

Regulatory Impact Statement: Transport Governance Reform in Auckland

Coversheet

Purpose of Document	
Decision sought:	Analysis produced to support Cabinet policy decisions on reforming transport governance in Auckland.
Advising agencies:	Ministry of Transport
Proposing Ministers:	Hon Simeon Brown, Minister of Transport and Minister for Auckland
Date finalised:	
Problem Definition	
<p>Transport Governance in Auckland is not contributing sufficiently to the delivery of an efficient and effective transport system. There are two key areas of weakness:</p> <ul style="list-style-type: none">• A lack of democratic accountability for transport decision-making with a non-elected Board making most transport decisions across strategy, policy and delivery;• A lack of joint Government and Auckland Council governance over long-term, integrated planning.	
Executive Summary	
<p>Auckland has a unique transport context compared to the rest of New Zealand. This is a function of the city's population size and ongoing growth, the scale and types of investment required and the dominant role that Auckland plays in the national economy.</p> <p>Current transport governance and delivery arrangements in Auckland are different to the rest of the country. Proposed changes in the preferred option continue to recognise the unique needs of New Zealand's largest city.</p> <p>Fourteen years on from the Auckland Council amalgamation, where current transport roles and responsibilities were established, it is clear that transport in Auckland is not meeting the performance expectations of Government, Auckland Council or Auckland's public.</p> <p>While a range of measures are required to address Auckland's transport challenges, good governance is an essential foundation to improve transport outcomes for Auckland and New Zealand.</p> <p>Particular issues to address are the lack of democratic accountability for transport decision-making, given the primary role exercised by the non-elected Auckland Transport Board, and the absence of joint Government and Auckland Council longer-term transport planning.</p> <p>A number of options have been considered (including non-legislative options), that range from the status quo to more systemic change, while noting that all options were developed within the parameters of the national land transport planning system. We concluded that relatively more substantive change was required as current structures and accountability</p>	

mechanisms are not fit-for-purpose and any potential change to these would be at the margin and so would not have a meaningful impact.

All options consider two elements of the transport system – the strategic planning and policy function and the transport delivery and operations function.

The preferred option consists of:

- reconstituting the Auckland Regional Transport Committee (ARTC) to hold the strategic transport planning function in Auckland, with membership comprising Ministerial appointees and Auckland Council elected members with an independent Chair, jointly appointed by the Minister of Transport and the Mayor of Auckland;
- requiring the ARTC to develop a 30-year integrated transport plan to be approved by Cabinet and Auckland Council and to develop the Regional Land Transport Plan (RLTP), the 10-year investment programme;
- transferring approval of the RLTP and policy functions (including Road Controlling Authority powers) to Auckland Council (from Auckland Transport currently);
- s 9(2)(f)(iv)

The preferred option and one other performed similarly against the criteria used to assess the options. In selecting the preferred option, we also considered the need to minimise disruption to the delivery of the transport programme and operation of transport services.

s 9(2)(f)(iv)

s 9(2)(f)(iv)

The preferred model achieves the overall policy objective of strengthening transport governance in Auckland through:

- increasing democratic accountability for transport decision-making through giving Auckland Council responsibility for transport policy, approval of the RLTP and s 9(2)(f)(iv) Auckland Council also approves the 30-year integrated transport plan along with Cabinet;
- providing for a governance structure and mandate for joint Government and Auckland Council long-term transport planning through the ARTC and the legislative requirement for the 30-year integrated transport plan.

Limitations and Constraints on Analysis

A key constraint on the analysis has been the ability to engage broadly on the options and implementation aspects of the reform. There has not been direct engagement with the Auckland public or with the transport sector, including Auckland Transport.

However, the Minister of Transport and Mayor of Auckland have been regularly engaging on the issues, supported by advice from Ministry of Transport and Auckland Council

officers. The Ministry of Transport has also engaged with senior officials at Auckland Council on the key elements of change. We also note that the issues with transport governance in Auckland have been well traversed with Auckland Council elected members and documented in Auckland Council reports.

The accelerated timeframe, in order to enable the legislation to progress in 2025, means that there has not been a sufficient time to draw on any relevant international examples to help inform our analysis. There is no other region in New Zealand, that compares to Auckland's scale and growth and requirements on the transport network.

An overall constraint is that the options have been developed within the national transport planning system and leave the roles of national institutions such as the New Zealand Transport Agency (NZTA) and KiwiRail, in relation to Auckland as unchanged. This is on the basis that it is not appropriate to look at the national framework and institutions through an Auckland-only lens.

Responsible Manager(s) (completed by relevant manager)

Karen Lyons
Director – Auckland
Ministry of Transport



19 November 2024

Quality Assurance (completed by QA panel)

Reviewing Agency:	Ministry of Transport
Panel Assessment & Comment:	The Regulatory Impact Statement has been reviewed by a panel of representatives from the Ministry of Transport. It received a 'partially meets' rating against the quality assurance criteria for the purpose of informing Cabinet decisions. The panel considers that the RIS provides a sufficient basis for informed decisions on the current proposal. However, limited consultation has been undertaken which has limited the evidence available to assess the impacts of the proposed changes.

Section 1: Diagnosing the policy problem

What is the context behind the policy problem and how is the status quo expected to develop?

Auckland has a unique transport context

1. Compared to the rest of New Zealand, the transport system in Auckland operates within unique circumstances. Auckland is New Zealand's dominant population and economic centre and is experiencing significant population growth.
2. The Infrastructure Commission forecasts that 49 per cent of future national population growth will occur in Auckland, adding around 648,000 people by 2048. Under a high-growth scenario, Auckland could grow by nearly one million people, bringing the region's population to nearly 2.7 million.
3. Auckland's transport network is quite different to that of other New Zealand cities, not just in terms of scale but in the types of investments and other policy interventions that are required. For example, some of Auckland's arterial roads carry more traffic than state highways in the rest of the country, the metropolitan rail network is significantly larger than New Zealand's only other metro rail system, and increasingly rapid transit busways are required to move large volumes of passengers in less congested corridors.
4. Significant progress has been made over the past 20 years in improving transport in Auckland. The long-planned motorway network has been completed, the rail system electrified and the bus network expanded. The next few years will continue this momentum as several long planned and major projects are completed and opened, including the City Rail Link, the Eastern Busway, Penlink and a major rail upgrade.
5. Nevertheless, transport remains one of Auckland's greatest challenges, due to past under-investment, a relatively spread-out urban form, and the significant ongoing population growth. Auckland's local roads and motorways are more congested than peer cities, and Auckland ranks low in international comparisons for connectivity¹.
6. This under-performance of Auckland's transport's system undermines the economic premium that the region should be contributing to the national economy through agglomeration benefits.
7. The Government has a strong interest in how transport performs in Auckland both because of its implications for national economic goals and because it is the primary funder. Over the 2024-2027 period \$8.4 billion is planned to be spent on the transport programme in Auckland. This is made up of \$4.7 billion from the National Land Transport Fund, \$1.2 billion of Crown funding and \$2.5 billion of Auckland Council funding. Crown investment into Auckland projects includes City Rail Link (joint with Auckland Council), rail projects, and the Eastern Busway.
8. Reform to transport governance in Auckland needs to take into account Auckland's unique context and the Government's strong interest in transport in Auckland.

