oversight and sets strategic requirements for Auckland Transport and Panuku

**Auckland Council\*, Crown\*: MoT, MoF and MHUD, Mana Whenua**

- Mana whenua vision and oversight
- Understanding and vested interest in impact on mana whenua in Auckland

- Central government vision and oversight.
  - MoF: oversight and monitoring of investment outcomes. Sets guidance regarding the NLTF
  - MHUD: oversight and monitoring of urban outcomes. Sets strategic direction for Kāinga Ora.

- **Local and national representation and oversight:** CC2M is a project of both local and national significance. It will shape Auckland and drive increased economic activity and carbon reductions that will benefit New Zealand as a whole.
- **Transport and urban focus:** CC2M is a transport project that is expected to shape Auckland's urban form - oversight and direction covering both areas is needed to deliver on the wider outcomes.
- **Complex, large and expensive:** likely to require significant Crown funding. Comfort and ability to monitor the investment.
- **Requires a whole-of-government approach:** unified vision and direction needed to ensure the CC2M outcomes can be delivered.

*\*Sponsors will be political figures but will delegate their operational oversight and monitoring responsibilities to their Ministry/Agency senior staff, who will have mandate to act on behalf of Sponsors.*

# C. A partnership approach

## Why is a partnership approach being proposed?

- Leveraging rather than replicating capability and capacity that already exists in a number of entities / agencies.
- Dedicated focus - complexity of one entity delivering on all the outcomes (incl management / governance / funding). Particular relevance given scale and complexity of CC2M and the potential requirements needed to deliver on urban outcomes (both individually complex and large).
- Differing timeline of outcomes realisation: urban outcomes are likely to take significantly longer to realise than compilation of transport infrastructure delivery.

## Challenges to this approach

- Roles are unclear and things 'fall through the gaps' or duplication occurs. Lack of clarity as to who holds who to account for what.
- Entities have different objectives / political influence and priorities.
- Entities may not have the funding needed to deliver on their part of the outcomes.
- Entities may not have the capability or capacity to deliver on their part of the outcomes.
- Partnership becomes irrelevant / too fixed over time (given different outcomes realisation timeframes).
- How do we ensure that partners are incentivised and funded to continue to prioritise this project in line with the overall visions? What the consequences if they don't?

## Key principles

- Sponsor role critical (refer p5):
  - Collectively provide the vision and requirements for CC2M.
  - Via their Ministry/Agency, collectively monitor Delivery Entity performance against these and hold it to account.
  - Individually each Ministry / parent to provide direction and funding to their subsidiaries / agencies and hold them accountable to deliver on CC2M outcomes.
- Meaningful enduring partnerships, formalised in partnering agreements. Operational interface requirements and expectations to be outlined in partner agreements.
- Clarity of roles and responsibilities and behaviours from the start.
- Each partner provided with operational autonomy to deliver on its responsibilities.
- Incentives developed to work together to achieve outcomes.
- Whole of government approach adopted.
- Funding flows directly to Partners rather than via the DE.

- Clear Sponsor requirements
- Measurable benefits
- Monitoring and assurance framework
- Staged review process

- Letters of expectation / GPS used to provide direction and expectations
- Ensure funding is available and ringfenced / allocated to specific purpose
- Entity / Partner reports on progress and Sponsors monitor performance against this
- *Does not include day-to-day operational accountability*

- Partners directly responsible for delivering their defined outcomes
- Outcomes clearly defined in partnering agreements: what is needed by when
- Agreement will include escalation measures if Partner requirements not being met and place CC2M outcomes at risk
- Provides flexibility to adapt over time as required

