

Proactive Release

This document is proactively released by Te Manatū Waka the Ministry of Transport.

Some information has been withheld on the basis that it would not, if requested under the Official Information Act 1982 (OIA), be released. Where that is the case, the relevant section of the OIA has been noted and no public interest has been identified that would outweigh the reasons for withholding it.

Listed below are the most commonly used grounds from the OIA.

<u>Section</u>	<u>Description of ground</u>
6(a)	as release would be likely to prejudice the security or defence of New Zealand or the international relations of the New Zealand Government
6(b)	as release would be likely to prejudice the entrusting of information to the Government of New Zealand on a basis of confidence by <ul style="list-style-type: none"> (i) the Government of any other country or any agency of such a Government; or (ii) any international organisation
6(c)	prejudice the maintenance of the law, including the prevention, investigation, and detection of offences, and the right to a fair trial
9(2)(a)	to protect the privacy of natural persons
9(2)(b)(ii)	to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information
9(2)(ba)(i)	to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public
9(2)(ba)(ii)	to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely otherwise to damage the public interest
9(2)(f)(ii)	to maintain the constitutional conventions for the time being which protect collective and individual ministerial responsibility
9(2)(f)(iv)	to maintain the constitutional conventions for the time being which protect the confidentiality of advice tendered by Ministers of the Crown and officials
9(2)(g)(i)	to maintain the effective conduct of public affairs through the free and frank expression of opinions by or between or to Ministers of the Crown or members of an organisation or officers and employees of any public service agency or organisation in the course of their duty
9(2)(h)	to maintain legal professional privilege
9(2)(i)	to enable a Minister of the Crown or any public service agency or organisation holding the information to carry out, without prejudice or disadvantage, commercial activities
9(2)(j)	to enable a Minister of the Crown or any public service agency or organisation holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)

6 October 2022

OC220830

Hon Michael Wood
Minister of Transport

Action required by:
Wednesday, 12 October 2022

MINISTERIAL DIRECTION FOR CLEAN CAR UPGRADE AND SOCIAL LEASING SCHEME TRIALS

Purpose

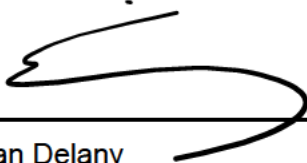
To secure your agreement to issuing the attached Ministerial Directions to Waka Kotahi New Zealand Transport Agency (Waka Kotahi) to implement the trials of the Clean Car Upgrade and Social Leasing schemes.

Recommendations

We recommend you:

- | | | |
|---|---|----------|
| 1 | agree to issue the <i>New Zealand Transport Agency (Trial Clean Car Upgrade Scheme) Direction 2022</i> that directs Waka Kotahi to establish and administer the Clean Car Upgrade Trial | Yes / No |
| 2 | agree to issue the <i>New Zealand Transport Agency (Trial Social Leasing Scheme) Direction 2022</i> that directs Waka Kotahi to establish and administer the Trial Social Leasing Scheme | Yes / No |
| 3 | sign the attached copy of <i>New Zealand Transport Agency (Trial Clean Car Upgrade Scheme) Direction 2022</i> | Yes / No |
| 4 | sign the attached copy of <i>New Zealand Transport Agency (Trial Social Leasing Scheme) Direction 2022</i> | Yes / No |
| 5 | sign the attached letter to the Chair of the Board of Waka Kotahi advising that you have signed the <i>New Zealand Transport Agency (Trial Clean Car Upgrade Scheme) Direction 2022</i> and <i>New Zealand Transport Agency (Trial Social Leasing Scheme) Direction 2022</i> | Yes / No |

- 6 **authorise** the Ministry of Transport to publish a copy of the *New Zealand Transport Agency (Trial Clean Car Upgrade Scheme) Direction 2022* and a copy of the *New Zealand Transport Agency (Trial Social Leasing Scheme) Direction 2022* in the Gazette and arrange presentation of those Directions to the House of Representatives on your behalf. Yes / No



Ewan Delany
Manager – Environment, Emissions & Adaptation
 6/10/2022

Hon Michael Wood
Minister of Transport
 / /

- Minister's office to complete:**
- Approved
 Declined
 Seen by Minister
 Not seen by Minister
 Overtaken by events

Comments

Contacts

Name	Telephone	First contact
Ewan Delany, Manager, Environment, Emissions and Adaptation	s 9(2)(a)	✓
Katherine Lee, Senior Solicitor, Legal		
Sydney Van Nortwick, Graduate Policy Advisor, Environment, Emissions and Adaptation		

MINISTERIAL DIRECTION TO WAKA KOTAHI FOR THE CLEAN CAR UPGRADE AND SOCIAL LEASING SCHEME TRIALS

An equitable transition to a low-emissions economy requires targeted policy

- 1 The first Emissions Reduction Plan reaffirms the Government's commitments to ensuring an equitable transition to a low-emissions economy. An equitable transition is one where people are not left behind and support is available for whānau, households, and other vulnerable groups who may face challenges due to this transition and require access to resources and technologies to help them participate in and benefit from our efforts to reduce emissions.
- 2 The Clean Car Upgrade and Social Leasing schemes aim to help an equitable transition to low-emissions vehicles and low-emission transport alternatives. Funding for trials of these schemes was secured in Budget 2022; the 12 April 2022 letter from the Minister of Finance to the Minister of Transport confirming the successful Vote Transport Budget 2022 initiatives refers.