¹ *State of the City Report 2024*, Committee for Auckland, 2024

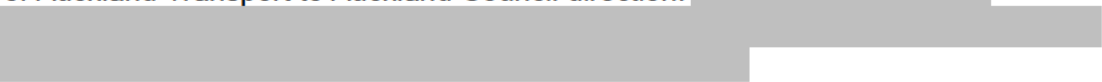
Transport governance and delivery in Auckland is structured differently to the rest of New Zealand

9. In 2010, the Government set up regional transport arrangements for Auckland through the amalgamation reforms, that saw seven local councils and one regional council merge into Auckland Council. Auckland Council is the largest local authority in Australasia.
10. Auckland Council and Auckland Transport were established by the Local Government (Auckland Council) Act 2009 (LGACA):
 - 10.1 Auckland Council is the unitary authority for the Auckland region;
 - 10.2 Auckland Transport is a council-controlled organisation (CCO) of Auckland Council established by statute (i.e. Auckland Council has no choice over this CCO).
11. Appendix A contains a diagram that outlines Auckland's current transport planning and governance framework. Auckland operates within the national transport planning and funding system, despite having a different regional planning and delivery model (i.e. Auckland Transport) to other regions in New Zealand.
12. Auckland Transport was set up to provide an expert singular focus on delivering Auckland's local transport. Auckland Transport plays a significant role in the transport system. It has the powers of a Road Controlling Authority (RCA), and the transport powers usually exercised by regional councils. This means that as well as operational functions, the Auckland Transport Board sets strategy and policy across wide-ranging areas that impact on Aucklanders.
13. Auckland Transport's powers were added to in 2013 when legislative change provided for Auckland Transport to be responsible for approving the Regional Land Transport Plan (RLTP), this is a role undertaken by elected members in the rest of the country.
14. The Auckland Transport Board comprises between six to eight voting directors appointed by Auckland Council. Two of these may be elected members of Auckland Council. In addition, there is one non-voting New Zealand Transport Agency (NZTA) representative.
15. When preparing the RLTP, Auckland Transport constitutes a regional transport committee (RTC). This comprises the Board, a voting NZTA representative and a non-voting KiwiRail representative.
16. Auckland Transport is funded by Auckland Council and Government, as well as third party revenue generated through public transport fares, parking revenue and enforcement.

What is the policy problem or opportunity?

A lack of local democratic accountability

17. The scale of investment into transport in Auckland is significant, representing the largest amount of rates funded expenditure in the Auckland Council budget. Auckland residents look to Auckland councillors to ensure the investment is delivering a high-quality transport system in Auckland. In practice, however, the elected members have little say over most transport decisions, given the role of the Auckland Transport Board, meaning that they are not democratically accountable for transport expenditure.

18. There are two factors contributing to the elected members having a lack of say over transport decisions. Firstly, the broad range of powers conferred on Auckland Transport through legislation, and secondly, the challenges that Auckland Council has experienced in holding Auckland Transport to account through existing accountability mechanisms.
19. Legislation provides Auckland Council with a reasonably broad set of statutory levers to hold Auckland Transport to account, including a statement of intent, letters of expectation, and a requirement for Auckland Transport to give effect to the Auckland Long-term Plan (LTP) and to act consistently with Auckland Council plans and strategies as specified. In practice these levers have proven not to be as effective as intended and can be difficult to enforce, making for an overall lack of responsiveness of Auckland Transport to Auckland Council direction. s 9(2)(ba)(i)

20. As noted above (paragraph 13) changes to the Land Transport Management Act 2003 (LTMA) in 2013 further weakened democratic accountability for transport. Prior to 2013 Auckland Council (as with other regional and unitary councils) was required to prepare a regional land transport strategy, and Auckland Transport prepared the investment programme (RLTP). When the LTMA was amended in 2013, the strategic and investment programme components of transport planning were brought together in the RLTP. Auckland Transport was given responsibility for preparing and approving the RLTP, removing any role for the elected members of Auckland Council in strategic investment planning.
21. These factors, when combined, mean there is minimal local democratic accountability for transport in Auckland.
22. Public accountability is a key element in the transport decision making system. It helps ensure that decision makers have strong incentives to undertake functions in a way that does not waste public funds and responds to public sentiment.

The Government is removed from decision making despite being the primary funder

23. The Government's key lever over the land transport system is the Government Policy Statement on land transport (GPS). This sets out the Government's priorities and funding ranges for particular transport activities to be funded through the National Land Transport Fund (NLTF). While this is a strong lever, the Government has no direct say over transport investments in Auckland funded through the NLTF. The LTMA, by design, ensures it is the independent NZTA Board that allocates funding to particular projects.
24. In addition, it is the Auckland Transport Board that makes decisions on projects that go forward in the RLTP to NZTA for assessment, for inclusion in the National Land Transport Programme (NLTP). Once the NLTP is determined, the Auckland Transport Board have discretion over some of the more detailed allocation of funding, both from Auckland Council and the NLTF.
25. The Government has a strong interest in Auckland's transport system. It is the primary funder of transport through the NLTF and direct Crown investments in the larger transport projects. Also, the performance of the city's transport system has national implications for economic growth and productivity. While the current system is designed to keep the Government at arms length from specific NLTF-funded project selection, it is appropriate for the Government to be closer to strategic transport decisions in Auckland.

No long-term integrated transport planning

26. There is currently no integrated long-term transport planning in Auckland and no legislative requirement for Government and Auckland Council to work together on transport planning.
27. The lack of longer-term planning is not unique to Auckland or to transport but Auckland's transport challenges and the scale of investments required accentuate the need for more certainty and clarity over choices and trade-offs over the longer-term. Government has recognised the need for longer-term infrastructure planning and the Infrastructure Commission is developing a 30-year National Infrastructure Plan. The changes proposed in this paper will enable work in Auckland to inform national planning going forward.
28. Over the past nine years, the Auckland Transport Alignment Project (ATAP) has provided an avenue for joint Government and Auckland Council integrated planning and has worked well in bringing officials and political sponsors together to develop agreed investment programmes.
29. However, apart from the 2015 work, the focus has been on 10-year programmes rather than a longer-term approach. In recent years cost pressures and short-term funding challenges have drawn the focus of joint work away from the longer-term strategic challenges and interventions. The ATAP arrangements and agreements are also non-statutory meaning that momentum for joint work can be variable depending on context, political direction and organisational mandates.
30. Government, Auckland Council and several entities are all involved in transport planning in Auckland with varying decision-making roles and autonomy. While there is typically good cooperation across agencies at a project level and through ATAP processes there is not a longer-term cohesive shared view. Planning for some of the major investments has occurred in isolation of other projects with individual projects setting broad ranging objectives. This has meant a lack of consideration of overall sequencing and total impact on transport system outcomes.
31. In recent times each transport delivery agency in Auckland has been developing its own 30-year strategy. In 2023, KiwiRail released a 30-year Auckland Strategic Rail Programme, NZTA has developed Arataki, a 30-year strategy, and Auckland Transport is continuing to develop Future Connect, currently a 10-year network plan that will be further developed into a 30-year plan for transport in Auckland.
32. While these plans consider direction set in the GPS, Auckland Council and Government have no formal role in considering or approving these plans. Engagement in these plans relies on invitation from the respective delivery agency and the lack of involvement of the key funders in some of this work (Government and Auckland Council) can undermine their effectiveness.
33. Development of individual projects and the strategies occurs with limited consideration to overall funding requirements or simply an expectation that funding will be provided by either the NLTF or the Crown. Funding and financing options that include Government, Auckland Council and private sector contributions, are typically not being developed alongside investment planning.
34. The opportunity is to facilitate an enduring approach for Government and Auckland Council to work together on a long-term integrated transport planning for Auckland. The intention would be to establish clear direction for transport entities, optimise joint resources including funding, reduce current inefficient and duplicative processes and provide more certainty on investment priorities and other interventions needed to achieve agreed outcomes.