# C. A partnership approach

## Alternative approaches considered

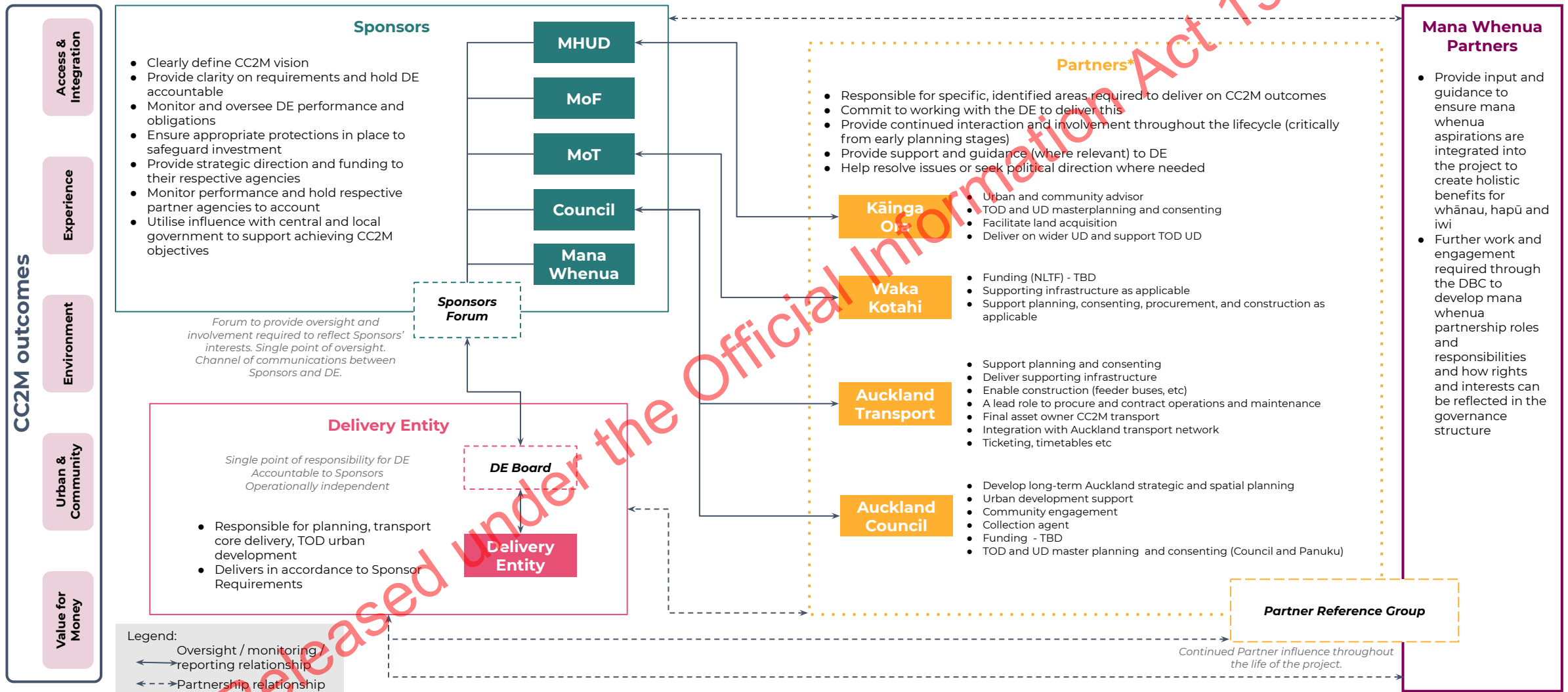
|  |   |
|--|---|
| <p><b>Partners held accountable by DE</b></p> <p>No direct Sponsor role in directing / holding Partners to account.</p> <p>All requirements (to deliver on the outcomes) are stipulated in the partnering agreements between DE and Partners and DE holds partners to account.</p> | <ul style="list-style-type: none"><li>○ Risk that does not align to parent / Ministry strategic direction given to Partner and therefore not prioritised or delivered on time, or at all</li><li>○ Sponsors role directly with DE only (reduced level of involvement and oversight)</li><li>○ DE may not have the authority, or perceived authority, to hold the partners to account, and currently has no remit to do this under current settings. They would not be able to unblock or address issues relating to funding or investment prioritisation at partner agencies</li><li>○ DE could expend significant time / resource in monitoring Partners which could detract from its core responsibilities</li><li>○ Partnership agreements would need detailed specific requirements and clarity on consequences of non-delivery All requirements would need to be contractual</li></ul> |
| <p><b>Partners held accountable by Sponsors</b></p> <p>No direct DE role in directing / holding Partners to account.</p> <p>Sponsors hold Partners to account in all areas, including day-to-day requirements and interfaces of the planning and construction project phases.</p>  | <ul style="list-style-type: none"><li>○ “Parent” Sponsors have the authority and remit to hold Partners to account</li><li>○ Sponsors able to direct Partner to prioritise CC2M alongside other Partner priorities</li><li>○ Significant oversight and monitoring role of the Sponsors (increased level of “day-to-day” involvement and oversight) and may not have capacity to do this</li><li>○ DE have to communicate through Sponsors for day-to-day requirements of Partners making it relatively impractical</li></ul>  |
| <p><b>Funding provided to DE and passed through to Partners</b></p>  | <ul style="list-style-type: none"><li>○ Provides clear sight of total cost to deliver the project</li><li>○ However, complex where cost overruns occur or changes are required to strategy</li><li>○ Risk loss of control by ultimate investors</li><li>○ May confuse wider accountability and reporting arrangement between Partners and Ministers</li><li>○ Likely to require formal contracts between DE and Partners for provision of services, developments, and infrastructure</li></ul>  |

