

## Project NEXT

### Executive Steering Group

### Meeting Minute

Paper No: 2021-02-01

<b>Date:</b>	<b>20 January 2021</b>	
<b>Time:</b>	8:30am – 9:30am	
<b>Location:</b>	<b>Zoom</b>	
<b>Steering Group</b>	Wayne Hastie (Chair) Charles Ronaldson Vanessa Ellis (Zoom) Roger Jones (Zoom) Andrew McCallin (Zoom) Nick Donnelly (Zoom) Stewart Gibbon (Zoom)	GWRC Waka Kotahi AT AT Waka Kotahi ORC ECAN
<b>In Attendance</b>	Graham Alston <b>section 9(2)(a)</b> James Timperley Rachael Turnage (Zoom) Delaney Myers Laura Wilmot (Zoom) Mark McHugh (Secretariat for this meeting)	NEXT Waka Kotahi Waka Kotahi AT Waka Kotahi Waka Kotahi NEXT
<b>Apologies</b>		

Item	Description	Action	Resp
0.	Introduction	All welcomed by WH in particular the new members for GWRC and Waka Kotahi. No additional Agenda items requested and WH asked that the steering group move immediately to Item 4 – Steering Group Changes	
1.	Steering Group Changes	Memo tabled that recommended approval of: <ul style="list-style-type: none"> <li>a. Change to Section 3.1 of the ToR</li> <li>b. Appointment of <b>section 9(2)(a)</b> as an independent member of the NTS SG</li> <li>c. Appointment of <b>section 9(2)(a)</b> as Chair of the NTS SG commencing 21 January 2021</li> </ul>	

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		<p>Approval recommendations approved subject to recommendation #4 (a. above re ToR) being amended to: "3.1 The SG Group includes representatives of all key stakeholders and may in addition include independent Members at the discretion of the NTS SG, subject to the level of independent members being less than the level of stakeholder members".</p> <p>All other recommendations noted included the resignation of Wayne Hastie as Chair and Member of the NTS SG, appointment of Delaney Myers as a Member and cessation of Andrew McCallin as a Member but continuance as an attendee.</p> <p>CR requested that, in reference to the resignation of Wayne Hastie as Chair of the Steering Group, the Steering Group recognises Wayne for the substantial and valued contribution he has made to the NTS including as Chair of the Steering Group since its inception in 2016 and for his great leadership for public transport in NZ. Noted and strongly supported by all SG members.</p>	
2.	Transfer of Chair	WH formally handed over Chair of the SG to <span style="background-color: #cccccc;">section 9</span> for the remainder of the meeting and future SG meetings.	
3.	Approve Draft Minutes 16 December 2020	<b>Minutes from 16 December 2020 steering group meeting accepted.</b>	
4.	Actions Status	<p><b>Open Actions from 16 December 2020 minutes</b></p> <p><b>BAFO</b></p> <ul style="list-style-type: none"> <li>• report to SG</li> </ul> <p><b>NTS Integrated Program – Andrew McCallin actions</b></p> <ul style="list-style-type: none"> <li>• PTA's need to identify their preferred approach to transition based on what they know now</li> <li>• AM role is to help support and shape the transition approach with a view to guiding the transition input into the next DC update</li> </ul> <p><b>Operating Model</b></p> <ul style="list-style-type: none"> <li>• Feedback on the NTS Operating Model to be provided to JT.</li> </ul> <p><b>Communications Protocol</b></p> <ul style="list-style-type: none"> <li>• The communications protocol is being reconciled with the P2 Agreement.</li> <li>• (20/1) Laura working through with Comms group meeting scheduled 20 January</li> </ul> <p><b>Open Actions from 18 November 2020 minutes</b></p> <p><b>TTP Establishment Report</b></p> <ul style="list-style-type: none"> <li>• JT to meet <span style="background-color: #cccccc;">section 9(2)(a)</span> today and update Steering Group by email as to where the management case is at.</li> <li>• Integrated timeline to be agreed</li> </ul> <p><b>Open Actions from 16 September 2020 minutes</b></p>	<p>CLOSED</p> <p>CLOSED</p> <p>CLOSED</p> <p>JT (OPEN)</p> <p>CLOSED</p> <p>CLOSED</p>