How is the status quo expected to develop?

35. The status quo will see a continuation of the disconnect between the Auckland Council elected members and transport decision making. Auckland Transport will continue to approve the RLTP and decide on transport priorities for their programme (within the parameters of Government funding through the NLTF and Auckland Council funding through the LTP).
36. Auckland Transport will also continue to approve key strategies for transport (e.g. parking, speed, safety) that have significant impact on Aucklanders.
37. Tension that already exists between Auckland Transport and Auckland Council can be expected to grow. This is counter productive to effective and efficient decision-making for Auckland. The status quo already sees repeated engagements with elected members over decisions that currently sit with the Auckland Transport Board.
38. If the status quo continues, there will be no enduring, structured approach to Government and Auckland Council developing alignment over the longer-term direction for transport planning and investment priorities. The lack of a joined-up approach will mean no cohesive plan for transport in Auckland contributing to a stop/start approach to the delivery of projects, duplicative strategic planning processes, a lack of joined up funding and financing models and potentially missed opportunities.
39. A continuation of the status quo will see a continued lack of certainty for the transport sector and Aucklanders and risks a further reduction in public confidence in Auckland's transport system.

What objective/s are sought in relation to the policy problem?

40. The policy objective is to:
 - improve the performance of the transport system in Auckland by strengthening transport governance and planning arrangements.

What engagement with the public and stakeholders has been undertaken on the problems and solutions?

41. This work has been informed by engagement between the Minister of Transport and the Mayor of Auckland on transport governance in Auckland, supported by advice from officials. Ministry of Transport officials have also engaged with senior Auckland Council officials.
42. Many of the issues that these reforms seek to address have been well traversed over time with a range of stakeholders. Auckland Council has long documented problems and potential solutions through Auckland Council reports and minutes. The Mayor of Auckland also set out views in the 2023 Mayoral Manifesto on the need for change in transport governance arrangements.
43. While there has been no direct engagement with the public or stakeholders on this work, surveys of Aucklanders over time suggest there is increasing dissatisfaction with the transport system in Auckland. A 2024 survey conducted by Auckland Transport showed just 29 per cent of those surveyed believe Auckland Transport listens and responds to Aucklanders' needs.

44. Public Service Commission advice on making governance changes in Government notes the complexity of making governance reforms and advises the importance of balancing stakeholder engagement with minimising unnecessary uncertainty, concern and disengagement about a proposed change².

² *Guidance: Making structural or governance changes in government*, Public Service Commission, 2022

Section 2: Deciding upon an option to address the policy problem

What criteria will be used to compare options to the status quo?

45. The following five criteria were developed to assess each option's performance against the overall policy objective:
- 45.1 Clear democratic accountability: The option ensures clear democratic accountability for decisions and public expenditure on transport;
 - 45.2 Long-term alignment: The option supports long-term planning and alignment of planning and funding between Government and Auckland Council;
 - 45.3 Responsiveness to direction: The option ensures that Government and Auckland Council outcomes and strategic direction are realised;
 - 45.4 Consistency with national transport planning and funding: The option is consistent with the national transport planning and funding system and, in particular, with terms of the role of the GPS and the NZTA Board;
 - 45.5 Efficient governance: The option ensures decisions are timely across multiple entities and reduces relitigation of decisions made by the regional transport decision maker.

What scope will options be considered within?

46. The scope of the work has focused on arrangements for transport governance in Auckland and options have been developed within the current settings of the national land transport system. While NZTA and KiwiRail will be expected to participate in new structures and the 30-year integrated transport plan work, the role of these national transport institutions, in relation to Auckland is not assumed to fundamentally change. The national funding prioritisation process for transport investments through the GPS and NZTA Board remains as is³.
47. The scope has been informed through the discussions between the Minister of Transport and the Mayor of Auckland. These highlighted that options should focus on ensuring the elected members of Auckland Council have clear accountability for transport and that joint work was required between Government and Auckland Council on longer term strategic direction. Considering the role of Auckland Council meant looking at the role of Auckland Transport, given its all encompassing role in policy, planning and delivery functions.
48. Within the parameters outlined above, a broad range of options were initially presented to the Minister of Transport (Appendix B). These included non-legislative options.
49. An analysis of the existing tools that Auckland Council can use to ensure Auckland Transport is accountable and responsive to the elected members was undertaken (Appendix C). In addition, the non-statutory partnership of ATAP (in place since 2015) was considered for its effectiveness in bringing long-term alignment between

³ Noting that Option 6 does remove the role of the NZTA Board in allocating funds to particular projects in Auckland, with the ARTC undertaking this role.

Government and Auckland Council. In the Ministry's view the non-legislative options are not sufficient to achieve the outcomes of increased democratic accountability for transport decisions or long-term alignment. Commentary on these issues is contained in paragraphs 19 and 26.

50. Replicating the transport model that exists in other regions in New Zealand was not considered appropriate. In large part, the key role of RTCs in the rest of New Zealand is to bring together the relevant local authorities that make up a region. This is not required in Auckland given that Auckland Council is a unitary authority. There is a more pressing need in Auckland, relative to elsewhere, for a RTC to consider joined up longer-term planning between Government and Auckland Council for reasons outlined above (paragraphs 25 and 27). ^{s 9(2)(f)(iv)}

What options are being considered?

Introduction to the Options

Functions and roles

51. Six options are presented, which range from the status quo (no change) to substantive change. There are two elements to consider for each option:

51.1 the strategic planning and policy function. This function looks at:

51.1.1 the preparation and approval of the RLTP;

51.1.2 the development and approval of regional transport strategies and policies (e.g. safety, rapid transit, parking, freight and transport by-laws);

51.1.3 the preparation and development of a 30-year integrated transport plan.

51.2 the transport delivery and operations function. This function looks at:

^{s 9(2)(f)(iv)}

52. Each option looks at:

52.1 the role of an Auckland Regional Transport Committee (ARTC);

52.2 the role of Auckland Council;

52.3 the role of Auckland Transport.

53. Appendix C maps the functions (paragraph 51) against the different entities (paragraph 52).

Strategic planning and policy functions

Preparation and Approval of the RLTP

54. Currently the preparation and approval of the RLTP sits with the Auckland Transport Board. In the options presented, the functions of preparation and approval of the RLTP vary across entities.

Regional Transport Policy and Plans

55. The preparation and approval of transport policies and plans currently sits with Auckland Transport. For the majority of options presented, Auckland Council takes on the preparation and approval of strategies and policies. One option sees this function sit with the ARTC.