**On balance the hybrid approach was preferred with Sponsors responsible for providing direction and funding to partners and DE responsible for ensuring day-to-day and specific timing requirements adhered to**

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# C. Summary roles and responsibilities



\*Additional partnerships will be required with other companies, including networks and utilities (e.g. Watercare, Vector, Chorus, Auckland Unlimited etc). These are not subject to this paper but will be critically important to minimise disruption, ensure efficiencies and consistency across Auckland.





# D. Overview of Governance forums - key principles

Terms of reference (detailed roles and responsibilities, membership, delegations, meeting frequency etc) will be developed during the DBC stage. Key principles expected to be embedded are summarised below.

A Sponsor Forum will provide a single point of oversight and be the channel of communication between the Sponsors and the DE and Partners.

- Primary forum to deliver and respond to communications with the DE and monitoring performance of the DE against Sponsor Requirements.
- Representatives will be responsible for making decisions and providing guidance to the DE. They will need authority from Crown/Council to do so.
- Representatives should be well connected in their home organisation and/or the community in order to help resolve issues in a timely manner.
- Representatives of the Sponsor Forum should bring practical experience of delivering large-scale infrastructure projects, and be in a position to challenge the DE and/or Partners where appropriate.
- Will be established during the transition stage and will meet on a predetermined cadence for the duration of CC2M.
- Likely to be more heavily involved in the early days as arrangements are established and Sponsor Requirements being developed.
- Likely to be supported by independent assurance.
- The Forum representatives will be delegated by Sponsors, and will be senior representatives from corresponding Ministry / Council.

A Partner Reference Group will be forum for Partners and DE to come together and provide timely advice and guidance.

- It provides an opportunity for Partners to influence in shaping DE actions and decisions, being kept updated of progress and identifying and rectifying issues early on.
- Representatives will be senior executives at their respective organisations (similar to the current EU board), who:
    - have a birds-eye-view into their organisations operations and priorities
    - the authority and autonomy to reflect these views and ensure that progress and decisions can be made in a timely and efficient manner
    - are empowered to make decisions on their organisations' behalf.
    - well connected in their home organisation and/or the community in order to help resolve issues in a timely manner.
  - Representatives should bring practical experience of delivering infrastructure projects with similar outcomes to CC2M.
  - It will be established during the transition stage and retained throughout all stages to ensure whole-of-life considerations.
  - Representatives may change through the project lifecycle.

An operationally independent board will be single point of responsibility for the Delivery Entity.

- Board will be empowered to make operational decisions.
- Members will need to have the appropriate range and depth of expertise to cover all areas of CC2M operations, including expertise in:
  - Large scale infrastructure delivery, ideally rapid transit
  - Property development / urban regeneration
  - Project risk management and assurance
  - Local government (with strong Auckland Council / community connections)
  - Central government (with strong Crown connections)
  - Treaty of Waitangi (with strong relationships with Mana Whenua partners)
  - Managing projects of strategic and/or national significance
  - Financial and commercial experience (with a focus on risk management)
  - Overseeing comparable entities with similar funding and financing arrangements
- *It is intended that an independently operational board would be in place from the transition stage and that there would be continuity of board key members and capabilities from this stage.*

# D. Governing documents - key principles

Governing documents may take on different contractual forms, each to be further developed during the DBC.

