

19 December 2022

Phil Pennington  
Radio NZ  
phil.pennington@rnz.co.nz

REF: OIA-11277

Dear Phil

**Request made under the Official Information Act 1982**

Thank you for your email of 21 October 2022 requesting the following information under the Official Information Act 1982 (the Act):

*RNZ requests release in fully searchable format regards the national ticketing scheme and Cubic's engagement, for calendar 2022:*

- *business case reports*
- *risk assessments*
- *Due diligence reports*
- *Details of costs and timeframes*
- *Any privacy impact assessment*
- *Any assessment or similar of data use including data sovereignty*

I have numbered each part of your request for convenience and will answer each in turn.

**1. business case reports**

The following document falls within the scope of this part of your request and is enclosed:

- Attachment 1 - 2022-08-08 NTS DBC Iteration 6 v2.

Certain information has been withheld under section 9(2)(b)(ii) of the Act, 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.

Certain information has been withheld under section 9(2)(ba)(i) of the Act. This section allows for the withholding of information 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 interest that such information should continue to be supplied.

## **2. risk assessments**

The following documents fall within the scope of this part of your request and are enclosed:

- Attachment 2 - April 2022 Waka Kotahi Board Paper - National Ticketing (In Confidence)
- Attachment 3 - FINAL DRAFT 7 July WK Board – NTS.

Certain information in Attachment 2 has been withheld under section 9(2)(ba)(i) of the Act.

## **3. Due diligence reports**

The following document falls within the scope of this part of your request and is enclosed:

- Attachment 4 - ITEM 02 - Parent Financial Refresh.

Certain information in Attachment 4 has been withheld under section 9(2)(ba)(i) of the Act. Information is also being withheld under section 9(2)(b)(ii) of the Act.

Another document titled "ITEM 02a - Refreshed Financial Viability Report - Cubic Corp" is being withheld in full under section 9(2)(b)(ii) of the Act due to the commercial sensitivity.

## **4. Details of costs and timeframes**

The 14-year nominal whole of life costs (non-discounted) can be broken down as follows:

- Capital costs is \$138.9 million
- Operating costs (including legacy phase out) is \$994.7 million
- Risk and transition costs are \$204.5 million
- Total programme cost is \$1,388.1 million (\$1.388 billion) over the lifespan of the contract (to the end of 2036). The total funding amount of \$1.3 billion is not additional spend as existing ticketing systems would cost approximately \$1.1 billion to be upgraded as a 'Do Minimum' option.

Costs met centrally for the full term of the agreement include:

- software and licences
- equipment (both back office and front office)
- compliance and certification
- design build and testing
- on-going IT services and operations for the central back office
- business, ticketing and financial operations
- solution support and maintenance
- field engineering services for support of all ticketing solution equipment
- merchant acquirer setup and operating costs (if any)
- transit card setup and programme manager operating costs
- retail manager setup and retail network operating costs
- Single Sign-On setup and operating costs.

Costs for councils will include:

- maintenance of their front office equipment
- ticketing solution costs for frontline service customer support
- transition costs of moving to the National Ticketing Solution
- closure of their existing system.

Regarding timeframes for the project rollout, Environment Canterbury will run a pilot in mid-2024, and all other Public Transport Authorities will implement the National Ticketing Solution by end of 2026.

#### **5. Any privacy impact assessment**

I am refusing this part of your request under section 18(e) of the Act because the document alleged to contain the information requested does not exist.

One of the principles of the Participation Agreement (between Waka Kotahi and councils) and Ticketing Solution Master Service Agreement is 'privacy by design.' In addition to that, all agreements require suppliers to comply with the Privacy Act 2020 to ensure personal information is handled with the utmost care and confidentiality. The full Privacy Impact Assessment is being undertaken as we commence the delivery phase.

#### **6. Any assessment or similar of data use including data sovereignty**

The contractual provisions with Cubic are to meet New Zealand legislative requirements. Cubic uses Microsoft Azure which is hosted in Australia. However, our contractual provisions include the requirement for Cubic to migrate to the New Zealand instance of Microsoft Azure, when it is available here.

The requirements of Māori data sovereignty need to be understood in the context of the data that is held in the system. At a personal level this is very limited and relates to basic identification data for registered customers, e.g., name, contact details. Therefore, the general obligations include alignment to the privacy standards of the European Union's General Data Protection Regulation, which in turn means compliance with New Zealand's Privacy Act 2020, will meet the requirements and expectations in respect of data sovereignty and Māori data sovereignty.

With respect to the information that has been withheld, I do not consider there are any other factors which would render it desirable, in the public interest, to make the information available.

Under section 28 of the Act, you have the right to ask the Ombudsman to review my decision to withhold this information and refuse part of this request. The contact details for the Ombudsman can be located at [www.ombudsman.parliament.nz](http://www.ombudsman.parliament.nz).

In line with Waka Kotahi policy, this response will soon be published on our website, with personal information removed.

If you would like to discuss this reply with Waka Kotahi, please contact Andrew Knackstedt, Senior Manager, Media by email to [Andrew.knackstedt@nzta.govt.nz](mailto:Andrew.knackstedt@nzta.govt.nz)

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Yogesh Anand', with a long horizontal stroke extending to the right.

**Yogesh Anand**  
Programme Director, NTS