Regional Strategy - the role of an ARTC

56. Options 3 to 6 include the establishment of an ARTC. The ARTC will be different to other RTCs in New Zealand, being a statutory Government and Auckland Council Committee.
57. The membership of the ARTC would comprise:
- 57.1 an independent Chair jointly appointed by the Mayor of Auckland, following consultation with the Auckland Council Governing Body, and the Minister of Transport. The Chair will exercise a casting vote;
 - 57.2 Ministerial appointees – three voting members;
 - 57.3 Auckland Council elected members appointed by the Mayor, following consultation with the Auckland Council Governing Body – three voting members;
 - 57.4 a non-voting representative from each of NZTA, KiwiRail and a transport CCO s 9(2)(f)(iv) appointed by the respective Boards of these organisations.
58. The ARTC will hold the strategic planning function for transport in Auckland. Specific functions vary across the options ranging from a role in preparing plans and policies, to a role approving plans and policies, and in Option 6, a role approving plans, policies and funding allocations (within the GPS parameters). There is also optionality around the function the ARTC plays in the preparation and approval of the RLTP. A key role for the ARTC is preparing the 30-year integrated transport plan.
59. Across options, the ARTC would be jointly accountable to Government and Auckland Council for their joint decision-making functions. The ARTC will also be publicly accountable for developing the RLTP and the 30-year integrated transport plan, and for monitoring against the outcomes of the plan. Public consultation on the RLTP and the 30-year integrated transport plan will be required in statute.

Transport Delivery models

s 9(2)(f)(iv)

Transition

61. As change is implemented there will be a need to mitigate against the risk of disruption to the transport programme and delivery of services.

s 9(2)(f)(iv)

Road Controlling Authority

64. RCA status empowers an entity with a range of powers and functions. These are both operational and strategic and include the ability to make roading bylaws. Outside of Auckland, this role is performed by territorial authorities. Currently Auckland Transport is the RCA for Auckland. In all but the minimal change option, Auckland Council becomes the RCA.

Local Boards

65. The governance model for Auckland Council provides for decision making to be shared between the Governing Body (the Mayor of Auckland and 20 Councillors) and 21 local boards.
66. This Regulatory Impact Statement focuses on the strategic planning and region-wide policy and planning functions that appropriately sit with the Governing Body of Auckland Council or the ARTC. However, a number of RCA functions, as well as other transport functions, have local impact and it will be appropriate to consider what transport decision-making could be allocated to local boards as transport governance is reformed.
67. The LGACA sets out principles for the allocation of decision-making for non-regulatory decision making of Auckland Council. Although some of the decisions will be regulatory in nature, these remain valid considerations when considering the allocation of transport functions.
68. The LGACA states that decision-making responsibility for a non-regulatory activity of Auckland Council should be exercised by its local boards, unless the nature of the activity is such that decision making on an Auckland-wide basis will better promote the wellbeing of the communities across Auckland.
69. An allocation of transport functions to local boards also needs to weigh up factors such as the need for regional consistency for users, efficient traffic movement across the network and operational efficiency and safety.
70. Determining the functions of local boards could be achieved by:
- 70.1 the Governing Body allocating functions to local boards or;
 - 70.2 legislating for certain transport functions to be allocated to local boards and enabling the governing body to allocate further functions.
71. Legislation would ensure the role of local boards is recognised and establish clarity on their decision-making, while allocation by the Governing Body provides flexibility and aligns with the role the Governing body has in allocating non-regulatory functions to local boards.

72. The types of roads that the local boards have decision-making over also needs to be determined. It is expected that decision-making over many, if not all, of the regional arterial roads should be made on a regional basis given that through-movement is of primary importance.

Options Considered

Option 1: (Status quo) Auckland Transport (CCO of Auckland Council), governed by a Board, makes transport decisions for Auckland. The role of Auckland Council's elected members is limited in scope in relation to transport.

Strategy, Policy and Planning Function

	RLTP	30-yr plan	Regional transport strategy and policies
Auckland Council	input	N/A	none
Auckland Transport	prepare and approve	N/A	prepare and approve

Delivery Function

73. Statutory CCO (Auckland Transport).

Analysis

Clear democratic accountability

74. The status quo does not ensure clear democratic accountability. Key strategic and policy transport decisions (including the development and approval of the RLTP) are made by the appointed (i.e. not elected) Auckland Transport Board.

Long-term alignment

75. The status quo does not result in long-term alignment between Government and Auckland Council as there is no statutory process to facilitate alignment and mandate a joint direction. The non-statutory partnership between Government and Auckland Council of ATAP, starting in 2015, marked a significant step forward in Government and Auckland Council working together on transport planning and funding. However, it has been subject to changes in context and the level of support for the partnership over time. Also, over recent times it has been focused on a 10-year horizon without the longer-term view.

Responsiveness to direction

76. Changes in strategic direction from Auckland Council and Government are not always reflected in the Auckland Transport programme. Responsiveness to direction can be slow and at times non-existent. Auckland Council is challenged to hold Auckland Transport to account through the existing tools available.

Consistency with national transport planning and funding

77. The status quo is consistent with the national transport planning and funding system. The NZTA Board determines funding allocations from the NLTF within the settings of the GPS.

Efficient governance

78. Responsibility for policy and strategic functions, along with operations, sits with Auckland Transport. This was intentional when set up, with a view that clustering functions would lead to efficient decision-making.
79. In practice, governance can be inefficient under this model, with relitigation between elected members and Auckland Transport. Elected members provide Auckland Transport with direction, which is not always followed, and want a say on decisions that sit with Auckland Transport. Engagement and relitigation slows the decision-making process.

**Option 2: Move approval of the RLTP from Auckland Transport to Auckland Council.
Auckland Transport retains all other existing functions**

Strategy, Policy and Planning Function

	RLTP	30-yr plan	Regional transport strategy and policies
Auckland Council	prepare and approve	N/A	none
Auckland Transport	input	N/A	prepare and approve

Delivery Function

80. Statutory CCO (Auckland Transport).

Analysis

Clear democratic accountability

81. There is an increase in democratic accountability compared to the status quo. Moving the RLTP increases the role in transport decision making for Auckland Council elected members. Auckland Council is accountable for developing, approving and funding the local share component of the RLTP. However, Auckland Transport retains approval over local transport policies and a large delivery function that works against clear democratic accountability for transport.

Long-term alignment

82. There is no increase in long-term alignment as there is no mandated process for aligning Government and Auckland Council direction.

Responsiveness to direction

83. An increase in responsiveness of Auckland Transport to Auckland Council direction, with regards to the investment programme, compared to the status quo as Auckland Council, would be setting the direction for preparing and approving the RLTP. However, there is no change from the status quo to increase broader responsiveness to Auckland Council or Government direction.

Consistency with national transport planning and funding

84. There is no change compared to the status quo and is consistent with the national transport planning and funding system. The NZTA Board determines funding allocations from the NLTF within the settings of the GPS.

Efficient governance

85. There is no increase in efficient governance. While there could be gains in efficiency in the RLTP process in terms of less re-work between Auckland Council and Auckland Transport, the separation of the RLTP (Auckland Council) from other transport strategies and policies (Auckland Transport) could reduce efficiency as decisions in the RLTP could be made independently of other policy and planning decisions. The option continues with two sets of governors over inter-connected planning and policy.

Option 3: Move approval of the RLTP and transport strategy and policy from Auckland Transport to Auckland Council, establish an ARTC ^{s 9(2)(f)(iv)}

Strategy, Policy and Planning Function

	RLTP	30-yr plan	Regional transport strategy and policies
ARTC	prepare	prepare and recommend	input
Auckland Council	approve	approve (with Cabinet)	prepare and approve

Delivery Function

86. ^{s 9(2)(f)(iv)}

Analysis

Clear democratic accountability

87. There is an increase in democratic accountability for Auckland Council elected members when compared to the status quo, as Auckland Council elected members will approve the RLTP and all transport policies and strategies. Auckland Council also has elected members represented on the ARTC which adds to local democratic accountability for long-term planning.