| Governing Document                         | Description  |
|--|--|
| <b>Agreement between Sponsors</b>          | <p>Primary arrangement between Crown and Council Sponsors</p> <ul style="list-style-type: none"> <li>• Sponsors objectives and vision</li> <li>• Relationship between Sponsors</li> <li>• Governance arrangements including Sponsor Forum terms of reference</li> <li>• Funding arrangements (may be a requirement for a separate funding agreement)</li> <li>• Assurance requirements</li> <li>• Benefits realisation</li> </ul>  |
| <b>Agreement between Sponsors &amp; DE</b> | <p>Primary agreement and mechanism for managing the relationship between the Sponsors and DE, including:</p> <ul style="list-style-type: none"> <li>• Sponsor objectives and vision</li> <li>• Roles and requirements including detailed Sponsor requirements</li> <li>• Funding arrangements</li> <li>• Governance arrangements</li> <li>• Assurance requirements</li> <li>• Information and reporting requirements</li> <li>• Early warning rights and remediation</li> <li>• Change mechanisms</li> <li>• Review points</li> <li>• Delegations and significant transactions policies</li> </ul> |
| <b>Partner arrangements</b>                | <p>Arrangements will cover how Partners and the DE will work together, including:</p> <ul style="list-style-type: none"> <li>• Roles and requirements, with detailed scope delineation</li> <li>• Governance arrangements including Partner Reference Group terms of reference</li> <li>• Governance arrangements</li> <li>• Information and reporting requirements</li> <li>• Social license</li> </ul>   |

Note: There may be a requirement for a separate funding agreement, that would include additional detail, for example the process to provide funds and requirements on approval and release of contingency.

Further work to be undertaken at the DBC stage in relation to Sponsor, DE and partner responsibilities in terms of decision making, implementing or influencing.

# Areas to further develop at the DBC stage

The following areas will need to be considered in more detail at the DBC stage and developed to ensure robust governance framework around the DE. Some key principles are included below.

## Assurance and monitoring key principles

The detailed CC2M assurance framework will be developed in the next stage and refined as further clarity is gained on the exact role of the DE along the corridor and how it will work with partners to deliver the outcomes.

- Best practice suggests different levels of assurance are appropriate for projects of this scale:
  - Sponsors independent assurance for top level assurance of CC2M.
  - Board management and compliance assurance to oversee DE operations, functions, policy, processes, and controls.
  - Day-to-day operational assurance by DE management, including peer and manager reviews, reports, and/or system controls.
- Adherence to a defined risk management process will be monitored.
- Project stage reviews will provide assurance on CC2M progress at key milestones.
- Sponsor and DE Board assurance areas will align with the level of oversight and monitoring responsibility of each governing body.
- Assurance framework will need to be established at start to ensure accessibility and transparency are built into the governing documents. It should be one of the priority areas of focus at the next stage.
- CC2M project assurance will not replace external assurance requirement that the project may be subject to, including the Treasury gateway process.
- Assurance will also need to be built into the next stage of planning.

## Information and reporting key principles

Information and reporting processes and systems will be defined during the DBC stage, in alignment with the assurance and monitoring framework.

- Reporting needs to be established at the start with emphasis on:
  - Leading measures to ensure proactive intervention by Board and/or Sponsors as required
  - Data driven to allow for informed decision making by Board, Partners, and/or Sponsors.
  - Real time accuracy and automation
  - Appropriate levels of information for different governing entities, based on oversight responsibilities.
- Information access and transparency expectations will be included in Governing documents and contracts.

## Contingency management key principles

Detailed processes around contingency management will be defined during the DBC.

- Defined delegation of authority for contingency release (in addition to Crown funding requirements). This would include what level of contingency the DE can manage vs requires Sponsor involvement.
- Risk based contingency determination process.
  - Size of contingency.
  - Contingency owners and associated values.
- Requirements for contingency drawdown.
- Contingency reporting requirements.

# E. Partner roles and responsibilities

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# Partner roles and responsibilities - assumptions

- An interim entity is likely needed to move the project forward before the ultimate DE is established
- The roles and responsibilities set out in this paper involve roles across all stages at both the interim and final DE stages
- Auckland Transport will have a lead role in procuring, contracting and integrating operational and maintenance services for public transport in Auckland
- Auckland Transport likely to be the final rail infrastructure asset owner
- Pending further definition around the TOD UD scope at each node during the DBC stage, roles and responsibilities as it relates to TOD UD will need to remain flexible
- Kāinga Ora will be the lead developer for current Kāinga Ora land holdings