<p><b>Actions</b></p> <ul style="list-style-type: none"> <li>• Paper to be prepared for the steering Group</li> <li>• Steering Group to identify areas they want covered in the review</li> </ul> <p><b>16-Dec Update</b></p> <ul style="list-style-type: none"> <li>• Charles to also send Treasury email out with re-distributed RPA paper</li> <li>• Treasury paper – verbal update provided</li> </ul>	<p>CLOSED</p> <p>CLOSED</p>
<p><b>Open Actions from 19 August 2020 minutes</b></p> <p><b>TTP Status Report</b></p> <ul style="list-style-type: none"> <li>• <b>Project Charter</b></li> <li>• NTS plan including milestones to be developed – in progress, tied into the integrated plan</li> <li>• JT to outline the approach to the NTS charter – in progress</li> <li>• Revised charter for Project NEXT (v2.0) approved subject to above changes being made and being re-circulated to steering group – working Group ToR to be agreed first before rolling into the charter and then re-circulated</li> </ul>	<p>CLOSED</p> <p>CLOSED</p>
<p><b>Open Actions from 14 August 2020 minutes</b></p> <p>nVALUE</p> <p>Software licence agreement to replace letter that will outline the responsibilities – work in progress</p> <p><b>16 Dec Update:</b></p> <ul style="list-style-type: none"> <li>• Paper prepared by MM that WH is working through.</li> </ul>	<p>CLOSED</p>
<p><b>Open Actions from 15 July 2020 minutes</b></p> <p>Governance</p> <p>P2 Agreement – 19 August/21 October – workshops ongoing</p> <p><b>16 Dec Update</b></p> <ul style="list-style-type: none"> <li>• P2 agreement has progressed but not complete</li> </ul>	<p>CLOSED</p>
<p><b>Open Actions from 17 June 2020 minutes</b></p> <p>TTP Status Report</p> <ul style="list-style-type: none"> <li>• Update on engagement with PTA's will be provided at the next steering group meeting</li> </ul> <p>15/7 – Customer experience is the key engagement and JT is working through, AT/GW attendees identified</p> <p>19/8 – in progress</p>	<p>CLOSED</p>

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		18/11 – Draft ToR to be discussed. VE requested a commit date for the ToR and scope of work. AM to provide the updated ToR for the next SG meeting, noting that there was a new Manager Public Transport commencing at WK.	CLOSED
5.	Project Report (To 31 December 2020)	<p><b>(Paper No 2021-01-02)</b></p> <p>Project report presented by GA with project status remaining Green with GA noting that the December 2020 financials have not been updated.</p> <p>GA commented:</p> <ul style="list-style-type: none"> <li>The key risks identified have been mitigated following close of moderation 2 phase.</li> <li>Overall schedule remains challenging</li> <li>Moderation 2 phase has now been completed and GA acknowledged the team effort of the evaluation teams, especially the Authority resources who had competing BAU activities</li> <li>Moderation 2 reports still need some tidy up in January, however this is not critical to progressing the evaluation</li> <li>REP meeting to be held 20 January to finalise the quality scores</li> <li>The overall down select dates are on track (end March)</li> <li>The RCAT met pre-Xmas around the risks and this is a topic for the REP to consider which risks may require a cost adjustment.</li> <li>In response to a request from <span style="background-color: black; color: red;">section 9:</span>, GA noted that the <span style="background-color: black; color: red;">section 9(2)(b)(i)</span></li> <li>DM asked about the shift in dates to October and was there a risk with finances and GA confirmed that there was not at this stage.</li> <li>There are some changes with project resources with Megan leaving in early February and there is no intention at this point to replace her. Also PwC have also lost 2 of their resources and this is a project responsibility to address which is in hand.</li> <li>There are no outstanding probity matters</li> <li>The P1 agreement has now been signed by all parties and the P2 agreement is being worked through.</li> </ul> <p><b>Action</b></p> <ol style="list-style-type: none"> <li>Summary paper detailing the scope of the financial services to be provided for the next steering group meeting.</li> <li>Wider communication strategy report to be provided to the next steering group meeting. This will be</li> </ol>	<p>GA</p> <p>LW</p> <p>CR</p>

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		<p>based on the paper currently being reviewed by Nicol Rosie that will be positioned as a pack for distribution to councillors.</p> <ul style="list-style-type: none"> <li>c. Rachel Turnage to be provided with this report as part of the communications workstream</li> <li>d. Broader messaging required for consistency and clarity of narrative for communities</li> <li>e. Retailer localities will be part of each Authority transition strategy – summary paper in a. above will outline the RNM approach</li> </ul>	<p>LW</p> <p>LW</p> <p>GA</p>
6.	TTP Establishment Report	<p><b>(Paper No 2021-01-03)</b></p> <p>JT confirmed that planning continues with the programme being in an amber status.</p> <p>JT identified 3 focus areas:</p> <ul style="list-style-type: none"> <li>a. Business case <p>Next DBC update is due end of January 2021, however this will not be complete. Pricing elements from the RFP will need to be included and this is being worked through.</p> <p>DM asked if we need the financials in the DBC before the next case is completed. [redacted] also stated that wouldn't the financials be updated following the down-select process. This was confirmed by GA/JT who also confirmed that the pricing team will not provide financials in the pre-selection phase.</p> <p>RJ was clear that the position with what requirements are unable to be met and the impact on the business case must be understood. [redacted] noted that the go/no go position with AT was understood and acknowledged that no surprises are wanted.</p> <p>GA confirmed that the report on the non-price position that will cover all these requirement areas will be with the RSG within the next 2 weeks.</p> <p>Suggestion was that RJ discuss his concerns with Jeani so that his requirements are caught at the REP.</p> <p>JT also noted that there will be 2 TCO models developed at the down-select phase and that the counterfactual information required from both AT and GW is still required to support the DBC.</p> </li> <li>b. Operating model <p>JT confirmed that the first workshop collectively with the PTA's will be held at the end of January and this will be followed up with individual workshops after this.</p> </li> <li>c. Integrated programme <p>Per Integrated Programme item below</p> </li> </ul>	