88. ^{s 9(2)(f)(iv)}

89. The introduction of an ARTC with Ministerial appointees, rather than Ministers, brings the Government closer to strategic decision-making, but is not increasing direct democratic accountability as ministerial appointees are not elected members. Cabinet, however, will be approving the 30-year integrated transport plan and Government's democratic accountability remains through the GPS and Crown investment decisions.

Long-term alignment

90. There is an increase in long-term alignment compared to the status quo. The ARTC, through the 30-year integrated transport plan, will provide a structured process for Government and Auckland Council to agree a long-term strategic direction and priorities for the transport system in Auckland. The preparation of the RLTP by the ARTC ensures the alignment is translated into an agreed indicative 10-year investment plan.

Responsiveness to direction

91. There is an increase in responsiveness to Auckland Council and Government direction compared to the status quo. Auckland Council will be approving the RLTP, and the ARTC will be developing a 30-year integrated transport plan. The plan will be jointly approved by Cabinet and Auckland Council thereby providing clear direction.

92.

s 9(2)(f)(iv)

Consistency with national transport planning and funding

93. There is no change compared to the status quo and is consistent with the national transport planning and funding system. The NZTA Board determines NLTF funding allocations within the settings of the GPS.

Efficient governance

94. There is an increase in efficiency as Auckland Council is approving the RLTP and other transport plans and policies streamlining policy, and planning decision making under one governance entity. The 30-year integrated transport plan further supports efficiency gains through streamlined direction for planning processes.

Option 4: Strengthened ARTC with approval rights for the RLTP and other local strategies and policies. s 9(2)(f)(iv)

Strategy, Policy and Planning Function

	RLTP	30-yr plan	Regional transport strategy and policies
ARTC	prepare and approve	prepare and recommend	prepare and approve
Auckland Council	input	approve (with Cabinet)	input

Delivery Function

95. s 9(2)(f)(iv)

Analysis

Clear democratic accountability

96. There is an increase in democratic accountability as compared to the status quo as Auckland Council representatives are involved in the ARTC decision making. However, democratic accountability is not as clear as when Auckland Council approves the RLTP and other plans and policies. The role of ministerial appointees in approving regional plans and policies somewhat undermines local democratic accountability.

97. s 9(2)(f)(iv)

Long-term alignment

98. There is an increase in long-term alignment compared to the status quo. The ARTC will prepare a joint Government and Auckland Council 30-year integrated transport plan and will be responsible for the RLTP, ensuring alignment on the longer-term and 10-year view. In addition, the ARTC's role in broader strategy and policy means that alignment across all strategy and policy functions will be achieved.

99. However, the breadth of function of the ARTC and the relatively small number of Auckland Council elected members on the ARTC could risk misalignment between the ARTC and Auckland Council.

Responsiveness to direction

100. s 9(2)(f)(iv)

101.

Consistency with national transport planning and funding

102. There is no change compared to the status quo and is consistent with the national transport planning and funding system. The NZTA Board determines NLTF funding allocations within the settings of the GPS.

Efficient governance

103. By having one entity (the ARTC) making decisions on both the RLTP and other transport strategies and policies, efficiency in decision-making would increase and the 30-year integrated transport plan further supports efficiency gains through streamlined direction for planning processes. There may be some inefficiency, however, with the reduced role of Auckland Council requiring ongoing engagement over a broad range of Auckland policy matters with the ARTC.

Option 5: Move approval of the RLTP and transport strategy and policy from Auckland Transport to Auckland Council, establish an ARTC s 9(2)(f)(iv)

104. Note this model is the same as Option 3 with regards to roles and responsibilities for the RLTP, transport strategy and policy and the 30-year integrated transport plan. It differs with regards to the model for transport delivery and services.

Strategy, Policy and Planning Function

	RLTP	30-yr plan	Regional transport strategy and policies
ARTC	prepare	prepare and recommend	input
Auckland Council	approve	approve (with Cabinet)	prepare and approve

Delivery Function

105. s 9(2)(f)(iv)

Analysis

Clear democratic accountability

106. There is an increase in democratic accountability for Auckland Council elected members when compared to the status quo. Auckland Council's elected members would be directly accountable for all aspects of transport policy, planning, s 9(2)(f)(iv)

107. s 9(2)(f)(iv)

Long-term alignment

108. There is an increase in long-term alignment compared to the status quo. The ARTC, through the 30-year integrated transport plan, will provide a structured process for Government and Auckland Council to agree a long-term strategic direction and priorities for the transport system in Auckland. The development of the RLTP by the ARTC ensures the alignment is translated into an agreed indicative ten year investment plan.


Responsiveness to direction

109. s 9(2)(f)(iv)

Consistency with national transport planning and funding

110. There is no change compared to the status quo and is consistent with the national transport planning and funding system. The NZTA Board determines funding allocations from the NLTF within the settings of the GPS.

Efficient governance

111. There is an increase in efficiency as compared to the status quo as Auckland Council is approving the RLTP and other transport strategies and policies, and the 30-year integrated transport plan further supports efficiency gains through streamlined direction for planning processes. s 9(2)(f)(iv)
- 
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112. s 9(2)(f)(iv)
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- 113.

Option 6: The ARTC approves the RLTP and make funding allocation decisions (within the parameters of the GPS). s 9(2)(f)(iv)

114. Note this option has the same model for the transport delivery function as Option 5.

Strategy, Policy and Planning Function

	RLTP	30-yr plan	Regional transport strategy and policies
ARTC	prepare and approve	prepare and recommend	input
Auckland Council	input	approve (with Cabinet)	prepare and approve

Delivery Function

115. s 9(2)(f)(iv)

Funding Function

116. This option extends the role of the ARTC to include funding allocation. The option could work by creating an Auckland activity class in the GPS. The activity class will comprise the funding ranges for Auckland from across each of the individual GPS activity classes into one place. NZTA will establish the exact funding allocations available to Auckland for each of the activity classes, based on the GPS priorities. The ARTC will be enabled to allocate funding to individual projects within the Auckland activity class limits.

Analysis

Clear democratic accountability

117. There is an increase in democratic accountability compared to the status quo. This is due to the ARTC having three Auckland Council elected members on the ARTC who are preparing and approving the RLTP and making project-level funding decisions. The funding function of the ARTC brings local democratic accountability for project selection and managing funding within an Auckland funding envelope. Currently projects contained within the RLTP are decided by the Auckland Transport Board and decisions on funding for these projects are made by the NZTA Board).

118. Democratic accountability is also increased as compared to the status quo as Auckland Council will be approving other transport policies and plans as compared to the status quo where Auckland Transport undertakes this function.

119. s 9(2)(f)(iv)

Long-term alignment

120. There is an increase in long-term alignment compared to the status quo. The ARTC, through the 30-year integrated transport plan, will provide a structured process for Government and Auckland Council to agree a long-term strategic direction and priorities for the transport system in Auckland.

121. The role of the ARTC in approving the RLTP and funding allocations to projects supports alignment between the 10-year investment plan and the 30-year direction.

Responsiveness to direction

122. s 9(2)(f)(iv)

Consistency with national transport planning and funding

123. The core elements of the national planning system are retained, in that the GPS sets direction and the NZTA Board makes funding allocation decisions within funding ranges set by the GPS. A deviation to the system occurs as the ARTC approves the allocation to individual projects (currently an NZTA role).