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# Mana Whenua

| Why is Partnership important?   | Role   | Other Considerations |
|---|--|----------------------|
| <ul style="list-style-type: none"> <li>CC2M represents a significant opportunity to make a step change in how Crown and Iwi work in partnership on major projects by embedding practices that move from engaging Iwi to empowering Iwi (<i>per Nov advice to Cabinet</i>).</li> </ul> | <ul style="list-style-type: none"> <li>Provide input and guidance to ensure mana whenua aspirations are integrated into the project to create holistic benefits for whānau, hapū and iwi</li> <li>Provide oversight during design and delivery to ensure consistency with Māori expression and uniqueness of Tāmaki Makaurau</li> <li>Ensure Kaitiakitanga principles are incorporated to preserve environmental taonga and sites of significance, avoiding any harmful impact</li> <li>Incorporate cultural anchors to create a unique point of difference and a clear sense of place and community along the route and surrounding urban environments</li> <li><b>Governance as Partner</b> - actively partake in Partner Reference Group and ensure mana whenua perspectives are known and shared.</li> <li><b>Governance as Sponsor</b> - Core Sponsor role (refer p5)</li> </ul> <p><i>Delivery entity responsibilities:</i></p> <ul style="list-style-type: none"> <li>Enable mana whenua to participate in the process and proactively engage with CC2M</li> <li>Support the engagement principles developed by Te Arawhiti to guide Crown and Māori engagement</li> </ul> <div style="background-color: #f0e6e6; padding: 10px; text-align: center;"> <p>Further work and engagement required through the DBC to develop mana whenua partnership roles and responsibilities and how rights and interests can be reflected in the governance structure</p> </div> |                      |

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| Why is Partnership important?   | Role  | Other Considerations  |
|---|---|---|
| <ul style="list-style-type: none"> <li>Waka Kotahi is the government's national transport agency and has a statutory whole of system role to oversee the planning, operation, implementation, and delivery of public transport in New Zealand. Functions include:               <ul style="list-style-type: none"> <li>Issuing guidelines for regional public transport plans.</li> <li>Managing funding of the land transport system, including determining and approving national land transport funding of public transport infrastructure and services.</li> <li>Managing and overseeing regulatory requirements for public transport services, operators, vehicles and drivers.</li> <li>Delivering or managing ticketing systems and payments in relation to the land transport system.</li> <li>Managing the State highway system (and some strategic walking and cycling connections) as a road controlling authority.</li> </ul> </li> <li>Waka Kotahi has significant experience delivering large, multi-stakeholder capital transport projects in New Zealand.</li> <li>Waka Kotahi has extensive relationship with agencies and the community, including in relation to stakeholder consultation and engagement that can be leveraged.</li> <li>Typically Waka Kotahi has a role in funding operating costs of public transport and capital costs of projects in / along national road corridors. Involvement of Waka Kotahi as a partner throughout the life cycle will provide a focus on whole of life costs.</li> <li>The CC2M project is currently housed within Waka Kotahi.</li> <li>Significant experience in consenting / land designation, and holds requiring authority status.</li> </ul> | <ul style="list-style-type: none"> <li><b>Planning</b> - Active participant in CC2M planning - staff seconded to the planning stages</li> <li>Support with land acquisition, consenting, and other initial planning activities, as required, during the transitional stage</li> <li>Provide procurement expertise and advice</li> <li><b>Funding</b> - Role of NLTF through pre-delivery, delivery and operations stages TBD</li> <li>Currently funding investigation and IBC</li> <li><b>Governance</b> - Active participant in the Partner Reference Group to support delivery of CC2M outcomes</li> <li>Advise DE and partners on delivering large, multi-stakeholder capital transport project in New Zealand.</li> </ul> <p><i>Delivery Entity responsibilities:</i></p> <ul style="list-style-type: none"> <li><b>Planning and delivery</b>- Responsible for planning (may be started by precursor entity) and delivery of CC2M corridor</li> </ul> | <ul style="list-style-type: none"> <li>Waka Kotahi's role in the initial transition period may vary depending on ultimate DE form.</li> <li>In the absence of additional funding into the NLTF, expenditure on CC2M(capex or opex) will require rationalisation and prioritisation against other funding class areas (refer detailed funding advice for further detail).</li> </ul> |

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# Partner:



| Why is Partnership important?   | Role   | Other Considerations   |
|---|--|--|
| <ul style="list-style-type: none"> <li>• CC2M is intended to be a key spine of the rapid transit network in New Zealand's largest city</li> <li>• Working with Council will ensure CC2M is an enduring piece of city shaping infrastructure for Auckland</li> <li>• Council is responsible for long-term strategic planning and budgeting for Auckland</li> <li>• Council has extensive relationship with agencies and the community, including in relation to stakeholder consultation and engagement that can be leveraged.</li> <li>• Panuku will be an important partner to deliver on urban development outcomes</li> <li>• Early Council involvement will ensure aligned views and timely delivery</li> </ul> | <ul style="list-style-type: none"> <li>• <b>Planning</b> - Responsible for long-term strategic and spatial planning including rapid transit corridors. Ensure link of CC2M planning to long-term plans and spatial strategies by working with the Delivery Entity</li> <li>• <b>Build / Delivery</b> - Provide access to land including for utilities relocation with AT</li> <li>• Delivering supporting urban realm to support placemaking [TBD]</li> <li>• <b>Funding</b> - [TBD] Council may provide direct funding to DE to undertake CC2M activities</li> <li>• Act as collection agent (if needed) if a targeted rate and / or IFF levy is applied</li> <li>• <b>Engagement</b> - Provide advice on community and mana whenua engagement throughout all stages of the project lifecycle</li> <li>• <b>Urban Development</b> - Responsible for considering land use zoning and implementing changes needed to enable desired urban outcomes to be met, outside of SDPs</li> <li>• <b>Governance as Partner</b> - actively partake in Partner Reference Group and ensure Council perspectives are known and shared.</li> <li>• <b>Governance as Sponsor</b> - In addition to core Sponsor roles (refer p5), Council will provide strategic direction and funding to Auckland Transport and Panuku as required to enable delivery of supporting infrastructure and or development assistance. It will monitor performance against these expectations.</li> </ul> <p>Panuku responsibilities:</p> <ul style="list-style-type: none"> <li>• <b>Planning</b> - Active participant in CC2M planning and consenting - staff seconded to the planning stages. Key focus on ensuring that planning and design stages allow for optimised urban development outcomes (e.g. station locations)</li> <li>• <b>Urban development</b>- Work with the Delivery Entity to provide support in masterplanning and development (as required) which may include TOD delivery depending on complexity and requirements at each node.</li> </ul> <p>Delivery Entity responsibilities:</p> <ul style="list-style-type: none"> <li>• <b>Planning</b> - Responsible for planning (may be started by precursor entity) and delivery of CC2M rail and stations in a way that is consistent with long-term spatial plans</li> <li>• Ensure continued engagement throughout the design phase to enable Council to understand actions that may be required to catalyse urban development in specific areas</li> <li>• Enable Council work in long-term strategic and spatial planning</li> <li>• <b>Urban development</b> - Provide Council with real time visibility into CC2M to support proactive efforts to enable urban development, utilities relocation, and other supporting functions</li> </ul> <p><i>Nb: assumption anything to do with operations stages is covered in Auckland Transport roles and responsibilities</i></p> | <ul style="list-style-type: none"> <li>• Council's role is likely to be focused on urban development and environmental outcomes, rather than transport outcomes (AT will focus on this)</li> <li>• Further responsibility delinations and detailed work will need to be agreed during the DBC</li> <li>• Any potential implications to Council balance sheet should be considered</li> </ul> |

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| Why is Partnership important?  | Role  | Other Considerations   |
|--|---|--|
| <ul style="list-style-type: none"> <li>Auckland Transport is the statutory decision-maker responsible for planning and consulting on public transport services in Auckland region.</li> <li>It is the face of public transport in Auckland.</li> <li>Effective partnership is required to ensure:               <ul style="list-style-type: none"> <li>Seamless integration with the wider network (and any future stages)</li> <li>Operational considerations at all stages of the project lifecycle to focus on customer experience and encourage mode-shift and carbon emissions reductions.</li> </ul> </li> <li>Auckland Transport has extensive relationship with agencies and the community, including in relation to stakeholder consultation and engagement that can be leveraged.</li> <li>In the absence of the above there is risk of a stranded piece of underutilised infrastructure which may adversely impact mode-shift and associated environmental benefits.</li> </ul> | <p><b>Note: It is assumed that Auckland Transport will have a lead role in procuring, contracting and integrating operational and maintenance services for public transport in Auckland.</b></p> <ul style="list-style-type: none"> <li><b>Planning</b> - Active participant in CC2M planning and consenting - staff seconded to the planning stages. Key focus on ensuring that planning stages take a whole of life approach to ensure operational readiness</li> <li>Provide input and guidance on network planning and integration with wider network, as required</li> <li>Support with land acquisition, consenting, and other initial planning activities, as required, during the transitional stage</li> <li>Advise on station design to ensure integrated customer experience in respect to ticketing, branding, signage etc</li> <li>Provide input and guidance on rolling stock / vehicle procurement expertise</li> <li><b>Build / Delivery</b> - Provide access to land / roads including for utilities relocation</li> <li>Liaise with DE and/or other Partners on TOD and UD delivery for areas that AT has interfacing networks.</li> <li>Providing supporting feeder buses, etc during and post any construction or disruption in the community</li> <li>Deliver supporting infrastructure required to enable realising benefits of CC2M</li> <li><b>Operations</b> - Responsible for fare strategy, timetables, systems, collection, enforcement, etc. (including ticketing systems)</li> <li>Ensuring positive and consistent customer experience across all interfaces and platforms</li> <li><b>Governance</b> - Active participant in the Partner Reference Group to support delivery of CC2M outcomes</li> </ul> <p><i>Delivery Entity responsibilities:</i></p> <ul style="list-style-type: none"> <li><b>Planning and delivery</b> - Responsible for planning (may be started by precursor entity) and delivery of CC2M corridor</li> <li><b>Operations</b> - Provide ATI with real time visibility into CC2M to support proactive efforts to enable, supporting infrastructure, feeder buses, and other supporting functions</li> <li>[Support operational readiness activities and asset handover]</li> </ul> | <ul style="list-style-type: none"> <li>It is assumed Auckland Transport will be the final asset owner. There implications to Auckland Councils balance sheet that will need to be addressed.</li> <li>Further responsibility delineations and detailed work will need to be agreed during the DBC</li> </ul> |