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7.	RFP Evaluation Progress	Verbal update provided in project report commentary	
8.	Gateway Review	No update from previous steering group meeting	
9.	NTS Integrated Program	<p><b>(Paper No 2021-01-05)</b></p> <p>JT provided an update on transitioning from procurement to NTS Programme and noted the need for a mechanism from the participants to progress with the transition and this mechanism will have a backstop to allow participants to get out.</p> <p><small>Section 91</small> asked for Steering Group input.</p> <p>WH stated that the participants need enough clarity and certainty as to what they are signing up to.</p> <p>CR responded by stating that the Waka Kotahi paper to the WK Board regarding the funding model is important. This will go to the ELT late February then will go through the steering group.</p> <p><b>Action</b></p> <p>DM to check timing of the ELT meeting and then steering group</p> <p>JT stated that there are some key calls to be made. One of these is the decision to launch Preferred Supplier engagement and at the end of BAFO (before contract finalisation) that the design SOW is commenced with the Preferred Supplier. The timing around this needs to be unfolded.</p> <p>RJ stated that there was a need for a Participation Agreement version P1.5 before BAFO as there may be an impact on commercials.</p> <p>GA said that the design timing needs to be sorted for the operating model pre-BAFO.</p> <p>Recommendations reviewed and recommendation 7 has an interdependency between the signing of the P2 agreement in April 2021 and the need for various NTS work-streams to define &amp; refine aspects of that agreement ahead of this, with the preferred pathway to be resolved before the February 2021 steering group meeting.</p> <p><b>Action</b></p> <p>Feedback on the preferred pathway to be provided to the working group that will meet to resolve the interdependency.</p> <p>Three scenarios tabled with different P2 signing dates and these were discussed.</p> <p><small>Section 91</small> view was that scenario 1 won't fly, scenario 2 is possible and scenario 3 not feasible. This will result in the P2 agreement being</p>	<p>DM</p> <p>Working Grp</p>

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		<p>signed at the end of BAFO and timing will ensure confidence with the engagement with the preferred supplier including financial surety, timing and scope.</p> <p>Overall <sup>section 91</sup> indicated that scenario 2 is his preferred approach, being signing P2 at the end of BAFO, with appropriate conditions precedent.</p> <p>Scott G enquired into the merit of having a P1.5. <sup>section 91</sup> responded that we must avoid a P1.5 and that the P2 agreement must have conditions precedent included.</p> <p>CR also added that the P2 agreement will be taken to GWRZ in the April/May period for approval and this will outline the funding model, operating model and DBC. Also it is noted that the SOW is another gate where appropriate approvals are required.</p> <p>JT noted that with this scenario 2 approach the design process and the set-up of the operating model will be delayed if the P2 agreement isn't signed until the end of BAFO. Scenario 1 does allow this preparation.</p> <p>GA said from his perspective scenario 1 is the best option as activities can go forward in parallel. Scenario 2 is linear and this causes a delay point.</p> <p><b>Action</b> Working group to explore merits of scenario 1 and the need to understand the constraints for the Participants, with the fall-back position being scenario 2, not scenario 3.</p> <p>Integrated Programme Plan recommendations:</p> <ul style="list-style-type: none"> <li>• Recommendations 1-5 Noted</li> <li>• Recommendation 6 – agreed in principle with timing to be resolved</li> <li>• Recommendation 7 – preferred pathway to land between scenario 1 and 2</li> <li>• Recommendation 8 – estimated budget and scope of works to be completed before work is committed.</li> </ul>	Working Grp
10.	BAFO Planning	<p><b>(Paper No 2021-01-06)</b> Paper identifying the 4 stages of the BAFO process tabled and GA asked for guidance for the BAFO planning.</p> <p>The key guidance is with the BAFO interactive workshops, especially with the transition approach.</p> <p><b>Action</b></p>	

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		<ul style="list-style-type: none"> <li>a. Separate 2 hour one-off discussion following RSG meeting to be set-up to agree the BAFO approach (Feb 17/18 being looked at)</li> <li>b. Working Group, in parallel with the BAFO planning, to develop Transition Discussion Papers for each Authority.</li> </ul>	GA Working Grp
11.	Customer Experience Forum	Deferred until next meeting	AM
12.	Communications Protocol	Paper to be presented at the next Steering Group meeting	JT
13.	General Business	<p><b>P2 Agreement</b> Further meeting being scheduled in February.</p> <p><b>Victoria DoT</b> Information has been requested to be shared with Victoria DoT. Steering Group agreed that GA can manage the information to be shared</p>	
14.	Meeting Closed 9:54am	Next Meeting: Wednesday 17 February 2021, 9:00am – 10:00am	

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