Efficient governance

124. There is an increase in efficiency as the ARTC is making decisions across the 30-year integrated transport plan, RLTP and the funding of projects. This results in one decision-maker for these related functions. This compares to the status quo of Auckland Transport, NZTA and Auckland Council all being involved in different ways with the RLTP and funding decisions at a project level. The 30-year integrated transport plan further supports efficiency gains through streamlined direction for planning processes.
125. Through the ARTC making funding allocations to projects, within the RLTP that they have developed and approved, there should be minimal relitigation of decision making. The role of Auckland Council in approving local transport policies and plans and s 9(2)(f)(iv) could lead to some inefficiency, given the ARTC's role in planning and investment decisions.

126. s 9(2)(f)(iv)

- 127.

Table 1: How do the options compare to the status quo/counterfactual?

(Note this is a summary with the options being assessed in paragraphs 128-151)

Key for Table 1

++	much better than doing nothing/the status quo/counterfactual
+	better than doing nothing/the status quo/counterfactual
0	about the same as doing nothing/the status quo/counterfactual
-	worse than doing nothing/the status quo/counterfactual
--	much worse than doing nothing/the status quo/counterfactual

	Option 1: Status Quo	Option 2:	Option 3:	Option 4:	Option 5:	Option 6:
Clear democratic accountability	0	+	++	+	++	++
		Auckland Council prepare and approve the RLTP but other functions of the statutory CCO remain the same as the status quo and so no increased democratic accountability for these functions.	<p>Democratic accountability for the transport function increases given:</p> <ul style="list-style-type: none"> Auckland Council prepare and approve RLTP and regional policies; Auckland Council members on ARTC; s 9(2)(f)(iv) 	<p>ARTC prepares and approves the RLTP and regional policies and therefore democratic accountability is not as clear as Auckland Council approval of the RLTP and policies.</p> <p>Auckland Council members on ARTC contributes to democratic accountability.</p> <p>s 9(2)(f)(iv)</p>	<p>Democratic accountability for the transport function increases given:</p> <ul style="list-style-type: none"> Auckland Council prepare and approve RLTP and regional policies; Auckland Council members on ARTC; s 9(2)(f)(iv) 	<p>Democratic accountability achieved through:</p> <ul style="list-style-type: none"> Auckland Council approving regional policies and plans; Auckland Council members on ARTC; s 9(2)(f)(iv) <p>ARTC approving the RLTP takes some democratic accountability away from Auckland Council.</p>
Long-term alignment	0	0	++	++	++	++
			ARTC develops 30-year integrated transport plan.	ARTC develops 30-year integrated transport plan.	ARTC develops 30-year integrated transport plan.	ARTC develops 30-year integrated transport plan.

	Option 1: Status Quo	Option 2:	Option 3:	Option 4:	Option 5:	Option 6:
Responsiveness to direction	0	+	++	+	++	++
		<p>Auckland Council prepare and approve the RLTP that will direct the CCO, but the CCO continues to set direction through regional plans and policies.</p> <p>A statutory CCO is expected to retain an independent culture undermining responsiveness to direction.</p>	<p>Auckland Council approves the RLTP and regional policies, and the ARTC develops the 30-year integrated transport plan. s 9(2)(f)(iv)</p> <p>s 9(2)(f)(iv)</p>	<p>ARTC develops the 30-year integrated transport plan, approves the RLTP and regional policies. s 9(2)(f)(iv)</p> <p>s 9(2)(f)(iv)</p>	<p>Auckland Council approves the RLTP and regional policies, and the ARTC develops the 30-year integrated transport plan. A s 9(2)(f)(iv)</p>	<p>Auckland Council approves regional policies.</p> <p>The ARTC develops the 30-year integrated transport plan, approves RLTP and funding allocations. s 9(2)(f)(iv)</p>
Consistency with national transport planning and funding	0	0	0	0	0	-
						<p>ARTC approves funding for individual projects once NLTF funding is allocated to Auckland. This is not consistent with national system, but core elements such as the role of GPS and the NZTA Board deciding on funding allocations for the Auckland activity class are retained.</p>

	Option 1: Status Quo	Option 2:	Option 3:	Option 4:	Option 5:	Option 6:
Efficient governance	0	0	+	+	+	+
		No net change in efficient governance. While there could be some efficiency gains from the RLTP shift, the separation of the RLTP from other transport strategies and policies that continue to sit with Auckland Transport could reduce efficiency.	<p>Improves efficiency with Auckland Council approving RLTP and regional policies.</p> <p>s 9(2)(f)(iv)</p> <p>30-year integrated transport plan supports efficiency.</p>	<p>Having one entity (the ARTC) making decisions on both the RLTP and other transport strategies and policies would increase efficiency.</p> <p>However, more functions with the ARTC could cause inefficient relitigation between Auckland Council and the ARTC.</p> <p>s 9(2)(f)(iv)</p> <p>30-year integrated transport plan supports efficiency.</p>	<p>Improves efficiency with Auckland Council approving RLTP and regional policies.</p> <p>s 9(2)(f)(iv)</p> <p>30-year integrated transport plan supports efficiency.</p>	<p>Improves efficiency by combining RLTP planning and funding allocations under the ARTC.</p> <p>There could be relitigation between Auckland Council and the ARTC on the RLTP.</p> <p>s 9(2)(f)(iv)</p> <p>30-year integrated transport plan supports efficiency.</p>
Overall assessment	0	+	++	+	++	+

What option is likely to best address the problem, meet the policy objectives, and deliver the highest net benefits?

128. Given each option has a number of elements and some options have the same elements, our assessment has looked at the option that provides the package of change that best achieves the policy objective when assessed against the five criteria and helps mitigate against risk.
129. The summary nature of the Options table (Table 1) masks some of differences between the options that are outlined below.
130. In the Ministry of Transport's view, Option 3 best meets the policy objective of improving the performance of the transport system by strengthening transport governance and planning arrangements.
131. In Option 3 Auckland Council has approval rights over the RLTP and other local plans and policies. Long-term integrated planning between Government and Auckland Council is facilitated through the ARTC and the ARTC prepares the RLTP.
132. It should be noted that Option 5 is the same as Option 3 in the strategy, policy, planning functions but differs on the delivery function.

133. s 9(2)(f)(iv)

134. The similarities between the two options make for a similar assessment against the criteria.

135. s 9(2)(f)(iv)

136.

137.

Increased democratic accountability

138. Option 3 provides Auckland Council elected members with more democratic accountability compared to the status quo, and to all other options considered with the exception of Option 5. s 9(2)(f)(iv)

139. Local democratic accountability is achieved because approval of the RLTP and other local transport policies and plans sits with Auckland Council. Other options (apart

from Option 5) saw a narrower function for Auckland Council undermining local democratic accountability.

140. s 9(2)(f)(iv)

141. Option 3 sees the establishment of an ARTC that includes Auckland Council elected members contributing to local democratic accountability. The 30-year integrated transport plan, prepared by the ARTC and approved by Auckland Council and Cabinet, ensures democratic accountability at a Government and Auckland Council level for long-term transport planning in Auckland. This aspect of democratic accountability is the same as in Options 3 to 6.

Stronger long-term alignment

142. The legislated ARTC and requirement for a 30-year integrated transport plan on Option 3 provides strong mandate for long-term planning and for the ARTC to bring alignment across Government and Auckland Council.