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| Why is Partnership important?   | Role  | Other Considerations   |
|---|---|--|
| <ul style="list-style-type: none"> <li>• Kāinga Ora has extensive land holdings along the CC2M corridor.</li> <li>• It is the Crown's lead urban developer and has deep expertise in this area. Its capability, influence and power will assist in the Delivery Entity and Sponsors achieving value for money and accelerate urban outcomes.</li> <li>• Partnership with Kāinga Ora will result in enhanced access to areas of Kāinga Ora land holdings, connecting communities along the route to areas of work, education and social activities, having a positive and lasting impact. The CC2M route will unlock value in these land holdings and enable greater densification.</li> </ul> | <ul style="list-style-type: none"> <li>• <b>Planning</b> - Active participant in CC2M planning and consenting - staff seconded to the planning stages. Key focus on ensuring that planning and design stages allow for optimised urban development outcomes (e.g. station locations)</li> <li>• Jointly develop land acquisition strategy</li> <li>• Provide development planning and consenting expertise</li> <li>• Potential to utilise the UDA to acquire land adjacent to stations and transport corridor to drive desired densification</li> <li>• Facilitate land acquisition for ALR as required, particularly where this could enable consolidated land ownership around station nodes</li> <li>• Potential to contribute land or funding towards land acquisition. Potentially in return for station location activating landholdings.</li> <li>• <b>Urban development Kāinga Ora precinct (Mt Roskill and Māngere)</b> - Responsible for creating masterplans for precincts</li> <li>• Lead consenting for wider precinct and provide consenting support to DE led consenting for transport and TOD</li> <li>• Lead market engagement with private sector developers where appropriate</li> <li>• <b>Urban development other nodes (e.g. Dominion Junction)</b>- Work with the Delivery Entity and Panuku to provide support in masterplanning (as required)</li> <li>• Potential to undertake early stages of enabling development to catalyse market interest and competition</li> <li>• Support TOD procurement and construction which may include TOD delivery depending on complexity and requirements at each node.</li> <li>• <b>Governance</b> - Active participant in the Partner Reference Group to support delivery of CC2M outcomes</li> </ul> <p><i>Delivery Entity responsibilities:</i></p> <ul style="list-style-type: none"> <li>• <b>Planning / Urban Development</b> - Support masterplanning efforts and TOD UD delivery per scope assumptions</li> <li>• Obtain consent for stations and public realm around station nodes (on a case-by-case basis)</li> <li>• Responsible for planning (may be started by precursor entity) and delivery of CC2M corridor</li> <li>• Provide Kāinga Ora with real time visibility into CC2M to support proactive efforts to enable masterplanning, planning and consenting, and other supporting functions</li> </ul> | <ul style="list-style-type: none"> <li>• Wider UD around nodes will be subject to separate business cases and funding.</li> <li>• Further detailed work needed to fully understand impact of proposed partnership at each station node in terms of opportunity, land ownership, Kāinga Ora capacity (resource and financial) and the role of the UDA on this.</li> <li>• Consideration to be given to Kāinga Ora funding to deliver its role in both supporting the DE and any wider Urban Development aspirations.</li> <li>• Given the long-term nature of urban benefits realisation, flexibility will need to be built in to partnering arrangements and monitoring / oversight of Kāinga Ora's role in delivering the outcomes. May require a bespoke urban oversight forum.</li> </ul> |