Waka Kotahi will administer the trials of the Clean Car Upgrade and the Social Leasing Scheme

- 3 On 28 July 2022, the Cabinet Environment, Energy and Climate Committee agreed to implement a trial of the Clean Car Upgrade, a scrap-and-replace scheme for people on low- and moderate-incomes to remove their unsafe, high emissions vehicles from the fleet and replace them with safer, lower emissions vehicles or transport alternatives.
- 4 On 1 September 2022, the Cabinet Environment Energy and Climate Committee agreed to implement a trial of the Social Leasing scheme, which would provide people on low-incomes with low- or zero-emissions vehicles at a subsidised weekly rate.
- 5 Waka Kotahi has responsibility for implementing and administering the trials. Waka Kotahi is working to have each trial commence in at least one of the trial's locations by 30 April 2023, as agreed to in ENV-22-MIN-031 for the Clean Car Upgrade and in ENV-22-MIN-0036 for Social Leasing.

Waka Kotahi lacks the necessary direction to administer these trials, which puts delivery at risk

- 6 Waka Kotahi is not currently able to implement these trials, as they are not covered in its functions. Delivering these Ministerial Directions will enable Waka Kotahi to commence implementation, which is necessary to begin trials at the designated time.
- 7 The Ministerial Directions and decisions of you and Cabinet about initiative design will be important both to guide Waka Kotahi and to enable Te Manatū Waka to play its oversight role to ensure the initiatives target the outcomes the Government is seeking.

- 8 The Ministerial Directions are accompanied by a letter to Sir Brian Roche, Chair of Waka Kotahi, informing him of their issuance. This letter also outlines your expectation that these trials are implemented in accordance with the decisions on the initiatives made by you and by Cabinet, an expectation which is not outlined in the Ministerial Directions.

The proposed Ministerial Directions will give Waka Kotahi the necessary functions

- 9 Currently, the functions of Waka Kotahi, set out in section 95 of the Land Transport Management Act (LTMA) 2003, do not cover the administration of the Clean Car Upgrade Trial or the Social Leasing Scheme Trial. However, this section provides that functions can be added through a Ministerial Direction in accordance with section 112 of the Crown Entities Act (CEA) 2004. Section 103 of the CEA provides for a Minister to direct a Crown agent to give effect to Government policy that relates to the entity's functions and objectives.

New Zealand Transport Agency (Trial Clean Car Upgrade Scheme) Direction 2022

- 10 The *New Zealand Transport Agency (Trial Clean Car Upgrade Scheme) Direction 2022* will give Waka Kotahi the following additional function:

to establish and administer the trial Clean Car. For clarity, this includes undertaking work necessary to establish the Upgrade prior to its implementation.

- 11 On 28 July 2022, the Cabinet Environment, Energy and Climate Committee agreed that the Clean Car Discount rebates will not apply to vehicles subsidised through the Clean Car Upgrade (ENV-22-MIN-0031 refers). The *New Zealand Transport Agency (Trial Clean Car Upgrade Scheme) Direction 2022* will direct Waka Kotahi to give effect to this policy.

New Zealand Transport Agency (Trial Social Leasing Scheme) Direction 2022

- 12 *New Zealand Transport Agency (Trial Social Leasing Scheme) Direction 2022* will give Waka Kotahi the following additional functions:

to establish and administer the trial Social Leasing Scheme. This includes undertaking the work necessary to design and establish the trial social leasing scheme before its implementation.

- 13 Waka Kotahi was consulted during the drafting of the Ministerial Directions and was satisfied.

Legislative authority

- 14 Section 112 of the CEA provides for a Minister to direct a Crown entity to perform additional functions consistent with the entity's objectives, when empowered to do so by another Act (in this case section 95(1)(t) of the LTMA).

- 15 Section 103 of the CEA provides for a Minister to direct a Crown agent to give effect to Government policy that relates to the entity's functions and objectives.
- 16 We consider that these directions are consistent with the objective Waka Kotahi has under section 94 of the LTMA.
- 17 Waka Kotahi has been consulted on these directions, which fulfils the requirement for you to consult the relevant entity under section 115(1) of the CEA. Waka Kotahi was satisfied with the proposed approach.
- 18 Section 115 of the CEA requires you, as soon as practicable after giving these directions, to publish them in the *Gazette* and present a copy of them to the House of Representatives.

Next Steps

- 19 We ask you sign the attached Ministerial Directions by 12 October 2022. Waka Kotahi has already started work to establish the trials and it is preferable that the Directions are in place as soon as possible to enable implementation.
- 20 The attached letter to Sir Brian Roche, Chair of Waka Kotahi, informing him of the issuance of these Ministerial Directions also needs your signature.
- 21 The Ministry will arrange for the publication of the Directions in the *Gazette*, as well as their presentation to the House of Representatives. We ask you to authorise the Ministry to do this on your behalf.