

s 9(2)(g)(i)

Regarding light rail, the MoT is moving toward a request for proposals (RFP) over the next six months, with a Cabinet paper in the new year with decisions for Ministers. The Minister of Transport has written to the Transport Agency regarding the funding for the MoT and the process going forward, including the Transport Agency's role in the parallel process. Care will be required to balance the work required of the Transport Agency to progress the project (including liaison with Auckland Transport, Auckland Council and others around using the corridors to enhance the network, thinking about where the spine will sit and how this integrates with the overarching rapid transit network proposed for Auckland). The NZ Infra proposal is still being considered as it brings super funds into the equation. A key feature of the Transport Agency's role is to identify and the promote the right scheme for the New Zealand context – regardless of its origins. It is important to stay at the table and keep working with everyone involved until decisions are made, noting that it is likely to get worse before it gets better. The response to the letter received last Friday from the Minister should be open, but seek clarification around what funding is being sought, from what source and for what outcome(s).

<b>Resolution 6</b>	<p><i>The NZ Transport Agency Board:</i></p> <p>a) <b>Received</b> the Chief Executive's Report.</p> <p>b) <b>Approved</b> an interim programme of activities (including road policing activities) to recommend to the Minister of Transport from 1 July 2019, until a full Road Safety Partnership Programme for 2019-2021 is agreed.</p>
<b>Requested Action(s)</b>	A briefing is to be provided to the Board Chair on light rail. It is to be prepared by Carl Devlin, Head of Light Rail, with oversight from the interim Chief Executive, Mark Ratcliffe.

## 5. Regulatory matters

### 5.1 Treatment of Regulatory Non-Compliance Costs

Board paper 2019/06/1394

Howard Cattermole spoke to this paper, noting the planned treatment of regulatory non-compliance costs and non-recoverable deficits and the future state regulatory workstream and the fee and funding arrangements review underway.

Board Members discussed the need to not fall into an overall position of deficit; the potential precedents being set in deciding to write off certain costs; the need to determine where the end point is in terms of meeting certain agreed recertification costs; identification of what can be recovered via insurance and/or providers for whom licences or authorities were revoked; determining how the Transport Agency's external auditors may view the planned treatment to be applied in respect of relevant memorandum accounts; the need to confirm the Minister supports the approach to be taken; establishing ways that the position can be improved; and the future state regulatory workstream. The report from the Regulatory Review Committee - yet to come – was also noted.

The Board would like a paper presented to the Audit, Risk and Assurance Board Committee outlining how to sort out and improve the current position of the memorandum accounts; and setting out the progress being made, and the steps yet to be taken, in developing the future state of the Transport Agency's regulatory function.