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# Partner: KiwiRail

| Why is Partnership important?   | Role   | Other Considerations |
|---|--|----------------------|
| <ul style="list-style-type: none"> <li>Working with KiwiRail enables integration and interconnection with the existing heavy rail network, providing an improved end-to-end customer journey through access to a broader Auckland rail network</li> </ul> | <ul style="list-style-type: none"> <li><b>Planning</b> - Provide input and guidance on network planning and integration with wider heavy rail network, as required</li> <li>Share expertise in developing rail infrastructure</li> <li><b>Governance</b> - Potential to be an active participant in the Partner Reference Group to support delivery of CC2M outcomes</li> </ul> <p><i>Delivery Entity responsibilities:</i></p> <ul style="list-style-type: none"> <li><b>Planning</b> - Responsible for planning (may be started by precursor entity) and delivery of CC2M corridor</li> <li><b>Governance</b> - Provide real time visibility into CC2M to enable KiwiRail supporting functions</li> </ul> <p><b>Note: No discussion with KiwiRail at this stage.</b></p> |                      |

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# Appendix. Indicative responsibility matrix

| Activity   | Cabinet | Sponsors*                         | Crown                                     | Delivery Entity*                  | Waka Kotahi          | Auckland Council                       | AT                   | Kāinga Ora           |
|--|---------|-----------------------------------|---|-----------------------------------|----------------------|--|----------------------|----------------------|
| Provide feedback from IBC process and direction on next steps  | X       |                                   |   |                                   |                      |  |                      |                      |
| Detailed planning (DBC, design, masterplanning, consenting)  |         |                                   |   | X (may be started by precursor)   | Representation in DE | Representation in DE                   | Representation in DE | Representation in DE |
| Enable required upzoning / land use / minimum density requirements   |         |                                   |   |                                   |                      | X (plan change)                        |                      | X (UDA)              |
| Develop independent assurance and monitoring plan  |         | Approve*                          |   | Develop / Recommend               |                      |  |                      |                      |
| Develop land acquisition strategy  |         |                                   |   | X                                 |                      |  |                      | X                    |
| Approve DBC (scheme, budget, governance/partnership/monitoring)  | X       | Endorse                           |   | Recommend                         |                      |  |                      |                      |
| Set a clear vision and specific requirements for the DE  |         | X                                 |   |                                   |                      |  |                      |                      |
| Monitor performance against requirements   |         | X*                                |   |                                   |                      |  |                      |                      |
| Deliver core transport   |         |                                   |   | X                                 |                      |  |                      |                      |
| Deliver TOD (as defined at node by node basis)   |         |                                   |   | X                                 |                      | X (Council or Panuku)                  |                      | X                    |
| Approve variations / scope / budget changes  |         | X (above certain thresholds TBD)* |   | X (within agreed delegations TBD) |                      |  |                      |                      |
| Fund DE - TBD  |         |                                   | [X] (may come from broader crown sources) |                                   | [X]                  | [X] (may also act as collection agent) |                      | [X] (through land)   |
| Provide direction and funding to agencies / subsidiaries to deliver on their responsibilities. Monitor them and hold them to account |         | X*                                |   |                                   |                      |  |                      |                      |
| Deliver supporting infrastructure / services   |         |                                   |   |                                   | X                    |  | X                    |                      |
| Support in TOD UD (as defined at node by node basis)   |         |                                   |   |                                   |                      | X (Council or Panuku)                  |                      | X                    |
| Lead role in procuring, contracting, integration O&M   |         |                                   |   |                                   |                      |  | X                    |                      |
| Regulatory oversight   |         |                                   |   |                                   | X                    |  |                      |                      |

**Detailed responsibility matrix to be defined during the DBC, to incorporate refined scope delineation and defined decision making responsibilities for the Sponsors collectively, individually, their respective agencies and the DE Board.**

**The current working assumption for this paper is that the focus of the DBC will be around transport elements. Wider UD around nodes may be subject to a separate business case and funding. Masterplanning will still occur jointly at this stage to ensure integrated transport and urban outcomes.**

\*Some Sponsor roles will be completed by the relevant Ministry/Agency on behalf of the Sponsor (denoted with \* in the table below) with other decisions remaining directly with Sponsors. Delegations will need to be worked through in detail in the next stage.