

MINISTERIAL BRIEFING NOTE

Subject	Update on the National Ticketing Solution Gateway Review
Date	28 January 2022
Briefing number	BRI-2383

Contact(s) for telephone discussion (if required)				
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Action taken by Office of the Minister

- ☐ Noted
- ☐ Seen by Minister
- ☐ Agreed
- ☐ Feedback provided
- ☐ Forwarded to
- ☐ Needs change [please specify]
- ☐ Withdrawn
- ☐ Overtaken by events

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28 January 2022

Minister of Transport

UPDATE ON THE NATIONAL TICKETING SOLUTION GATEWAY REVIEW

Purpose

1. This briefing provides you with an update on the Treasury's National Ticketing Solution Gateway Review 0-3 (Gateway Review), its recommendations and the Waka Kotahi NZ Transport Agency plan to address these recommendations.

Background

2. The National Ticketing Solution (NTS) is founded on the premise that a national approach to public transport ticketing is the best outcome for all Public Transport Authorities (PTAs), for Waka Kotahi, and for our travelling customers. An effective, efficient, and easily accessible public transport network is a key contributor to social equity and a low emission society. We need active participation of all PTAs and Waka Kotahi in the NTS to deliver:
 - best value for money in national and regional investment
 - ways to pay for public transport which don't exist in New Zealand today
 - a consistent, modern customer experience across all regions regardless of size
 - an easy and flexible ticketing service that increases public transport attractiveness and reduces barriers to use, helping shift people out of their cars and onto buses, trains & ferries.
3. By procuring a single national ticketing system, we can maximise New Zealand's attractiveness to global suppliers of proven systems, avoid duplication of investment, deliver a nationally consistent customer experience to New Zealanders, and provide a high-quality ticketing and payment solution to all regions. Collectively, our very experienced regional PTAs can help us pull out the best Public Transport (PT) experiences we have in New Zealand today and make them available to everyone in a way they can access it, at a time they need, and at a price they can afford.
4. The NTS is a complex change programme with a somewhat chequered history dating back to the early 2000s. The sector has been trying to achieve the goal of a national ticketing solution for some time. It has been a difficult path to get to where we are today, but we are closer than we have ever been.
5. In the context of the NTS, Waka Kotahi provides co-investment for PT infrastructure & services, procurement oversight, PT policy & strategy, and provides the national view which underpins the NTS – representing the interests of PT customers, operators, and councils across New Zealand, as well as enabling central Government priorities to be funded and delivered.

Treasury Gateway Review

6. Gateway is Cabinet-mandated for high-risk capital projects and programmes run by Government. As a Crown entity, Waka Kotahi projects and programmes that meet the threshold are reviewable. Gateway is an assurance methodology for major investments, which examines projects and programmes at key points in their lifecycles to assess their progress and to rate the likelihood of successful delivery of their outcomes.

7. In November 2021, the Treasury facilitated a Gateway Review 0-3 (Strategic Assessment /Investment Decision) of the NTS project.

8. section 9(2)(g)(i) free and frank

9. section 9(2)(g)(i) free and frank

10. section 9(2)(g)(i) free and frank

Context and Current Status

11. The NTS Programme is in a transition period, shifting from procurement to delivery, which provides an opportunity for change. To leverage off of this, Waka Kotahi will commence a phased approach to reset the Project – this will include partnering, collaborating, and organising ourselves differently.

12. In December 2021, the Waka Kotahi Board committed to supporting the Programme reset.

13. Part of a reset will also include reconsidering the roles of all our PTA partners, and whether we can better utilise the breadth and depth of their experience in the coming NTS phases.

14. section 9(2)(i) carry out commercial activities without prejudice

15. Waka Kotahi and the PTAs continue to negotiate the P2, which will govern their relationships after the procurement phase. The P2 is crucial for the delivery of the NTS. section 9(2)(g)(i) free and frank
The P2 Agreement is a core focus area for the Programme, and we are working with the PTAs to complete the Agreement by May/June 2022.

Next Steps

16. The activities below capture the key steps to be reached by July 2022 for the NTS programme:

- Detailed Business Case to be endorsed by the Waka Kotahi Board in March/April 2022; and by PTAs in May/June 2022.
- P2 signed by all parties by May/June 2022.
- section 9(2)(g)(i) free and frank

It is recommended that you:

1. **Note** the contents of this briefing



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Matthew Walker

General Manager Corporate Support

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Hon Michael Wood, Minister of Transport

Date: 20XX