143. Option 3 brings stronger long-term alignment than the options that saw a broader strategy, planning and policy function for the ARTC (Options 4 and 6). Where the ARTC has a broader function there is a risk of misalignment emerging between the ARTC and Auckland Council.

Increased responsiveness to direction

144. s 9(2)(f)(iv)

145.

146.

147.

More efficient governance

148. Streamlined decision making is achieved in Option 3 by having one entity (Auckland Council) with a democratic mandate for approving the RLTP and other regional transport plans and policies. In the status quo, the RLTP and transport policy is also with one entity, Auckland Transport, but this conflicts with the role of elected members in setting overall direction for the region. This makes for relitigation between Auckland Council and Auckland Transport.

149. Option 4 and Option 6 see greater functions with the ARTC relative to Option 3, and this could cause inefficient relitigation between Auckland Council and the ARTC.
150. Option 3, and the other options that have a 30-year integrated transport plan and an ARTC (Options 4, 5 and 6), should all support efficient governance over time. An agreed long term plan should reduce current duplicative processes in Auckland and make for fewer project-by-project disagreements.

151. s 9(2)(f)(iv)

What are the marginal costs and benefits of the option?

152. The marginal costs and benefits of the preferred option are difficult to monetise at this stage. While costs associated with staff changes and establishing the ARTC will be calculated as part of implementation planning, they are not yet available.
153. Benefits are expected to be felt more widely across the transport system with better governance and decision-making, supporting enhanced performance of the transport system. While these broader economic and social benefits can be expected in the long term, it is challenging to quantify them given the indirect lines of causation between governance changes and performance of the transport system.

Section 3: Delivering the preferred option

How will the new arrangements be implemented?

Legislative Change

154. Legislation is needed to give effect to the preferred option. s 9(2)(f)(iv)

Leadership

155. Leadership from the Minister of Transport and the Mayor of Auckland will be required to ensure that change is established in a timely way, clearly communicated to the public and clear mandates across agencies are established.

Establishing an ARTC

156. A new ARTC committee would need to be established. The Minister of Transport would need to seek Cabinet approval for the ministerial appointees. The Mayor or Auckland Council would need to develop a process to select Auckland Council elected member representatives.
157. A Joint Officials Group, co-chaired by the Chief Executives of Auckland Council and the Ministry of Transport, will be needed to support the work of the ARTC. In addition, a secretariat function would need to be established and hosted in an organisation to support the ARTC.

Reallocation of functions and staff

158. The preferred model means change to the status quo functions of Auckland Council and Auckland Transport. Implementation will require:

s 9(2)(f)(iv)

- 158.2 transferring functions, budgets and staff support to local boards for responsibilities set out in legislation;

s 9(2)(f)(iv)

Implementation Risks

159. Key risks and mitigations are:

- 159.1 a loss of continuity in transport planning and delivery as roles and responsibilities change and the new ARTC structure is established. s 9(2)(f)(iv)

- 159.2 lack of capacity and capability to support the ARTC. Seconding officers in relevant roles across Auckland Council, the Ministry of Transport, Auckland Transport, NZTA and KiwiRail into a support unit or project team would be needed to mitigate this risk;

- 159.3 the 30-year integrated transport plan is not completed in time to inform the 2027 RLTP and NLTP processes. The 30-year integrated transport plan would need to be developed by the ARTC (and approved by Cabinet and Auckland Council) by August 2026 to inform the 2027 statutory planning processes. Ensuring early preliminary work is underway by officials in late 2025 and the ARTC work begins no later than early 2026 should help mitigate against this risk;
- 159.4 the 2025 local government elections (11 October 2025) delaying implementation if new elected members need to be brought up to speed. Ensuring the governance changes and associated implementation is a priority for the incoming council would help mitigate this risk.
160. There is a broader risk that the reforms do not improve transport outcomes and public trust and confidence in transport. The preferred option should enable better decision making, greater democratic accountability, better incentives for CCO performance and greater alignment between Government and Auckland Council. However, there are other factors at play that determine progress against transport outcomes including funding availability, regional and national policy and unexpected events.

How will the new arrangements be monitored, evaluated, and reviewed?

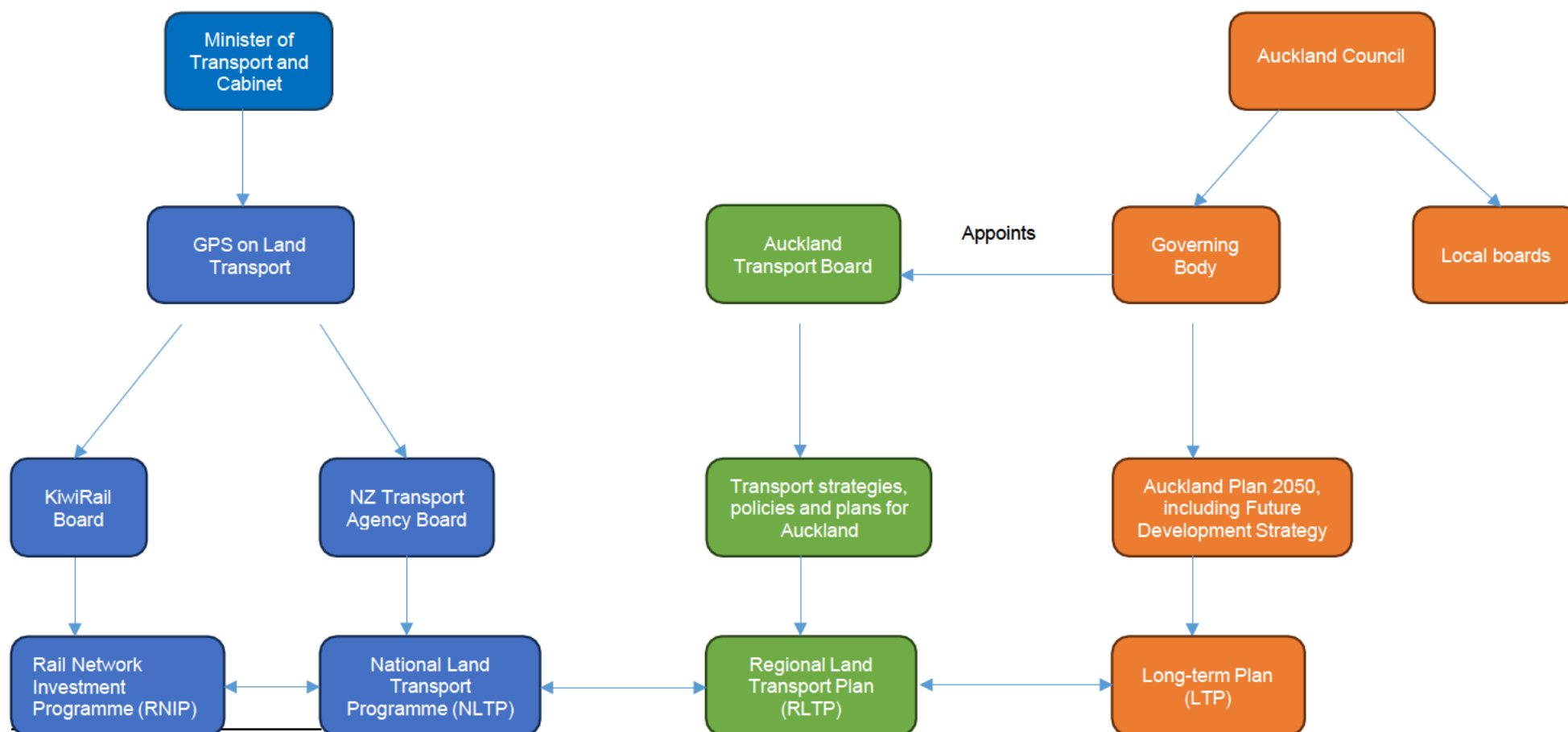
Monitoring

161. Implementation planning can establish reporting requirements for the ARTC to the Minister (and Cabinet) and Mayor (and Council) on a regular basis against the functions the ARTC holds.
162. Members of the public will have an ongoing opportunity to monitor the performance of the ARTC. It is envisaged the meeting minutes will be made public, and decisions made will be released in a transparent manner. It is also envisaged that members of the public will have opportunities to address the ARTC directly.
163. The performance of the statutory CCO will be monitored by Auckland Council and results will need to be incorporated into the overall evaluation of the reform.

Evaluation

164. An evaluation framework needs to be developed as part of implementing the option with appropriate criteria and measures of performance as well as a requirement for regular reporting to the Minister of Transport and Mayor of Auckland. This could be a function of the ARTC.

Appendix A: Auckland's current transport planning and governance framework⁴



⁴ The Auckland Transport Alignment Project (ATAP), which ran from 2015-2024, was a non-statutory element of Auckland's transport planning and governance framework. ATAP was politically sponsored by the Minister of Transport and the Mayor of Auckland and consisted of the following agencies: Ministry of Transport, Auckland Council, Auckland Transport, The New Zealand Transport Agency, KiwiRail, and The Treasury.

Appendix B: Initial options considered

Option 1: Status Quo
<ul style="list-style-type: none"> • The GPS provides Government direction to the land transport sector, RLTPs provide regional strategic direction and develop a regional investment programme, consistent with the GPS. The RLTP is a 'bid' for funding from the NLTF. • The Auckland Transport Board is responsible for developing and approving the RLTP. • Auckland Council have a number of legislative powers aimed at enabling them to provide strategic direction and make Auckland Transport accountable to the Council. This option considered how these could be more fully utilised.
Option 2: Moving responsibility of the RLTP to Auckland Council
<ul style="list-style-type: none"> • This would amend legislation so that Auckland Council is made responsible for developing and approving the RLTP, making their responsibilities consistent with all other regional and unitary councils. • s 9(2)(ba)(i)
Option 3: Mayoral Proposal
<ul style="list-style-type: none"> • The Mayor of Auckland's Auckland Manifesto (September 2023) and further work by Auckland Council proposed:
Option 4: Additional Mayoral Powers
<ul style="list-style-type: none"> • Issue a Mayoral Policy Statement on Transport, similar to a GPS. This would provide further specificity to Auckland Transport, at a level of detail greater than the LTP, but less than the RLTP. • Enable the Mayor to direct Auckland Transport to give effect to Auckland Council plans and strategies. • Enable the Mayor to direct Auckland Transport to carry out any other lawful function related to land transport. • Enable the Mayor to require provision of information from Auckland Transport at any time on matters related to the nature/extent of a problem, or otherwise relating to operations and performance. • Enable the Mayor to appoint or remove the directors of Auckland Transport. • Enable the Mayor to set rules by which Auckland Transport must operate (within prescribed limits).

Appendix C: Auckland Council levers over Auckland Transport

Give effect to LTP
S92 LGACA 2009 (1) Each substantive CCO must give effect to the relevant aspects of the LTP.
Act consistently with other plans
S92 LGACA 2009 (2) Each substantive CCO must act consistently with the relevant aspects of any other plan (including a local board plan) or strategy of the Council to the extent specified in writing by the governing body of the council.
Council may impose additional accountability requirements on substantive CCO's
S91 LGACA 2009 (1) The Council may require a substantive CCO to: <ul style="list-style-type: none"> a) include in its SOI a narrative about how the organisation will contribute to the Council's and, where appropriate, the Government's objectives and priorities for Auckland b) deliver reports on Auckland Transport's operations, and c) to prepare and adopt a plan covering a period of at least ten years that describes how Auckland Transport will give effect to Auckland Council's strategy, plans and priorities. (2) The Council may not require Auckland Transport to prepare and adopt a plan under subsection 1 (c)
Council must have accountability policy for substantive CCO's
S90 LGACA 2009 (1) The Council must adopt a policy on the accountability of its substantive CCOs. (2) The policy must state the Council's expectations of each substantive CCO's contributions to, and alignment with, the Council's and central government's objectives and priorities. (3) A policy under this section may be adopted by the Council as part of its LTP, must be included in the Council's LTP; and may be amended only as an amendment to the LTP.
Statement of Intent (SOI)
S64 LGA 2002 (1) Every CCO must prepare and adopt a statement of intent in accordance with Part 1 of Schedule 8. (2) The purpose of a SOI is to provide an opportunity for shareholders to influence the direction of the organisation. (3) Auckland Transport must prepare and adopt a statement of intent each year, outlining how they will contribute to council's objectives and priorities. (4) Auckland Council approves the SOI and can require them to be modified. (5) Auckland Transport must hold a public meeting to consider performance under their SOI.
Statement of expectations
S64B LGA 2002 (1) The shareholders in a CCO may prepare a statement of expectations that: <ul style="list-style-type: none"> a) specifies how the organisation is to conduct its relationship with shareholding local authorities, and b) requires the organisation to act consistently with the statutory obligations of the shareholding local authorities.
Letters of expectation
<u>Not legislated.</u> (1) Outlines Auckland Council's priorities to inform Auckland Transport's statement of intent, that it expects Auckland Transport to act consistently with.
Board appointments. (Auckland Specific)
S43 LGACA 2009 (1) The Auckland Transport Board of Directors can include up to two members of Auckland Council, who are voting directors.
S95 LGACA 2009 (1) Auckland Council may appoint chairperson and deputy chairperson of substantive CCO.
Council may make operating rules for Auckland Transport (Auckland Specific)
S49 LGACA 2009 (1) Auckland Council may make rules by which Auckland Transport must operate, including rules in relation to: <ul style="list-style-type: none"> a) how the governing body of Auckland Transport must operate b) how Auckland Transport must appoint and employ staff (including its CE).

Half-yearly or quarterly reports / Annual report

S66 LGA 2002

- (1) a) During each financial year, the Board of a CCO must report on the organisation's operations to its shareholders

S67 LGA 2002

- (1) (a) at the end of the financial year the Board of a CCO must complete a report on the organisation's operations during that year.

Appendix D: Options mapped against functions

Option	Entity	Prepares RLTP	Approves RLTP	Prepares transport strategies	Approves transport strategies	Prepares and monitors 30-year integrated transport plan	Acts as RCA and delegates where appropriate	Governs operations and delivery	Allocates funding from NLTF based on GPS
1	ARTC							s 9(2)(f)(iv)	
	AC								
	AT	✓	✓	✓	✓		✓		
2	ARTC								
	AC	✓	✓						
	AT			✓	✓		✓		
3	ARTC	✓				✓			
	AC		✓	✓	✓		✓		
	AT								
4	ARTC	✓	✓	✓	✓	✓			
	AC						✓		
	AT								
5	ARTC	✓				✓			
	AC		✓	✓	✓		✓		
	AT								
6	ARTC	✓	✓			✓			✓
	AC			✓	✓		✓		
	AT								

AC – Auckland Council. AT – Auckland Transport